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Contents

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International Gold and Dollar Flows

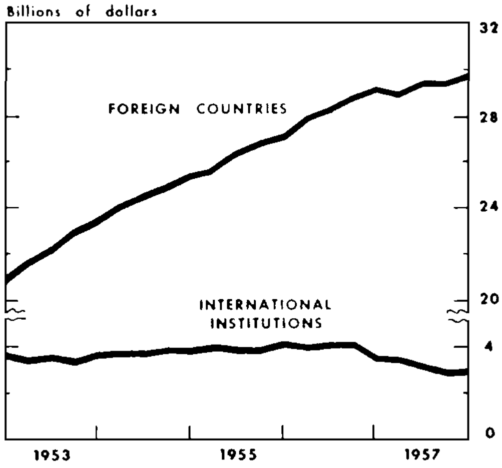
THE INTERNATIONAL RESERVE POSITIONS of many foreign countries were under pressure in 1957. Aggregate gold and dollar holdings of foreign countries and international institutions nevertheless rose $65 million to $32.7 billion, less than one per cent below the record level of September 1956. After declining earlier in the year, holdings rose $375 million in the fourth quarter, and continued to increase in early 1958.

The international flow of gold and dollars changed frequently. The reserve losses of some Western European countries connected with the Suez crisis continued into the first quarter of 1957. In the third quarter a wave of exchange rate speculation, affecting in particular the pound sterling, cut even deeper into the gold and dollar holdings of some Western European countries. This movement was halted and to some extent reversed in the fourth quarter.

Many countries suffered reserve losses because of inflationary pressures. In France, India, and Japan, the decline in reserves plus the losses covered by drawings on the International Monetary Fund and, for France, on the credit facilities of the European Payments Union, ranged from 40 to more than 60 per cent of official reserves at the beginning of the year.

By the year-end many countries had taken new steps to bring inflationary pressures under control and, with the ending of the world-wide investment boom, most industrialized countries had achieved financial stability.

GOLD AND DOLLAR HOLDINGS
FOREIGN COUNTRIES AND INTERNATIONAL INSTITUTIONS



NOTE.—End-of-quarter data.

The United States gold stock rose in 1957 to $22.9 billion, the highest level since January 1953; it declined early in 1958 as a result of purchases by countries that lost gold in 1957.

Foreign countries and international institutions sold $772 million of gold to the United States in 1957, but added $147 million to their dollar holdings. Foreign countries purchased $690 million of gold for their reserves from new production and other sources. Many countries obtained dollars through transactions with international institutions. Twenty countries drew on their quotas with the International Monetary Fund for a total of $913 million net.

Canada and many European countries increased their gold and dollar holdings in

1957, and some European countries that lost reserves earlier in the year retrieved much of their losses in the fourth quarter. In contrast, the holdings of nearly all non-European countries declined. The principal exceptions were some major oil-producing countries, and a few countries that received aid from the United States Government or benefited from particularly favorable export positions.

The United Kingdom and most Continental European countries that had payments deficits nevertheless maintained the liberalization of international trade achieved in previous years. Several countries with payments surpluses extended the degree of liberalization, and Italy and Germany further reduced limitations on capital transactions. On the other hand, some countries experiencing heavy reserve losses restricted imports, in addition to adopting measures of financial restraint; and a few countries tightened restrictions on capital movements during the period of speculative pressures.

TRANSACTIONS WITH THE UNITED STATES

United States exports and imports of goods and services were larger in 1957 than in 1956, exports by 12 per cent and imports by 4 per cent. During the second half of the year, however, exports declined from earlier peaks while imports changed little; the United States export surplus was therefore very large in the first half and then gradually diminished.

The outflow of private and Government capital from the United States also was larger than in 1956, but the increase was not sufficient in the first three quarters of the year to offset the rise in the export surplus. Recorded investment of foreign capital in the United States declined during the year.

SELECTED COMPONENTS OF UNITED STATES BALANCE OF PAYMENTS

[In millions of dollars]

Component	1956	1957p
Merchandise and services:		
Exports[1]	23,518	26,262
Imports[2]	20,447	21,331
Balance	3,071	4,931
Net outflow of U. S. capital and Government grants:		
Private capital	2,980	3,035
Govt. loans[3]	626	961
Govt. grants[4]	1,695	1,607
Net transfers of gold and dollars to foreigners[5]	923	−625

p Preliminary.
1 Excludes military transfers under grants.
2 Includes remittances, pensions, and military expenditures abroad.
3 Includes other short-term claims.
4 Excludes military grants.
5 As shown in table on p. 367.
SOURCES.—Net transfer of gold and dollars, Federal Reserve; other series, U. S. Department of Commerce.

Unrecorded payments to the United States (appearing in balance-of-payments statistics as "errors and omissions") were very large in the first three quarters. On balance, there was a net transfer of gold and dollars to the United States in the first three quarters, and a net transfer of dollars to foreign countries in the fourth quarter of the year.

Outflow of private capital. The net outflow of private capital from the United States reached a record $3 billion in 1957, 2 per cent more than in 1956. About half of the total went to Canada and Venezuela.

Direct investments in foreign branches and subsidiaries of domestic corporations accounted for two-thirds of the outflow; the remainder represented bank credit and new security issues. Private investors in the United States also provided substantial amounts of capital to foreigners in conjunction with loans of the International Bank for Reconstruction and Development.

The increase of $560 million in commercial bank credit extended to foreigners equaled the growth in 1956, and was almost evenly divided between short- and medium-term claims. The growth in short-term claims was mainly in acceptance credits to finance United States exports and the storage or shipment of goods abroad.

Government loans and grants. The outflow of United States Government capital (net loans and nonmilitary grants) rose $250 million to $2.6 billion. The increase was attributable to growth of Government loans and other claims; there was a slight decline in nonmilitary grants.

Disbursements by the Export-Import Bank were larger than in 1956, primarily because of the disbursement of $250 million on a loan to the United Kingdom. Short-term Government claims on foreign countries rose $300 million more than in 1956 with expansion of net receipts of foreign currencies from the agricultural surplus disposal program.

Foreign investments. Approximately $340 million in private foreign capital, 35 per cent less than in 1956, was invested in long-term assets in the United States other than Government securities. Foreigners were net sellers of United States corporate stocks during the last half of the year, for the first time since 1950.

Unrecorded payments to the United States were larger than in 1956. There was an inflow of $1 billion in the first three quarters of 1957, but an outflow of $200 million in the fourth quarter. These figures appear to indicate a change in the direction of unrecorded capital movements.

GOLD MOVEMENTS

Official gold holdings of foreign countries (excluding the U.S.S.R. and other Eastern European countries) increased an estimated $430 million in 1957 compared with an increase of $310 million in the previous year. Foreign monetary authorities added an estimated $690 million to their holdings from new production and other sources; they sold $172 million net to the United States and transferred $88 million to the International Monetary Fund. Gold holdings of the Fund declined $512 million, however, as the Fund sold gold to the United States to meet dollar drawings by member countries.

New production. Foreign gold production (excluding the U.S.S.R.) rose in 1957 about $45 million to an estimated $975 million, reflecting almost entirely increased South African output. In the first half of the year a considerable portion of the new production was added to official reserves, but in the last half the greater part was diverted to private holdings, apparently because of increased hoarding demands. Production in the United States amounted to $64 million, about the same as in each of the preceding three years.

Sales to the United States. The International Monetary Fund sold $600 million of gold to the United States and foreign monetary authorities sold $172 million net. The largest sales were by Argentina ($75 million), Spain ($31 million), the Netherlands ($25 million), and the Philippines ($22 million). There were only a few small purchases from the United States.

The inflow of gold had an expansionary effect on commercial bank reserves in this country; over two-thirds of the impact occurred in the first half of the year. Offsetting Federal Reserve open market operations served to keep the level of member bank reserves consistent with the policy of monetary restraint followed during the first three quarters of 1957.

DOLLAR HOLDINGS

Foreign and international dollar holdings rose $147 million in 1957. Private holdings increased while official foreign holdings and those of international institutions declined.

The bulk of foreign holdings consists of bank deposits, Treasury bills, and other United States Government securities. In the past year, however, holdings in these forms declined, as the table shows. The increase occurred in other short-term assets, mainly bankers' acceptances and commercial paper.

TRANSFERS OF GOLD AND DOLLARS TO FOREIGNERS, 1957[1]

[Net transfers from, or to (−), the United States, in millions of dollars]

Item	Year	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.[p]
Net transfers, total	−625	−594	−13	−270	252
Net gold transfers	−772	−342	−318	−19	−93
Net increase in dollar holdings	147	−252	305	−251	345
Deposits	−24	−372	431	−104	21
U. S. Govt. sec.:					
Short-term	−111	−192	−98	−89	268
Long-term	−42	127	10	−244	65
Other[2]	324	185	−38	186	−9

[p] Preliminary.
[1] Includes international institutions.
[2] Represents mainly bankers' acceptances and short-term commercial paper.

At various times, and especially in early 1958, changes in the form of short-term dollar holdings appear to have followed changes in the yields on various types of assets. For instance, acceptances held for foreign account at Federal Reserve Banks rose in December 1957 and January 1958, as a rapid decline in the Treasury bill rate increased the yield advantage on acceptances. In early 1958 foreign holdings of time deposits rose as yields on both Treasury bills and acceptances continued to fall.

REGIONAL CHANGES IN GOLD AND DOLLAR HOLDINGS

Eight European countries added to their gold reserves and dollar holdings in 1957. Three others—Belgium, the Netherlands, and the United Kingdom—in which inflationary pressures and a speculative outflow of capital led to gold and foreign exchange losses in the first nine months of the year, increased their holdings in the last quarter with the return of more stable conditions.

Almost all of the less industrialized countries lost gold and dollars. Some of these countries were attempting to carry out investment programs initiated under more favorable circumstances; in many of them domestic prices increased 10 per cent or more, and in almost all of them imports were at record levels.

Germany, Italy, Austria, and Norway increased their holdings by one-fifth or more. German holdings rose $770 million, and after allowance for German purchases of $175 million of International Bank notes the increase was comparable to that in 1956. "Hot money" flows, primarily associated with speculation on an upward revaluation of the German mark, contributed in the third quarter to large gains in German reserves and to losses by other European countries, in particular the United Kingdom and the Netherlands. In the ensuing months these flows were reversed.

France, the principal deficit country in Europe, lost virtually all of its remaining official reserves aside from gold held by the Bank of France. France also utilized credits totaling $440 million from the International Monetary Fund and the European Payments Union, an acceptance credit of $100 million from commercial banks in the United States, and part of the foreign exchange balances of French commercial banks. The total deterioration in its net gold and foreign exchange position exceeded $1 billion.

By early 1958 the French Government had undertaken to limit the size of the budget deficit and imposed restraints on the supply of credit. As part of the stabilization program, substantial foreign assistance was made available to France.

The gold and dollar holdings of the United Kingdom, after some recovery during the first half of the year from the impact of the Suez crisis, fell in the third quarter, mainly because of exchange rate speculation. To restore confidence in sterling and bring creeping inflation to an end, Bank rate was raised from 5 to 7 per cent in September, and other monetary and fiscal restraints were tightened. Thereafter sterling exchange rates strengthened and gold and dollar holdings increased.

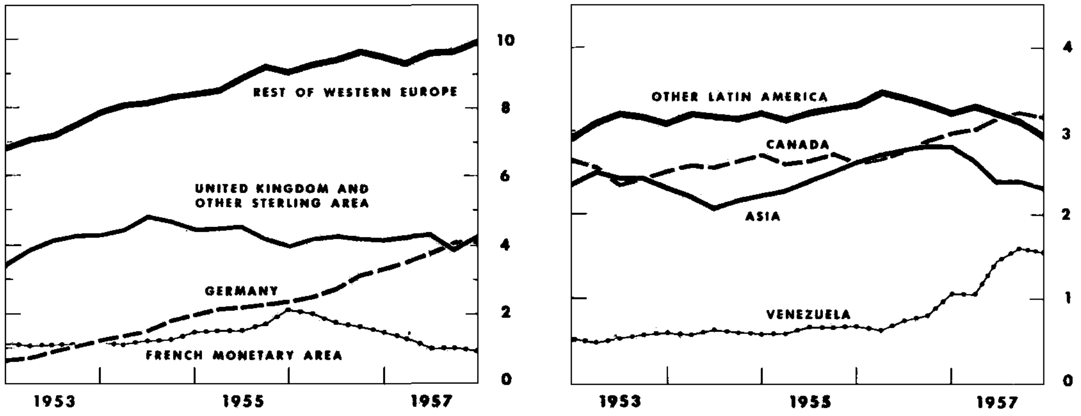
Almost all countries of the outer sterling area drew down sterling balances to meet deficits. Australia, which benefited from strong exports of wool, was a notable exception. India utilized nearly $500 million in foreign exchange assets, in addition to $200 million drawn from the Fund.

Canada and Venezuela added substantially to their gold and dollar holdings until the fourth quarter, when their holdings declined. The inflow of private capital from the United States fell in the second half of the year. Eight other major trading countries in Latin America showed declines, if account is taken of Fund drawings and the special financing arranged to enable Colombia to reduce commercial arrears. In six of these countries, increases in the cost of living exceeded 12 per cent during 1957.

Holdings of most Asian countries declined, but those of Thailand and of some major oil-producing countries increased. In Japan credit restraint, including an increase in the discount rate, halted inflationary tendencies and, coupled with tightened import restrictions, ended the drain on reserves. In the last months of the year, Japan's reserves rose despite a fall in sterling trade credits.

Detailed statistics on the gold and dollar holdings of foreign countries and international institutions are given on page 367.

FOREIGN GOLD AND DOLLAR HOLDINGS
SELECTED AREAS
Billions of dollars



INTERNATIONAL SOURCES OF FUNDS

A number of countries were assisted in meeting temporary deficits in their international payments by drawing on the resources of international and regional organizations as well as by borrowing from governmental and private sources of capital.

The United Kingdom was better able to weather the speculation against sterling in the third quarter of 1957 because in late 1956 the International Monetary Fund had provided a drawing and a standby arrangement totaling $1.3 billion and the Export-Import Bank had granted a credit line of $500 million. After acting in September to stop the reserve drain, the United Kingdom buttressed its reserves by drawing $250 million of the Export-Import Bank credit and obtaining the equivalent of a loan of $180 million through postponement of payments of principal and interest due the United States and Canada on loans made in 1945. It also renewed its standby arrangements with the Fund and the Export-Import Bank.

France drew the first half of its Fund quota ($263 million) and utilized credits of $176 million from the European Payments Union. In January 1958 a Fund standby arrangement of $131 million and European Payments Union credits totaling $250 million were made available to meet future French deficits, and at the same time the United States gave France an option to postpone payments on certain loans.

Net drawings from the Fund in 1957 amounted to $913 million, of which more than one-half was drawn by non-European countries. At the beginning of 1958, Fund resources readily available to member countries (excluding the United States, Canada, and Germany, Fund creditor countries) may be estimated at $1.5 billion, or 7 per cent of their gold and dollar holdings. Of this sum, $1 billion represents amounts available to countries under existing standby arrangements and the remainder the unused portion within the first half of the quotas of these countries. The Fund's attitude toward drawings within the first half of a member's quota has been liberal, provided the member makes reasonable efforts to solve its financial problems.

Since 1950, Western European countries have been able to borrow from the European Payments Union. Nearly all of the debts outstanding in early 1958 had their counterpart in credits granted to the Union by other members, principally by Germany ($1 billion), Belgium, and the Netherlands. After settlement of the deficits and surpluses for 1957, seven countries with over-all deficit positions had aggregate unused borrowing rights of $777 million, including the recent credits to France.

Countries in deficit also received credits directly from countries with strong balance-of-payments positions. In 1957 six Latin American countries renewed, but did not draw on, exchange agreements with the United States Treasury. Chile obtained a credit from the Export-Import Bank in connection with its stabilization program, and Colombia received a loan to assist in the settlement of payments arrears. The Netherlands received a short-term credit of $80 million from the German central bank.

Private capital contributed toward international payments stability in 1957, although at times speculative movements accentuated the foreign exchange difficulties of some countries. Commercial banks in the United States renewed lines of credit to Brazil, as well as credits to Chile and Peru made available in conjunction with Treasury exchange agreements and Fund standby arrangements. They also made loans to Colombia to help in settling arrears, and to the Philippines.

German commercial banks extended credits of more than $100 million to the Governments of Belgium and the Netherlands. The discount rate policies of leading European countries facilitated the outflow of capital from Germany; interest rates in Germany, accompanying two reductions in the discount rate, declined, while those in most other European money markets rose or remained high.

The international means of payment at a country's disposal thus often exceed its reported reserves. In recent years supplementary sources of foreign exchange have become increasingly available to countries having international payments difficulties, especially when they adopt effective measures to restore internal financial balance.

Preliminary Findings of the 1958 Survey of Consumer Finances

CONSUMERS EARLY THIS YEAR viewed their financial positions and prospects less favorably than a year ago and expressed concern about the general business outlook, according to the preliminary findings of the thirteenth annual Survey of Consumer Finances.[1] This Survey was conducted in January and February 1958 by the Board of Governors of the Federal Reserve System in cooperation with the Survey Research Center of the University of Michigan. Personal interviews with a representative sample of the consumer population provided information on consumers' financial positions, views about their own and general economic prospects, and their plans for purchasing durable goods and houses during the year.

In reporting their views about their present financial situations, about one-third of all spending units said they were better off than a year ago while another one-third said they were worse off. These proportions indicated a less favorable situation than in the preceding three years but were very similar to the reports on this question in early 1954 and early 1949.

The decline in wage and salary income in recent months was reflected in an increase in the proportion of consumers who reported they were making less than a year ago. In January-February of this year 26 per cent of the consumers said their rate of income was lower than it had been a year earlier. This was the largest proportion reporting an income decline for any Survey in recent years and was somewhat larger than in early 1954 and early 1949. About 36 per cent of all spending units reported that they were earning more early this year than a year ago. This proportion was lower than in any Survey since early 1950.

The decline in personal income in the closing months of 1957 had little effect on consumer incomes for the year as a whole and the distribution of money income received in 1957 was very similar to that reported for 1956. There also appeared to be no significant changes in the distribution of holdings of liquid assets other than currency from early 1957 to early 1958. About one-fourth of the consumers in both years reported no liquid asset holdings while about one-third reported substantial holdings—$1,000 or more.

There was a sharp contrast between consumers' views about general business con-

[1] These findings are based on preliminary tabulations of approximately 2,600 interviews taken in January and February 1958 in the 12 largest metropolitan areas and 54 other sampling areas throughout the country. Additional interviews and adjustments for differential response rates in various strata of the sample will be incorporated in the tabulations which will be published in later articles in the Federal Reserve BULLETIN. In past years differences between preliminary and final data have been small.

The Survey of Consumer Finances, like other sample surveys of this type, is subject to response as well as sampling errors. As a result of such factors, undue importance should not be attached to small changes in the data from year to year. For tables of sampling errors in Survey data see the Federal Reserve BULLETIN, June 1957, p. 638.

ditions and their appraisals of their own financial prospects. While many consumers were pessimistic about the business situation during the coming year, very few expected their own incomes to decline. About two-fifths of the consumers interviewed in January and February expected "bad times" during the year and about one-third expected "good times," a less favorable expectation than reported in any other Survey of Consumer Finances. Nevertheless, nearly three-fourths of all spending units expected to be making at least as much at the beginning of next year as they were making early this year, and half of these expected to be making more. Only one-tenth expected their rate of earnings to decline in the coming year. Consumers' views as to their income prospects were only moderately less favorable than in other recent Surveys and more favorable than in early 1954 and early 1949.

Nearly one-half of all spending units expected retail prices to rise over the year. Expectations of price increases were expressed somewhat more frequently by those in the middle and lower income brackets than by the upper income groups.

Consumers' plans to purchase major items during 1958 present a picture generally consistent with current market conditions. Plans to purchase new and existing houses were less frequent than in 1955-57, but somewhat more frequent than in early 1954. Intentions to make expenditures on home improvements and maintenance were expressed as frequently as in other recent years. Plans to purchase furniture and appliances were expressed by over one-fourth of the spending units, about the same as in early 1955 and early 1956 and only slightly below the proportion planning such purchases a year ago. For both home improvements and maintenance and furniture and household appliances, purchase plans were reported more frequently in early 1958 than in early 1954.

In early 1958 the proportion of consumers expressing plans to purchase new automobiles was substantially below the proportion reporting such plans in other recent years. On the other hand, there was a sharp increase in the frequency of plans to buy used cars. The median amount that consumers expected to spend for new cars this year was a little below that of a year ago, while the median amount they expected to spend for used cars was almost unchanged.

The data shown on buying plans serve as an index of consumers' present attitudes toward such purchases rather than as a forecast of the number of actual purchases during the coming year. Many consumers do not plan purchases a year in advance and those expressing plans early in the year may alter their plans in the light of subsequent changes in the general economic situation and their own financial positions.

NOTE.—The summary table begins on the following page.

Preliminary Results of the Federal Reserve Survey of Consumer Finances Early 1958, with Final Results for Early 1948-57 [1]

[Percentage distribution of spending units]

Consumer financial positions	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948
Evaluation of own financial situation											
Better off than a year ago	33	40	40	38	36	38	33	32	32	33	29
No change	36	35	35	33	31	33	29	29	32	35	28
Worse off than a year ago	30	23	23	27	31	26	35	37	34	30	39
Don't know, not ascertained	1	2	2	2	2	3	3	2	2	2	4
All cases	100	100	100	100	100	100	100	100	100	100	100
Past change in income rate [2]											
Making more than a year ago	36	45	41	38	41	48	46	49	30	42	43
No change	36	35	38	37	34	32	33	33	41	35	33
Making less than a year ago	26	18	18	23	23	16	17	17	27	21	21
Don't know, not ascertained	2	2	3	2	2	4	4	1	2	2	3
All cases	100	100	100	100	100	100	100	100	100	100	100
Money income in prior year, before taxes											
Under $1,000	9	9	11	10	10	11	13	13	14	12	14
$1,000–$1,999	13	12	12	13	13	14	15	17	19	18	22
$2,000–$2,999	12	12	13	14	14	16	18	19	21	23	23
$3,000–$3,999	12	12	14	17	16	18	18	19	19	20	17
$4,000–$4,999	12	14	14	14	16	15	15	12	11	12	10
$5,000–$7,499	25	24	22	21	21	17	14	14	11	10	9
$7,500–$9,999	10	9	8	6	5	5	4	3	2	2	
$10,000 and over	7	8	6	5	5	4	3	3	3	3	5
All cases	100	100	100	100	100	100	100	100	100	100	100
Liquid asset holdings [3]											
Zero	25	24	28	29	26	29	31	28	31	29	27
$1–$199	18	17	15	17	15	16	17	16	16	16	15
$200–$499	14	14	12	12	13	12	13	14	11	13	13
$500–$999	11	12	12	10	13	11	9	11	10	11	12
$1,000–$1,999	10	11	11	10	11	12	10	12	10	11	12
$2,000–$4,999	13	13	12	12	13	11	12	11	13	12	12
$5,000–$9,999	5	5	6	6	5	5	5	5	6	5	5
$10,000 and over	4	4	4	4	4	4	3	3	3	3	4
All cases	100	100	100	100	100	100	100	100	100	100	100

[1] Preliminary data for early 1958 are based on the first 2,584 spending units interviewed and have not been adjusted for nonresponse. Data for previous years are based on complete surveys and adjusted for nonresponse.

[2] Includes only nonfarm spending units.

[3] Liquid assets include U. S. Government savings bonds, checking accounts, savings accounts in banks, postal savings, and shares in savings and loan associations and credit unions; currency is excluded. Data prior to 1957 include also marketable U. S. Government bonds which were held by about 1 per cent of all spending units in 1957.

PRELIMINARY RESULTS OF THE FEDERAL RESERVE SURVEY OF CONSUMER FINANCES—CONT.
EARLY 1958, WITH FINAL RESULTS FOR 1948-57 [1]

[Percentage distribution of spending units]

Consumer plans and expectations	1958	1957	1956	1955	1954	1953	1952	1951	1950	1949	1948
Expected change in income rate [2]											
Making more a year from now	37	40	37	39	29	34	37	(4)	28	27	28
No change	35	35	36	36	35	33	30	(4)	32	46	47
Making less a year from now	11	7	8	6	15	10	8	(4)	10	17	13
Don't know, not ascertained	17	18	19	19	21	23	25	(4)	30	10	12
All cases	100	100	100	100	100	100	100	(4)	100	100	100
Expected general business conditions [5]											
Good times	33	60	64	59	43	(4)	(4)	(4)	40	47	47
Fair times	9	7	5	5	8	(4)	(4)	(4)	15	14	6
Bad times	39	13	9	12	25	(4)	(4)	(4)	17	25	26
Uncertain, not ascertained	19	20	22	24	24	(4)	(4)	(4)	28	14	21
All cases	100	100	100	100	100	(4)	(4)	(4)	100	100	100
Plans to purchase [6]											
Houses [2]	7.1	8.7	9.4	9.4	6.6	8.8	6.4	8.5	8.4	7.0	7.5
Home improvement and maintenance [2 7]	22.8	23.4	22.2	22.0	19.6	16.9	(4)	(4)	(4)	(4)	(4)
New automobiles	6.6	8.5	8.4	8.2	7.9	9.0	6.8	6.6	10.6	11.8	9.7
Used automobiles	10.5	8.4	7.2	7.5	6.4	6.2	6.0	5.5	6.9	6.8	4.1
Furniture and major house appliances	28.3	29.4	28.0	28.5	26.9	31.9	23.2	27.4	28.4	30.9	27.4
Median planned expenditure [8]											
New automobile	$2,850	$2,920	$2,810	$2,800	$2,570	$2,500	$2,340	$1,970	$1,920	$1,990	$1,800
Used automobile	900	890	800	810	750	950	760	590	540	630	600
Furniture and major household appliances	290	300	290	290	330	330	300	300	290	250	240
Home improvement and maintenance [2 7]	410	460	370	330	300	(4)	(4)	(4)	(4)	(4)	(4)

[4] Data not available.
[5] Data are based on question: "Now considering the country as a whole, do you think that during the next 12 months we will have good times or bad times, or what?"
[6] Spending units that reported they would, probably would, or possibly would buy, or that had already bought, in Survey year.
[7] Includes only planned expenditures of $50 or more for improvement and maintenance of home.
[8] Data for automobiles are based on planned expenditures of spending units that reported they would or probably would buy or had already bought; data for other items include, in addition, planned expenditures of spending units that reported they possibly would buy. Medians shown are interpolated from bracket amounts starting in 1952.

Economic Policy Considerations

THE YEAR 1957 was a difficult one for those of us charged with appraising financial and economic events and formulating appropriate monetary policy. From its opening and on during much of the year, inflationary pressures were dominant in this country and abroad. In commodity markets, industrial prices were continuing to advance despite generally downward reaction in prices of some internationally traded basic materials following the Suez crisis. In consumer markets, prices of goods and services were advancing at a very rapid pace for a nonwar period. Prices of common stocks, which had tended down from mid-1956 to early 1957, rose sharply to new highs in midsummer under the influence of creeping inflation doctrine and of widening confidence that the large capital expansion in which business was engaging would be adequately supported by the demands of a rapidly growing population for a rising standard of living. The strength of inflationary pressures was exemplified by the marked advances being recorded in the gross national product measured in current dollars as compared with the relatively modest gains that were being obtained in the physical volume of total output.

In spite of Federal Reserve actions taken to resist inflationary trends—including six increases of Federal Reserve Bank discount rates in 1955 and 1956 and the pursuance of a restrictive credit policy—money lost its value at a rate that was a matter of great concern to all. Inflationary excesses had clearly gotten ahead of us and the economy stood in danger of an inflation crisis. The adjustment problems that the economy is confronting today are the aftermath of those excesses.

As a nation, we were trying to do too much too fast, and heavy pressure was exerted against the available supply of savings. In retrospect, we underestimated the speed and force of the inflationary boom and the widespread growth in speculative attitudes and commitments. Consumer instalment credit rose substantially in 1955 when terms were sharply relaxed and consumers used credit more freely than ever before in the purchase of a record number of new automobiles. Businesses greatly increased their expenditures for plant and equipment. The rise from 1955 to 1956 amounted to more than one-fifth for business as a whole and this advanced level was further exceeded in 1957. Stock investors were too optimistic in capitalizing the income and dividends which this investment might yield. Bankers and other lenders greatly expanded their commitments to lend in these years. Also, liquidity positions of banks and businesses were being reduced as their short-term liabilities were increasing faster than their holdings of cash and Government securities. Labor unions sought wage increases—and commitments for fu-

NOTE.—Statement of William McChesney Martin, Jr., Chairman, Board of Governors of the Federal Reserve System, before the Subcommittee on the Federal Reserve of the Senate Committee on Banking and Currency, Feb. 19, 1958.

ture increases—that pressed against or exceeded gains in productivity. State and local governments borrowed record amounts through the capital markets in an effort to meet the needs of their citizens for community facilities and services.

Inflationary trends continued through the summer months of last year. There was an alarming spread of the belief, not only in this country but also abroad, that creeping inflation under modern economic conditions was a chronic and inevitable condition. Reflecting this view, common stocks, the most popular hedge against inflation, rose sharply in price in July to a level where for the first time in two decades their yields fell below the yields on high-grade bonds. Also, credit demands generally continued to show great strength, and interest rates were rising. Large city banks on August 7 raised their lending rate to prime business borrowers from 4 to 4½ per cent. In this situation, Federal Reserve Bank discount rates, which were below market rates by a widening margin, were raised in mid-August from 3 to 3½ per cent, thus increasing costs to member banks operating on the basis of borrowed reserves.

In late summer and early autumn, developing uncertainties here and abroad began to affect the short-term economic outlook. In European exchange markets, widespread expectations of changes in exchange rates fostered large speculative movements of funds between European centers. These expectations in part reflected further accentuation of inflationary developments in some key countries, despite actions to tighten credit that were taken in various countries during the summer. It was not until late September, after the Bank of England established a 7 per cent discount rate, that it became clear that key foreign currency values would be maintained and that inflation would be strongly resisted.

In this country, the unexpected curtailment in defense payments and changes in procurement policies that were inaugurated during the summer, partly to avoid breaking through the debt ceiling, had an unsettling effect on business. In September, nonagricultural employment, which had been at a record level in August, began to show signs of slackening. The Board's index of industrial production declined slightly. Reflecting these and other developments, common stock prices in late September broke through the trading range that had prevailed during the past two years. With changing attitudes toward the economic outlook, production and other adjustments that had been occurring for some months in various lines of activity, including some capital goods lines, came to be reappraised by businessmen, investors, and the public generally. In contrast to earlier indications of strong credit demands, bank loans to business during early autumn decreased contrary to usual seasonal tendencies.

The pace of business was maintained for a time despite these uncertainties. By late October, the composite of most recent economic information suggested that inflationary pressures were abating, and open market operations were modified to lessen restraint on bank credit and monetary expansion. By mid-November, information becoming available, incomplete though it was, indicated that a general downward adjustment was setting in. In response to this change in basic economic conditions, Federal Reserve Bank discount rates were reduced from 3½ to 3 per cent.

Since that time, the use of open market and discount policies has been complementary. Open market operations have provided sufficient reserves to permit member banks not only to repay a substantial portion of their indebtedness to the Reserve Banks, but also to accumulate some addition to reserves available for bank credit expansion. Discount rates were lowered again in mid-January, from 3 to 2¾ per cent.

At the end of 1957, stock market credit to customers of brokers and banks for purchasing and carrying listed securities was less than at midyear and back to the level of early 1955. Thus, the need for using the higher level of margin requirements, established in early 1955 to prevent an excessive expansion of stock market credit, had abated. The Board of Governors in mid-January reduced margin requirements for purchasing or carrying listed securities from 70 to 50 per cent.

System actions have contributed to a marked easing in the credit and capital markets. This is illustrated dramatically by the very sharp drop in market rates of interest, the sharpest drop for any comparable period of which I have knowledge. Yields on Treasury 90-day bills dropped nearly two percentage points—from over 3½ to a recent low of 1½ per cent. This adjustment in credit and capital markets is helping to facilitate and cushion other adjustments in the economy as well as to strengthen demands in important areas dependent on credit financing. It is thus, along with other Government programs, helping to set the stage for recovery in activity and employment.

We all share the hope that recession will be moderate and short lived, but it is not possible to be completely certain about the future course of economic activity. There is a range of views currently held regarding the duration and extent of this recession and of the timing and vigor of the ensuing recovery. In my own view, the underlying strengths of the economy are many. The inflationary trends seem to have halted before creating maladjustments of such severity as to lead to a protracted period of liquidation and structural realignment in the economy. After not too long a period of readjustment, healthy revival should set in, progressing to new records of economic performance and new high levels of national well being. A great deal depends upon the speed with which needed readjustments are made.

We are all, of course, well aware that reasoning by analogy may be misleading and that history does not repeat itself. Nevertheless, it may be noted that the downward movement from the third quarter 1957 peak has been reminiscent in many ways of the declines that occurred in 1948-49 and in 1953-54. In these two postwar recessions, lows in activity were reached in less than a year from the cyclical peak and recovery to new high levels of output, demands, and employment was rapid and substantial. In both recessions, the industrial production decline was limited to about 10 per cent from high to low. With the exception of the catastrophic depression of the early 1930's, the downward phase of every cycle since World War I has been over or virtually over in the course of about a year.

Many basic forces in the present situation are favorable to hopes for recovery. These include:

(1) Credit and capital market conditions have already responded to relaxed monetary policy and are much easier than they were a few months ago. Other important financial adjustments have already been made or started. Stock yields, for example, have adjusted to a more normal relationship with

high-grade bond yields. By borrowing from the capital market, moreover, business firms have been repaying bank debt, thus rebuilding the liquidity positions of both financing institutions and business enterprises.

(2) Consumer incentives to achieve still higher standards of living are strong, and research continues to provide new products of wide consumer appeal. As a group, businessmen and consumers continue to have confidence in the long-term growth prospects for our economy. Total retail sales advanced in both December and January and were well above those a year earlier despite lower sales of new automobiles.

(3) Population increase has been maintained at a rapid pace—the rise of 1.8 per cent in 1957 compares with a postwar average of 1.7 per cent, and hence the market is expanding steadily.

(4) Consumer incomes have shown some cyclical decline recently, but the decline has been small and moderated by unemployment compensation benefits. Consumer demands are supported by a record volume of financial assets, the ownership of which is widely distributed. Growth in such assets was rapid in 1956 and 1957, while growth in consumer instalment and mortgage debt, though not small, was at a much slower rate than in 1955. The availability and terms of mortgage credit have recently become more favorable to borrowers. New housing starts increased in January and were moderately above their low in the spring of 1957.

(5) At the State and local government level, community demands for schools and teachers, for roads, public buildings, and other community facilities are continuing large and insistent. Bond issues of State and local government authorities have advanced to record levels.

(6) For the Federal Government, postwar budgets have been dominated by the need to cope with critical international stresses and tensions and to provide adequate defense under conditions of major scientific advance and rapid technological change. National security and related problems continue to be urgent.

(7) Insofar as international economic developments are concerned, Western Europe still shows strength. Industrial activity, while no longer expanding, has generally been maintained at or close to record levels. In general, balance-of-payments positions have improved although in several countries reserves of gold and foreign exchange are not as large as might be desired. Outside Europe, however, raw materials producing countries are facing difficulties because of declines in volume and prices of their exports.

A primary uncertainty with respect to the timing of economic revival and renewed growth relates to the course of business outlays for new plant and equipment. Some observers view the business capital goods boom of the past three years as having provided a margin of industrial capacity over prospective demands greater than can be absorbed quickly. These observers tend to expect a more protracted period of adjustment than took place in the two preceding cycles.

This concern may turn out to have been well founded, but it may be noted that capacity never appears more excessive than in the midst of receding activity. Recovery, in due course, can certainly be expected to be accompanied by effective and profitable use of the economy's capacity to produce and by still further additions to capacity. The important factors working to expand business capital investment in the period ahead should not be minimized. The advance in the technology of production, in part the result of the huge investment in research of recent years, has been rapid and can be expected to continue. Incentives to reduce costs, to meet competition, and to sustain or improve profitably, are strong.

History shows that our market economy has cyclical characteristics, and the consequences of this irregularity in terms of hardship and unemployment are of deep concern to everyone. When downward readjustment becomes unavoidable, it is incumbent on business enterprises, financial institutions, and labor organizations, as well as Government generally, to adjust policies and programs to foster recovery. We have been concerned, for example, at the decline in output and employment while prices generally have been maintained and some prices even have risen further. Currently, it may be noted, consumer prices reached a new high in November and remained at about that high in December and January. How soon recession is checked and recovery is resumed will be influenced by the rapidity with which economic corrections and adaptations are made in factors beyond the province of monetary policy, that is to say, in business pricing policies, selling practices and productive efficiency; in wage bargaining; in various financing arrangements; and in the incentives to consumers to buy. In the past, price reductions during periods of contraction served to stimulate increased buying and output and thus to contribute to general recovery and expansion. Undoubtedly, lower prices now would prove to have expansive benefits for economic activity generally.

If needed adjustments are promptly made, the current recession may be moderate and short lived. Furthermore, there will be the possibility that revival may develop without renewed inflationary tendencies. Under such circumstances, the task of monetary policy would be to foster such revival and to encourage resumption of orderly growth.

If revival in over-all economic activity becomes exuberant, however, there will be an accompanying danger of resurgence of inflationary pressures. Postwar experience has demonstrated that, in a period of expanding demand, upward pressures on prices and costs can develop quickly. Once under way, inflationary movements tend to spread themselves throughout the economy, not only because of normal market reactions, but also because of a variety of institutional arrangements.

When contractive tendencies in economic activity set in, there is always the hazard that recession may be deeper and more protracted than many anticipate, with a greater degree of underutilization of manpower and industrial resources and with manifest deflationary tendencies. In such an eventuality, further monetary action would need to be considered, both to increase the liquidity of the economy and to encourage expansion of spending financed by credit. Monetary policy by itself, however, cannot assure resumption of high-level employment and sustainable economic growth, although ready availability of credit at reasonable cost is an essential ingredient for recovery.

Those charged with responsibility for national economic policies must at all times reckon with the dangers both of inflation and of deflation. The central policy problem, in one sense, is to prevent either inflationary trends or deflationary trends from becoming dominant. Public policies for one objective or another can have effects that go far beyond those that are intended.

Both fiscal and monetary policies must be carefully formulated to exert enough pressure or ease but not too much. That is a difficult task. It is one that you and I both must live with every day, and do the very best we can to reach the judgments and come to the decisions which in the long run will prove to have been wise.

As I have said on many occasions, anti-inflationary policies and anti-deflationary policies are inseparably linked. Excesses on the upside must be avoided in order to avoid the heavy costs and personal hardships that unfortunately develop during the ensuing contraction. Now that we are in the contractive phase, we must take whatever actions are needed to minimize the hardships and to foster vigorous recovery. But in so doing we also must recognize that excessive stimulus during recession can sow seeds of inflation that can grow to jeopardize our long-run stability and our economic strength at a time when as a nation we are confronted with a special urgency to maintain all the productive strength we can muster on a sustainable basis.

Credit Extended by Banks to Real Estate Mortgage Lenders

Credit extended to real estate mortgage lenders by weekly reporting member banks as of February 12, 1958 amounted to $1,009 million, $80 million less than reported at the previous survey on August 14, 1957. Commitments to extend additional credit to these lenders declined $72 million to $673 million.

Loans to real estate mortgage lenders secured by the pledge of real estate mortgage loans amounted to $728 million and accounted for $47 million of the decrease since August. As in previous surveys these loans were largely to real estate mortgage companies.

The foregoing information was obtained by a special survey of all types of credit extended by commercial banks to real estate mortgage lenders. Results of earlier surveys have been published in the September 1957 and earlier Federal Reserve BULLETINS.

CREDIT EXTENDED TO REAL ESTATE MORTGAGE LENDERS BY WEEKLY REPORTING MEMBER BANKS IN LEADING CITIES, FEBRUARY 12, 1958 AND SELECTED PRIOR DATES

[In millions of dollars]

Item	Outstanding on				Increase (or decrease –)	
	Feb. 12, 1958	Aug. 14, 1957 r	Feb. 13, 1957	Aug. 10, 1955	Aug. 14, 1957 to Feb. 12, 1958	Feb. 13, 1957 to Feb. 12, 1958
Real estate mortgage loans purchased from real estate mortgage lenders under resale agreement, total	181	201	257	338	–20	–75
Insurance companies	39	33	62	235	5	–23
Mortgage companies	84	88	98	90	–4	–15
Other[1]	59	79	96	12	–21	–37
Loans to real estate mortgage lenders secured by the pledge of real estate mortgage loans owned by the borrowers, total	728	775	919	982	–47	–191
Insurance companies	4	3	5	11	2	–1
Mortgage companies	673	715	845	911	–41	–171
Other[1]	50	57	68	59	–7	–18
Loans to real estate mortgage lenders, not secured, or secured other than by the pledge of real estate mortgage loans owned by the borrowers, total	100	114	102	88	–13	–2
Insurance companies	6	11	3	4	–4	4
Mortgage companies	37	38	43	24	....	–5
Other[1]	57	65	57	60	–8	–1
Total loans to real estate mortgage lenders	1,009	1,089	1,278	1,408	–80	–268
Unused portions of firm commitments to purchase real estate mortgage loans from real estate mortgage lenders with or without resale agreement, or to make secured or unsecured loans to real estate mortgage lenders, total	673	746	788	1,295	–72	–114
Insurance companies	18	66	75	183	–48	–57
Mortgage companies	541	562	581	894	–21	–40
Other[1]	114	118	132	219	–4	–17

r Revised.

[1] Savings and loan associations, mutual savings banks, builders and other organizations (other than banks) that make or hold substantial amounts of real estate loans.

NOTE.—Banks reporting less than $1 million of these loans and commitments at Aug. 8, 1956 and Aug. 14, 1957 were not asked to report in other surveys, but their Aug. 8, 1956 figures are included in Feb. 13, 1957 data, and their Aug. 14, 1957 figures are included in Feb. 12, 1958 figures for comparative purposes. Details may not add to totals because of rounding.

Bulletin Subscription Rate For Member Banks

The Board of Governors has sent the letter printed below to the presidents of all member banks advising them that the Federal Reserve BULLETIN is now available to member banks and branches at a special annual subscription rate of $2.00.

March 7, 1958

As its means of official communication with member banks of the Federal Reserve System, the Board of Governors sends a copy of its monthly Federal Reserve BULLETIN without charge to the head office of each member bank. This it will continue to do.

In 1939 the Board adopted the practice of sending a free subscription to the BULLETIN to each branch of a member bank the business of which was sufficiently important to justify the Board in making a copy available to the managing officer of the branch, with a limit of 50 copies to any one member bank. The Board has had occasion recently to reconsider this practice in the light of current conditions and has concluded for a number of reasons that free distribution to branches, both foreign and domestic, should be discontinued after the issue for April 1958. It also concluded, however, that additional subscriptions in such number as each bank might desire, either for branch or head office use, should be made available at a reduced rate.

Accordingly, beginning with the May 1958 issue, if your bank wishes to have additional copies of the Federal Reserve BULLETIN, they will be sent in any number desired to either your head office or your branches at a special rate of $2 a year for each subscription payable in advance. This will make the BULLETIN available to all member banks on a uniform basis. As current paid subscriptions expire they will be renewable at this rate. Subscriptions should be sent to the Board of Governors of the Federal Reserve System, Division of Administrative Services, Washington 25, D. C.

Paid subscriptions to the BULLETIN at the $2 rate are available only to member banks. In all other domestic subscriptions where a charge is made the regular price of $6 applies.

Very truly yours,

S. R. CARPENTER,

Secretary.

Law Department

Administrative interpretations, new regulations, and similar material

Reserves of Member Banks

The Board of Governors amended the Supplement to Regulation D so as to reduce the reserves against net demand deposits required to be maintained by member banks with Federal Reserve Banks. The reductions became effective as to member banks not in reserve and central reserve cities at the opening of business on March 1, 1958, and as to member banks in reserve and central reserve cities at the opening of business on February 27, 1958. There is set forth below the text of the amended Supplement:

SUPPLEMENT TO REGULATION D*

Pursuant to the provisions of Section 19 of the Federal Reserve Act and Section 2(a) of its Regulation D, the Board of Governors of the Federal Reserve System hereby prescribes the following reserve balances which each member bank of the Federal Reserve System is required to maintain on deposit with the Federal Reserve Bank of its district:

1. If not in a reserve or central reserve city—
   (a) 5 per cent of its time deposits, plus
   (b) 11-1/2 per cent of its net demand deposits.

2. If in a reserve city (except as to any bank located in an outlying district of a reserve city or in territory added to such city by the extension of the city's corporate limits, which, by the affirmative vote of five members of the Board of Governors of the Federal Reserve System, is permitted to maintain the reserves specified in paragraph 1 above)—
   (a) 5 per cent of its time deposits, plus
   (b) 17-1/2 per cent of its net demand deposits.

3. If in a central reserve city (except as to any bank located in an outlying district of a central reserve city or in territory added to such city by the extension of the city's corporate limits, which, by the affirmative vote of five members of the Board of Governors of the Federal Reserve System, is permitted to maintain the reserves specified in paragraph 1 or 2 above)—
   (a) 5 per cent of its time deposits, plus
   (b) 19-1/2 per cent of its net demand deposits.

*Changes in this Supplement to implement a further reduction of one-half percentage point in the reserves required against net demand deposits (noted on page 298 of this BULLETIN) will be reported in the April issue of the BULLETIN.

APPLICATION OF GENERAL CONTRACT CORPORATION FOR EXEMPTION OF SUBSIDIARIES FROM BANK HOLDING COMPANY ACT

The Board of Governors of the Federal Reserve System on February 10, 1958, issued an Order denying the application of General Contract Corporation for an exemption of certain subsidiary corporations under Section 4(c)(6) of the Bank Holding Company Act of 1956. There are published below a copy of the Board's Order (Docket No. BHC 4-17, 19-27) and accompanying Decision and a copy of the Report and Recommended Decision of the Hearing Examiner.

ORDER DENYING APPLICATIONS

General Contract Corporation, a Missouri corporation, and a bank holding company within the meaning of Section 2(a) of the Bank Holding Company Act of 1956, has filed applications for determinations by the Board of Governors of the Federal Reserve System that certain subsidiary corporations, hereinafter named, and their activities are of the kind described in Section 4(c)(6) of the Bank Holding Company Act of 1956 (12 USC 1843) and Section 5(b) of the Board's Regulation Y (12 CFR 222.5(b)), so as to make it unnecessary for the prohibitions of Section 4 of the Act with respect to retention of shares in nonbanking organizations to apply in order to carry out the purposes of the Act. The subsidiary corporations of General Contract Corporation on behalf of which the applications were filed, with the hearing docket number of each, are:

Washington Fire and Marine Insurance Company	(BHC-4)
Insurance Company of St. Louis	(BHC-5)
Midwestern Fire and Marine Insurance Company	(BHC-6)
Securities Investment Company of St. Louis and its subsidiaries:	(BHC-7)
Securities Credit Company (Mo.)	
Securities Loan Company	
Securities Credit Company (Fla.)	
Broadway Insurance Agency, Inc.	
Securities Insurance Agency, Inc.	
Davidson Insurance Agency, Inc.	
Investment Insurance Agency, Inc.	
Craighead Insurance Agency, Inc.	
Palafox Insurance Agency, Inc.	
Industrial Loan Company	(BHC-8)
Industrial Finance Company of Wellston	(BHC-9)
Springfield Union Finance Company	(BHC-10)
Quincy Union Finance Company	(BHC-11)
Baden Loan Company	(BHC-12)
General Contract Loan Company	(BHC-13)
SIC Loan Company	(BHC-14)
General Loan Company	(BHC-15)
General Contract Loan Company, Inc.	(BHC-16)
General Contract Loan Brokers, Inc.	(BHC-17)
Apex Insurance Agency, Inc.	(BHC-19)
Jefferson-Gravois Insurance Agency, Inc.	(BHC-20)
Reid-Kruse, Inc.	(BHC-21)
St. Louis-Washington Insurance Agency, Inc.	(BHC-22)
Northwestern Insurance Agency, Inc.	(BHC-23)
Springfield Insurance Agency, Inc.	(BHC-24)
Quincy Insurance Agency, Inc.	(BHC-25)
Sterick Insurance Agency, Inc.	(BHC-26)
Texarkana Agency, Inc.	(BHC-27)

A hearing having been held pursuant to Section 4(c)(6) of the Bank Holding Company Act of 1956 and in accordance with Sections 5(b) and 7(a) of the Board's Regulation Y (12 CFR 222.5(b) and 222.7(a)); the Hearing Examiner having filed his Report and Recommended Decision wherein he recommended that all the above requests be denied; Applicant having filed Exceptions and Brief with respect only to requests numbered BHC-8 and BHC-12; the Board having given due consideration to all relevant aspects of the matter, including briefs *amicus curiae* on a legal question involved in requests numbered BHC-8 and BHC-12, submitted through the Applicant by three bank holding companies not parties to this matter; and all such steps having been in accordance with the Board's Rules of Practice for Formal Hearings (12 CFR 263):

IT IS HEREBY ORDERED, for the reasons set out in the Board's Statement of this date, that the requests of General Contract Corporation under Section 4(c)(6) of the Bank Holding Company Act of 1956 for determinations exempting its shares in the above-named subsidiaries from application of the prohibitions of Section 4(a)(2) of the said Act shall be, and hereby are, denied.

This 10th day of February 1958.

By order of the Board of Governors.

Voting for this action: Chairman Martin, Vice Chairman Balderston, and Governors Szymczak, Robertson, and Shepardson; voting against this action: Governor Mills; absent and not voting: Governor Vardaman.

(Signed) S. R. CARPENTER,
Secretary.

(SEAL)

STATEMENT

Background of the Case

On December 14, 1956, General Contract Corporation of St. Louis, Missouri, a bank holding company sometimes called herein "Applicant" or "GCC", filed with the Board of Governors requests for determinations that twenty-four of its nonbanking subsidiaries (one of which itself has nine subsidiaries) are of such a nature as to be exempt under Section 4(c)(6) of the Bank Holding Company Act of 1956 from the divestment requirements of that Act.[1] As required by the statute, a formal hearing was held on 23 of these requests, one of the requests having been withdrawn during the course of the hearing after the Board had expressed the opinion that the subsidiary involved was exempt under other provisions of the Act. The Hearing Examiner's Report and Recommended Decision was filed with the Board September 12, 1957.

The subsidiaries involved consist of an investment company, ten loan companies, three insurance companies, and nine insurance agencies. The attached copy of the Hearing Examiner's Report and Recommended Decision describes the activities of GCC as well as of these subsidiaries.

The Hearing Examiner recommended that all

[1] The particular sections of the Act here applicable are:
Sec. 4(a) Except as otherwise provided in this Act, no bank holding company shall . . .
(2) after two years from the date of enactment of this Act . . . retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company . . . .
(c) The prohibitions of this section shall not apply . . . .
(6) to shares of any company all the activities of which are of a financial, fiduciary, or insurance nature and which the Board after due notice and hearing, and on the basis of the record made at such hearing, by order has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this Act . . . .

23 requests be denied. He concluded that, following the principles enunciated in the Board's opinion in the Transamerica-Occidental case (Docket No. BHC-28), the request as to the investment company should be denied because, while its activities are similar in kind to some of the activities of banks, it has no direct functional or operational connection with the bank holding company's subsidiary banks. The Examiner further concluded that the three insurance companies and nine insurance agencies, while also engaged in activities somewhat similar to banking, could not be considered to be a "proper incident" to the banking business carried on by the subsidiary banks. The Examiner found that five of the ten loan companies were not directly integrated with the functions of the subsidiary banks, and that three of them were only partially related to the business of the banks.

As to the remaining two loan companies, the Examiner concluded that, although functionally integrated and operated much as though they were departments of the banks, they could not be regarded as a "proper incident" to the business of the banks or consistent with "the purposes of this Act" because the very types of transactions that make the companies "closely related" to the banks are unlawful under Section 6 of the Bank Holding Company Act. These transactions are the sale by the loan companies to the subsidiary banks, at a discount and without recourse, of notes representing personal loans made by the loan companies.

GCC did not file exceptions or brief as to 21 of the 23 companies involved, and under Rule VII of the Board's Rules of Practice for Formal Hearings (12 CFR 263.7) GCC is deemed to have abandoned any objections to the Examiner's recommended decision as to those 21 companies (Docket No. BHC 4-7, BHC 9-11, BHC 13-17, BHC 19-27). Therefore, without passing upon the correctness or incorrectness of the Examiner's recommended decision regarding those companies, Applicant's requests as to those companies are denied.

GCC's exceptions and brief, dated October 14, 1957, and filed with the Board October 15, 1957, related only to the Hearing Examiner's recommended decision with respect to the two loan companies mentioned above, namely, Industrial Loan Company (Docket No. BHC–8) and Baden Loan Company (Docket No. BHC–12). Accordingly, further discussion will deal only with those two companies.

The Discount Question

As indicated before, the Examiner concluded that exemption should be denied the two loan companies in question because the transactions by which a subsidiary bank purchases personal loan paper from the loan company at a discount and without recourse involve violations of Section 6(a)(4) of the Act, which makes it unlawful for a subsidiary bank to make any "loan, discount or extension of credit" to its bank holding company or to any fellow subsidiary. The exceptions and brief of GCC disagree with this interpreation of Section 6(a)(4), as do also *amicus curiae* briefs filed with the Board by three other bank holding companies: First Bank Stock Corporation, Marine Midland Corporation and Northwest Bancorporation. The arguments in the different briefs are largely similar and for convenience all will usually be referred to as those of Applicant.

The facts as to the operations of the two loan companies are fully set forth in the Examiner's Report and are not challenged by Applicant. The key fact for present purposes is that Bank of St. Louis, a GCC subsidiary, purchases personal loan paper at a discount, and without recourse, from Industrial Loan Company (and that Baden Bank, St. Louis, another GCC subsidiary, makes such purchases from Baden Loan Company). In each case, the loan company is operated in effect as though it were the personal loan department of the bank; it sells substantially all its loans to the bank on the days when made, services such loans, and serves as the bank's chief source of such paper. All functions of the loan company are performed on the premises of the bank and by bank personnel. The loan company has no separate place of business or paid personnel of its own.

The question turns upon whether the word "discount", as used in Section 6(a)(4), includes a purchase of paper at a discount but without recourse against the seller. It is conceded by all that the term "discount" may have several meanings. Thus it is sometimes used in a restricted sense as applying only to a loan transaction in which the borrower receives a sum of money less than the stated amount of the note given by him.

However, it is also used in a broader sense as including a purchase of paper with recourse against the seller; and, in a still broader sense, as including a purchase of paper even though without recourse against the seller. The problem here is to determine which of these meanings should be applied in the present situation, in the light of the language and purposes of the law.

Judicial interpretations. In seeking the meaning that Congress intended for the word "discount" in Section 6(a)(4) it seems appropriate to see what the courts, particularly the Federal courts, have said about the meaning of the word. On this point the Examiner stated in his Report (p. 283):

"Ample judicial authority supports the conclusion—in the words of the Third Circuit Court of Appeals—that, 'in the business of banking, "discount" in the ordinary acceptance of the term, includes what is called "purchase" '.[24] Moreover, the Federal Courts have interpreted other sections of the national banking laws where the term 'discount' is used as including within its scope, not only loans or advances by way of discount of commercial paper, but also the outright purchase by banks of such paper for an amount less than their face value. Thus it has been held that the authority of national banks to acquire title to commercial paper—authority that must stem from an express grant of power or impliedly be deemed prohibited[25]—is derived from the statutory corporate power given national banking associations under U.S. Rev. Stats., Sec. 5136, 12 U.S.C., Sec. 24, to engage in the 'discounting' of 'promissory notes, drafts, bills of exchange and other evidences of indebtedness.'[26] Thus, too, the term 'discount' as used in U.S. Rev. Stats., Sec. 5197, 12 U.S.C., Sec. 85, which prohibits usury by national banking associations on loans or discounts made by them, has been held to include within its scope, not only transactions involving bank loans to the person for whom paper is discounted, but also transactions involving bank purchases of third party paper—and this regardless of whether such paper is purchased with or without any right of recourse upon the seller.[27]

"[24] *Danforth* v. *National State Bank of Elizabeth*, 48 Fed. Rep. 271, 274. See also *Fleckner* v. *Bank*, 8 Wheat. (U.S.) 338; *Morris* v. *Third National Bank of Springfield*, 142 Fed. Rep. 25, 31 (C.A. 8): cert. den. 201 U.S. 649, *Saltmarch* v. *Planters & Merchants Bank*, 14 Ala. 677; *Neillsville Bank* v. *Tuthill*, 4 Dak. 295, 30 N.W. 154, 156; *Pape* v. *Bank*, 20 Kan. 440, 446; 27 Am. Rep. 183; *Salmon Falls Bank* v. *Leyser*, 116 Mo. 51, 71, 22 S. W. 504, 509; *Tracy* v. *Talmadge*, 18 Barb. (N.Y.) 456; *Bank* v. *Savry*, 82 N.Y. 291, 302.

"[25] *First National Bank* v. *National Exchange Bank*, 92 U.S. 122.

"[26] *Morris* v. *Springfield National Bank, supra*. See also *Danforth* v. *National State Bank, supra*, p. 274.

"[27] *Danforth* v. *National State Bank, supra*. Cf. *National Bank of Gloversville* v. *Johnson*, 104 U.S. 271; *Daniel* v. *First National Bank of Birmingham*, 227 Fed. Rep. (2d) 353, 355 (C.A. 5)."

The *Danforth* case and some others cited by the Examiner relate to the usury provision of the National Bank Act (U. S. Rev. Stats., Sec. 5197; 12 U.S.C., Sec. 85). As the Examiner indicates, however, the cases holding the word "discount" to include a nonrecourse purchase of paper are not confined to those construing that provision. The case of *Morris* v. *Third National Bank of Springfield, supra*, held that the corporate authority for national banks to purchase paper derives from their authority to engage in the "discounting" of paper.

The provisions construed in these Federal cases are, of course, not identical in language or purpose with Section 6(a) of the Bank Holding Company Act; but they have in common the fact that they are all Federal statutes that deal with banking operations and practices. Moreover, these cases do not turn upon any unusual use of the word "discount" in the statutes being construed; on the contrary, as indicated in the *Danforth* case, 48 Fed. Rep. 271, 274, they constitute judicial findings as to *"the ordinary acceptance of the term"* and *"its usual commercial sense"*—findings which are highly relevant to the present question.

In view of these cases holding that the word "discount" in "its usual commercial sense" and in its "ordinary acceptance" includes nonrecourse purchases of paper, it would seem that the word should be similarly interpreted in Section 6(a)(4) unless some persuasive reason to the contrary can be shown. Applicant attempts to make such a contrary showing, relying largely on arguments based upon the context in which the word "discount" appears.

Context in which word "discount" appears. Since Applicant's arguments relate chiefly to the context in which the word "discount" appears in Section 6 of the Bank Holding Company Act, all of that section is quoted below for convenient reference.

"BORROWING BY BANK HOLDING COMPANY OR ITS SUBSIDIARIES

"Sec. 6. (a) From and after the date of enactment of this Act, it shall be unlawful for a bank— . . .

"(1) to invest any of its funds in the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary, or of any other subsidiary of such bank holding company;

"(2) to accept the capital stock, bonds, debentures, or other obligations of a bank holding company of which it is a subsidiary or any other subsidiary of such bank holding company, as collateral security for advances made to any person or company: Provided, however, That any bank may accept such capital stock, bonds, debentures, or other obligations as security for debts previously contracted, but such collateral shall not be held for a period of over two years;

"(3) to purchase securities, other assets or obligations under repurchase agreement from a bank holding company of which it is a subsidiary or any other subsidiary of such bank holding company; and

"(4) to make any loan, discount or extension of credit to a bank holding company of which it is a subsidiary or to any other subsidiary of such bank holding company.

"Non-interest-bearing deposits to the credit of a bank shall not be deemed to be a loan or advance to the bank of deposit, nor shall the giving of immediate credit to a bank upon uncollected items received in the ordinary course of business be deemed to be a loan or advance to the depositing bank.

"(b) The provisions of this section shall not apply (1) to the capital stock, bonds, debentures, or other obligations of any company described in Section 4(c)(1) of this Act, or (2) to any company whose subsidiary status has arisen out of a bona fide debt to the bank contracted prior to the date of the creation of such status, or (3) to any company whose subsidiary status exists by reason of the ownership or control of voting shares thereof by the bank as executor, administrator, trustee, receiver, agent, or depositary, or in any other fiduciary capacity, except where such shares are held for the benefit of all or a majority of the stockholders of such bank."

The Examiner summarized Applicant's arguments as follows (pp. 283, 284):

"The Applicant argues earnestly, however, that notwithstanding the broad commercial usage of the term 'discount', Congress in drafting Section 6(a)(4) intended to draw a distinction between, on the one hand, a discount involving a direct loan to an affiliated company, or an advance to such affiliate on discounted third party paper for the payment of which the affiliate assumes liability as an endorser or guarantor, and, on the other hand, a transaction involving a bank's purchase of third party paper at a discount from an affiliate without any right of recourse upon the affiliate. The Applicant concedes that Congress intended the prohibitions of Section 6(a)(4) to apply to transactions of the first two types, but not, it contends, to those of the third type.

"The arguments upon which the Applicant would support that position are ably marshalled in its brief. The main points stressed are, in broad outline, as follows: (1) It is urged that Section 6(a)(4) may not be read in isolation, but must be read in context with the other subdivisions of Section 6(a). It is claimed that 6(a)(1), prohibiting investments in capital stock, bonds, debentures or other obligation of an affiliated company; 6(a)(2), prohibiting the acceptance of such capital stock, bonds, debentures or other obligations as collateral for advances made to any borrower; and 6(a)(3), prohibiting the purchase of securities, other assets or obligations from an affiliate under a repurchase agreement—all disclose a Congressional concern over a bank relying on the *worth* or *credit* of its parent or fellow subsidiaries in its investment or lending activities. According to the Applicant, consistency and harmony with the pattern shaped by the earlier subdivisions demand that Section 6(a)(4) also be construed as applying only to situations where a transaction calls for bank reliance on the *credit* or *worth* of an affiliate. And such reliance, it says, is not involved in the case of an outright purchase of paper where there is no residue of liability on the part of the transferor. (2) It is claimed that Section 6(a)(3) allows by implication the purchase from an affiliate 'of securities, other assets or obligations' where there is no repurchase agreement, and it is asserted that the terms 'securities' and 'obligations' as therein used are broad enough to cover the purchase of consumer credit paper, thereby in effect limiting the breadth of 'discount' as used in Section 6(a)(4). (3) It is urged that the coupling in Section 6(a)(4) of the word 'discount' with the words 'loans' and 'extensions of credit' denotes an intention to have them all understood in the same general sense, as covering only such transactions as involve the lending or advance of money to an affiliate for which the affiliate assumes responsibility for repayment."

The Examiner concluded that these arguments of Applicant were not sufficient to overcome the weight of the cases already mentioned (and the legislative history which will be discussed later). He stated (pp. 284, 285):

" . . . I am not persuaded that to interpret 'discount' in Section 6(a)(4) as including a purchase of commercial paper by way of discount would inject a discordant note in the provisions of Section 6(a)(3) read as a whole. It seems to me too narrow a view to say that Section 6(a) was only designed to prevent a bank from relying on the worth or credit of an affiliated company in the conduct of its banking activities. I think the broader aim of Section 6(a), as revealed by all its subdivisions, was to remove the danger that a bank holding company might misuse the resources of a bank it controls to gain an advantage for itself or other subsidiaries it also controls. This a holding company might otherwise do by causing a controlled bank to provide equity or working capital, directly or indirectly, to the holding company or another subsidiary, or by otherwise financing the *business operations* of such an affiliate. To interpret 'discount' as used in Section 6(a)(4) in the full sense of that term as established by commercial usage is entirely consistent with that aim. For, obviously, a bank's resources might be used to finance the operations of a parent or other affiliated company just as much through purchase of commercial paper without recourse, as through purchase with recourse, or by means of a loan against the pledge of such paper.[32]

"[32] This is aptly illustrated in the case of Industrial Finance Co. of Wellston. Before passage of the Act, that company obtained working capital for its dealer finance activities by borrowing against such paper from Bank of St. Louis. After such borrowing was outlawed by the Act, the company continued to obtain its working capital from Bank of St. Louis, except that now it sold the paper instead of borrowing against it. The procedure was changed, but the net result remained the same, except for diminution in the protection to the bank."

"Further, I am not persuaded that a broad construction of 'discount' in Section 6(a)(4) would create *perforce* an inconsistency with Section 6(a)(3). Section 6(a)(3) was evidently designed to cover a transaction which is in reality a loan transaction, but which takes the form of a purchase and repurchase agreement. By its terms it spells out a prohibition against a specific type of transaction, and goes no further. It confers no affirmative right with which the 'discount' prohibition, no matter how broadly construed, may be found inconsistent. And even if Section 6(a)(3) may read as reserving by implication whatever rights a holding company bank might otherwise have under the law to make purchases without repurchase agreements, this does not preclude the 'discount' provision of Section 6(a)(4) from being construed as imposing a limitation or restriction on such rights. Indeed, such a construction is not only permissible, it is entirely reasonable. It would both give full meaning to 'discount' in its accepted usage and at the same time comport with the ends that Congress sought to achieve, as revealed by the legislative history. . . . Nor would it otherwise negate the implication said to be contained in Section 6(a)(3). This is so because bank discounts, as commonly understood, apply to financial transactions involving notes, bills of exchange and the like, and not to a bank's acquisition through purchase of other assets, securities or obligations, such as, for example, corporate stocks, bonds or debentures.

"The Applicant's argument, that the coupling of the word 'discount' with the words 'loan' and 'extension of credit' denotes an intent to have 'discount' apply only to transactions that involve loans made by a bank to an affiliate, is even less persuasive. The words 'loan' and 'extension of credit' do not have synonymous meanings, . . . and it seems unlikely that Congress would have inserted the word 'discount', which, in ordinary usage has a broader meaning than 'loan', had it merely intended that word to cover the same ground and no more. . . ."

In challenging these views and conclusions of the Examiner, Applicant earnestly and ably reemphasizes the arguments previously made before the Examiner and also stresses the fact that Federal banking laws sometimes draw a distinction between recourse and nonrecourse purchases of paper. For example, U. S. Rev. Stats., Sec. 5200, 12 U.S.C., Sec. 84, which limits the total loans that a national bank may make to one borrower, does not count paper purchased without recourse as part of loans made to the seller. Applicant argues that the absence of a claim against the seller of the paper tends to cause the purchaser to be more cautious in considering the merits of the paper, and thus provides an additional safeguard. Applicant argues that this not only explains the exemption of nonrecourse purchases from U. S. Rev. Stats., Sec. 5200, but also indicates a Congressional intent to exempt them from Section 6.

However, for the reasons outlined below, the Board is forced to the conclusion that the Examiner's analysis is sound and well reasoned, and that Applicant's arguments fail to give due weight to certain facts that are evident from the record and basic to operations of banks and bank holding companies.

It is of fundamental importance that Section 6 deals with a situation in which there is a lack of the usual arm's-length dealing between a bank and its customer. It is the nature of a holding company system, and of the problems at which the Bank Holding Company Act was directed, that the various units of the group are ordinarily under common control or susceptible to such control. While such control sometimes may not be exercised or may not even exist, it is abundantly clear that Sections 4 and 6 of the Act are based upon an assumption that it usually is, or can be, exercised. It clearly exists in the present case.

It is also important that, as a practical matter, a bank can be used to finance an affiliate as effectively through discounting (purchasing) paper, either with or without recourse, as through making ordinary loans. In fact, as will be seen later, it is actually *easier* to use—or misuse—the resources of a bank through nonrecourse discounts than through ordinary loans.

In view of these facts, it is difficult to see how it can be of any significance that transactions described in clauses (1), (2) and (3) of Section 6(a), or a "loan" or "extension of credit" described in clause (4), would involve a claim against the credit or worth of the affiliate while a nonrecourse purchase of paper from the affiliate would not. If there is arm's-length dealing, the absence of a claim against the seller of the paper may have the effect, as Applicant contends, of causing the purchaser to be more cautious in considering the merits of the paper itself, and may thus provide a basis for exempting nonrecourse paper from some limitations that apply to recourse paper, as for example, the National Bank Act limitations, U. S. Rev. Stats., Sec. 5200 on loans to one borrower. However, a fundamental purpose of Section 6(a) is to prevent abuses where arm's-length dealing is lacking. Hence arguments based on arm's-length situations would not seem to be helpful in construing it. The Board is convinced that all of Section 6(a) should be viewed as relating to the *financing of an affiliate,* with the existence or nonexistence of a claim against the affiliate being essentially irrelevant; and the Board cannot accept Applicant's arguments based on context.

It is also to be noted that Applicant's arguments based on context rely heavily on the doctrines of implied exclusion (*expressio unius est exclusio alterius*) and meaning by association (*noscitur a sociis*). These doctrines can be of use in some circumstances in interpreting statutes or other writings. However, it is well recognized that they are subject to serious limitations, require great caution in their application, and are not applied where, as here, they would lead to conclusions in conflict with the purposes of the statute. See, for example, authorities gathered at 50 *American Jurisprudence,* pp. 240-41, 243-44; 82 *Corpus Juris Secundum,* pp. 668-70, 655-56.

The irrelevance of these doctrines to the present question is evident from the fact, as indicated above, that if the doctrines were applied here they would result in conclusions in conflict with the realities of holding company operations. Analysis of the reference to "purchase under repurchase agreement" in Section 6(a)(3) indicates that the term usually refers to a specialized transaction which is generally regarded as a form of loan; that the term probably was used in 6(a)(3) out of an abundance of caution to be certain that such transactions were covered; that the phrase is a composite term for which there is no convenient single word; that the word "purchase" in that phrase has significance only as part of that composite term; and that it would be unrealistic to lift the word out of the composite term and attempt to read into it any further significance through the doctrine of implied exclusion.

The Board is mindful of the facts, stressed by Applicant, that violations of Section 6 are misdemeanors; that criminal statutes are to be strictly construed in favor of the defendant; and that, therefore, their language cannot be enlarged to encompass prohibitions beyond its ordinary meaning. As indicated above, however, the usual meaning of the word "discount" appears to include nonrecourse purchases of paper. As the Supreme Court of the United States said in *United States* v. *Brown,* 333 U.S. 18, 25-26:

"... The canon in favor of strict construction is not an inexorable command to override common sense and evident statutory purpose. It does not require magnified emphasis upon a single ambiguous word in order to give it a meaning contradictory to the fair import of the whole remaining language. As was said in *United States* v. *Gaskin,* 320 U.S. 527, 530, the canon 'does not require distortion or nullification of the evident meaning and purpose of the legislation.' Nor does it demand that a statute be given the 'narrowest meaning'; it is satisfied if the words are given their fair meaning in accord with the manifest intent of the lawmakers."

Legislative history. It seems desirable to review the legislative history of Section 6 and of the addition of the word "discount" in Section 6(a)(4). It will be seen that this legislative history, like the considerations already discussed, strongly indicates that the word "discount" in Section 6(a)(4) was intended by Congress to include nonrecourse purchases of paper.

The Examiner was impressed, and we believe properly so, by the fact that during the Committee hearings leading to the enactment of the Bank Holding Company Act, frequent reference was made to the Bankers Discount Corp. situation as a flagrant example of the danger of abuse flowing from self-dealings between bank holding companies and their subsidiary banks. That situation involved a Texas finance company that acquired control of two Chicago banks and then, among other things, caused the acquired banks to purchase from it at a discount and *without recourse* notes of questionable value that it held, resulting in a forced temporary closing of the Chicago banks.

The word "discount" did not appear in the self-dealing provisions of the drafts of the Bank Holding Company Act that were introduced in Congress before the Bankers Discount situation engaged the attention of Congress. Those earlier bills (for example S. 1118, and H.R. 12, 83d Cong.) merely referred to "loan or extension of credit". After the Bankers Discount disclosures the word "discount" was added, so that the phrase read "loan, discount or extension of credit", as in Section 6(a)(4) of the final Act. (H.R. 2674, H.R. 6227, S. 880, S. 2577, 84th Cong.)

In reporting out the bill in 1955, the House Banking and Currency Committee described the Bankers Discount situation at length and stated (H. Rep. 609, pp. 18-19, 84th Cong.) as a reason for including the self-dealing provisions that:

" . . . to fail to prohibit self-dealing between bank holding companies and their subsidiary banks would be to invite a repetition of the [Bankers Discount] situation. . . ."

The Report of the Senate Banking and Currency Committee did not specifically mention the Bankers Discount situation. However, the Senate Committee appeared to share the House's concern, as shown by the following passage from its Report (S. Rep. 1095, p. 4, 84th Cong.):

" . . . fear has been expressed that, improperly but within the present law, a bank holding company may *take undue advantage of one or more banks* in its system. This it might do by *discounting* commercial paper at the bank with resulting profit to the bank holding company but *at an unwarranted risk to the bank* or its shareholders. No widespread abuse of this nature has been brought to the attention of your committee, but the provision in the bill prohibiting upstream lending should adequately prevent the possibility of any such abuse." (Emphasis supplied.)

This legislative history of Section 6(a) and of the addition of the word "discount" shows, in the words of the Committee Reports, that the section was intended to "prohibit self-dealing between bank holding companies and their subsidiary banks", that it reflected a fear that "a bank holding company may take undue advantage of one or more banks in its system", and that it was intended to "prevent the possibility" that "by discounting commercial paper at the bank" the holding company may cause "unwarranted risk to the bank". In other words, the legislative history indicates that in Section 6(a) Congress was interested only indirectly, if at all, in the question of whether or not a transaction results in a bank's receiving a claim against an affiliate, and that the direct and immediate Congressional purpose in enacting Section 6(a) was to forbid transactions in which there is a substantial possibility of a bank's resources being misused by an affiliate.

Applicant points out that the Bankers Discount situation involved *both* direct loans to affiliates and nonrecourse purchases of paper from them. Applicant argues from this that the statements in the Committee Reports related to the prohibitions in Section 6 against direct loans. However, it is clear that in the Bankers Discount situation nonrecourse purchases were by far the more important of the two abuses of the banks' resources. The House Committee Report on the Bank Holding Company Act, in discussing the Bankers Discount situation, indicated (*supra,* p. 18) that the finance company obtained from the two banks $135,000 in the form of loans—"the amount of the banks' legal lending limit", compared with more than $3,000,000 obtained from them by selling them consumer paper without recourse.

It is not surprising that such an overwhelming proportion of the banks' financing of the parent finance company in that situation took the form of nonrecourse purchases of paper. As indicated above, a national bank is subject to a general limitation, with some exceptions, against lending more than 10 per cent of the bank's capital and surplus to one person. (U.S. Rev. Stats., Sec. 5200; 12 U.S.C., Sec. 84) Most State banks are subject to similar "legal lending limits", even though the percentages vary. These limitations substantially curb the ability of an affiliate to abuse the resources of a bank through *direct loans*—as indicated above, the House Committee Report stated that $135,000 was the banks' "legal lending limit". However, since a nonrecourse sale of paper does not involve a debt from the seller to the bank, the statutes limiting the aggregate liability of one person to the bank are ineffective to prevent an affiliate from using—and misusing—a huge proportion of a bank's resources through such nonrecourse sales. (As previously indicated, if there is arm's-length dealing between bank and customer, the absence of a claim against the seller may act as a safeguard by forcing the bank to give greater attention to the safety of the paper itself; but in a holding company situation, lack of arm's-length dealing removes that safeguard.)

In the circumstances, it is clear that nonrecourse purchases were far more important than direct loans as a source of abuse in the Bankers Discount situation. It is reasonable to believe that Congress, in following up its expressed concern over the kinds of abuses possible in such situations, would most likely have been at least as much interested in preventing the major abuse as in preventing the relatively less serious ones.

In this connection it is to be noted that the provisions in the House and Senate bills relating to the present question were substantially identical.

As a practical matter, recourse and nonrecourse purchases of paper, which the Board concludes to be covered in Section 6(a)(4), and purchase of various assets under repurchase agreement, which are covered by Section 6(a)(3), are virtually the only forms of purchases in which there would be substantial opportunity for an affiliate to abuse the assets of a bank. Banks can and do make other purchases, but they are relatively infrequent (such as bank premises), or relatively small in amount (such as office supplies), or already subject to substantial safeguards against abuse (such as investment securities).

It seems significant that in actual practice, if nonrecourse purchases of paper are included in Section 6(a)(4), then all major methods by which a holding company can misuse a subsidiary bank's resources are covered, and the expressed Congressional purpose to prevent such misuse would be substantially accomplished. On the other hand, an interpretation which would exclude nonrecourse purchases would leave open a large and important area of possible abuse, and would mean that in practical effect Congress had failed to carry out its stated purpose.

Applicant points out that the Chairman of the Federal Deposit Insurance Corporation stated before the Subcommittee of the Senate Banking and Currency Committee (Hearings before Subcommittee of the Senate Committee on Banking and Currency on S. 880, S. 2350, and H.R. 6227, p. 100, 84th Cong. 1st Sess.) that:

> " . . . there is no restriction in either of the bills against the purchase or sale of assets among the units of a holding company. . . ."

However, there is nothing to indicate that the Committee agreed with his view, and it appears, as explained above, that the Committee disagreed. He urged that restrictions on purchases by banks from their managements should apply to all banks and not merely those in holding company groups, and also that they should apply to downstream as well as upstream dealing. After his testimony, the Senate Banking and Currency Committee, in reporting out the bill, not only made the statement quoted above on p. 267 that ". . . the provision in the bill prohibiting upstream lending should adequately prevent the possibility of any such abuse [of a bank by its holding company]," but also continued with the statement that:

> "This provision, in part at least, is in accordance with the recommendations of Mr. H. Earl Cook, Chairman of the Federal Deposit Insurance Corporation who testified against permitting either upstream or downstream dealing."

Possible interference with usual banking operations. Applicant, and particularly the holding companies who filed *amicus curiae* briefs, stress the fact that if Section 6(a)(4) is construed as applying to nonrecourse purchases of paper it will interfere with a large volume of transactions between banks in the same holding company system.

It certainly can be argued that such a prohibition, particularly as between banks, is unnecessary or undesirable as a matter of policy. When the Bank Holding Company Act was being considered by Congress, the Board of Governors of the Federal Reserve System recommended that *all* of the provision that became Section 6 be omitted from the bill as "unnecessarily restrictive". (Hearings before Subcommittee of the Senate Committee on Banking and Currency on S. 880, S. 2350, and H.R. 6227, p. 79, 84th Cong. 1st Sess.) The Comptroller of the Currency expressed similar objections to the section. (Hearings, *supra,* p. 86) On the other hand, the Chairman of the Federal Deposit Insurance Corporation endorsed the "purpose of the provisions" (Hearings, *supra,* p. 100), stating that "we would urge that the provisions concerning restrictions on self-dealing be extended either in this or in other legislation to banks whether independently owned or part of a holding company."

Such considerations of policy relate more to the advisability or inadvisability of legislation than to its interpretation. Having weighed these considerations, Congress included Section 6 in the Act; and even under the narrow interpretation of "discount" urged by Applicant, the section clearly imposes substantial prohibitions on the movement of funds within bank holding company groups. These prohibitions in Section 6 are considerably more stringent than the limitations in Section 23A of the Federal Reserve Act on dealings between member banks of the Federal Reserve System and their affiliates. (12 U.S.C., Sec. 371c)

For example, Section 6 exempts noninterest-bearing deposits but expressly prohibits all direct loans between banks in the same holding company group, even though such loans are frequently made between banks. Such being the case, it would not seem reasonable to assume that Congress was unwilling to prevent other transactions which, as indicated before, are even more susceptible to the kinds of abuses that Congress, for reasons that it deemed sufficient, was seeking to prevent.

Applicant has directed the Board's attention to the statement in the House Committee Report (H. Rep. 609, p. 25, 84th Cong.) that:

> "Routine banking transactions between subsidiary banks are not treated as extensions of credit and do not fall within the prohibitions of this section."

However, this statement cannot affect the present question, since it plainly refers only to the specific exemption in the last paragraph of Section 6(a) (quoted above on p. 264) and could not be extended beyond that exemption without a direct conflict with several portions of Section 6. In fact, the limited exemptions contained in this last paragraph of Section 6(a) and in Section 6(b) tend to emphasize the fact that *other* transactions are *not* exempt if they fall within the usual meaning of the other provisions of Section 6(a).

It may be noted, however, that when one bank seeks participation by another bank to aid in meeting the credit needs of a borrower, there would seem to be no conflict with Section 6 if the second bank joined at the outset in making its portion of the loan, since this would not involve the second bank in either a direct loan to the first bank or a purchase of paper from it. This would seem to permit at least a partial solution of the problems involved in participations.

Certain other considerations. Applicant offered certain other arguments that have not been discussed above. They were carefully considered, and although they do not alter the Board's conclusion in this matter some of them are outlined below, together with certain related considerations.

Applicant argues that the term "discount" could not include purchases unless they are "at a discount"; that this means it could not include purchases unless they are for less than the principal amount of the paper; that by simply making notes interest-bearing in form instead of noninterest-bearing (for example, a promise to pay $100 plus 6 per cent interest at the end of a year, instead of a promise to pay $106 at the end of a year), transactions could readily be arranged so that purchases would not be "at a discount"; that this would easily permit nonrecourse purchases to evade Section 6 even if the term "discount" were held to include nonrecourse purchases; and that, therefore, the term should not be construed to include nonrecourse purchases.

The transactions in the present case are clearly "at a discount" and the Examiner's Report naturally noted the fact. However, Applicant's argument based on this fact, and on the Examiner's references to it, contains several defects. Without attempting to discuss all of them, it may be noted that Applicant's major premise—namely, that the term "discount" is limited to purchases of paper at an amount less than the principal amount of the paper—appears to be untenable. As indicated above on p. 263, the judicial interpretations of the word "discount" show that the term is used very broadly. In practice the term "bank discount" is applied broadly to transactions by which a bank computes interest in advance so that there is the possibility of compound interest, and it seems that any purchase of paper is a "discount" in that sense since it permits such advance computation and compounding. *Prentice-Hall Encyclopedic Dictionary of Business* (1952) defines "Bank discount" (p. 79) as:

> "The interest charge made by a bank for converting commercial paper into cash before maturity. Bank discount is computed as simple INTEREST on the amount due at maturity on a note or draft and is deducted in advance. . . ."

After giving this definition, the article explains how bank discount is computed on noninterest-bearing paper and also how it is computed on interest-bearing paper, indicating that bank discount can apply to both.

It is to be understood, of course, that the purchases referred to here are purchases of paper—promissory notes, bills of exchange and the like. As the Examiner indicated (p. 285) bank discounts as commonly understood do not apply "to a bank's acquisition through purchase of other assets, securities or obligations, such as, for example, corporate stocks, bonds or debentures."

Another argument made by Applicant is to the effect that Federal legislation since about 1900 has not used the term "discount" to include the nonrecourse purchase of negotiable paper and that this indicates the word was not intended to include such purchases in Section 6. However, the contention does not appear to be sound. Even if the examples cited by Applicant were so extensive as to preclude the possibility of any different usage in Congressional legislation since 1900, which they do not appear to be, there is the further fact that the legislation Applicant quotes merely uses the word "purchase" or "sell" in addition to the word "discount" in some connections, and this was true even in the legislation considered in the *Danforth* case and other cases discussed above on p. 263.

Conclusions

For the reasons discussed above, the Board concludes as follows:

(1) The Hearing Examiner having recommended denial of Applicant's requests numbered BHC 4–17 and BHC 19–27, and Applicant having filed exceptions and brief only to the recommended denial of requests numbered BHC–8 and BHC–12. Applicant is deemed to have waived objections, if any, to the Hearing Examiner's recommended denial of the remaining 21 requests.

(2) The transactions by which Bank of St. Louis purchases paper from Industrial Loan Company (BHC–8), and by which Baden Bank, St. Louis, makes such purchases from Baden Loan Company (BHC–12), violate the prohibition in Section 6(a)(4) of the Bank Holding Company Act against a bank's making any "loan, discount or extension of credit" to its parent or fellow subsidiary. In view of this conflict with Section 6(a)(4), these loan companies cannot be considered to qualify for exemption under Section 4(c)(6). This being dispositive of the question, the Board does not pass upon whether or not these companies could otherwise qualify for such exemption.

(3) The requests of General Contract Corporation numbered BHC 4–17 and BHC 19–27 for exemption under Section 4(c)(6) from the prohibitions of Section 4(a)(2) of the Bank Holding Company Act should be denied, and IT IS SO ORDERED.

Dissenting Statement of Governor Mills

Under Section 4(c)(6) of the Bank Holding Company Act and Section 5(b) of Federal Reserve Regulation Y, the Board of Governors may not make the determination requested by Applicant unless each company involved is "a proper incident" to the banking activities of the GCC holding company system. I agree, of course, that if the relationship of these companies to GCC's banking activities consists of transactions that are prohibited by the Holding Company Act, such companies cannot be "proper incidents" to the system. Accordingly, the crucial question is whether the transactions described in the majority Statement—purchases of personal loan paper by GCC banks from affiliated loan companies at a discount, without recourse against the seller—are within the coverage of Section 6(a)(4) of the Act, which forbids a holding company

"to make any loan, discount or extension of credit to a bank holding company of which it is a subsidiary or to any other subsidiary of such bank holding company."

I am compelled to dissent from the Board's decision on applications BHC–8 and BHC–12 for the reason that, in my view, the term "discount", as used in Section 6(a)(4) of the Bank Holding Company Act, relates to transactions in which the seller of obligations (notes, conditional sale contracts, and the like) assumes liability thereon —as ordinarily stated, "sells with recourse"—and does not cover transactions that do not give the purchaser of paper any such rights against the seller.

The majority Statement. The majority Statement relies principally on certain judicial decisions that have interpreted "discount" in other connections, on the so-called "legislative history" of the Bank Holding Company Act, and on arguments that the interpretation they adopt will more effectively guard against the dangers of "self-dealing" within a bank holding company system.

If Section 6 itself were neutral on this question, I agree that such considerations would be entitled to considerable weight. However, it is my understanding that the meaning of a statutory provision is to be drawn, if possible, from the language of the provision itself. If the statute, on its face, clearly supports one meaning and refutes its opposite, the latter may not properly be adopted simply because, in the opinion of an administrative agency, it might have been wise for the legislature to have so provided and because the legislative committee heard testimony that might have supported such a provision.

However, even if the factors relied upon by the majority *were* entitled to primary weight, I question whether those factors, as they apply to this case, strongly support their decision. I am not satisfied that the judicial interpretations of "discount" in other connections, referred to in the majority Statement, are particularly persuasive in this matter. In the first place, it is my understanding that "discount" has been interpreted more often than not as referring to purchase with recourse against the seller and excluding purchase without recourse. Furthermore, interpretations of a word in quite different contexts—in statutes dealing with different problems and aimed at different objectives—are entitled to relatively little weight.

Likewise, I am not satisfied that the history of the Act discloses a clear legislative intention to include purchases without recourse in the purview of Section 6(a)(4). That problem, admittedly, was present in the Bankers Discount case, which was mentioned at a Committee hearing in 1953, but there is no affirmative evidence that any committee, or Congress itself, acted to prohibit purchases *without recourse*. On the contrary, as the majority Statement indicates, the Senate Banking Committee was specifically informed by H. Earl Cook, Chairman of the Federal Deposit Insurance Corporation, that the proposed law, *with the word "discount" therein,* would *not* prohibit such transactions.*

Provisions and purposes of Section 6(a). But even if I were satisfied, which I am not, (1) that "discount" is usually interpreted to include purchases without recourse, (2) that the legislative history reveals a committee intent to cover such transactions, and (3) that such coverage would be advisable as a matter of policy, I should still feel compelled to interpret "discount" in Section 6(a)(4) to exclude purchases without recourse, in view of the Congressional intent that is disclosed by the terms of Section 6 itself.

The majority Statement meets this crucial issue by adopting (p. 264) the following statement from the Hearing Examiner's Report:

> " . . . the broader aim of Section 6(a), as revealed by all its subdivisions, was to remove the danger that a bank holding company might misuse the resources of a bank it controls to gain an advantage for itself or other subsidiaries it also controls."

If it were true that "all . . . subdivisions" of Section 6(a) did reveal the alleged "broader aim", I agree that the Board would be justified in interpreting "discount" to include the purchase of paper on a nonrecourse basis. However, if the provisions of Section 6(a) do *not* reveal such a Congressional aim, the Board may not interpret "discount" in that manner simply because it considers that this would have been a wise Congressional aim in enacting Section 6(a). For the reasons hereinafter set forth, it appears to me that Congress did *not* reveal the alleged broad aim in Section 6(a), but on the contrary revealed affirmatively a narrower objective, regard for which requires that "discount" be interpreted to exclude the purchase of paper on a nonrecourse basis.

Section 6(a)(3) forbids a holding company bank

> " . . . to purchase securities, other assets or obligations under repurchase agreement from a bank holding company of which it is a subsidiary or any other subsidiary of such bank holding company."

Obviously this provision has to do with situations in which a holding company bank might purchase real property, tangible personal property, bonds, debentures, other securities, or other obligations from other corporations in the holding company system. In Section 6(a)(3) Congress has forbidden a holding company bank to make such purchases from related corporations "under repurchase agreement" and by clear implication has not forbidden such purchases where there is no repurchase agreement—that is, where the bank simply pays a certain amount for the asset, with no further claim upon the seller. I understand that the majority of the Board does not dispute this.

But if Congress had intended, by Section 6(a), "generally to remove the danger that a bank holding company might misuse the resources of a bank it controls to gain an advantage for itself or other subsidiaries" (as the majority contend), this "broader aim" could have been effectuated very simply by a *general* prohibition against holding company banks' purchasing assets from other corporations in the system. If a holding company owned a building, or office machinery, or securities lacking a ready market, presumably it could "misuse the resources of a bank it controls" by selling such assets to the bank at excessive prices. However, despite this possible argument for a more restrictive prohibition, Congress did not *generally* forbid a holding company bank to purchase assets from its affiliates; it prohibited such purchases only when they were made "under repurchase agreement".

It is particularly significant that this distinction was drawn in Section 6(a)(3) not by an omission that failed to cover the nonrecourse area, but by the *affirmative inclusion* of specific words ("under repurchase agreement"). If Congress had merely failed to include words covering the area in question, it could now be argued plausibly that there was a legislative oversight that should not control the interpretation of cognate provision—namely, Section 6(a)(4). But Congress did not

* It is significant that Mr. Cook, who pointed this out in his prepared Statement to the Committee, was the sole witness cited in this connection by both the Senate and House Committees. See H. Rep. 609, p. 18, 84th Cong.; S. Rep. 1095, p. 4, 84th Cong.

simply fail to deal with the nonrecourse area; it enacted specific words—which otherwise would have been entirely unnecessary—to make clear that purchases in which the seller assumed no continuing liability were *not* prohibited.

It appears to me that this unquestionable expression of Congressional intent in Section 6(a)(3) must control the interpretation of "discount" in Section 6(a)(4), unless we are prepared to take the position that Congress *explicitly* adopted one position in Section 6(a)(3) and then in the next subparagraph *tacitly* adopted a conflicting and inconsistent position. In Section 6(a)(3), Congress has deliberately drawn a distinction between recourse purchases and nonrecourse purchases—the former are prohibited; the latter are not prohibited. It seems unreasonable, and contrary to the principle of statutory construction that provisions of a law should be interpreted in a harmonious manner, to interpret "discount" in Section 6(a)(4) as prohibiting nonrecourse purchases of a certain type, when Congress took pains to indicate in Section 6(a)(3), with definite language directed at the point, that nonrecourse purchases of a comparable type are *not* prohibited.

Wording of Section 6(a)(4). The briefs submitted by the holding companies in this matter present several additional reasons, some of considerable force, for construing "discount" in Section 6(a)(4) to exclude purchases of paper on a nonrecourse basis. I shall not attempt to marshal all of these arguments. However, I wish to mention particularly the circumstance that "discount" was placed between "loan" and "extension of credit". The majority statement disposes of this point by the following sentence (on page 265):

"The words 'loan' and 'extension of credit' do not have synonymous meanings, . . . and it seems unlikely that Congress would have inserted the word 'discount', which, in ordinary usage has a broader meaning than 'loan', had it merely intended that word to cover the same ground and no more. . . ."

It is my understanding that, in the interpretation of statutes, the meaning of an ambiguous word may be clarified by the meaning of other words with which it is associated in series; if the word in question has several meanings, one of which accords with the meanings of the associated words, that meaning is preferred to an alternative meaning that markedly differs from the associated words. Applying this principle to the instant case, it is clear that "loan" and "extension of credit" are words that import reliance upon the credit of, and obtaining a contractual claim against, the person to whom the loan or extension of credit is made. The use of "discount" in this context suggests that it was meant in a similar sense.

The above-quoted sentence seems to say that a broad interpretation of "discount" is called for because otherwise that word would "cover the same ground and no more" than does the adjacent word "loan". But I have two difficulties with this approach. In the first place, the Bank Holding Company Act is not a statute in which Congress carefully avoided the inclusion of any words that might be unnecessary. Some redundancy appears at various places in the Act; two examples may suffice. In Section 2(a)(A) reference is made to "ownership or control of shares in a fiduciary capacity" and in Section 3(a)(A) the reference is to "shares acquired by a bank . . . in good faith in a fiduciary capacity"; but in Section 6(b)(3) the wording is "ownership or control of voting shares . . . by the bank as executor, administrator, trustee, receiver, agent, or depositary, or in any other fiduciary capacity". It is clear that Congress had in mind the same coverage in all three provisions but in one—perhaps unnecessarily—it enumerated the more important fiduciary activities.

Even more in point is the fact that in Section 6(a)(4)—the provision directly involved in this matter—Congress referred to "any loan . . . or extension of credit". The term "extension of credit" is very broad and unquestionably covers every "loan" in addition to extensions of credit by other means. Therefore, since Section 6(a)(4) is patently redundant in its inclusion of "loan" (and the majority does not attempt to give that word a special meaning to avoid the redundancy), there is no justification for specially shaping the interpretation of the next-following word ("discount") for the purpose of avoiding redundancy.

In addition, however, I do not concede that interpreting "discount" to exclude purchases without recourse would give that word the same meaning as "loan". The latter term usually means a direct advance to the maker of a promissory note (or other primary obligor). A transaction in which a bank purchases outstanding instruments from a finance company ordinarily would *not* be described as a "loan", so that—even if redundancy had to be avoided at all cost in our interpretation of the Act—it cannot correctly be said that "discount" adds nothing to "loan" unless the former is construed to cover purchases on a nonrecourse basis.

The approach of the preceding paragraph suggests what is to me the most reasonable explanation of the insertion of "discount" in Section 6(a)(4). It is conceded by all that, before that word was inserted, all provisions of Section 6(a) were directed at advances by holding company banks that involved reliance on the credit or worth of an affiliated corporation. With the Bankers Discount incident in mind, the draftsman might well have inserted "discount", perhaps with excessive caution, in order to guard against the possibility that "loan" and "extension of credit" might be interpreted to mean only advances to a primary obligor and not to include situations in which a holding company bank extended credit to an affiliate by purchasing from it the paper of third persons supported by its endorsement or guarantee. In this connection, I think we should hesitate to conclude that, by the mere insertion of the word "discount" with no special comment whatsoever, Congress intended to change the basic theory of Section 6(a) from a provision aimed at intra-holding-company-group borrowing (and similar transactions) to one which covered not only that field but also the field of *purchases* involving no reliance on the credit or worth of the affiliate from which the purchase was made. Here we encounter again the force of the argument that Congress made very clear in Section 6(a)(3) that it intended *not* to cover outright purchases where the seller did not assume responsibility.

Role of supervisory authorities. As previously mentioned, the wisdom of Congressional action is not the concern of an agency in its administration and interpretation of Federal legislation. However, the decision of the majority in this case apparently rests in part on the idea that Congress would have been acting in an unreasonable manner if it had not intended Section 6(a) of the Holding Company Act to prohibit outright purchases (that is nonrecourse purchases).

In my opinion, Congress sensibly could have decided that purchases in that category did not call for outright prohibition. Such purchases are a matter for close scrutiny under sound principles of bank supervision and examination, and consequently Congress could have decided that the dangers of misuse were not so great as to justify an absolute prohibition of a widely used and recognized banking practice. I do not believe Congress contemplated that the Holding Company Act would be interpreted as interfering with normal banking relationships and operations, except to the extent clearly required by its provisions.

Elsewhere in the Act Congress exempted various matters from specific coverage because they came within the scope of bank chartering, branch authorization, supervision and examination, and therefore did not need to be covered also by holding company legislation. For example, Section 3 forbids a bank holding company (1) to acquire the assets of a bank outside of its own State, or (2) to do so within its own State without the approval of the Federal Reserve Board. A specific exemption is provided, however, with respect to such acquisitions by a bank subsidiary of a holding company, for the reason that such absorptions generally are subject to control by the bank chartering and examining authorities, and Congress considered it unnecessary to impose additional prohibitions and requirements under the Holding Company Act. Likewise, despite the fact that Section 4 generally prohibits holding companies from acquiring shares of nonbanking corporations, Section 4(c)(3) permits such acquisitions from a subsidiary that "has been requested to dispose of such shares by any Federal or State authority having statutory power to examine such subsidiary"; here again Congress recognized the responsibility of bank supervisory authorities by providing a specific exemption to enable them more freely and effectively to exercise their authority with respect to the soundness of the commercial banking system.

In the same way, it appears to me entirely proper to infer from Section 6(a) a legislative intent to prohibit actual extensions of credit between the units of a bank holding company system, but to continue to leave to the judgment and decision of the supervising and examining agencies the matter of outright purchases of personal-loan and other paper. When Congress dealt with the same subject in the Banking Act of 1933, it left this area of banking activity to the ordinary processes of bank supervision (see Section 23A of the Federal Reserve Act), and there is no convincing evidence that Congress did not adhere to that philosophy in the Bank Holding Company Act of 1956.

In his Report the Hearing Examiner indicated (p. 285) that, except for his adverse conclusion on the crucial "discount" question, he would have found that the two loan companies involved in applications BHC–8 and BHC–12 were (in the words of Section 4(c)(6))

"so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of [Section 4] to apply in order to carry out the purposes of" the Bank Holding Company Act.

I agree with the Hearing Examiner's views on this point and I do not regard the "discount" provision of Section 6(a)(4) as a bar. Consequently I conclude that the Applicant is entitled to favorable determinations by this Board, pursuant to Section 4(c)(6), with respect to the two enumerated applications.

REPORT AND RECOMMENDED DECISION

Statement of the Case

On December 14, 1956, General Contract Corporation, herein called the Applicant, and at times GCC, filed with the Board of Governors of the Federal Reserve System, herein called the Board, 24 separate requests, covering 33 subsidiary corporations, that the Board determine, pursuant to Section 4(c)(6) of the Bank Holding Company Act of 1956, 70 Stat. 133, herein called the Act, that the shares held by the Applicant directly or indirectly in such subsidiary corporations are exempt from the provisions of the Act prohibiting the retention by a bank holding company of any voting shares of a nonbanking company.[1]

The nonbanking subsidiaries involved in the respective exemption request and the docket number assigned by the Board to each such request are set out below:

Washington Fire and Marine Insurance Company	(BHC-4)
Insurance Company of St. Louis	(BHC-5)
Midwestern Fire and Marine Insurance Company	(BHC-6)
Securities Investment Company of St. Louis and its subsidiaries:	(BHC-7)
Securities Credit Company (Mo.)	
Securities Loan Company	
Securities Credit Company (Fla.)	
Broadway Insurance Agency, Inc.	
Securities Insurance Agency, Inc.	
Davidson Insurance Agency, Inc.	
Investment Insurance Agency, Inc.	
Craighead Insurance Agency, Inc.	
Palafox Insurance Agency, Inc.	
Industrial Loan Company	(BHC-8)
Industrial Finance Company of Wellston	(BHC-9)
Springfield Union Finance Company	(BHC-10)
Quincy Union Finance Company	(BHC-11)
Baden Loan Company	(BHC-12)
General Contract Loan Company	(BHC-13)
SIC Loan Company	(BHC-14)
General Loan Company	(BHC-15)
General Contract Loan Company, Inc.	(BHC-16)
General Contract Loan Brokers, Inc.	(BHC-17)
Apex Insurance Agency, Inc.	(BHC-19)
Jefferson-Gravois Insurance Agency, Inc.	(BHC-20)
Reid-Kruse, Inc.	(BHC-21)
St. Louis-Washington Insurance Agency Inc.	(BHC-22)
Northwestern Insurance Agency, Inc.	(BHC-23)
Springfield Insurance Agency, Inc.	(BHC-24)
Quincy Insurance Agency, Inc.	(BHC-25)
Sterick Insurance Agency, Inc.	(BHC-26)
Texarkana Agency, Inc.	(BHC-27)[2]

On January 22, 1957, the Board ordered that a consolidated hearing be held on the aforesaid requests in accordance with the provisions of Section 4(c)(6) of the Act and Sections 5(b) and 7(a) of the Board's Regulation Y [12 CFR 222.5(b), 222.7(a)] promulgated under the Act. Notice of the Applicant's requests for such determinations and of the order directing a hearing thereon was published in the Federal Register on January 26, 1957 [22 Federal Register 528]. The notice as published provided, *inter alia*, that any person desiring to give testimony might file a request for that purpose with the Board.

Pursuant to the aforesaid order and notice, a hearing was held at St. Louis, Missouri, at various dates between February 18 and May 1, 1957, before the undersigned, Arthur Leff, a hearing examiner duly selected by the Civil Service Commission in accordance with the provisions of Section 11 of the Administrative Procedure Act (5 U.S.C. 1010) and thereafter duly designated by the Board to conduct the hearing in this proceeding. The Applicant and the Board—the latter in a nonadversary capacity—were repre-

[1] The particular sections of the Act here applicable are:

Sec. 4(a) Except as otherwise provided in this Act, no bank holding company shall . . . .

(2) after two years from the date of enactment of this Act . . . retain direct or indirect ownership or control of any voting shares of any company which is not a bank or a bank holding company . . . .

(c) The prohibitions of this section shall not apply—

(6) to shares of any company all the activities of which are of a financial, fiduciary, or insurance nature and which the Board after due notice and hearing, and on the basis of the record made at such hearing, by order has determined to be so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for the prohibitions of this section to apply in order to carry out the purposes of this Act; . . . .

[2] An additional exemption request, covering Investment Company of St. Louis and docketed as BHC–18, was withdrawn during the course of the hearing, with the explanation that the Board had issued an opinion that that company was exempt from the divestment requirements of the Act under another section.

sented at the hearing by counsel, and were afforded full opportunity to be heard, to examine and cross-examine witnesses, to introduce evidence bearing on the issues, and to file briefs and proposed findings. Leave was granted to Ben Du Bois, secretary of the Independent Bankers Association, and to William L. Gregory, representing Associate Bankers of St. Louis and St. Louis County, to appear as witnesses. At the hearing the aforesaid witnesses were allowed over the Applicant's objection, to read prepared statements in opposition to the exemption applications. Orders correcting errors in the transcript were entered on May 23, 1957, and on June 3, 1957.[3] On July 1, 1957, the Applicant submitted proposed findings of fact and conclusions of law, along with a brief in support thereof. All such proposed findings and the arguments contained in the brief have been considered.[4]

Upon the entire record in the case and from my observation of the witnesses, I make the following:

Findings of Fact

I. Introduction

A. The Business of General Contract Corporation in General

1. General Contract Corporation (herein GCC), a Missouri corporation, with its principal office and place of business at St. Louis, Missouri, is a bank holding company within the meaning of Section 2(a) of the Act, and has duly registered as such with the Board. GCC, as of December 31, 1957, had issued and outstanding 2,162,547.9 shares of $2 par value common stock; 110,579 shares of $10 par value 6 per cent preferred stock; 43,695 shares of $20 par value 5 per cent preferred stock; and 14,564 shares of $100 par value 5 per cent preferred stock. It has approximately 7,000 stockholders distributed in 44 States. Its common stock and the 6 per cent preferred stock are listed on the New York Stock Exchange. As of December 31, 1956, no single stockholder owned more than 2.45 per cent of the common stock, and the 10 largest stockholders together owned 13.66 per cent of such stock.

2. GCC owns all or most of the stock of eight banks, located in the States of Missouri, Illinois and Tennessee. The minimum amount of stock it owns in any such bank is 86 per cent. In addition, it owns, directly or indirectly, the following:

(a) Virtually all of the voting stock of a major finance company (Securities Investment Company of St. Louis) which is engaged principally in the business of purchasing instalment paper from automobile dealers and others, and which, through subsidiary companies, is also engaged in the business of making personal loans to individuals and in acting as an insurance agency in connection with its financing and lending activities. This finance company operates branches in 15 cities located in nine States.

(b) All the stock in 10 mainly one-office small loan and finance companies which are engaged in the business of purchasing instalment paper from various kinds of dealers and in making or arranging for small loans to individuals. These companies are located in eight cities in five States.

(c) All the voting stock of one insurance company and 50 per cent of the voting stock of each of two other insurance companies. The insurance companies issue policies chiefly against loss or damage to automobiles and damage by fire and other hazards to real property. The insurance companies also control an investment company—Investment Co. of St. Louis.

Relative Importance of Several Classes of GCC Subsidiaries

Classes of subsidiaries	GCC capital investment		GCC assets Dec. 31, 1956		GCC net income, 1956	
	Dollars	Per cent	Dollars	Per cent	Dollars	Per cent
Banks	10,575,000	51.5	[1]264,449,412	73.7	2,084,711	58.85
Securities Investment Company	7,014,656	35.0	72,142,789	20.1	616,064	17.39
Loan companies	195,000	0.9	2,034,401	.57	177,345	5.01
Insurance companies	2,518,089	12.5	17,183,641	4.79	556,530	15.79
Insurance agencies	14,000	0.1	297,318	.08	151,826	4.29

[1] As of Dec. 31, 1956, the eight bank subsidiaries had aggregate deposits of $236,592,000.

(d) All the stock of 10 insurance agency companies (other than the subsidiary agency companies of Securities Investment Co.) whose activities consist mainly of receiving insurance commissions on insurance business arising out of the finance and lending activities of GCC banks and other subsidiaries to which they are attached.

3. Annexed hereto as Appendix A is a chart listing all banking and nonbanking subsidiaries of GCC. The chart also reflects the places of incorporation of each such subsidiary, GCC's percentage of common stock ownership in each such subsidiary, and the place of operation of each such subsidiary where it does not have its own independent operating office.

4. Some idea of the relative importance in the GCC holding company family of its several classes of subsidiaries may be gleaned from the following table which shows as to each such class (1) the amount of GCC's capital investment; (2) its ratio to GCC's total capital investments; (3) the amount of GCC's assets represented by such class; (4) the percentage of the total assets of GCC thereby represented; (5) the amount of the 1956 net income to GCC from such class, and (6) the percentage of the consolidated net income of GCC that was represented by the consolidated net income of that class.[5]

5. GCC is engaged in business primarily as a holding company. At present, it has only one direct operation—a branch office at Texarkana, Texas, where it handles automobile dealer financing and some trade discount paper and also makes some personal loans.

[3] On Aug. 16, 1957, the parties submitted a stipulation to explain and supplement certain facts in the record. The stipulation is hereby admitted, and ordered filed as an exhibit in this proceeding.

[4] The proposed findings and conclusions are adopted to the extent that their terms or substance are included in or are consistent with the findings made below, and to the extent not so adopted are rejected.

[5] The figures used in the table were supplied by oral testimony. In some instances they are at variance with other figures found in the record. Following the hearing a stipulation was filed explaining the more important discrepancies.

The paper acquired and loans made by GCC at Texarkana are immediately sold by it at a discount without recourse to Bank of St. Louis. Except for the employees at Texarkana, who are paid on a reimbursable basis by Securities Investment Co., GCC has no employees of its own.

6. GCC's principal officers are the same as the principal officers of Bank of St. Louis. All of its officers, except one, are officers or employees of that bank. Its holding company activities are conducted out of Bank of St. Louis, the employees of which perform its record-keeping and other functions.

7. The requests for divestiture exemption involved in this proceeding cover all GCC nonbanking companies listed in Appendix A, except Investment Co. of St. Louis and Pulaski County Insurance Agency. Although an exemption application was originally filed for Investment Co. of St. Louis, that application was withdrawn during the course of the hearing for the reason set out above in the Statement of the Case. No exemption request was filed for Pulaski County Insurance Agency because it is not now actively engaged in business and GCC intends to dissolve it.

B. The Evolution of GCC

1. GCC traces its origin to Industrial Loan Co., a company which began operations at St. Louis in January 1913 under the Morris Plan system of loans and savings. Except for seven of the banks—that is, all banks but Bank of St. Louis—and Securities Investment Co. and its then subsidiaries, which were acquired, the complex of corporations now in the GCC holding company system is an outgrowth of the business that had its beginning with Industrial Loan Co.

2. From its original business of making Morris Plan loans, Industrial Loan Co. as early as 1917 branched out into the sales finance field, with particular emphasis on automobile dealer financing, and in pursuit of such business expanded its activities to areas outside St. Louis.

3. In 1923, the management of Industrial Loan Co. organized Industrial Savings Trust Co., which, as a corporation chartered under the trust company statutes of Missouri, enjoyed the powers of a bank. The trust company acquired the assets of the loan company and assumed its liabilities on outstanding Morris Plan investment certificates. Thereafter it both engaged in banking activities and continued the operation of the loan and finance business that Industrial Loan Co. had established.[6] At the beginning, the trust company accepted only savings deposits, but later it also began to accept demand deposits. In 1934, the trust company changed its name to Industrial Bank and Trust Co. and moved its offices and banking house to the present site of Bank of St. Louis.

4. During the period of its existence Industrial Savings Trust Co.—later Industrial Bank and Trust Co.—caused to be organized a number of subsidiary finance and loan companies for the purpose of handling dealer paper and engaging in the loan business principally in areas outside of St. Louis, including locations in Missouri, Illinois, Arkansas, Tennessee, Mississippi and Louisiana. It also caused to be organized various insurance company agencies to act as agents for the placement of insurance in connection with the lending and financing activities in which it and its subsidiaries were engaged. In 1940—prompted by increasing difficulties it was experiencing in obtaining adequate insurance coverage for financed automobiles—it arranged for the organization of an affiliated insurance carrier—Washington Fire and Marine Insurance Co. During the same period, Industrial Bank and Trust Co. also indirectly acquired through stock purchases control of two banks, Commercial and Industrial Bank, Memphis, Tennessee, and Illinois State Bank of Quincy. By 1946, Industrial Bank and Trust Co., directly or through subsidiaries, owned all or most of the stock in two banks, some nine loan or finance companies, an insurance company, and three insurance agency companies.

5. For a period of several years prior to 1946, bank examiners for the State of Missouri and for the FDIC had been recommending that Industrial Bank and Trust Co. discontinue investing its assets in other corporations. To meet their recommendations, a reorganization of the corporate structures of Industrial Bank and Trust Co. and its subsidiaries was effected. As a result, Bank of St. Louis was organized under the banking statutes of Missouri. It acquired all the assets—except stock in subsidiary companies—of Industrial Bank and Trust Co., and assumed the latter's deposit liabilities. At the same time, a new corporation—originally named Industrial Bancshares Corporation and later General Contract Corporation—was formed to become the successor to the holding company functions of Industrial Bank and Trust Co. GCC became the owner of the stock of Bank of St. Louis, as well as the stock of subsidiary companies that had previously been owned directly or indirectly by Industrial Bank and Trust Co. The stock of GCC was distributed on a pro rata basis to the stockholders of Industrial Bank and Trust Co., and the latter company was then dissolved.

6. After its formation, GCC—

(a) Acquired controlling stock interests in five additional banks—in July 1947, in Northwestern Bank and Trust Co., St. Louis; in October 1948, in Baden Bank, St. Louis; in December 1949, in Jefferson-Gravois Bank, St. Louis; and in December 1954, in Bank of Benton and The Bank of Zeigler, both in Illinois.

(b) Contributed, through its wholly owned subsidiary, Washington Fire and Marine Insurance Co., to 50 per cent of the capital of a new insurance company, named Insurance Co. of St. Louis, organized in January 1950.

(c) Organized a number of additional loan companies to operate personal loan businesses at various places, located in the States of Missouri, Illinois, Arkansas and Louisiana, as well as a number of additional insurance agency companies to act as agents for the placement of insurance in connection with loan and finance activities engaged in by GCC subsidiaries.

(d) Acquired in August 1952, more than 99 per cent of the common stock of a major finance company, Securities Investment Co. of St. Louis (SIC), by exchanging, pursuant to a public offering made to SIC stockholders, GCC stock for SIC stock. SIC at the time of acquisition operated a number of branch offices in Missouri, Tennessee, Florida and Michigan. It was also a holding company which at the time of acquisition had six wholly owned subsidiaries, in-

[6] Industrial Loan Co. was not dissolved, but continued to function as a subsidiary of the trust company.

cluding four small loan companies (one since dissolved), an insurance agency company, and an insurance company engaged in writing physical hazard insurance. The insurance company—Midwestern Fire and Marine Insurance Co.—was later transferred by sale to the direct ownership of GCC, its outstanding capital stock was then doubled, and the added stock was sold to an unaffiliated company, St. Louis Insurance Co., with the result that GCC now owns 50 per cent of the outstanding stock of that company. SIC, since its acquisition by GCC, has organized five additional insurance agency companies to receive commissions on insurance business generated by that company and its subsidiaries.

7. From 1946 to the end of 1951, GCC was simply a holding company and did not directly carry on any business. At the end of 1951, GCC took over the finance operations which had theretofore been conducted by two of its subsidiaries,[7] both since dissolved, at branches in 11 cities in the States of Arkansas, Mississippi, Illinois, Louisiana, Texas and Missouri. During 1954 and 1955, however, GCC transferred all such branch finance operations to SIC, except for the one branch at Texarkana, Texas, that GCC still operates; so that today, save for the one branch, GCC is again simply a holding company.

C. The Eight Banking Subsidiaries of GCC, Their Location and the Character and Scope of Their Activities

1. The eight bank subsidiaries of GCC are:

(a) *Bank of St. Louis.* This bank is incorporated under the Missouri banking statutes, but also possesses trust powers under the Missouri trust company statutes. With total resources of $128,190,383 at the end of 1956, it ranked fourth in size among St. Louis' 35 banks. It is by far the largest of the eight banks in the GCC family. As the direct successor of Industrial Bank and Trust Co., it is still the nerve center of the GCC holding company system, though it has been divorced from stock ownership of other companies in the system. Its top management is the same as that of GCC; its employees handle the details of GCC's holding company activities; and it acts as the clearing house for the exchange of information and for the coordination of activities among all companies in the GCC family. The principal officers of Bank of St. Louis are on the boards of directors of all other GCC subsidiary banks, except Bank of Benton and The Bank of Zeigler. They are also on the boards of Securities Investment Co. and the three insurance companies. Apart from GCC itself, there are three GCC subsidiaries that operate out of Bank of St. Louis, conducting their affairs with bank employees. They are Apex Insurance Agency, St. Louis-Washington Insurance Agency, and Industrial Loan Co. In addition, there are other insurance agency subsidiaries of GCC that use Bank of St. Louis employees for record keeping or other functions. The relationship of such subsidiaries to the bank will be more fully described in subsequent sections of this report.

(b) *Jefferson-Gravois Bank* is a neighborhood bank, located about three miles southwest of the downtown section of St. Louis where Bank of St. Louis is located. It was incorporated under the banking laws of Missouri, but later also acquired trust company powers. Jefferson-Gravois Insurance Agency is attached to this bank, carrying out its functions with bank employees.

(c) *Northwestern Bank and Trust Company,* incorporated under the Missouri trust company laws, is located about one and one-half miles from Bank of St. Louis. Northwestern Insurance Agency performs its functions at this bank with bank employees.

(d) *Baden Bank,* incorporated under the banking laws of Missouri, with later acquired trust company powers, is located in an outlying area of St. Louis. Baden Loan Co. is attached to this bank, operating with bank employees, and makes initially almost all the personal loans that are carried by this bank. Another GCC subsidiary, Reid-Kruse, an insurance agency, is also located at this bank, operating with bank employees.

(e) *Commercial and Industrial Bank* is located in the Sterick Building in downtown Memphis, Tennessee. Originally a Morris Plan bank, it still operates under that general plan, though no longer through franchise agreement with the Morris Plan Corporation, but, in addition, is now also privileged to, and does, accept commercial and savings bank deposits and conduct a general banking business. No other GCC subsidiary operates directly in this bank, but Sterick Insurance Agency operates an office with two employees of its own on the lobby floor of the building where this bank is housed.

(f) *Illinois State Bank of Quincy* is located at Quincy, Illinois, a city with a population of 44,000 that is also the home of four other banks. Quincy Insurance Agency is attached to this bank, using bank employees to carry out its functions.

(g) *Bank of Benton* is located at Benton, Illinois—population, 7,800—located about 100 miles from St. Louis. Insurance business generated by this bank and by The Bank of Zeigler is placed through Springfield Insurance Agency with bank employees handling the placement details.

(h) *The Bank of Zeigler* is located at Zeigler, Illinois—population 2,500—about 14 miles from Benton.

2. Each of the eight banks is engaged in a general banking business, accepting demand and time deposits, and making loans of various kinds, including real estate loans, commercial loans, personal loans and home improvement loans. Each of the banks, moreover, purchases consumer credit paper from dealers arising out of instalment sales of automobiles and furniture and household appliances, and also makes floor plan or wholesale loans to automobile dealers principally, but occasionally also to appliance dealers.

3. Though engaged in a general banking business, the GCC banks are particularly active in the field of consumer credit loans.[8] The ratio of consumer credit loans to all loans made by the GCC banks is higher—in most cases very substantially so—than the ratio to be found generally among commercial banks.[9] Much emphasis is placed by most banks in the GCC family on automobile dealer financing activities—a fact of considerable importance to the issue, later to be considered, of whether GCC should be allowed to retain its insurance company and insurance agency subsidiaries. The following table provides the details reflecting the extent to which each GCC bank was

[7] The subsidiaries were General Contract Purchase Corporation (Ark.) and General Contract Purchase Corporation (Mo.).

[8] Included in this category, as here used, are personal loans, automobile, furniture and appliance paper purchased from dealers, FHA Title I and modernization loans.

[9] The average ratio of consumer credit loans to total loans for all commercial banks in the nation, as of December 1956, came to approximately 13 per cent.

involved at the close of 1956 in consumer credit lending, and shows also the measure of its involvement in automobile dealer financing:

CONSUMER CREDIT AND AUTOMOBILE LENDING BY GCC BANKS

December 31, 1956

Bank	Total loans (Thousands of Dollars)	Consumer credit loans		Active automobile dealers financed (Number)	Retail automobile accounts	
		(Thousands of Dollars)	As a percentage of total loans		Number	Dollars
St. Louis.......	51,604	22,359	43	91	10,416	10,591,718
Jefferson-Gravois	14,672	4,492	33	13	2,477	3,656,820
Northwestern...	10,700	3,696	34	15	1,779	2,180,000
Baden..........	9,913	1,879	19	0	45	*380,602
C. and I........	10,948	8,149	74	17	5,375	4,693,541
Quincy.........	11,881	6,650	56	48	3,386	3,758,778
Benton.........	3,710	1,476	40	7	447	399,820
Zeigler.........	2,626	417	16	0	122	95,377

* Including participations.

II. SECURITIES INVESTMENT COMPANY OF ST. LOUIS AND ITS SUBSIDIARIES

A. The Business of SIC

1. Securities Investment Co. of St. Louis, herein SIC, is a Delaware corporation qualified to do business in the States of Missouri, Illinois, Tennessee, Arkansas, Mississippi, Florida, Oklahoma, Texas and Alabama.[10] It is by far the largest of GCC's nonbanking subsidiaries.

2. SIC is directly engaged primarily in the business of acquiring retail instalment notes (principally from automobile dealers but also from furniture and appliance dealers), making wholesale loans to dealers, making other discount basis loans, and discounting notes receivable from finance companies. Its home office is located at St. Louis. It conducts its operations through 15 branch offices located in nine States. The branch offices are located at Jonesboro and Little Rock, Arkansas; at Pensacola, Florida; at Jacksonville and Springfield, Illinois; at New Orleans, Louisiana; at Hattiesburg, Jackson and Meridian, Mississippi; at Kansas City, Sikeston and St. Louis, Missouri; at Tulsa, Oklahoma; at Nashville, Tennessee; and at San Antonio, Texas.[11]

3. (a) SIC also has two wholly owned subsidiaries, which operate out of branch offices of SIC, and are engaged in the business of making personal loans to individuals. They are *Securities Credit Company,* a Missouri company located at SIC's home office in St. Louis, and *Securities Credit Company,* a Florida corporation, which conducts its operation at SIC's Pensacola branch office. A third personal loan company subsidiary of SIC—*Securities Loan Company*—is also included in this proceeding. That company, which is housed at SIC's Nashville branch, was in the process of liquidation at the time of the hearing, and no longer an operating company. The officers and directors of the three loan company subsidiaries are all officers and employees of SIC.

(b) Securities Credit Co. (Florida) and Securities Loan Co. operate under small loan licenses issued by the States of Florida and Tennessee, respectively. They are consequently able on loans up to $300 to charge higher rates of interest than may banks doing business in those States. In the State of Missouri, where Securities Credit Co. (Missouri) is located, banks under a provision of the Missouri Constitution proscribing discrimination as among lenders, are allowed to charge the same interest rates as small loan companies (1945 Constitution of Missouri, Art. III, Sec. 44; *Household Finance Corporation* v. *Shaffner,* 356 Mo. 808, 203 S.W. (2d) 734).

4. In addition to the loan company subsidiaries, SIC has six wholly owned subsidiary insurance company agencies, which nominally act as agents for the placement of insurance required in connection with the finance and loan operation of SIC and its subsidiaries, and receive the commissions earned on such insurance business. *Broadway Insurance Agency* handles the Missouri business of SIC; *Securities Insurance Agency,* the Illinois business; *Investment Insurance Agency,* the Arkansas business; *Craighead Insurance Agency,* the Texas business; *Palafox Insurance Agency,* the Florida business; and *Davidson Insurance Agency,* the Tennessee business. The insurance agencies handle no business other than that generated by SIC and its subsidiaries. Except for some credit life insurance which is placed through outside companies, all policies are written through GCC affiliated companies. The SIC insurance agency subsidiaries have no separate offices or paid employees of their own. Operational details in connection with the placement of insurance are taken care of by SIC employees.

5. SIC and its subsidiaries are engaged in no activities that are not of a financial or insurance nature.

6. The finance and lending operations of SIC parallel to a considerable degree the consumer credit operations of GCC banks. To the extent that their operations are the same, they require similar management skills and there is a cross-adaptability of acquired experience and "know-how". Under GCC sponsorship, there is constant contact between representatives of GCC banks handling consumer credit operations and representatives of SIC. The two groups provide each other with statistical and other information concerning market conditions, exchange ideas on the development of new business, aid each other in establishing improved standards and operating procedures, and otherwise jointly consider matters of common interest. On occasions also, banks in the GCC family and SIC have aided each other to retain old business or to acquire new business.

7. There is, however, no direct functional integration between SIC's operations and the operations of GCC banks. Except for the exchange of information and the like, SIC and the banks are conducted as entirely separate and independent businesses. Although SIC operates primarily on money it borrows from banks, it looks solely to unaffiliated banks as a

[10] As of Dec. 31, 1956, SIC had outstanding 297,840 shares of $10 par value common stock and 35,000 shares of $100 par value preferred stock. GCC owned 297,413 shares, or 99.97 per cent of the common stock. The nonvoting preferred stock was held entirely by Mutual Life Insurance Co. of New York and Diversified Investors Syndicate.

[11] Nine of these branches were at one time owned by Industrial Bank and Trust Co. They were acquired by SIC from GCC in 1954 and 1955. Prior to their acquisition by SIC, the nine branches sold their paper to Bank of St. Louis, but no longer do so.

source for such funds.[12] SIC borrows no money from GCC banks. Neither it nor its subsidiaries purchase any loans from GCC banks, sell any loans or acquired paper to GCC banks, have any direct business dealings with such banks, or perform any operational services for them.

8. Though there are similarities between the business conducted by SIC and the banks, there are substantial differences, too. The banks' lending activities cover a much broader range. The banks receive deposits; SIC does not. The banks operate largely with depositors' funds; SIC uses its own capital and the money it privately borrows. Because SIC's business does not contain the same elements of fiduciary responsibility that are to be found in the banking business, it is not affected with the same public interest. Its activities are therefore not subject to the same general governmental supervision and regulation. SIC is subject to supervision and examination only with respect to that segment of its business that comes under State small loan regulations.

B. Analysis and Concluding Findings as to SIC and Its Subsidiaries

The basic facts, as I see them, on which decision in the SIC case must turn are these: SIC engages entirely in activities that are similar in kind to some but not all the activities in which banks generally, and the Applicant's banks in particular, also engage. Because the two businesses possess many common characteristics, they also require many common management skills. But GCC and the Applicant's banks have no business dealings with each other, and there is no direct connection in a functional, operational or servicing sense between SIC's activities and those of the Applicant's banks.[13]

The issue thus comes down to this: In the absence of any functional integration, is partial parallelism in the type of business activity pursued alone enough to support a "closely related" determination under Section 4(c)(6) of the Act?

That issue, which involves basically a question of statutory construction, may no longer be regarded as an open one. It was recently considered by the Board in the Transamerica case,[14] and disposed of adversely to the position of the Applicant here.[15] The Board said, in part:

". . . it is clear that the mere fact that some of Occidental's operations resemble or are kindred to some of the operations of banks is not enough to warrant the kind of determination intended by Section 4(c)(6). Functions may be similar to banking or to managing or controlling banks without necessarily being a 'proper incident' thereto, that is without 'naturally appertaining thereto'.

"Stated differently, mere similarity of some functions is not enough to eliminate the 'potential sources of evil' against which the general prohibition of Section 4 was aimed. This is especially the case when, as here, there are also substantial differences in functions which could give rise to such 'potential sources of evil'".

On the authority of the Board's decision in Transamerica—as well as on the basis of the legislative history of Section 4(c)(6) and for other reasons set out in my Report attached to the Board's decision in that case—I conclude that the facts found above regarding SIC do not support a "closely related" determination under Section 4(c)(6) of the Act. The conclusion reached with regard to SIC applies equally, of course, to all its subsidiaries.

Accordingly, denial will be recommended of the exemption application, docketed as BHC-7, covering Securities Investment Co. of St. Louis and its subsidiaries.

III. The Loan Company Direct Subsidiaries

A. Description of the Operations of Each of the 10 Companies

1. Industrial Loan Company. (a) Industrial Loan Co., a Missouri corporation, is located at Bank of St. Louis. Its officers and directors are also officers or employees of that bank. All of its activities are of a financial nature. It is engaged primarily in the business of making personal loans, repayable in instalments. Most but not all of the loans are secured by automobiles or household furnishings. Substantially all loans are sold on the day they are made to Bank of St. Louis.[16] The loans are sold at a discount,[17] but without recourse and without any purchase or guaranty agreement.

(b) Industrial Loan Co. (herein Industrial) is operated in effect as though it were the personal loan department of Bank of St. Louis. It has no separate place of business or paid personnel of its own. All of its functions are performed on the premises of Bank of St. Louis by bank employees. The building directory does not carry Industrial's name, but does state that the bank's instalment loan department is located on the second floor of the bank premises. There is nothing displayed on the second floor to distinguish Industrial's operations from bank operations. An applicant for a personal loan calling at the bank is referred to the personal loan department. If his application is approved, he signs a note and other loan instruments running to Industrial. The loan proceeds are paid to him by a check drawn on Industrial's account with Bank of St. Louis. The borrower receives a loan statement from Industrial in which he is directed to "make all payments at second floor of Bank of St. Louis". At the end of the day the note

[12] SIC has approximately 60 bank lenders. At the time of the hearing it had lines of credit totaling $54 million.

[13] Contrary to the Applicant's assertion, the record does not substantially support a finding that the banks are dependent upon SIC for the continued efficient conduct of their own consumer credit operations. The record does show, to be sure, that SIC and the banks interchange information and ideas at the holding company level that are of value to each. That is only to be expected among members of the same holding company family. But it was not disputed at the hearing that the same experience, know-how, and training that are to be found in the SIC organization are still to be found, and to a like degree, in the management and personnel of Bank of St. Louis.

[14] *In the Matter of the Application of Transamerica Corporation relating to Occidental Life Insurance Company,* Docket No. BHC-28, decided Aug. 20, 1957. (See Federal Reserve BULLETIN, September 1957, pp. 1014 ff.)

[15] Though this case presents a somewhat different factual situation, the basic question of statutory construction is the same. The arguments submitted on that question by the Applicant in this case do not vary substantially from those presented to the Board by the applicant in the Transamerica case.

[16] During 1956, Industrial Loan Co. made 6,782 loans amounting in the aggregate to $3,811,942. It sold all but five of these, totaling $44,144, to Bank of St. Louis. The five loans retained were not sold to the bank because they were loans made to employees of the bank.

[17] Thus, for example, on a loan with net proceeds to the borrower of $300 and charges of $30, the loan would be sold for $300 plus one per cent of $330, or $303.30. The one per cent would represent Industrial Loan Co.'s profit on the transaction.

and accompanying loan instruments are transferred by sale to Bank of St. Louis, as stated above. The borrower is not, however, notified of the transfer to the bank. In the event of a default in payment, repossession of the pledged security is effected and suit is filed in the name of Industrial. The bank, however, stands any ultimate loss, as well as the costs of collection that may be incurred, and has no claim over against Industrial.

(c) Substantially all personal loans carried by Bank of St. Louis originate in the manner described above, except for those loans which originate at the Texarkana branch of GCC and are sold to Bank of St. Louis in like fashion. As of December 31, 1956, Bank of St. Louis had 7,345 personal loans outstanding, amounting in all to $3,014,185. Of these, 6,943 accounts aggregating $2,847,374 were initially made by Industrial Loan Co. and 396 accounts aggregating $161,672 by the GCC Texarkana office. Only six personal loans, totaling $5,139, were made directly by Bank of St. Louis. It was explained at the hearing that the six direct loans represented exceptional situations where, for reasons unimportant here, Industrial Loan Co. could not itself legally make the loans, though the bank could.

(d) Industrial Loan Co. operates under the Missouri Consumer Credit Law which fixes rates of interest that may be charged on so-called small loans. (1949 Mo. Rev. Stats., Sec. 48:100 *et seq.*) As of the time of the hearing, the notes payable to Industrial carried interest on unpaid balances at the rate of 2.218 per cent per month on that portion of the principal amount of the loan not in excess of $400, and at the rate of 2/3 of one per cent per month of that portion in excess of $400. Such interest charges, which are added on to the amount of the note, are within the requirements of Missouri's small loan laws. The Missouri Constitution provides that any rate of interest fixed by law must be applicable generally to all lenders without regard to the type or classification of their business. (1945 Constitution of Missouri, Art. III, Sec. 44; *Household Finance Corporation* v. *Shaffner,* 356 Mo. 808, 203 S.W.(2d) 734.) There is therefore no legal impediment barring Bank of St. Louis, if it cares to do so, from making the same loans directly at the same interest rates.

(e) Applicant's witnesses at the hearing assigned various reasons to explain why GCC chose to operate through a separate corporate entity what is in effect a personal loan department of Bank of St. Louis. Included among those stated at one time or another were the following: (1) That it was a matter of "historical diction" since Industrial Loan Co. was the original corporation from which GCC's various personal loan operations eventually branched out. (2) That the name of Industrial Loan Co. was well known in the community because it was an early entrant in the field of small loan lending in St. Louis, and the public still looked to it as the place where personal loan needs might be met.[18] (3) That there have been times under Missouri laws when it was possible for Industrial to arrange for small loans at charges higher than that permitted banks under the general usury laws, and that it was considered desirable to maintain Industrial as a separate entity to guard against the eventuality that such a time might return again. (4) That with Industrial in the picture it was possible to bring repossession proceedings and collection suits in the name of Industrial rather than in the name of the bank, thus keeping the bank's name out of the Small Claims Court and making for better public relations.[19] (5) That by maintaining Industrial as a separate corporate entity which drew off part of the profits from the loan transactions that would otherwise go to Bank of St. Louis, it was possible for GCC to effect an ultimate income tax saving of approximately $5,000 per annum, because the first $25,000 of a corporation's income is taxed at a 32 per cent rather than a 52 per cent rate.

2. *Baden Loan Company.* (a) Baden Loan Co., a Missouri corporation, located at Baden Bank, is engaged solely in the business of making personal loans, repayable in instalments, and conducts no activities that are not of a financial nature. The officers and directors of the loan company are employees of Baden Bank. As in the case of Industrial Loan Co., Baden Loan Co. has no separate employees of its own and is not advertised at Baden Bank or elsewhere as a separate corporate entity, but carries out its functions with bank employees as if it were the personal loan department of Baden Bank. It conducts its operations at Baden Bank in the same manner that Industrial does at Bank of St. Louis.

(b) During 1956, Baden Loan Co. made 1,257 personal loans aggregating in amount of $910,035. It sold all but two of these to Baden Bank. The two loans retained were relatively large ones, totaling $28,750. The loan company's earnings on loans sold during the year amounted to $41,744—a figure indicating that Baden Loan Co.'s profit on loans sold must be considerably more than the one per cent received by Industrial Loan Co.

(c) Baden Bank makes few personal loans directly. As of December 31, 1956, it had 1,296 personal loans outstanding, amounting in the aggregate to $845,659. Only 19 of such loans, totaling $123,074, were made directly by the bank. The rest were acquired from Baden Loan Co.

(d) Walter Burtelow, GCC's executive vice president, testified that GCC was prompted to organize Baden Loan Co. for this reason: At that time there was still an unresolved legal question as to whether banks must register to qualify as lenders under Missouri's Small Loan Law,[20] and GCC preferred to have a company other than the bank registered, so that examinations under the Small Loan Law might not be extended to cover the entire bank operations. Applicant's present reasons for retaining the loan company—as stated at the hearing—are substantially the same as those given for retaining Industrial Loan Co. However, James A. Reid, the president of Baden Bank, added another. According to him, the loan company avoided embarrassment to bank management

[18] It is difficult, however, to reconcile this reason with the fact that Industrial is no longer advertised or held out to the public as an independent company. Moreover, loan applicants are at least initially led to believe that they are dealing with Bank of St. Louis through its own instalment department.

[19] In view of the outright sales of the loans to Bank of St. Louis, it is difficult to understand how suits may be brought in the name of Industrial and yet comply with statutory requirements that suits must be filed by the real party in interest. The only explanation offered by the Applicant was that the officiating magistrates were apparently unaware of real party in interest requirements, and that in any event the question had never been raised in any proceeding filed by Industrial.

[20] That question was finally resolved in *Household Finance Corporation* v. *Shaffner, supra,* in which the Missouri Supreme Court held, *inter alia,* that separate registration by otherwise qualified lenders could not be required under the Missouri Constitution.

because the rates it charged, while legal, were considered unseemly for a banking institution.

3. Industrial Finance Company of Wellston. (a) Industrial Finance Co. of Wellston, a Missouri corporation, maintains a single office at Wellston, a suburb of St. Louis, where it is engaged solely in the business of making personal loans and purchasing dealer paper from furniture and appliance dealers. All of its activities are of a financial nature. The officers and directors of the company are all employees of Bank of St. Louis, but the company has its own separate manager and paid employees.

(b) Industrial Loan Co. of Wellston retains all personal loans it makes. During 1956, the company made 551 such loans, totaling $248,948. Its earnings on such loans came to $50,041. Before enactment of the Bank Holding Company Act of 1956, the company also retained all dealer paper it purchased, but borrowed against such paper from Bank of St. Louis to obtain the funds necessary to carry on its dealer sales finance operations. With the passage of the Act, that procedure was changed. Now the Wellston company sells all its dealer paper to Bank of St. Louis at a discount without recourse or repurchase agreement. The paper is sold without notification to the borrower. Notwithstanding the sale, the Wellston company continues to service the paper to its finality. If in the interim suit becomes necessary, it is brought in the name of the Wellston company. During 1956, the company purchased 1,934 items of furniture and appliance dealer paper, amounting in the aggregate to $478,646, all of which it sold to Bank of St. Louis. Its earnings on dealer paper came to $23,053.

4. General Contract Loan Company (Missouri). General Contract Loan Co., a Missouri corporation, is located in SIC's branch office in Sikeston, Missouri. It makes personal loans and buys instalment paper from furniture and appliance dealers. Its officers and directors are employees of Bank of St. Louis, but it operates with its own paid employees. It retains its own loans and acquired dealer paper. It has no direct business dealing with other GCC subsidiaries. The money it borrows to conduct its lending and financing operations is obtained from unaffiliated banks. During 1956, General Contract Loan Co. made 1,215 personal loans amounting to $380,376, of which $24,601 represented financing of loan accounts of Securities Investment Co. It purchased 391 items of dealer paper in the face amount of $99,343.

5. SIC Loan Company. SIC Loan Co., a Missouri corporation, organized in March 1956, is located at the Kansas City branch office of Securities Investment Co. of St. Louis. Its officers and directors are employees of Bank of St. Louis, but it operates with its own paid employees. The company is engaged principally in making small loans, but it also engages in some automobile dealer and furniture and appliance dealer financing. Until 1957, SIC Loan Co. retained all its loans. At the start of this year, however, it began selling all its furniture and appliance dealer paper—but not its automobile dealer paper or its personal loans—to Bank of St. Louis. The paper is sold at a discount, without recourse or repurchase agreement, and under the same operational arrangements, described above, that are followed by Industrial Finance Co. of Wellston in the sale of like paper to Bank of St. Louis. During 1956, SIC Loan Co. made 148 personal loans totaling $92,933, of which 42 loans, amounting to $45,557, were to refinance loan accounts of Securities Investment Co. It also had 16 transactions in automobile dealer paper, amounting to $8,767, and 3 in furniture and appliance dealer paper, amounting to $1,096.

6. General Contract Loan Company, Inc. (La.). General Contract Loan Co., a Louisiana corporation, located at the SIC branch office in New Orleans, is engaged in the business of making small personal loans and buying furniture and appliance dealer paper, as well as repair and modernization and FHA Title I dealer paper. Its officers and directors are employees of Bank of St. Louis. Under the Small Loan Law of Louisiana [21] banks may not qualify as lenders at the rates of interest permitted licensed lenders under that law. Banks may, however, acquire FHA Title I and modernization paper as well as furniture and appliance dealer paper at the rates charged by General Contract Loan Co. This loan company retains all its personal loans and furniture and appliance dealer paper. But it sells all its FHA Title I paper and modernization loans to Bank of St. Louis. The sales are made at a discount, without recourse or repurchase agreement. Further servicing of the paper sold is handled by employees of Securities Investment Co. of St. Louis. General Contract Loan Co. reimburses SIC for such services on the basis of a 40 per cent retention of charges. During 1956, General Contract Loan Co. made 672 personal loans, aggregating $408,410, of which 98, totaling $143,772, represented refinancing of SIC loan accounts. Its interest earnings on personal loans came to $61,755. It had 29 financing transactions of furniture and appliance dealer paper, amounting in all to $7,387, on which it earned interest amounting to $584. It acquired and sold to Bank of St. Louis 190 items of FHA Title I loans, amounting to $162,239, and 273 items of modernization loans, amounting to $498,820. Its gross earnings on Title I and modernization loans sold came to $36,855. The paper sold to Bank of St. Louis represented about 60 per cent of its total volume of business.

7. Quincy Union Finance Company. Quincy Union Finance Co., an Illinois corporation is engaged at Quincy, Illinois, in the business of making personal loans under the Illinois Small Loan Act. As is true of all the direct loan company subsidiaries, except Baden Loan Co., the officers and directors of Quincy are employees of Bank of St. Louis. Quincy's place of business is about one-half block removed from Illinois State Bank of Quincy. Under the laws of Illinois, banks are not permitted to make loans at the rates of interest allowed by the Small Loan Law. (Smith-Hurd Ill. Anno. Stats., Ch. 74, Sec. 38.) Quincy operates with its own funds and with funds borrowed from unaffiliated banks. All of its loans are retained. During 1956, Quincy Union Finance Co. had 1,569 loan accounts totaling $520,711, of which 44, amounting to $14,997, originated by refinancing Illinois State Bank of Quincy accounts. Of its 1,569 loans, 81 were referred to it by the bank. Its interest earnings for the year amounted to $65,604, and its net earnings, after all expenses and taxes, to $18,404.

8. Springfield Union Finance Company. Springfield Union Finance Co., an Illinois corporation, is located next door to the SIC's branch office in Springfield, Illinois. Its operations are identical to those of Quincy Union Finance Co. During 1956, it had 1,564 loan accounts totaling $477,231, of which 23, amounting to $7,925, originated by refinancing SIC accounts. Its earned interest on personal loans during 1956 was

[21] West's La. Rev. Stats. Anno., Sec. 6.593.

$74,180. Its net earnings after taxes came to $21,101.

9. General Contract Loan Brokers, Inc. (a) General Contract Loan Brokers, a Mississippi corporation, operates at two locations in Mississippi, one at Jackson and the other at Meridian, both at SIC branch offices. It acts as a broker in arranging personal loans for borrowers from Deposit Guaranty Bank and Trust Company, a nonaffiliated bank in Jackson, Mississippi. But though technically a broker, this company operates for all practical purposes as though it were a loan company making the loans itself. The company solicits loan business; interviews prospective borrowers; investigates their credit; approves or rejects credit of applicants; when credit is approved, prepares all necessary loan papers for signature by the borrower, and arranges for the disbursement to the borrower of the loan proceeds at its own office. Thereafter, the company services the loan to final collection. The only substantial difference between the brokerage operation and the operation of a direct loan company is that the loan papers are made payable to the bank and the loan proceeds are paid by a draft drawn by the borrower on the bank. The draft, however, is endorsed by the borrower to the order of the brokerage company and cashed by it, with the borrower receiving the net proceeds of the loan only after all brokerage and other charges have first been deducted.[22] The type of brokerage operation engaged in by General Contract Loan Brokers has been upheld by the Supreme Court of Mississippi as outside the proscription of that State's usury laws. See *Towers Underwriters, Inc.* v. *Lott,* 48 So. (2d) 704.

(b) During 1956, General Contract Loan Brokers arranged for 1,551 such loans from Deposit Guaranty Bank and Trust Co. in an aggregate amount of $685,332, of which 545 loans, amounting to $275,914, represented the refinancing of borrowers' loan accounts with SIC. The company earned $72,187 in brokerage fees during the year. Its net earnings after expenses and income taxes came to $17,747.

10. General Loan Company. General Loan Co., an Arkansas corporation, is not now in operation. It formerly operated as a small loan company at Little Rock, Arkansas, but suspended operations when the Arkansas Small Loan Law was declared unconstitutional by the Supreme Court of that State. General Loan Co. has, however, been kept alive by GCC in the hope that Arkansas may soon have loan legislation that will enable the company to resume operations. It has been included among the subsidiary companies for which GCC seeks divestiture exemption in this proceeding for the same reason.

B. Analysis and Concluding Findings as to the 10 Loan Company Subsidiaries

1. In general. The Applicant would support its exemption requests for all 10 companies primarily upon the ground that what they do parallels some of the activities in which banks also engage. The Applicant urges an added ground, applicable to certain but not all the loan subsidiaries, that the activities of such loan companies are functionally integrated with, and an adjunct to, banking operations conducted by GCC banks.

The first ground urged is essentially the same as the one advanced by the Applicant to support its exemption request covering Securities Investment Co. of St. Louis and its subsidiaries. For reasons stated in the analysis of the SIC case, that is found an inadequate basis upon which to predicate a "closely related" determination under Section 4(c)(6). This finding is dispositive, without more, of half the exemption requests immediately under consideration. As to General Contract Loan Co. (Mo.), Springfield Union Finance Co., Quincy Union Finance Co. and General Loan Co., there is no claim, and certainly no evidence, that their lending and dealer financing activities are integrated in a direct, operational or functional sense with the carrying out of bank operations. As to General Contract Loan Brokers, the claim is made that the brokering operations of that company not only are analogous to bank lending operations, but also are functionally integrated with specific operations of the unaffiliated bank—Deposit Guaranty Bank and Trust Co.—for which it acts as loan broker. But that alone is not enough to satisfy the "closely related" requirements of the statute, particularly as interpreted by Section 5(b) of the Board's Regulation Y.

Under that section—as I interpret it, and as it appears to have been applied in the Board's decision in the Transamerica case—it is necessary to show, not only that a nonbanking business is by its nature a "proper incident" to banking or to managing or controlling banks, generally, but also that the requisite close relationship has specific application to the like business conducted by the applicant bank holding company or its banking subsidiaries. That construction, I am persuaded for reasons elsewhere stated, comports with the intent of Congress.[23]

That leaves for consideration, then, the cases of the five loan company subsidiaries with activities functionally connected in whole or in part with activities engaged in by GCC banks. As found above, the operations of Industrial Loan Co. and of Baden Loan Co. are almost entirely integrated with the activities of Bank of St. Louis and Baden Bank, St. Louis, respectively. Substantially all the personal loans held by such banks are originated by the loan companies attached to them and are contemporaneously purchased by the banks at a discount but without right of recourse against the loan companies. Industrial Finance Co. of Wellston and General Contract Loan Co. (La.) each sells the majority of the loans or dealer paper it acquires to Bank of St. Louis at a discount without recourse. SIC Loan Co. sells a part of the dealer paper it acquires to Bank of St. Louis on the same basis.

Neither the fact that such a functional relationship appears in the cases of five of the loan companies, nor the fact that the relationship may be a "close" one—as it undoubtedly is in the cases at least of Industrial Loan Co. and Baden Loan Co.—is, however, fully dispositive of the issue that must here be decided. The statute requires as a condition to divestiture exemption that the Board determine not only that a nonbanking subsidiary is so "closely related" to banking operations as to be an "incident" thereto, but that the "incident" is a "proper" one. It is to a consideration of that aspect of the issue that we now turn.

[22] The following example was given at the hearing to illustrate the charges on a 12-month instalment transaction: On a loan on which the borrower receives net proceeds of $359, his note is for $420—the charges being the bank discount, amounting to $14.70, a credit life insurance premium amounting to $4.20, and brokerage fees amounting to $42.10.

[23] See Hearing Examiner's Report attached to the Board's decision in the Transamerica case, published in Federal Reserve BULLETIN for September 1957, pp. 1019-35.

2. The "discount" question. Consideration of the "proper incident" aspects poses at the outset an important question of statutory construction. Section 6(a)(4) of the Act makes it unlawful for a bank

". . . to make any loan, discount or extension of credit to a bank holding company of which it is a subsidiary or to any other subsidiary of such bank holding company."

The finding that five of the nonbanking loan subsidiaries of GCC are engaged wholly or partly in activities functionally related to GCC bank operations is predicated entirely upon the fact that they originate and sell to GCC banks consumer credit paper at a discount, but without recourse and without any guarantee or repurchase agreement of any kind. If the acquisition by the subsidiary banks of such paper constitutes the making of a "discount" within the meaning of Section 6(a)(4), it would be a form of self-dealing proscribed by that section. And it would thus follow virtually as a matter of law that the relationship between the loan companies and their affiliated banks is not such as to constitute a "*proper* incident" to the business of banking, as conducted by GCC and its banking subsidiaries.

Though the Applicant argues to the contrary, there is much to support the view that Section 6(a)(4) is applicable to the type of dealings here involved. As the Applicant concedes in its brief, the term "discount" as used in the commercial world is broad enough to cover three kinds of transactions: (a) a two-party transaction wherein a borrower delivers his note to a bank and receives from the bank a sum of money which is less than the amount of the note; (b) a three-party transaction wherein the negotiable paper of a third party is endorsed by the holder and delivered to the bank in return for a sum of money which is less than the amount of the note; and (c) a three-party transaction—such as is here involved—where the note or other negotiable paper of a third party is delivered to the bank without endorsement (or with a "without recourse" endorsement) in return for a sum of money which is less than the amount of the note. Though the third type of transaction, unlike the first two, carries with it no obligation, direct or contingent, on the part of the person "discounting" the note to pay the amount due, and therefore is clearly in the nature of a purchase without strings attached, it no less than the others falls within the broad definition of a discounting transaction as usually understood.

Ample judicial authority supports the conclusion—in the words of the Third Circuit Court of Appeals—that, "in the business of banking, 'discount' in the ordinary acceptance of the term, includes what is called 'purchase' ".[24] Moreover, the Federal Courts have interpreted other sections of the national banking laws where the term "discount" is used as including within its scope, not only loans or advances by way of discount of commercial paper, but also the outright purchase by banks of such paper for an amount less than their face value. Thus it has been held that the authority of national banks to acquire title to commercial paper—authority that must stem from an express grant of power or impliedly be deemed prohibited [25]—is derived from the statutory corporate power given national banking associations under U. S. Rev. Stats., Sec. 5136, 12 U.S.C., Sec. 24, to engage in the "discounting" of "promissory notes, drafts, bills of exchange and other evidences of indebtedness." [26] Thus, too, the term "discount" as used in U. S. Rev. Stats., Sec. 5197, 12 U.S.C., Sec. 85, which prohibits usury by national banking associations on loans or discounts made by them, has been held to include within its scope, not only transactions involving bank loans to the person for whom paper is discounted, but also transactions involving bank purchases of third party paper—and this regardless of whether such paper is purchased with or without any right of recourse upon the seller.[27]

The Applicant argues earnestly, however, that notwithstanding the broad commercial usage of the term "discount", Congress in drafting Section 6(a)(4) intended to draw a distinction between, on the one hand, a discount involving a direct loan to an affiliated company, or an advance to such affiliate on discounted third party paper for the payment of which the affiliate assumes liability as an endorser or guarantor, and, on the other hand, a transaction involving a bank's purchase of third party paper at a discount from an affiliate without any right of recourse upon the affiliate. The Applicant concedes that Congress intended the prohibitions of Section 6(a)(4) to apply to transactions of the first two types, but not, it contends, to those of the third type.

The arguments upon which the Applicant would support that position are ably marshalled in its brief. The main points stressed are, in broad outline, as follows: (1) It is urged that Section 6(a)(4) may not be read in isolation, but must be read in context with the other subdivisions of Section 6(a). It is claimed that 6(a)(1), prohibiting investments in capital stock, bonds, debentures or other obligations of an affiliated company; 6(a)(2), prohibiting the acceptance of such capital stock, bonds, debentures or other obligations as collateral for advances made to any borrower; and 6(a)(3), prohibiting the purchase of securities, other assets or obligations from an affiliate under a repurchase agreement—all disclose a Congressional concern over a bank relying on the *worth* or *credit* of its parent or fellow subsidiaries in its investment or lending activities. According to the Applicant, consistency and harmony with the pattern shaped by the earlier subdivisions demand that Section 6(a)(4) also be construed as applying only to situations where a transaction calls for bank reliance on the *credit* or *worth* of an affiliate. And such reliance, it says, is not involved in the case of an outright purchase of paper where there is no residue of liability on the part of the transferor. (2) It is claimed that Section 6(a)(3) allows by implication the purchase from an affiliate "of securities, other assets or obligations" where there is no repurchase agreement, and it is asserted that the terms "securities" and "obligations" as therein used are broad enough to cover the purchase of con-

[24] *Danforth* v. *National State Bank of Elizabeth*, 48 Fed. Rep. 271, 274. See also *Fleckner* v. *Bank*, 8 Wheat. (U. S.) 338; *Morris* v. *Third National Bank of Springfield*, 142 Fed. Rep. 25, 31 (C. A. 8): cert. den. 201 U. S. 649; *Saltmarch* v. *Planters & Merchants Bank*, 14 Ala. 677; *Neillsville Bank* v. *Tuthill*, 4 Dak. 295, 30 N. W. 154, 156; *Pape* v. *Bank*, 20 Kan. 440, 446; 27 Am. Rep. 183; *Salmon Falls Bank* v. *Leyser*, 116 Mo. 51, 71, 22 S. W. 504, 509; *Tracy* v. *Talmadge*, 18 Barb. (N. Y.) 456; *Bank* v. *Savry*, 82 N. Y. 291, 302.

[25] *First National Bank* v. *National Exchange Bank*, 92 U. S. 122.

[26] *Morris* v. *Springfield National Bank, supra.* See also *Danforth* v. *National State Bank, supra*. p. 274.

[27] *Danforth* v. *National State Bank, supra.* Cf. *National Bank of Gloversville* v. *Johnson*, 104 U. S. 271; *Daniel* v. *First National Bank of Birmingham*, 227 Fed. Rep. (2d) 353, 355 (C. A. 5).

sumer credit paper, thereby in effect limiting the breadth of "discount" as used in Section 6(a)(4). (3) It is urged that the coupling in Section 6(a)(4) of the word "discount" with the words "loans" and "extensions of credit" denotes an intention to have them all understood in the same general sense, as covering only such transactions as involve the lending or advance of money to an affiliate for which the affiliate assumes responsibility for repayment.

But in arguing for a thus limited construction of the term "discount", the Applicant ignores entirely the legislative history bearing on the question of Congress' actual intent. In view of the admittedly varying meanings that that term allows, reference to such history seems to me both appropriate and important.

During the Committee hearings leading to the enactment of the statute, frequent reference was made by proponents of the proposed legislation to the Bankers Discount Corporation situation as a flagrant example of the danger of abuse flowing from self-dealings between bank holding companies and their subsidiary banks.[28] That situation involved a Texas finance company that acquired control of two Chicago banks and then, among other things, caused the acquired banks to purchase from it *at a discount and without recourse* notes of questionable value that it held, resulting in a forced temporary closing of the Chicago banks.[29] The House Committee, in reporting out H.R. 6227, which contained a provision identical to Section 6(a)(4), adverted to the Bankers Discount situation at two places in its Report.[30] In the course of its discussion of the self-dealing limitations of what is now Section 6(a) of the Act, it cited the Bankers Discount situation as a striking example of "the inadequacy of the [then] existing law with respect to self-dealing between bank holding companies and their subsidiary banks". And as a reason for including self-dealing provisions in the form now found in Section 6(a) of the Act, the Report stated:

"Your committee feels that to fail to prohibit self-dealing between bank holding companies and their subsidiary banks would be to invite a repetition of the [Bankers Discount] situation described above." [31]

To accept the Applicant's limited construction of the term "discount" in Section 6(a)(4) would be to hold in effect that Congress, notwithstanding its clearly explicated anxiety to guard against a recurrence of a Bankers Discount situation, nevertheless failed to make adequate statutory provision therefor. For, either a bank's purchase without recourse of notes from an affiliated company—the precise situation in the Bankers Discount case—is prohibited through application of the term "discount" in Section 6(a)(4), or it is not prohibited at all. Such carelessness in legislative draftsmanship is not lightly to be attributed to Congress. Nor is it reasonably to be assumed that Congress deliberately intended the distinction urged by the Applicant. If, as the Applicant virtually concedes, Congress considered it a source of potential evil warranting prohibitory legislation for a banking subsidiary to be allowed to purchase from its holding company or another affiliate commercial paper *with recourse,* to say that Congress at the same time meant to leave banks free to make such purchases *without recourse*—in other words, with less protection to the bank and its depositors—seems to me to make little, if any, sense.

Thus logic and legislative history combine with commercial word usage and judicial interpretation to give the term "discount" in Section 6(a)(4) a meaning that would include the purchase by way of discount of consumer credit paper, though no right of recourse *upon the seller* is reserved.

Nor do I think the solid considerations supporting that construction are successfully undermined by the arguments the Applicant has advanced to support the construction upon which it insists.

To begin with, I am not persuaded that to interpret "discount" in Section 6(a)(4) as including a purchase of commercial paper by way of discount would inject a discordant note in the provisions of Section 6(a)(3) read as a whole. It seems to me too narrow a view to say that Section 6(a) was only designed to prevent a bank from relying on the worth or credit of an affiliated company in the conduct of its banking activities. I think the broader aim of Section 6(a), as revealed by all its subdivisions, was to remove the danger that a bank holding company might misuse the resources of a bank it controls to gain an advantage for itself or other subsidiaries it also controls. This a holding company might otherwise do by causing a controlled bank to provide equity or working capital, directly or indirectly, to the holding company or another subsidiary, or by otherwise financing the *business operations* of such an affiliate. To interpret "discount" as used in Section 6(a)(4) in the full sense of that term as established by commercial usage is entirely consistent with that aim. For, obviously, a bank's resources might be used to finance the operations of a parent or other affiliated company just as much through purchase of commercial paper without recourse, as through purchase with recourse, or by means of a loan against the pledge of such paper. [32]

Further, I am not persuaded that a broad construction of "discount" in Section 6(a)(4) would create *perforce* an inconsistency with Section 6(a)(3). Section 6(a)(3) was evidently designed to cover a transaction which is in reality a loan transaction, but which takes the form of a purchase and repurchase agreement. By its terms it spells out a prohibition against a specific type of transaction, and goes no further. It confers no affirmative right with which the "discount" prohibition, no matter how broadly construed, may be found inconsistent. And even if Section 6(a)(3)

[28] See, for example, Hearings before House Committee on Banking and Currency on H. R. 2674, pp. 165, 210, 216, 84th Cong. 1st Sess.; Hearings before Subcommittee of the Senate Committee on Banking and Currency on S. 880, S. 2350 and H. R. 6627, p. 65, 84th Cong. 1st Sess. (testimony of Governor Robertson).

[29] The facts concerning the Bankers Discount Corporation situation are set out at length in H. Rep. 609, p. 18, 84th Cong.

[30] *Ibid.*, pp. 4, 1819.

[31] The Senate Report does not specifically mention the Bankers Discount situation. But the Senate appears to have shared the House's concern, as is revealed by the following passage from its Report (S. Rep. 1095, p. 4, 84 Cong.):

". . . fear has been expressed that, improperly but within the present law, a bank holding company may take undue advantage of one or more banks in its system. This it might do by discounting commercial paper at the bank with resulting profit to the bank holding company but at an unwarranted risk to the bank or its shareholders. No widespread abuse of this nature has been brought to the attention of your committee, but the provision in the bill prohibiting upstream lending should adequately prevent the possibility of any such abuse."

[32] This is aptly illustrated in the case of Industrial Finance Co. of Wellston. Before passage of the Act, that company obtained working capital for its dealer finance activities by borrowing against such paper from Bank of St. Louis. After such borrowing was outlawed by the Act, the company continued to obtain its working capital from Bank of St. Louis, except that now it sold the paper instead of borrowing against it. The procedure was changed, but the net result remained the same, except for diminution in the protection to the bank.

may read as reserving by implication whatever rights a holding company bank might otherwise have under the law to make purchases without repurchase agreements, this does not preclude the "discount" provision of Section 6(a)(4) from being construed as imposing a limitation or restriction on such rights. Indeed, such a construction is not only permissible, it is entirely reasonable. It would both give full meaning to "discount" in its accepted usage and at the same time comport with the ends that Congress sought to achieve, as revealed by the legislative history adverted to above. Nor would it otherwise negate the implication said to be contained in Section 6(a)(3). This is so because bank discounts, as commonly understood, apply to financial transactions involving notes, bills of exchange and the like, and not to a bank's acquisition through purchase of other assets, securities or obligations, such as, for example, corporate stocks, bonds or debentures.

The Applicant's argument, that the coupling of the word "discount" with the words "loan" and "extension of credit" denotes an intent to have "discount" apply only to transactions that involve loans made by a bank to an affiliate, is even less persuasive. The words "loan" and "extension of credit" do not have synonymous meanings,[33] and it seems unlikely that Congress would have inserted the word "discount", which, in ordinary usage has a broader meaning than "loan", had it merely intended that word to cover the same ground and no more.[34]

For the reasons stated, I construe Section 6(a)(4) as precluding dealings of the kind that are engaged in with GCC banks by the five loan companies whose cases have not previously been disposed of. I therefore find on that basis alone that the GCC bank-related activities of the companies in question are not such as to be a "proper incident" to the business of banking or of managing or controlling banks, as conducted by GCC and its banking subsidiaries.

3. Added considerations. Even if Section 6(a)(4) were construed as not quite reaching discounting transactions involving purchases without recourse, this would not leave unobstructed the Applicant's path to divestiture exemption in the cases of Industrial Finance Co. of Wellston, General Contract Loan Co., and SIC Loan Co. The question would still remain as to whether their relationship to the banking business conducted by GCC is such as to make divestiture unnecessary to carry out the purposes of the Act.[35]

The divestment requirements of the Act, no less than the self-dealing prohibitions, were "designed to remove the danger that a bank holding company might misuse or abuse the resources of a bank it controls in order to gain an advantage in the non-banking activities it controls." (S. Rep. 1095, p. 14, 84th Cong.) Thus, the same public policy considerations that led Congress to condemn horizontal and upstream lending and investments by a holding company bank would seem to apply as reasons for not allowing a holding company to retain loan companies that look to the resources of affiliated banks to provide needed working capital for their own lending or dealer financing activities. The potential danger in such a relationship of the "misuse or abuse [of] the resources of a bank" is certainly no less because the self-dealing may take a form that is deemed technically outside the reach of Section 6(a). Apart from the "discount" question, therefore, I do not think it can be said of the three loan companies now under specific consideration that they sustain a relationship to the Applicant and its banking subsidiaries of a kind which would, in the words of the Board in the Transamerica case, "substantially escape the 'potential sources of evil' against which the general prohibition [of Section 4] was directed." This is an additional reason for concluding that divestiture exemption of such companies would not carry out the purposes of the Act.[36]

The cases of Industrial Loan Co. and Baden Loan Co. stand, I think, in a different posture. As found above, these companies are operated for all practical purposes as if they were loan departments of the banks to which they are respectively attached. Were it not for my conviction that the "discount" provision of Section 6(a)(4) precludes a "proper incident" finding, I would have found that the situations presented in the cases of Industrial Loan Co. and Baden Loan Co. are such as to "substantially escape" the potential sources of evil against which the Act's divestiture provisions were aimed, and that their retention would accord with the purposes of the Act.

4. In sum. For the reasons set forth above, denial will be recommended of each of the exemption applications—docketed as BHC-8 to 17, inclusive—covering the 10 direct loan company subsidiaries of GCC.

IV. The Three Insurance Companies

A. Their History and the Reasons for Their Organization

1. Washington Fire and Marine Insurance Company. (a) Washington Fire and Marine Insurance Co. (herein Washington) was organized by Industrial Bank and Trust Co.—GCC's predecessor corporation—in 1940.

(b) At about that time companies engaged in automobile dealer sales financing were experiencing great difficulty in maintaining stable relationships with established independent insurance carriers. During the late 1930's, insurance carriers had suffered losses on physical damage insurance coverage of financed automobiles, and the trend of the major independent

[33] The phrase "extension of credit" is broader than the word "loan", and can include such things as guaranteeing someone else's debt or issuing a letter of credit against which someone can draw.

[34] It is noteworthy that an earlier bill to provide for the control and regulation of bank holding companies—S. 1118, on which the Senate Banking and Currency Committee held hearings in 1953—contained a provision identical to the present section 6(a), except for the omission of the word "discount" in subdivision (4) thereof. During the hearings on that bill the story of the Bankers Discount situation, which had occurred earlier that year, was first reported to the Senate Committee by the then chairman of the Federal Deposit Insurance Corporation. (See H. Rep. 609, p. 18, 84th Cong.) The fact that later Senate bills inserted the word "discount" in subdivision (4) of the self-dealing section may well suggest that the insertion was specifically and deliberately designed to cover a situation, such as occurred in Bankers Discount, where the discount by a bank of notes held by an affiliated company is in the form of a purchase without recourse rather than in the form of a loan.

[35] This is entirely apart from the question of whether the relationship is sufficiently substantial to qualify as *"closely related"*, a point as to which there may be grave doubt, in the case at least of SIC Loan Co.

[36] As found above, the operations of these companies consist in substantial part of acquiring consumer paper and funneling such paper into Bank of St. Louis. The Board may also care to consider whether such operations, and the possibility of their later extension to other branches or areas, are consistent with the purposes of the Act with regard to branch banking. No opinion on that question is expressed here.

insurance companies was to withdraw from that type of coverage. As a result, the leading national sales finance companies were led to organize their own insurance carriers. General Motors Acceptance Corporation, Commercial Credit Corporation, C.I.T. Corporation and Associate Investment Company, among other major finance companies, organized their own insurance carrier affiliates during the period from 1938 to 1940.

(c) Industrial Bank and Trust Co. was led to form Washington for like reasons. Previously, Industrial and its affiliated companies had effected the necessary insurance arrangements on their automobile dealer finance business through Clark C. Bland, an independent insurance agent in St. Louis specializing in that type of insurance. Bland, however, began to experience increasing difficulties in the placement of such insurance. Finally, in 1939, Bland suggested that Industrial ought to organize its own insurance carrier as a matter of self-protection in the event that outside connections could no longer be maintained. Acting on Bland's suggestion, Industrial caused Washington to be organized as a Missouri insurance company in 1940.

(d) For some time after Washington was formed, it was held mainly on a standby basis, and Industrial continued to place much of its business and that of its subsidiaries with outside insurance companies, through Bland. But Industrial ran into recurrent placement difficulties and also suffered several unsatisfactory experiences in the form of cancellations and the like. In the course of time, Industrial, and later GCC, turned more and more to Washington to meet its own and its subsidiaries' insurance needs in the automobile dealer financing aspect of its business. Today, the GCC subsidiaries, both banking and nonbanking, use Washington and its affiliated companies exclusively as their insurance connection for automobile physical damage insurance.

(e) During World War II, when the automobile financing business came to a virtual standstill, Industrial moved into the field of financing the construction and sales of housing, mainly under FHA Title II. Simultaneously, the scope of Washington's operations was expanded to include the writing of fire and extended coverage insurance on dwellings. There is evidence indicating that in Washington's early years, the Industrial Bank and Trust Co., in order to draw business to Washington, often insisted as a condition to the making of certain types of real estate loans that borrowers place their business with Washington. But that practice appears to have been discontinued some time ago. After the war Washington remained in the fire insurance field, and to spread its risks, as well as for other reasons, expanded the area of its operations. Most of its premium income today is derived from real estate fire and extended coverage insurance.

(f) All of Washington's capital stock is owned by GCC. As of December 31, 1956, Washington had total assets of $7,650,772, total liabilities of $5,219,-816, paid-up capital of $1,000,000 and surplus of $1,430,956. In 1956, Washington had a total net income before income taxes of $383,607, of which $68,056 represented net underwriting gains and the balance represented investment gains and other income. Its net income after taxes came to $248,234.

2. Midwestern Fire and Marine Insurance Company. (a) Midwestern Fire and Marine Insurance Co. (herein Midwestern) was organized in 1939 by Securities Investment Co. of St. Louis, then unaffiliated with GCC. SIC, like other finance companies at the time, was prompted to organize its own insurance carrier because of the difficulty it was experiencing in maintaining insurance connections for its automobile dealer finance business. Midwestern, after it was formed, became the recipient of all SIC's insurance business, and until World War II SIC was Midwestern's only client. When the automobile financing business dried out during the war years, Midwestern, in order to put its assets to use, broadened the area of its operations by entering the field of fire and extended coverage insurance on real estate. With the resumption of automobile sales at the end of the war, Midwestern discontinued new writings of real estate insurance, and again confined its writings to automobile physical hazard insurance on automobiles financed by SIC.

(b) In 1952, GCC obtained indirect control of Midwestern by its acquisition of 94 per cent of the stock of SIC. Later, SIC transferred to GCC its stockholdings in Midwestern; the capital stock of Midwestern was doubled; and the added shares were purchased by an unaffiliated holding company, St. Louis Insurance Co., which today shares equally with GCC the stock ownership of Midwestern.

(c) As of December 31, 1956, Midwestern had total assets of $4,960,607, total liabilities of $2,665,-531; paid-up capital of $1,000,000 and surplus of $1,295,075. In 1956, Midwestern had a total net income before income taxes of $397,504, of which $34,028 represented underwriting gains and the balance investment and other income. Its net income after income taxes in 1956 was $264,338.

3. Insurance Company of St. Louis. (a) Insurance Co. of St. Louis [37] was organized in 1950. Its capital was contributed in equal shares by Washington and by St. Louis Fire and Marine Insurance Co., an operating subsidiary of St. Louis Fire Insurance Co., which then, as now, was a joint participant with Washington in a pooling arrangement to be hereinbelow more fully described. The new company was formed for the purpose of expanding the operations of the two other companies then in the pool. Through the pyramiding device of employing existing assets of the two companies to provide capital for the third, it was possible, without the injection of new outside capital, to show more aggregate assets that might be used as a base to enlarge the aggregate amount of insurance all three companies might write. Moreover, the addition of a new operating company made possible the appointment of additional agents to serve areas already occupied by agents of the other two companies, thus adding to the business-getting potential of the combined companies. It also provided the insurance group with a company that might be qualified in certain states to write insurance at less than manual rates, and thus meet the competition of mutuals and direct writers who write at downward deviations.[38]

(b) Insurance Co. of St. Louis now has 2,000 shares of $50 par value preferred stock and 9,000 shares of $100 par value common stock, the ownership of which is equally divided as aforesaid. The company's financial statement as of December 31,

[37] Not to be confused with St. Louis Insurance Co. or St. Louis Fire and Marine Insurance Co.

[38] At the present time Insurance Co. of St. Louis operates in Missouri and in many other States at a downward deviation from the manual rates.

1956, shows total assets of $5,100,765, total liabilities of $2,658,892, paid-up capital of $1,000,000 and surplus of $2,441,873. In 1956, it had a total net income before taxes of $408,427, of which $34,028 represented underwriting gains and the balance investment and other income. Its net income after taxes came to $279,428.

B. Operational Integration of the Three Companies

1. Washington, Midwestern, and Insurance Co. of St. Louis, along with the GCC unaffiliated St. Louis Fire and Marine Insurance Co., conduct their insurance activities as a single integrated joint enterprise. All four companies are operated by an independent company, General Insurors, Incorporated, under management contracts. None of the insurance companies has any paid employees of its own.

2. Under the management contracts, General Insurors assumes supervisory control over all operations of the companies, except those relating to investments. It also furnishes all necessary executive and clerical personnel, and all office space and equipment, essential for the companies' business operations. In consideration for its management services, General Insurors receives 6 per cent of the gross premiums. The management contracts do not extend to dividend policies or investments. Such matters are handled by the officers and directors of the respective insurance companies.

3. As among themselves, the four companies have an inter-company pooling arrangement. All premiums received, regardless of the company which writes the policy on which a premium is paid, are placed in a common fund and are credited to the four companies in the following percentages:

St. Louis Fire and Marine Insurance Co.	33⅓
Washington Fire and Marine Insurance Co.	33⅓
Insurance Co. of St. Louis	16⅔
Midwestern Fire and Marine Insurance Co.	16⅔

Similarly, all underwriting expenses, loss payments, and loss adjustment expenses are withdrawn from the common fund and charged to the respective companies in the same proportions. Any residue is similarly distributed. The four companies maintain their separate identities only with respect to the management of their investment accounts, each handling its own.

4. The four companies referred to above are known as the St. Louis Insurance Group. Together, the companies are now qualified to do business in 44 States—all but West Virginia, North Dakota, Rhode Island and Massachusetts. Their activities are subject to supervision by State regulatory authorities. Although authorized by their charters to write additional forms of insurance, the companies in the group now confine their activities to the writing of automobile physical hazard insurance, trailer insurance, and real estate fire and extended coverage insurance.

5. All of the activities of the companies here under consideration are of a financial or insurance nature.

C. Arrangements between GCC and Its Affiliated Insurance Companies Relating to Automobile Physical Damage Insurance

1. Washington, Midwestern and Insurance Co. of St. Louis each has a master policy outstanding in favor of GCC and all of its subsidiary companies. The master policies are tailored to satisfy the insurance needs of GCC banks and other subsidiaries in their automobile lending and financing transactions, and, more particularly, to facilitate the dealer finance operations in which such banks and other subsidiaries are engaged. The master policies are designed to give the banks and other subsidiaries the maximum insurance protection available to protect them from losses resulting from collision, fire, theft and other physical hazards.

2. Under the terms of the master policies, all automobiles covered by acquired dealer finance paper or pledged by borrowers as security for loans are automatically insured—except in those situations where insurance arrangements satisfactory to the lending or financing subsidiary have otherwise been made by the dealer or customer himself. The insurance on any particular automobile goes into effect immediately upon approval by the GCC subsidiary of the loan or finance transaction, without any need for advance notification or risk approval by the insurance companies. The purchaser or borrower receives a certificate of coverage when he executes the approved finance or loan papers, and the automobile, if an original purchase, is insured from the moment it leaves the dealer's floor. The insurance provided for is double interest, protecting not only the interest of the purchaser or borrower, but also that of the affected GCC subsidiary separately, the latter's interest remaining protected despite any change of ownership in the automobile or any act or neglect that may justify invalidation of the policy as to the purchaser or borrower.[39] Though the policies reserve to the insurer the right to cancel out the interest of the purchaser or borrower upon appropriate notice if he is later found an unsuitable risk, they also provide that such cancellation shall not affect the interest of the GCC subsidiary, which, in the event of such cancellation, thereafter remains protected by single interest coverage.[40] The master policies also contain a so-called "conversion" clause which protects the interest of the affected GCC subsidiary in the loan or dealer paper from any loss resulting from the conversion, secretion or embezzlement by the borrower or the purchaser of the automobile securing the loan.

3. The GCC master policies are written on a retrospective basis. All premiums are pooled over a stipulated period of operation, called a Plan. The insurance companies receive for their own account 12.5 per cent of the earned premiums, a percentage which is calculated to cover roughly their actual expenses, including the management fee to General Insurors. taxes and miscellaneous expenses. The balance of 87.5 per cent is reserved to cover losses, adjustment expenses and commissions. Any part of the 87.5 per cent balance that is not paid out for losses, and adjustment expenses during the operational period of a given plan is credited to the insurance agency companies as earned commissions. Although no final accounting for commissions can be made under a given

[39] The usual policy issued to an individual insured does not contain such a provision. It is, however, to be found in the long form "loss payable clause" which a lienholder may insist upon and usually obtain without added premium, but often only after considerable follow-up effort.

[40] Such single interest added coverage is not obtainable on an individual policy. However, independent insurance companies have available a so-called vendor's single interest policy which provides such secondary protection to a lender on risks insured by other carriers. Such a policy will only be written on a volume basis to cover all risks in an appropriate class. GCC has such a vendor's single interest policy with an unaffiliated carrier, covering its interests on all automobile loans and dealer paper where insurance is arranged by the purchasers or borrowers under individual policies with outside carriers.

plan until all policies written thereunder have run out and the exact loss experience on that plan has been determined, advance commissions, subject to later adjustment, may be paid to the insurance agency companies in the interim.

4. About 20 per cent of the automobile dealer finance business of the GCC banking and other subsidiaries is handled under so-called "dealer agent" arrangements which provide for payment to the dealer of a commission, usually fixed at a flat 25 per cent, on all insurance premiums received on his finance business.[41] Where such a dealer agent plan is in operation, the dealer's commission is paid by the affiliated insurance agency, and if that agency eventually earns less in commissions on that dealer's business than the commissions paid out to the dealer, it must bear the loss itself.

D. The Volume and Sources of Business Done by the St. Louis Insurance Group

1. In general. (a) During 1956, the St. Louis Insurance Group had total gross premium receipts of $10,192,132. The sources from which such premium receipts were derived are broken down as follows:

Source	Dollar amount	Approx. percentage of total
8 GCC banks	707,451	7
Other GCC affiliates	2,093,325	20
Unaffiliated sources	7,391,356	73
Total	10,192,132	100

(b) Of the $707,451 derived from GCC bank sources, $663,186, or approximately 6.5 per cent of the total premium receipts, represented premiums for physical damage insurance on automobiles securing loans and dealer paper held by such banks, and the balance of $44,265 represented premiums for fire and extended insurance coverage on real estate under mortgage to such banks. All of the $2,093,325 derived from GCC nonbanking affiliates represented premiums on automobile physical hazard insurance. Of the $7,391,356 from unaffiliated sources, over $6,000,000 represented premiums on real property fire and extended coverage insurance, and the balance represented insurance on mobile homes and automobile physical damage insurance written on an individual selective basis through outside agents.

(c) The St. Louis Insurance Group's outside insurance business constitutes a profitable operation. The same is true of the automobile physical damage and real property fire insurance business that is derived from personal and real estate loans made by the GCC banking subsidiaries. The insurance derived from the automobile dealer finance business of the GCC subsidiaries does not, however, allow for a profit to the insurance companies—as distinguished from the insurance agency subsidiaries. This is because the retrospective arrangement with GCC, discussed above, permits the insurance companies a maximum retention of 12.5 per cent of earned premiums after losses and adjustment expenses have been paid, a percentage calculated to cover actual operating costs only.[42] There is, however, some possibility of loss to the insurance companies on that class of business. For, if the loss ratio (losses and adjustment expenses to earned premiums) should exceed 87.5 per cent, the insurance companies would be required themselves to absorb the excess. According to the Applicant, there has been uncertainty each year since the insurance companies began their operations as to whether they would reach a break-even point on the automobile finance branch of their business. For several years prior to 1956, the loss ratio on such business hovered between 70 and 80 per cent, a percentage sufficient to protect the insurance companies from a direct loss on such business, but not enough to cover the insurance agency companies in those cases where a 25 per cent commission was paid to dealer agents.[43] In 1956, an extraordinarily bad year for all automobile insurance companies, the loss ratio on new automobile finance business coming from the eight banks was running at a rate of 90.7 per cent, and at a rate of 92 per cent on such business coming from SIC. This is to be contrasted to a loss ratio during the same year of 57.63 per cent on the insurance companies' nonfinance automobile policies, and 20.49 per cent on their selectively written fire and extended coverage insurance.

(d) The Applicant considers that the profitable nonfinance lines, emanating mainly from outside sources, are essential to it, if it is to continue to maintain its finance automobile physical damage insurance on a sound and stable basis. It points out particularly that in years such as 1956, the profitable nonfinance lines serve to subsidize losses incurred on the finance line. Without the other lines, it asserts, it would be hazardous for the insurance companies to maintain their present arrangements with GCC under which the finance insurance line is carried for GCC's banking and other subsidiaries.

2. Placements by GCC banks with affiliated insurance companies of fire and extended coverage insurance on property securing real estate loans held by such banks. The accompanying table shows the extent to which the real estate loans of each of the eight GCC banks, outstanding on December 31, 1956, were covered by insurance placements with companies in the St. Louis Insurance Group:

INSURANCE COVERAGE OF PROPERTY SECURING REAL ESTATE LOANS [1]

December 31, 1956

Bank	Number of accounts owned and serviced		Number of accounts serviced for others		Number of accounts owned but serviced by others	
	Total	Insured	Total	Insured	Total	Insured
St. Louis	1,243	643	2,975	1,608	1,288	86
Northwestern	546	24	224	1	553	8
Jefferson-Gravois	131	28	0	0	1,255	0
Baden	723	8	37	0	688	0
Quincy	785	120	0	0	75	0
C. and I.	498	161	1,630	645	4	0
Benton	407	0	0	0	0	0
Zeigler	446	0	0	0	83	2

[1] Fire and extended coverage insurance placed with affiliated St. Louis Insurance Group by eight GCC banks.

[41] Such "dealer agent" arrangements are commonly offered by the major finance companies.

[42] The insurance agency subsidiaries, however, are in a position to earn substantial profits through retrospective commissions.

[43] About 20 per cent of the automobile dealer accounts of GCC subsidiaries are on a dealer agent plan. On business not handled under a dealer agent arrangement the commission to the insurance agency subsidiary would be represented by the difference between the loss ratio and 87.5 per cent. In other words, in the case of a 70 per cent loss ratio, the commission would come to 17.5 per cent.

3. GCC placements of automobile physical damage insurance. (a) During 1956, the GCC subsidiaries, both banks and others, financed a total of 56,895 automobiles, both directly and through the acquisition of dealer paper. Insurance covering 35,606 of the cars thus financed—or 63 per cent of the total [44]—was placed with affiliated insurance companies. The following shows the distribution between GCC banks and other GCC subsidiaries:

Number	Banks	Other subsidiaries	Total
Dealer paper loans	17,802	29,481	47,283
Personal loans	4,459	5,153	9,612
Total loans	22,261	34,634	56,895
Cars insured with affiliates:			
Total cars	9,331	26,275	35,606
As a percentage of total number of cars financed (rounded figures)	42	76	63

(b) In the case of the banks, separate figures are available as to each bank showing with respect to both personal loans and dealer paper, the proportions of insurance placements made with affiliated insurance carriers. They are set out in the accompanying table.

AUTO ACCOUNTS INSURED BY AFFILIATES FOR GCC BANKS BY PERSONAL LOANS AND DEALER PAPER

Bank	Number requiring insurance	Number insured by affiliated companies: Total	Number insured by affiliated companies: As percentage of number requiring insurance
St. Louis:			
Personal loans	791	392	49.56
Dealer paper	5,284	3,310	62.64
Purchased from GCC Texarkana—			
Personal loans	337	221	65.58
Dealer paper	1,961	1,611	82.14
Northwestern:			
Personal loans	608	210	34.53
Dealer paper	1,264	236	18.67
Jefferson-Gravois:			
Personal loans	457	....	....
Dealer paper	1,799	414	23.21
Baden:			
Personal loans	493	....	....
Dealer paper	31	22	70.97
Quincy:			
Personal loans	273	53	19.41
Dealer paper	2,958	1,240	41.95
C. and I:			
Personal loans	1,024	188	18.35
Dealer paper	4,013	1,364	33.98
Benton:			
Personal loans	340	....	....
Dealer paper	344	76	22.09
Zeigler:			
Personal loans	136	....	....
Dealer paper	148	13	8.78
Totals:			
Personal loans	4,459	1,063	23.83
Dealer paper	17,802	8,268	46.54

[44] In 1955, the percentage was 90 per cent. The decline in 1956 was explained as due to (1) more aggressive solicitation by mutual companies of the more desirable insurance risks; (2) the strengthened buyers' market in 1956 that made it more difficult for dealers to control their customers' placement of insurance; and (3) the fact that GCC in 1956 had fewer package deals which included insurance as part of the financing arrangements.

E. Considerations Bearing on GCC's Need of Its Insurance Company Subsidiaries as an Aid to the Business Conducted by Its Banks

1. As found above, the activities of GCC's insurance company subsidiaries relate to activities of GCC banks with regard to real estate loans, direct personal loans secured by automobiles, and acquired automobile dealer paper.

2. GCC makes no claim that it requires an insurance company affiliate of its own for the efficient conduct by its banks of their real estate lending activities. The record is clear that the writing of fire and extended coverage insurance on real property is a profitable operation for insurance companies generally; that there is considerable competition among them for that class of business; and that banks have never experienced difficulty in arranging for such insurance. GCC does claim, however, that the operation of its profitable fire and extended coverage line is necessary to provide stability for, and at times to subsidize, its dealer finance automobile physical insurance line.

3. As for personal loans secured by automobiles, GCC also concedes that its banks do not necessarily require an insurance affiliate of their own to enable them to arrange the necessary insurance on such loans. Individuals who are considered good credit risks by banks are normally also considered good insurance risks. The loss ratio on that type of risk has usually been found satisfactory to insurance companies, and there has always been an active and competitive market for business of that kind. But, while conceding that an insurance company affiliation is not a *sine qua non* for direct automobile lending, GCC urges that such an affiliation is nevertheless desirable as a means of facilitating its banks' direct lending operations. To support that position, GCC points out (1) that such an affiliation relieves a borrower from himself making the necessary insurance arrangements and thus expedites the making of a loan; (2) that where insurance is placed with an affiliated carrier under the GCC master policy the bank is automatically assured of the maximum protection; and (3) that a borrower's insurance placement with an affiliated carrier results in the saving of considerable clerical time that must otherwise be devoted in following up the insurance to assure that the borrower has effected proper insurance, that such insurance is being properly renewed, and that the bank's interest as lienholder is properly indicated and protected by a sufficient loss payable clause.

4. With regard to the automobile dealer finance phase of the banks' activities, GCC insists that an insurance company affiliation is not only desirable but is indispensable. The facts upon which it relies to support that contention are set out below.

5. In the automobile dealer sales finance field, it has always been considered essential that the dealer himself, or else the financing company, have an arrangement with an insurance company to provide the necessary insurance protection on all dealer paper acquired by the financing company from the automobile dealer. If such insurance arrangement is to be considered satisfactory, it must provide for automatic coverage on each automobile sold under an instalment payment contract, the coverage taking effect from the moment the sale is effected by the dealer and without advance clearance by the insurance company. Provision must also be made for

separate coverage of the lienholder's interest regardless of any policy cancellation as to the owner of the automobile. In addition, in order to acquire business from certain dealers, it is sometimes necessary for the financing company to be able to produce a commission on the insurance for the dealer.

6. Traditionally, in the sales finance field the responsibility to arrange for such insurance has fallen upon the financing company in situations where dealers have no insurance connections of their own. GCC considers that its banks, in the acquisition of automobile dealer paper, compete for business primarily with the national sales finance companies, rather than with other banks.[45] The leading national automobile sales finance companies have their own insurance company affiliates which they employ as adjuncts to their dealer finance activities. Such companies offier dealers a complete package, including inventory financing, customer financing and insurance facilities. Their arrangements with dealers provide not only for prompt clearance of credit while a customer is on the floor, but also for immediate and automatic insurance coverage on automobiles sold from the moment of delivery by the dealer. Moreover, as part of the consideration for the acquisition of business, the national finance companies commonly make arrangements with dealers for dealer participation in insurance commissions. Such arrangements are facilitated by reason of their insurance company affiliations.

7. GCC believes that its banks must be in a position to offer dealers comparable services and advantages if they are to compete successfully with the national finance companies for dealer business. And to do so, according to GCC, it is important for its banks to have a stable insurance company connection in which they can rely on a continuing basis to provide the requisite type of coverage in all the areas in which they operate. GCC emphasizes that such a connection is now provided by its affiliated insurance companies, and with it the means by which its banks are in a position to arrange where necessary for the payment to a dealer of a guarantee commission on the insurance the dealers' business produces.

8. GCC explains the ability of several other large banking institutions in the St. Louis area to obtain substantial slices of available dealer business, though they have no insurance affiliations of their own, as due in large part to the fact that they finance dealers who have access to outside companies or who have been able to arrange for insurance on their own particular business. But, it points out, the fact that there are dealers for whom insurance is otherwise available is only a partial answer to the problem of banks, such as the GCC banks, that desire to maintain a dealer plan operation in competition with national sales finance companies. To do so, it says, such banks must be in a position to offer the complete package that the national finance companies offer—including insurance; otherwise, their area of operations in the automobile dealer field must necessarily be restricted to direct lending and to the solicitation of business from those dealers only for whom independent companies may be willing to arrange finance insurance.

[45] As of December 1956, the national holdings by sales finance companies of automobile dealer paper amounted to $7,283 million as contrasted to $3,579 million in automobile paper purchased by banks, a ratio of roughly 2 to 1. (Federal Reserve BULLETIN, March 1957, p. 317.)

F. As to the Present Availability from Outside Sources of the Requisite Insurance for Automobile Dealer Business

1. Insurance policies of the kind required in automobile dealer financing—which automatically assure coverage on all financed automobiles delivered—are regarded by most of the leading insurance companies as an undesirable form of risk. Such finance insurance, though carrying the same manual rates as do individual policies written on a selective basis, provide a greater hazard to the insuror. There are a number of reasons for this. Under a finance policy, the insuror is not in a position to screen applicants in advance to eliminate undesirable risks, but must, initially at least, accept all risks offered, the bad along with the good. And even though it may later cancel the policy if a post-audit reveals the insured to be an undesirable risk, it must nevertheless continue to provide coverage on the lender's mortgage interest until the owner's note is paid. Moreover, many of the better insurance risks are creamed off through individual policy arrangements made by customers, while risks that are rejected by other companies usually find their way back to the dealer. Also, an individual who places his insurance through a dealer ordinarily has less equity in the automobile than one not financing, and so may be less inclined to take care of his automobile. For these and other reasons, risks covered by automobile finance policies are considered to be of a substandard average. Experience has established that the ratio of losses to earned premiums has always been substantially higher on automobile dealer finance policies than on individual automobile policies. According to one witness, the loss ratio normally runs from 10 to 20 per cent higher.

2. Reference has earlier been made to the insurance situation in the late 1930's that prompted the formation of Washington and Midwestern, as well as the formation of affiliated insurance carriers by the leading national sales finance companies. The record reflects that that situation has never been fully corrected. Though there have been periods of a relatively available market for the placement of automobile dealer finance insurance, there have also been years when the market for this class of insurance has been extremely limited. At present—according to the evidence in this record—there is a dearth of independent insurance companies interested in insuring all automobiles financed by a particular bank or finance company—at least in the St. Louis area. Witnesses for the Applicant—including two of St. Louis' leading insurance brokers—testified persuasively that under present conditions it would be virtually impossible for GCC to establish and maintain with an independent insurance company a fixed, stable and continuous relationship, such as it now enjoys with its own insurance company affiliates, which would provide on a volume basis the requisite insurance coverage for all automobile dealer accounts handled by the GCC banking and other subsidiaries in all the areas in which they now operate.

3. That is not to say, however, that automobile finance insurance is altogether unavailable. The same witnesses for GCC conceded that, while it would be virtually impossible to make insurance arrangements applicable to GCC's entire volume, it might nevertheless be possible, even under present conditions, for

GCC or its banks to arrange with independent insurance carriers, at least under a retrospective plan, for finance insurance on a selective basis, selective as to the areas or dealers involved.[46] Moreover, the record shows that there are other banks in the areas where the GCC banks operate—particularly in the St. Louis area—that are able to handle substantial amounts of automobile dealer business, and to have such business covered by the necessary finance insurance even though they have no insurance company affiliations of their own. Such insurance, however, is usually arranged for by the dealer himself. General Motors dealers, for example, are privileged to avail themselves of the insurance facilities of Motors Insurance Co., even though they do not utilize the finance services of General Motors Acceptance Corporation. In addition, insurance brokers are sometimes able to place a limited amount of finance insurance with independent companies by including along with it a sufficient amount of other clearly profitable lines to make the entire package attractive to the insurance carrier. Also, there are a few insurance companies operating in the St. Louis area that are willing to undertake finance business under a retrospective plan, with a 20 to 25 per cent premium retention to themselves, and with the amount of commissions made dependent upon the extent, if any, to which the loss ratio as established by experience is less than the balance.[47] The independent companies which will accept such insurance are, however, usually selective as to the dealers whose business they will take. Moreover, GCC regards a 20 to 25 per cent premium retention as too high to allow a sufficient margin for payment to a dealer of a fixed commission on the insurance his business produces in the cases where such payment is necessary in order to get the dealer's business, and therefore unsatisfactory for its purposes.

G. Analysis and Concluding Findings as to the Insurance Companies

The record demonstrates clearly enough that there exists a direct and specific functional relationship between the three insurance companies here involved and the business of banking as conducted by GCC and its banking subsidiaries.[48] For purposes of decision here, it is unnecessary to assess the substantiality of that relationship in terms of quantitative or other considerations.[49] The more basic issue, as I see it in the insurance company cases, is whether the relationship that exists, even if substantial, is of a kind that would support findings (a) that the insurance companies are a *"proper* incident" to the business of managing or controlling banks, and (b) that it is unnecessary for the prohibitions of Section 4 of the Act to apply in order to carry out the purposes of the Act.

Whatever my own views of Section 4(c)(6) might have been before, I must now read Section 4(c)(6) in the light of the interpretation given it by the Board in its recent decision in the Transamerica case. As the Board explained in that decision, the phrases "proper incident" and "purposes of this Act", as used in Section 4(c)(6), must be considered both with reference to the meaning of the term "incident" as ordinarily understood and with a view to the potential sources of evil which Congress considered inherent in a corporate combination of banking and nonbanking companies and therefore sought to remove through the general prohibitions of Section 4. The Board said:

"This clear purpose of Section 4, namely, 'to remove . . . *potential* . . . sources of evil', provides a helpful guide in applying the requirements of Section 4(c)(6). If a nonbanking business is a 'proper incident' to banking or to managing or controlling banks, that is, if it *properly* and 'naturally appertains' thereto, it is less likely to cause a bank to be influenced by the 'unnatural' or extraneous considerations or temptations that are 'potential sources of evil'. Hence it is more likely to accord with the purposes of the Act.

"In other words, when Section 4(c)(6) refers to 'proper incident' and to 'the purposes of this Act', it uses the terms jointly to limit the exemption of the statute to *situations which substantially escape the 'potential sources of evil' against which the general prohibition was directed."* (Emphasis supplied.)

In the Transamerica case, the Board recited some of the potential evils considered by Congress to be inherent in common corporate control of banks and nonbanking organizations. One of them was:

". . . that a holding company, in extending credit, might exert pressure on borrowers to do business with the lending bank's affiliated corporations rather than with their competitors, thus denying those borrowers an appropriate freedom of choice."

There are indications in the legislative history that Congress' concern over the possibility of such pressure specifically extended, *inter alia,* to a situation where a holding company bank might condition the making of a loan upon the placement of insurance with or through an affiliated company.[50]

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[46] The quality of insurance risks on finance business is measured in part by the locality of the dealer and the general character of the customers with whom he does business.

[47] By eliminating a flat commission, which normally would come to about 25 to 30 per cent of the premiums, these companies are able to spread by that much the net to them of the premiums available to cover losses. Most companies, however, are unwilling to write insurance on a retrospective plan, for such a plan, while producing a greater margin of safety to the insurance company, also imposes a ceiling on their maximum return.

[48] In the context of the issues of this proceeding, Washington, Midwestern and Insurance Co. of St. Louis—along with the GCC unaffiliated St. Louis Fire and Marine Insurance Co.—must be viewed as if they were a single company. In the general conduct of their insurance operations they are so closely integrated as to be in effect a joint enterprise. Moreover, *vis a vis* GCC and its banking subsidiaries, all share precisely the same kind of relationship, and to precisely the same degree.

[49] The relevant data upon which such an appraisal may be made if deemed necessary by the Board is, however, set out in the findings of fact made above.

[50] For example, during the House Banking Committee hearings, Representative Multer declared (Hearings on H. R. 2674, p. 613, 84th Cong. 1st Sess.):

". . . we are going to say, I hope, that no banking company should be engaged in the insurance business . . . that no bank should be able to say to any depositor or any lender [sic], inferentially or otherwise, 'We have an insurance company upstairs. You better carry your insurance there'. . . . I think they are two entirely separate and distinct businesses. It got so bad in the State of New York that we had to write into the law a provision that no mortgagee can insist that it will place the insurance that is required by the mortgage, and they cannot even insinuate today that it would be nice if you carried your insurance with a particular company."

Further, during the Senate debates on the bill which ultimately became law, Senator Humphrey, opposing Senator Capehart's amendment that would have permitted bank holding companies to retain previously acquired nonbanking assets, made the point that the proposed amendment would retain the possibility of a holding company subsidiary bank conditioning the making of a loan upon placement of insurance with an affiliated insurance carrier, thereby giving that carrier a competitive advantage over others. (Cong. Rec., Vol. 102, p. 6939.)

This case, unlike others perhaps, does not present a situation where it can reasonably be said that a close relationship tends to minimize the danger of temptations arising that are "potential sources of evil". The kind of relationship that exists between the GCC insurance companies and the GCC banks does not "substantially escape"—on the contrary it tends to augment—the danger of tie-in arrangements in lending transactions that would deny borrowers an appropriate freedom of choice. And this is precisely because the insurance companies sell insurance of a kind that borrowers require in connection with bank credit transactions. Through their power to grant or withhold the extension of credit, holding company banks, like the GCC banking subsidiaries, are in a strategic position to control the flow of required insurance to affiliated companies, thereby both restricting their borrowers' freedom of choice and providing their affiliates with a competitive advantage. In the case of the GCC banks, this is true not only with regard to mortgage loans and personal loans secured by automobiles, but with regard to automobile dealer sales financing as well. Although conditions today may be such as to make the packaging of insurance and financing usually advantageous to the dealer as well as the banks, this may not always be so. The danger remains that situations may arise where dealers may be forced to accept insurance they may prefer to obtain elsewhere in order to obtain needed bank financing.[51]

The fact that present GCC management may be above such conduct is beside the point. GCC's common equity ownership of both the banks and the insurance companies, along with GCC's interest in gaining a profit from each, nevertheless creates a situation which Congress considered might lead to evil and should be removed. That this judgment was not an irrational one is reflected by an admission contained in this very record, that Bank of St. Louis in the past had followed a practice of conditioning the making of certain types of real estate loans upon the borrowers insuring the property with an affiliated company. The record shows, to be sure, that that practice was discontinued some years ago. But, as the Board pointed out in Transamerica, the presence or absence of actual evil is immaterial; the purpose of the Act is "to remove what Congress considered to be potential if not actual sources of evil".

As the record shows, the activities of the three insurance companies in question are not confined to the handling of business generated by GCC; nor, for that matter, to the handling of bank-connected insurance generally.[52] The companies within the lines they write are engaged in a general insurance business. They now write insurance in 44 States, and theirs is a growing business. The amount of business they do for GCC banks accounts for only about 7 per cent of their total premium volume. For all GCC subsidiaries it amounts to about 27 per cent.

It is to be doubted that a business of the kind and breadth engaged in by the companies here may appropriately be classified as an "incident" to the business of banking, let alone a "proper incident". As was stated by the Board in Transamerica:

". . . both legal and nonlegal dictionaries show that the term 'incident' is used to describe something that 'usually' or 'naturally' 'depends upon', 'appertains to' or 'follows' another more important thing."

Certainly it is difficult to say of the insurance companies here that their business is of a kind that *"usually"* or *"naturally"* "depends upon", "follows" or "appertains to" the business of banking as a "more important thing". It is true that banks frequently require insurance coverage such as is supplied by the companies here to protect the security furnished for loans. But that is not the only or even the primary purpose for which such insurance is written. From the fact that banks utilize such insurance, it does not follow that the business of writing such insurance is an "incident" to the business of banking. The business of writing fire and automobile insurance and the business of banking have always been regarded as entirely separate and independent businesses.

In the respects just noted, the situation is entirely different from the examples given in the Senate Report to illustrate the type of operations Congress thought the exemption provisions of Section 4(c)(6) ought to reach—"the operation of a credit life insurance program in connection with bank loans" or "the operation of an insurance program [to] retire the outstanding balance of a [bank held] mortgage upon the death of a mortgagor."[53] Such operations, usually and characteristically, are tied in with lending transactions such as banks engage in; outside the field of lending or credit there is no occasion for their use. It is also to be noted that credit life insurance, as a rule, is not solicited or written on an individual application basis but is offered by the lender, usually under a master policy covering all loans of a class. The writing of such insurance by a bank affiliate would not therefore place a borrower in a position where his freedom of choice might be restricted in the selection of an insuror.

For the reasons stated above, I reach the conclusion that the business conducted by the insurance companies is not such, either in their own right or in their relationship to GCC or its banking subsidiaries, as to be a "proper incident" to the "business of banking or of managing or controlling banks" and "as to make it unnecessary for the prohibitions [of Section 4] to apply in order to carry out the purposes of this Act".

In reaching this conclusion, I have not overlooked the various arguments made by the Applicant. They are in the main reflected by the factual recitals made above, and need not be repeated here. The Applicant has indeed made a strong showing that the insurance companies are important, and perhaps even essential, to the GCC banks if they are to continue in the future, as they have in the past, to compete with national sales finance companies on equal terms for automobile dealer finance business, particularly for the business of dealers who do not have insurance connections of their own. The Applicant has also shown that in other respects as well the insurance companies, while not indispensable to the banks'

[51] It is no answer to say that national finance companies, with which GCC banks compete, are in a position to do the same thing. The Act does not reach national sales finance companies; it does reach holding company banks. It must further be remembered, as the Board pointed out in Transamerica, that "banking is a unique business with unique economic power and responsibilities", and for that reason must be controlled by higher standards of conduct.

[52] That circumstance alone, however, is not a basis for the determination made in this case. The Applicant argues that Section 4(c)(6) does not necessarily require all the activities of an insurance company to be closely related. Though that be conceded, the result reached here would be the same.

[53] S. Rep. 1095, p. 13, 84th Cong.

operations, perform a useful service to the banks by providing their customers with types of insurance that are required in connection with the banks' lending activities.

The considerations just mentioned, and others like them, are undoubtedly material to the question of whether the insurance companies sustain a relationship to the GCC banks so sufficiently substantial as to be regarded as a close one. But they do not squarely meet the precise issue on which the insurance company cases are here being decided—whether the relationship is of a kind that satisfies the "proper incident" and "purposes of the Act" requirements of Section 4(c)(6). To satisfy such requirements it is not enough to show, as the Applicant has done here, that a particular bank holding company has in the past so geared the operations of its banking subsidiaries to the operations of nonbanking subsidiaries as to derive therefrom substantial benefits that may be lost if the corporate relationship is severed. It must also be shown that the relationship previously established is allowable under the existing statute as one that would not do violence to the purposes of the Act.

The benefits flowing from the insurance company affiliation to which the Applicant points, and which it fears may be lost by disaffiliation, are benefits which the Applicant was able to acquire only by utilizing the holding company device to form insurance company alliances that allowed it to reach into fields and to gain advantages not open to banks generally. What the Applicant did was, of course, unobjectionable in the absence of a governing law. But a regulatory statute has since intervened. In determining now whether retention of the nonbanking alliances so formed would be in harmony with the Act, primary consideration must be given to the statutory objectives. Where, as here, the nonbanking relationship, no matter how close or how beneficial to the interests of the banking subsidiaries it may be, is not such as to "substantially escape" the potential sources of evil against which the Section 4 prohibitions were aimed, the relationship may not, consistently with the will of Congress, be found either a "proper incident" to the business of banking, or one that would make divestiture unnecessary "to carry out the purposes of this Act".

If carrying out the purposes of this Act may cause the Applicant or its banking subsidiaries to lose some of the advantages which they now derive from the presence of the insurance companies in their holding company structure, that is a matter beyond the control of the Board. The statute is its own measure of what it permits and what it forbids. And it makes no provision for "hardship" cases. If accommodation is to be made, the Applicant must accommodate its business to the statute. The Board is powerless to accommodate the statute to fit the Applicant's special circumstances.

Accordingly, denial will be recommended of the exemption applications, docketed as BHC-6, covering Washington Fire and Marine Insurance Co., Insurance Co. of St. Louis, and Midwestern Fire and Marine Insurance Co.

V. The Insurance Agency Companies

A. General Methods of Operation

1. GCC has nine wholly owned direct insurance agency subsidiaries involved in this proceeding. Their activities are wholly of an insurance nature. They act, at least nominally, in the placement of insurance generated by the lending and automobile dealer financing activities of other GCC subsidiaries. The business of four of the insurance agencies—Quincy Insurance Agency, Northwestern Insurance Agency, Jefferson-Gravois Insurance Agency, and Reid-Kruse—is related entirely to the handling of insurance placements in connection with loans or dealer paper made or acquired by the GCC banking subsidiaries to which they are respectively attached. Four others—St. Louis-Washington Insurance Agency, Apex Insurance Agency, Springfield Insurance Agency, and Sterick Insurance Agency—are engaged mainly (to the extent of 80 per cent or more of the total business of each) in placing insurance in connection with loans or dealer paper made or acquired by GCC banking subsidiaries, but also act as agents in the placement of insurance required in connection with loans made by one or more of GCC's subsidiary loan companies. The remaining company—Texarkana Agency—acts as the insurance agent on insurance placements connected with the loans and dealer paper which GCC itself makes or acquires at its Texarkana office and which it later sells to Bank of St. Louis. None of the insurance agency companies, except possibly Sterick, actively solicits any insurance business from the public at large.

2. With the exception of Sterick Insurance Agency, none of these insurance agency companies has an office or employees of its own.[54] Operational details relating to the physical placement of insurance are handled by the bank or loan company employees who arrange or administer the lending or financing transactions. All books and records of the various insurance agencies—save for Sterick, which does its own bookkeeping—are maintained by the personnel of Bank of St. Louis.

3. The most substantial part of the premium volume handled by the insurance agency affiliates is for automobile physical damage insurance on dealer financed cars. As earlier found, such insurance is placed with GCC-affiliated insurance companies on a retrospective arrangement under which the commissions to the insurance agency companies are made dependent upon the loss ratio that may be developed as a result of actual experience under the particular plan in effect for a given period. About 20 per cent of the automobile dealer business is handled on a dealer-agent plan, with the dealer allowed a commission, usually fixed at a flat 25 per cent, on all insurance premiums his business produces. Where dealer-agent arrangements are made by a GCC bank, the insurance agency attached to that bank pays to the dealer-agent the amount of commissions the bank has agreed upon—the insurance agency being entirely subservient to the bank's wishes in the matter. The insurance agency, however, remains bound under its own retrospective arrangements with the insurance companies. If the commission paid to the dealer-agent is a fixed one and proves to be greater than the commission ultimately earned on that business by the agency under the retrospective plan, the insurance agency is required itself to stand the loss. It may not look for reimbursement to the financing bank, which is completely insulated from any liability for

[54] Sterick has one office which adjoins Commercial and Industrial Bank in the lobby of the Sterick Building in Memphis, Tenn. Sterick also has two paid employees.

losses sustained as a result of unfavorable insurance experience. According to the Applicant's witnesses, if the banks were forced to deal with outside insurance agents, they would be disabled from controlling insurance commissions and would therefore be placed at a disadvantage in competing for automobile dealer consumer credit paper with the national sales finance companies which have their own insurance companies.

4. A somewhat less substantial but nevertheless significant part of the premium volume handled by the insurance agency affiliates comes from automobile physical damage and real property hazard insurance required in connection with the Applicant's personal loan and real estate lending and servicing activities. Placement details with regard to such insurance are usually handled by the loan officers who arrange the loans. GCC considers that by providing a medium under which bank employees are enabled to handle insurance placements, the insurance agency companies furnish a useful and beneficial service to the banks in facilitating and expediting the making of loans and in avoiding clerical follow-up details.

5. There is set out below additional details with respect to each insurance agency subsidiary, showing the sources of its business, the volume and kind of business handled by it, and where it places its business.

(a) Apex Insurance Agency, Inc. Apex, located at Bank of St. Louis, acts as agent in placing automobile physical damage insurance required in connection with the automobile dealer financing activities of Bank of St. Louis and General Contract Loan Co. In 1956, its premium volume on such business —all placed with affiliated insurance companies— amounted to $310,525, of which 97.4 per cent stemmed from Bank of St. Louis and 2.6 per cent from General Contract Loan Co. The only other business handled by Apex in 1956 consisted of the placement with unaffiliated insurance companies of a relatively small amount of credit life insurance in the premium amount of $5,974. During 1956, Apex received commissions totaling $65,351. Its net earnings after taxes came to $36,330.

(b) St. Louis-Washington Insurance Agency, Inc. This agency, also located at Bank of St. Louis, acts as agent on insurance placements required in connection with personal and real estate loans made by Bank of St. Louis, Industrial Loan Co., Industrial Finance Co. of Wellston and SIC Loan Co. During 1956, 46.31 per cent of its total premium volume came from Bank of St. Louis; 40.47 per cent from Industrial Loan Co.; 6.57 per cent from Industrial Finance Co. of Wellston and 6.65 per cent from SIC Loan Co. Its total premium volume in 1956 amounted to $80,624, of which $31,905 was for automobile physical damage insurance; $37,224 for real estate hazard insurance; $11,179 for credit life insurance; $201.16 for automobile public liability and property damage; and $115 for "Tripmaster" insurance. All of the automobile physical damage insurance and 83.71 per cent of the real estate hazard insurance was placed with affiliated carriers. The rest was placed with unaffiliated carriers. In 1956, the company received $25,233 in commissions. Its net earnings after taxes came to $17,178.

(c) Jefferson-Gravois Insurance Company, Inc. This company handles the placement of insurance originating through Jefferson-Gravois Bank, St. Louis, to which it is attached. Automobile physical damage insurance relating to dealer paper is placed by this agency with affiliated companies; all other policies, including automobile physical damage insurance in connection with personal loans are placed with unaffiliated companies. During 1956, the agency handled a total premium volume of $103,147. Most of this—$88,691—represented automobile physical damage insurance premiums, 80.47 per cent of this on placements with affiliated insurance companies, presumably in connection with automobile dealer business. The remaining items consisted of $9,331 as premiums on real estate hazard insurance and $5,125 as premiums on credit life insurance. The company received commissions totaling $12,441 and earned after taxes $8,660.

(d) Reid-Kruse, Inc. This agency is attached to Baden Bank, St. Louis, from which all its placement business originates. In 1956, the agency had a total premium volume of $41,254. Of that amount, $16,510 was for automobile physical damage insurance, 11.11 per cent of which was placed with affiliated companies and 88.89 per cent with unaffiliated companies. The balance, all in insurance placed with unaffiliated companies, consisted of real estate insurance ($20,790), credit life insurance ($3,402) and "other insurance" ($553). In 1956, the agency received commissions totaling $17,362 and had net earnings after taxes of $12,036.

(e) Northwestern Insurance Agency, Inc. This agency is attached to, and handles the business originating at Northwestern Bank and Trust Co. Its premium volume in 1956 was $65,999, of which by far the greater part—$59,855—was for automobile physical damage insurance, all of it placed with affiliated companies. The rest—all placed with outside companies—consisted of real estate insurance ($3,942), credit life insurance ($1,072), boat insurance ($746) and automobile public liability and property damage insurance ($385). The agency received total commissions amounting to $5,329. Its net earnings after taxes came to $3,401.

(f) Quincy Insurance Agency, Inc. This agency is located at the premises of Illinois State Bank of Quincy, and confines its activities to the placement of automobile physical damage insurance with affiliated companies. Its premium volume in 1956 came to $110,939; its commissions to $14,075, and its net earnings after taxes to $9,594.

(g) Springfield Insurance Agency, Inc. The business of this agency flows from four sources—Illinois State Bank of Quincy (29.84 per cent in 1956); Bank of Benton (35.56 per cent); The Bank of Zeigler (16.33 per cent); and Quincy Union Finance Co. (18.27 per cent). Its total premium volume in 1956 was $16,665, of which $9,461 was for automobile physical damage insurance placed with affiliated companies, and $7,204 for credit life insurance placed with outside companies. It received $17,738 in commissions. Its net earnings after taxes came to $11,690.

(h) Sterick Insurance Agency, Inc. As noted above, this is the only agency with its own separate place of business and employees. Most of the insurance business it handles (86.02 per cent in 1956) originates in Commercial and Industrial Bank, but it also handles insurance business originating through another Tennessee GCC subsidiary—General Contract Loan Brokers. During 1956, Sterick's total premium volume was $210,954. This included $167,238 for automobile physical damage insurance (all placed with affiliated companies), $21,083 for real estate insurance (62.16 per cent of which was placed with

affiliated companies), $7,980 for public liability and property damage insurance placed with outside companies; and $14,653 for credit life insurance, also placed with outside companies. In 1956, Sterick received $55,015 in commissions. It earned after taxes $26,176.

(i) Texarkana Agency, Inc. This agency handles the insurance originating at the Texarkana Branch of GCC only. During 1956, its premium volume was $98,978, all for automobile physical damage insurance placed with affiliated companies. It received $13,737 in commissions and had net earnings after taxes of $9,182.

B. Analysis and Concluding Findings as to the Insurance Agency Companies

1. The factual findings made above establish clearly enough that—except for Texarkana which will be considered separately below—each of the insurance agency subsidiaries here involved sustains a direct and substantial functional relationship to one or more of the GCC banking subsidiaries. The real issue in these cases is not whether the insurance agency companies are operated as adjuncts to the business conducted by the GCC banks—they clearly are—but whether what they do is such as to (1) be a *"proper* incident" to the "business of banking or of managing and controlling banks," and (2) "make it unnecessary for the prohibitions of [Section 4] to apply in order to carry out the purposes of this Act."

On that issue, much of what was said in the analysis of the insurance company cases applies equally here, and the controlling principles are substantially the same. The operation of insurance agencies in conjunction with bank lending activities, certainly no less than the operation of insurance companies, and probably to an even greater degree, creates a source of potential evil the Act was designed to remove—namely, "that a holding company, in extending credit, might exert pressure on borrowers to do business with the lending bank's affiliated corporations rather than with their competitors, thus denying those borrowers an appropriate freedom of choice." [55] Thus, it cannot be said of the insurance agency cases, any more than of the insurance company cases, that they present "situations which substantially escape the 'potential sources of evil' against which the general prohibitions [of Section 4] was directed." [56] Consequently, and for reasons more fully explicated in the section above dealing with insurance companies, I conclude that the relationship that exists between the insurance agency companies and the banks, though close, is not such as to be a "proper incident" to the business of banking or of bank management or control, nor such as to make it unnecessary for the divestiture provisions of the Act to apply in order to carry out the purposes of the Act.

2. Though what has just been said is dispositive of the cases, there are other factors present in the insurance agency cases that the Board may care to consider in determining whether the "proper incident" and "statutory purposes" requirements of Section 4(c)(6) have been met.

The insurance agency companies serve GCC banks located in the States of Illinois, Tennessee and Missouri. Illinois has a specific statutory prohibition against banks acting as insurance agents. It provides that no bank or trust company—except a national bank in cities of less than 5,000—shall be licensed to act as an insurance agent, and extends that prohibition to "any subsidiary, affiliate, officer or employee" contributing, directly or indirectly, insurance commissions or fees to a bank or trust company.[57] In Tennessee, banks may not directly act as insurance agents, both because they are unauthorized to do so under their corporate powers, and because of a statutory provision prohibiting the licensing of any corporation as an insurance agent.[58] Tennessee, moreover, according to testimony in the record, will not allow any insurance to be written on bank premises; hence Sterick Insurance Agency's separate but adjacent quarters in the building where Commercial and Industrial Bank is housed. In Missouri, according to an unpublished 1936 Missouri Attorney General's Opinion, in evidence, trust companies and banks having trust powers [59] have the *corporate power* to act as insurance agents. As a practical matter, however, this is of little aid to them, because, as appears from evidence, the Insurance Commissioner will not issue an agent's license to any bank or trust company, or, for that matter, to any corporation.[60]

What consideration, if any, should be given to the restrictions thus imposed on banks? The Applicant argues—I think correctly—that Congress did not intend to limit the exemption of Section 4(c)(6) to such companies only as engaged in activities that banks themselves could directly engage in. Therefore, the fact alone that Tennessee and Illinois banks are without corporate power themselves to act as insurance agents would appear to be of no particular materiality here. Nor do I think it has any material bearing on the question here that banks in a given State may be denied insurance agent's licenses under a State law prohibiting the granting of such licenses to corporations generally. A more difficult problem is presented, however, where, as in Illinois and, perhaps, also in Tennessee, a State statute or regulation appears to declare a public policy against commingling bank lending and insurance activities—and particularly so, where, as here, the banks involved are State banks. Should the Board in such circumstances overlook State policy in determining whether it is a *"proper* incident" to banking to operate an insurance agency company for all practical purposes as if it were a bank department?

The Applicant contends that State law should be ignored. It argues that the Act, as a Federal law, should be applied uniformly in each State so as not to require divestment in one State while allowing retention in another where the same kind of company and the same type of relationship is involved. The

[55] Transamerica case, See Federal Reserve BULLETIN, September 1955, p. 1016.
[56] *Ibid.*, p. 1017.

[57] 73 Smith Hurd Ill. Stats. Anno., Sec. 1065-53.
[58] Tenn. Code Anno., Sec. 56-704. GCC's Tennessee insurance agency company as well as all other GCC insurance agency subsidiaries involved in this proceeding act through licensed individuals who are officers or employees of other GCC subsidiaries.
[59] The GCC banks in Missouri have such trust powers.
[60] There is some generalized and indefinite testimony that there are small banks, particularly in rural areas, that nevertheless operate insurance departments, by acting through officers or employees who are licensed insurance agents. How extensive that practice is does not clearly appear in the record. Walter E. Burtelow, GCC's executive vice president, testified that, except for small country banks, he knew of no banks in any of the three States here involved that operated such departments in conjunction with their banking business.

correct test, according to the Applicant, should be whether a particular activity is a "proper incident" to the business of banking generally, and this should be based upon a uniform Federal policy, with the application of State law left as a matter for State concern.

There is much to be said for the position stated by the Applicant. But it leaves unanswered the question of what standards the Board should apply in determining whether it should be deemed appropriate and fitting, as a matter of Federal policy, for a bank holding company to integrate banking and insurance agency operations. If the Board is to shape such a Federal policy without reference to the particular statute it is administering here, it would seem appropriate to consider the attitude of other Federal agencies with an interest in the matter, and, perhaps, the over-all attitude of States as well.[61] My own view, however, is that the Board must look first to the statute it is administering, and to the purposes of that statute. That, of course, brings us back full circle to where we began. The Board has stated that the Act is aimed in part at removing as a potential source of evil corporate structures that might tend to influence banks in extending credit to bring pressure on borrowers to do business with affiliates rather than with their competitors, thereby denying borrowers an appropriate freedom of choice. Since a bank-insurance agency corporate relationship provides such a potential source of evil, that appears reason enough for declaring that within the framework of this statute a holding company's operation of an insurance agency must be found an improper incident to the business of banking.

3. One case remains to be considered—that of *Texarkana Agency*. That agency is attached to the single branch office that GCC itself operates at Texarkana, Texas. At that branch GCC engages in a small loan and dealer sales finance business. Such a business is not—within the meaning of Section 4(a)(2)—"that of banking or of managing or controlling banks or of furnishing services to or of performing services for any bank. . . ." Consequently, GCC will be obliged by virtue of one of the prohibitions of Section 4(a)(2) to discontinue its direct nonbanking branch operation at Texarkana within the period prescribed by the statute. Retention of Texarkana Agency may no more be justified under the statute than retention of the business operation to which it is connected.

Even with that consideration aside, however, the Texarkana Agency, in my view, would still not meet the statutory requirements for exemption under Section 4(c)(6). The Applicant would support a "closely related" determination on the ground that all of the loans and dealer paper GCC acquires at Texarkana are ultimately sold to Bank of St. Louis at a discount and without recourse or repurchase agreement. From this, it argues that the Board should view the GCC Texarkana loan and finance operations as an incident to the banking business conducted by Bank of St. Louis—and the related activities of Texarkana Agency as derivatively so. But even if that argument were accepted, the statutory requirements for exemption under Section 4(c)(6), as they have been interpreted and applied above, would not be met. The Applicant's case would still fall short of the mark, both for reasons stated above in connection with the other insurance agency company cases, and for the reasons also stated above in connection with the cases of the GCC loan company subsidiaries which are engaged in the origination of consumer credit paper for sale to Bank of St. Louis.

4. For the reasons above stated, I conclude that a closely related determination is not supported by the record in the cases of the nine insurance agency direct subsidiaries of GCC named in cases docketed as BHC 19 through 27. Accordingly, dismissal will be recommended of the exemption applications in those cases.

Upon the basis of the foregoing findings of fact, and upon the entire record in the case, I make the following:

Conclusions of Law

1. All the activities of each of the nonbanking subsidiaries named in the cases docketed as BHC-4 through 17, and 19 through 27,[62] are of a financial, fiduciary or insurance nature.

2. The aforesaid companies are not—within the meaning of Section 4(c)(6) of the Act—so closely related to the business of banking or of managing or controlling banks as to be a proper incident thereto and as to make it unnecessary for prohibitions of Section 4(a)(2) of the Act to apply in order to carry out the purposes of the Act.

Recommendations

It is recommended that the Board of Governors of the Federal Reserve System:

1. Enter an order determining the issues in this consolidated proceeding in accordance with the findings of fact and conclusions made above.

2. Deny the request of General Contract Corporation in each of the cases docketed as BHC-4 through 17 and 19 through 27 for an order under Section 4(c)(6) of the Act determining that the shares of the nonbanking company named therein are exempt from application of the prohibitions of Section 4(a)(2) of the Act.

Dated at Washington, D. C., this 12th day of September 1957.

(Signed) ARTHUR LEFF,
Hearing Examiner.

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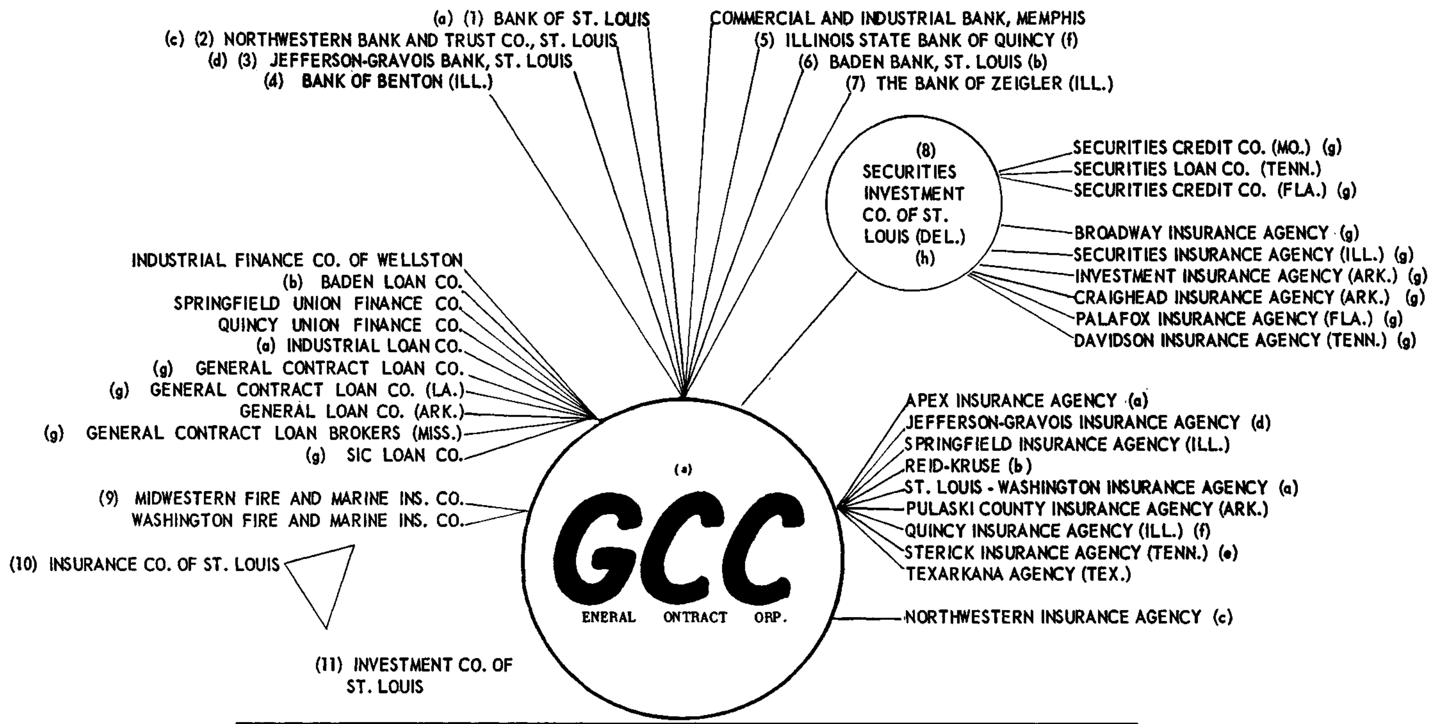
[61] The Applicant seems to suggest that established Federal policy may be found in the National Bank Act which allows national banks in populated areas of less than 5,000 to act as insurance agents (U. S. C., Title 12, Sec. 92). But that is an argument that cuts both ways. For it may just as readily be inferred that the denial of that privilege to national banks in cities with a population over 5,000 reflects that Federal policy is opposed to mixing banking and insurance functions as a general rule, save in limited circumstances where special considerations warrant a departure from that rule.

[62] The names of the companies are set forth in the Statement of the Case, above [p. 274].

APPENDIX A

2/12/57

GENERAL CONTRACT CORPORATION



COMPANIES ARE INCORPORATED IN MISSOURI UNLESS OTHERWISE INDICATED IN PARENTHESES

EXCEPT WHERE INDICATED BELOW, COMMON STOCK OWNERSHIP IN INDICATED CORPORATIONS IS 100 %

(1) 99.95%
(2) 92.48%
(3) 97.33%
(4) 94.86%
(5) 87.73%
(6) 87.04%
(7) 93%
(8) 99.79%
(9) 50%
(10) 50% Ownership by Washington Fire and Marine Ins. Co.
(11) 33 1/3% Ownership by Washington Fire and Marine Ins. Co.
33 1/3 % Ownership by Insurance Co. of St. Louis.

(a) Operates at Bank of St. Louis.
GCC has one direct operating branch office at Texarkana, Tex.

(b) Operates at Baden Bank, St. Louis.

(c) Operates at Northwestern Bank and Trust Company, St. Louis.

(d) Operates at Jefferson-Gravois Bank, St. Louis.

(e) Operates at Commercial and Industrial Bank, Memphis.

(f) Operates at Illinois State Bank of Quincy.

(g) Operates at an office of SIC.

(h) SIC has offices in St. Louis, Kansas City and Sikeston, Mo., Little Rock and Jonesboro, Ark., Springfield and Jacksonville, Ill., New Orleans, La., Pensacola, Fla., Jackson, Meridian and Hattiesburg, Miss., Tulsa, Okla., Nashville, Tenn., and San Antonio, Tex.

Current Events and Announcements

REAPPOINTMENT OF MEMBER OF THE BOARD

Mr. Abbot L. Mills, Jr., of Oregon, who has served as a member of the Board of Governors since February 18, 1952, under appointment for a term ending January 31, 1958, was nominated by the President on February 5, 1958, for a term of 14 years from February 1, 1958. The nomination was confirmed without objection by the Senate on February 17, 1958, and Mr. Mills took the oath of office on February 21, 1958. Mr. Mills' tenure was continuous, as under the Federal Reserve Act a member of the Board serves until his successor is appointed and has qualified.

FEDERAL RESERVE MEETINGS

A meeting of the Federal Open Market Committee was held on March 4, 1958. Wm. McC. Martin, Jr., was re-elected Chairman and Alfred Hayes, Vice Chairman. The representative members of the Committee elected by the Federal Reserve Banks for the period of one year beginning March 1, 1958, are: Alfred Hayes, W. D. Fulton, Hugh Leach, Watrous H. Irons, and H. N. Mangels, Presidents of the Federal Reserve Banks of New York, Cleveland, Richmond, Dallas, and San Francisco, respectively.

At the annual organization meeting of the Federal Advisory Council, held on February 17, 1958, Frank R. Denton, representing the Fourth Federal Reserve District, was elected President; Homer J. Livingston, representing the Seventh Federal Reserve District, was elected Vice President; and Lloyd D. Brace (First District), Adrian M. Massie (Second District), and Casimir A. Sienkiewicz (Third District) were elected directors to serve with Messrs. Denton and Livingston as members of the Executive Committee. Herbert V. Prochnow and William J. Korsvik were appointed Secretary and Assistant Secretary, respectively.

DECREASE IN FEDERAL RESERVE DISCOUNT RATES

The Board of Governors of the Federal Reserve System has approved actions by the directors of the twelve Federal Reserve Banks reducing the discount rates of those Banks to 2¼ per cent.

The reduction at eleven Reserve Banks was from 2¾ per cent to 2¼ per cent and the effective dates were as follows: the Federal Reserve Banks of New York, Philadelphia, and Chicago, Friday, March 7, 1958; the Federal Reserve Bank of Atlanta, Monday, March 10; the Federal Reserve Bank of Boston, Tuesday, March 11; the Federal Reserve Banks of Cleveland, Richmond, St. Louis, Kansas City, and Dallas, Friday, March 14; and the Federal Reserve Bank of Minneapolis, Friday, March 21.

At the Federal Reserve Bank of San Francisco the reduction was from 3 per cent to 2¼ per cent, effective Thursday, March 13, 1958.

CHANGES IN RESERVE REQUIREMENTS

On March 18, 1958, the Board of Governors reduced by one-half of one percentage point reserves required to be maintained by member banks of the Federal Reserve System against demand deposits.

This action will release about $490 million from present required reserves. For central reserve city banks the reduction from 19½ per cent to 19 per cent of net demand deposits will release about $125 million of reserves. At reserve city banks, the reduction from 17½ per cent to 17 per cent will release about $190 million, and at country banks the change from 11½ per cent to 11 per cent will release approximately $175 million.

For central reserve city and reserve city banks, the effective date for the new requirements is March 20, 1958, and for country banks, April 1, 1958.

CHANGES IN THE BOARD'S STAFF

Mr. J. E. Horbett, Associate Director of the Division of Bank Operations since 1955, retired on March 1, 1958. Mr. Horbett joined the Board's organization in 1918, and was an Assistant Director of the Division of Bank Operations from 1935 until his appointment as Associate Director.

In the realignment of work resulting from the retirement of Mr. Horbett, Mr. M. B. Daniels was appointed Assistant Director in the Division of Bank Operations effective March 1, 1958. Mr. Daniels joined the staff of the Board in 1934, and was in the Division of Bank Operations from 1936 until 1954, last serving there as Chief of the Reserve Bank Operations Section. From December 1, 1954, until his present appointment he served as Assistant Controller.

Mr. J. J. Connell, Budget and Planning Officer since November 17, 1957, was appointed Controller effective March 1, 1958. Except for two breaks in service totaling approximately nine years, Mr. Connell has been with the Board since 1920.

Mr. S. H. Bass, a member of the Board's staff since 1936 and Chief of the Board's Fiscal Section since 1946, was appointed Assistant Controller effective March 1, 1958.

CHANGES IN OFFICERS AT RESERVE BANKS

Mr. Alfred H. Williams, President, and Mr. W. John Davis, First Vice President, of the Federal Reserve Bank of Philadelphia, retired February 28, 1958. Mr. Williams was appointed President effective July 1, 1941. Formerly he had served as a Class C Director for two years.

Mr. Davis became associated with the Bank in 1917 as an Assistant Cashier. He was successively Assistant Deputy Governor, Assistant Vice President, Vice President, and has been First Vice President since March 1, 1946.

Effective March 1, 1958, Mr. Karl R. Bopp was appointed President to succeed Mr. Williams. Mr. Bopp joined the staff of the Reserve Bank in 1941 as Director of Personnel. In 1942 he was made Director of Research and in 1947 Vice President in charge of Research. Mr. Bopp obtained his A.B., B.S., A.M., and Ph. D. degrees from the University of Missouri, where he was also a member of the faculty from 1931 to 1941.

Mr. Robert N. Hilkert was appointed First Vice President, effective March 1, 1958, to succeed Mr. Davis. Mr. Hilkert joined the staff of the Reserve Bank as Director of Personnel in 1942, was appointed Assistant Vice President in 1943, and Vice President in 1947. He was on special assignment at the Board of Governors of the Federal Reserve System during the period October 30, 1950 through May 31, 1951.* He holds a Ph. B. degree from Yale University and an M.A. degree from Columbia University. Prior to service with the Reserve Bank, Mr. Hilkert was connected with the Hill School, Pottstown, Pennsylvania, and the Educational Records Bureau, New York City.

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* As Acting Director, Division of Personnel Administration.

TABLES PUBLISHED ANNUALLY AND SEMIANNUALLY

Latest BULLETIN Reference		
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Analysis of changes in number of...	Feb. 1958	202
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National Summary of Business Conditions

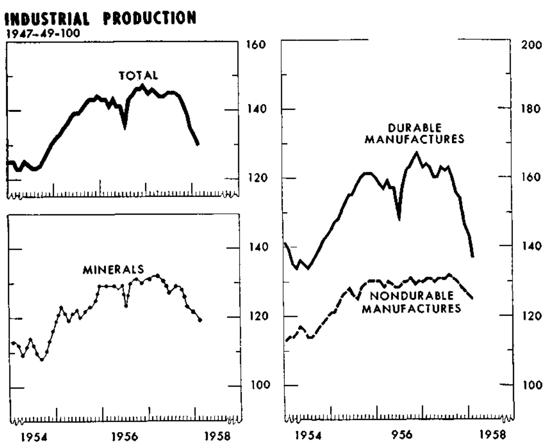
Released for publication March 17

Recession in economic activity continued in February. Industrial production, employment, incomes, and retail sales again declined, and unemployment rose to a new postwar high. Construction activity was curtailed slightly. In February and early March, prices of farm products and foods continued to rise, while prices of industrial commodities changed little. Total bank loans and investments rose appreciably although loans to business continued to decline. Free reserves of member banks increased further. Short-term interest rates were generally lower, while long-term rates rose somewhat.

Industrial Production

The Board's seasonally adjusted index of output at factories and mines declined three points further in February to 130 per cent of the 1947-49 average, 11 per cent below the high level of a year earlier. Severe weather contributed to the reduction in industrial activity last month but also led to a rise in the Board's index of utility output of electricity and gas.

Output of durable goods in February was 16 per cent below a year earlier, reflecting widespread curtailments in equipment and consumer goods industries and sharp reductions in production of steel and most other materials. Over-all activity in machinery and other equipment lines declined to a level about 15 per cent below the record year-ago level. Production of consumer durable goods was down 20 per cent from a year earlier and at the lowest level since December 1953. In early March auto output was curtailed further and steel production remained near the low February rate.



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

Activity in the rubber products, paper, chemicals, and petroleum refining industries edged downward in February, and total output of nondurable goods was about 5 per cent below last year's high. Minerals output also receded somewhat further last month, and in early March was reduced considerably owing to a sharp curtailment in crude petroleum production.

Construction

Private housing starts, seasonally adjusted, fell in February to an annual rate of 890,000 units compared with 1,030,000 in January. The decline reflected chiefly adverse weather conditions in many areas of the country. The value of new construction activity declined to a seasonally adjusted annual rate of $47.5 billion from the revised $48.2 billion in January.

Employment

Unemployment increased further in February by 680,000 to 5.2 million and was 2.1 million higher than a year earlier. On a seasonally adjusted basis, unemployment was 6.7 per cent of the civilian labor force, compared with 5.8 per cent in January. Nonfarm employment, seasonally adjusted, dropped 600,000 in February to 51.2 million, a level 1.7 million below its August 1957 peak. Large declines continued in durable goods industries, and construction employment decreased sharply.

Distribution

Seasonally adjusted retail sales declined 1 per cent in January, according to revised figures, and in February dropped 3 per cent further to slightly below the year earlier level. While sales of foods and some other goods remained larger than a year ago, sales at department and most durable goods stores—notably auto dealers—were down sharply, reflecting in part the unusually severe weather. In early March, sales at department stores were showing sizable recovery.

Commodity Prices

The general level of wholesale commodity prices rose slightly further from mid-February to mid-March, reflecting increases in farm products and foods. With market supplies continuing much smaller than usual for this time of year, prices of livestock and meat and fresh fruits and vegetables rose further and were about one-fourth above a year ago. Industrial commodities changed little at a level slightly below the January high.

Consumer prices rose .6 per cent in January, owing mainly to increases in fresh foods. Services continued to advance while prices of new autos, some household goods, and apparel declined.

Bank Credit and Reserves

Total loans and investments at city banks expanded $1.5 billion between early February and early March, contrary to usual seasonal tendencies. The increase reflected additions to holdings of U. S. Government and other securities offset in part by reductions in loans. Business loans declined $200 million following record reductions earlier in the year. Repayments by food processors and commodity dealers continued but borrowing by metals and textile producers increased. Subsequently, in the week of March 12, business loans at banks in New York and Chicago rose somewhat, reflecting borrowing associated with March 15 income tax payments.

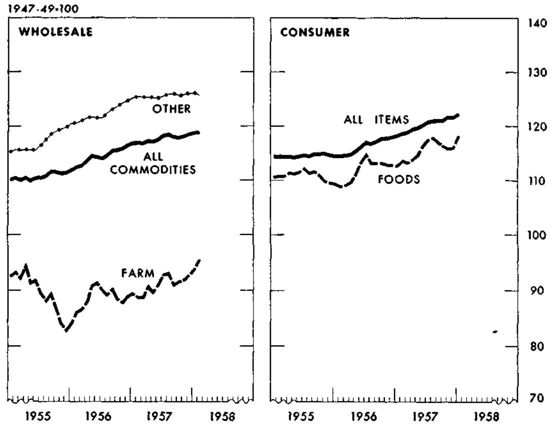
Free reserves of member banks averaged about $390 million over the four weeks ending March 12 compared with $280 million in the previous four-week period. In late February and early March, about $500 million of reserves were released to member banks through the reduction of ½ percentage point in reserves required to be maintained against demand deposits. Deposits subject to reserves increased over the period, absorbing part of the funds. In addition, reserves were absorbed through a decline in the gold stock and an increase in Treasury deposits at the Reserve Banks.

Security Markets

Yields on long-term Government bonds changed little from mid-February to mid-March, despite the cash sale in early March of a new $1¼ billion 1966 Treasury bond and a further reduction of ½ per cent in discount rates at Federal Reserve Banks shortly thereafter. Yields on short- and intermediate-term Treasury issues and rates on private open market paper all declined further in the latter half of February. After late February, yields on short-term Treasury securities recovered a part of this decline, while those on intermediate-term issues leveled off.

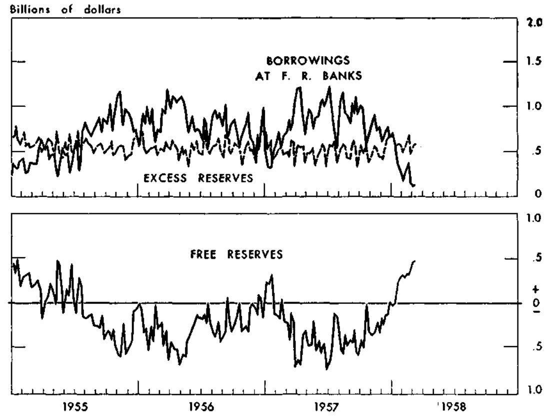
Yields on corporate and State and local government bonds have increased somewhat since mid-February. Stock prices declined slightly in late February, then increased in early March.

PRICES
1947-49=100



Bureau of Labor Statistics indexes. "Other" wholesale prices exclude processed foods, included in total but not shown separately. Monthly figures, latest shown: January for consumer prices, and February for wholesale prices.

RESERVES AND BORROWINGS – ALL MEMBER BANKS
Billions of dollars



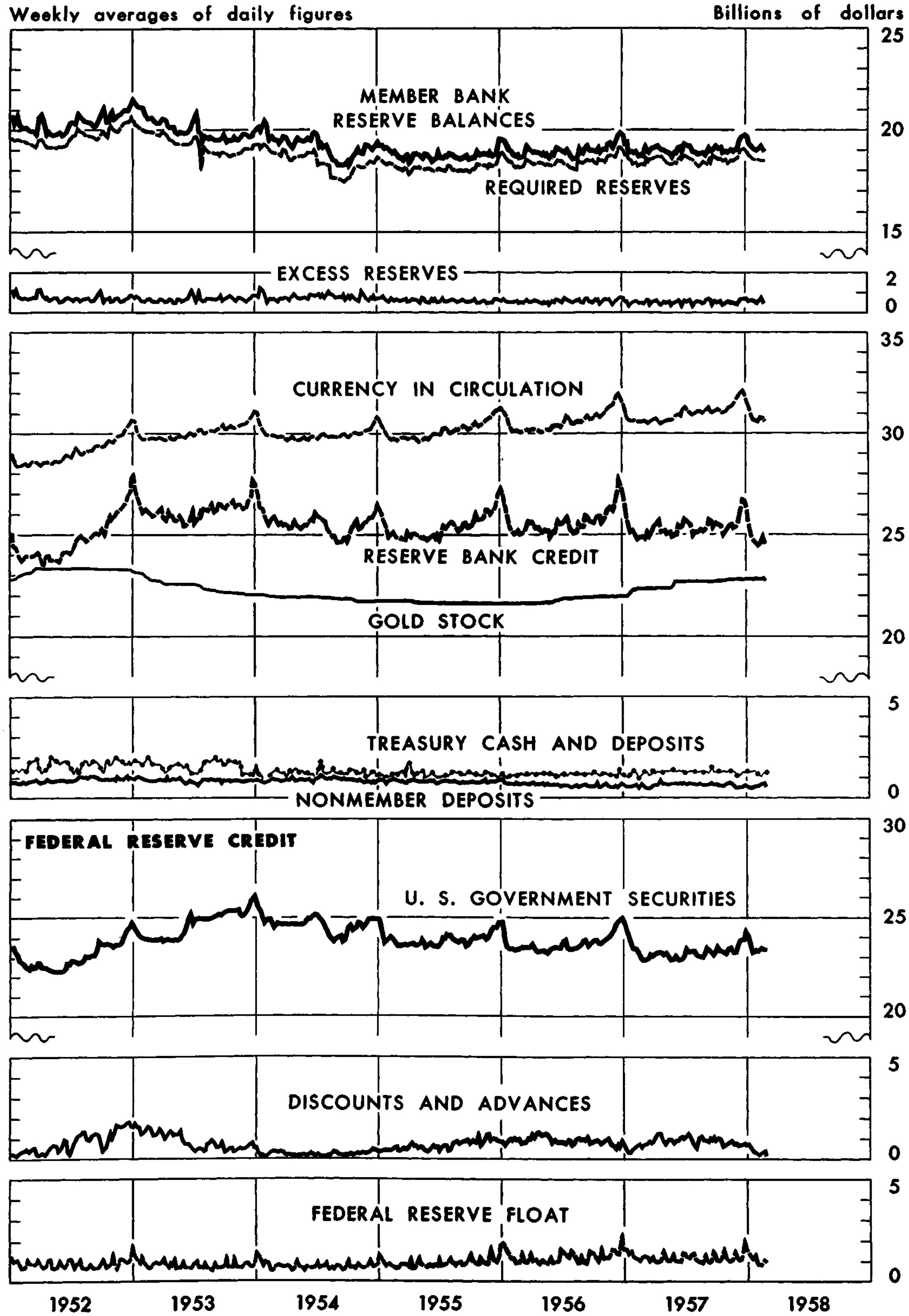
Federal Reserve data. Free reserves are excess reserves less borrowings. Weekly averages, latest shown are for week ending Mar. 12.

Financial and Business Statistics

★ United States ★

Tables on the following pages include the principal statistics of current significance relating to financial and business developments in the United States. The data relating to Federal Reserve Banks, member banks of the Federal Reserve System, and department store trade, and the consumer credit estimates are derived from regular reports made to the Board; production indexes are compiled by the Board on the basis of material collected by other agencies; figures for gold stock, currency in circulation, Federal finance, and Federal credit agencies are obtained from Treasury statements; the remaining data are obtained largely from other sources. Back figures for 1941 and prior years for banking and monetary tables, together with descriptive text, may be obtained from the Board's publication, *Banking and Monetary Statistics*.

MEMBER BANK RESERVES, RESERVE BANK CREDIT, AND RELATED ITEMS



Latest averages shown are for week ending Feb. 26. See p. 305.

[In millions of dollars]

Week ending	Reserve Bank credit outstanding: U. S. Govt. securities: Total	Bought outright	Held under repurchase agreement	Discounts and advances	Float	Total[1]	Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F. R. Banks: Treasury	Foreign	Other	Other F. R. accounts	Member bank reserves: Total	Required[2]	Excess[2]
Averages of daily figures																	
1957																	
Jan. 2	24,994	24,610	384	925	1,537	27,524	21,949	5,066	31,829	777	395	374	335	973	19,856	19,110	746
Jan. 9	24,688	24,601	87	535	1,539	26,809	21,949	5,066	31,479	783	352	323	287	899	19,701	18,971	730
Jan. 16	24,293	24,293	....	348	1,278	25,954	21,950	5,066	31,108	786	293	320	267	897	19,300	18,765	535
Jan. 23	23,811	23,811	....	347	1,446	25,636	21,951	5,067	30,827	798	199	324	268	894	19,342	18,724	618
Jan. 30	23,450	23,450	....	528	1,078	25,087	22,080	5,068	30,607	809	420	329	258	893	18,918	18,550	368
Feb. 6	23,435	23,411	24	640	1,040	25,146	22,251	5,070	30,596	817	534	333	276	992	18,920	18,445	475
Feb. 13	23,264	23,190	74	741	962	24,997	22,252	5,070	30,641	820	377	366	299	1,007	18,808	18,265	543
Feb. 20	22,969	22,958	11	577	1,188	24,764	22,303	5,071	30,605	815	173	307	226	1,116	18,895	18,309	586
Feb. 27	22,854	22,854	....	713	1,217	24,813	22,303	5,073	30,544	815	297	334	382	1,134	18,683	18,218	465
Mar. 6	22,913	22,895	18	755	1,179	24,871	22,304	5,077	30,566	813	479	329	212	1,131	18,721	18,231	490
Mar. 13	22,979	22,934	45	880	908	24,791	22,304	5,079	30,609	812	471	297	201	1,129	18,654	18,205	449
Mar. 20	23,178	23,064	114	783	1,173	25,158	22,305	5,080	30,589	811	302	300	199	1,138	19,204	18,578	626
Mar. 27	23,094	23,051	43	844	967	24,930	22,305	5,083	30,502	813	353	334	205	1,139	18,971	18,362	609
Apr. 3	23,189	23,040	149	1,074	877	25,165	22,306	5,086	30,589	808	517	294	314	1,167	18,868	18,525	343
Apr. 10	23,262	23,040	222	1,230	881	25,400	22,307	5,088	30,655	814	387	340	305	1,205	19,088	18,523	565
Apr. 17	23,282	23,146	136	1,244	967	25,520	22,313	5,089	30,681	808	478	344	300	1,203	19,107	18,556	551
Apr. 24	23,237	23,169	68	947	1,484	25,695	22,317	5,092	30,610	791	456	390	454	1,202	19,201	18,639	562
May 1	23,169	23,169	....	730	1,168	25,093	22,318	5,094	30,499	793	419	352	291	1,148	19,000	18,621	379
May 8	23,213	23,125	88	993	947	25,177	22,318	5,095	30,589	795	504	366	275	1,078	18,984	18,495	489
May 15	23,083	23,033	50	975	948	25,031	22,319	5,096	30,654	787	479	366	241	1,075	18,845	18,368	477
May 22	22,915	22,915	....	793	1,341	25,070	22,320	5,098	30,645	790	525	362	273	1,074	18,818	18,284	534
May 29	22,930	22,901	29	903	979	24,833	22,406	5,102	30,660	794	562	358	279	1,073	18,616	18,264	352
June 5	23,110	22,950	160	902	954	24,987	22,620	5,104	30,837	792	485	357	323	1,072	18,846	18,378	468
June 12	22,972	22,926	46	1,059	936	24,988	22,621	5,106	30,903	791	463	379	276	1,069	18,834	18,330	504
June 19	22,930	22,880	50	1,089	1,384	25,424	22,621	5,106	30,904	782	518	389	335	1,076	19,148	18,546	602
June 26	22,951	22,888	63	1,003	1,320	25,294	22,622	5,106	30,849	776	477	407	254	1,087	19,171	18,625	546
July 3	23,098	23,031	67	1,068	1,198	25,387	22,623	5,107	31,150	763	546	420	296	1,077	18,865	18,521	344
July 10	23,443	23,260	183	1,213	1,111	25,792	22,623	5,108	31,313	765	431	339	290	1,077	19,308	18,732	576
July 17	23,319	23,252	67	1,062	1,236	25,641	22,625	5,108	31,184	770	455	413	279	1,073	19,200	18,636	564
July 24	23,342	23,235	107	739	1,351	25,456	22,625	5,108	30,999	774	507	385	267	1,070	19,189	18,568	621
July 31	23,360	23,084	276	553	998	24,932	22,626	5,110	30,910	770	494	370	278	961	18,885	18,493	392
Aug. 7	23,116	23,078	38	1,060	928	25,124	22,627	5,113	30,983	767	498	355	277	1,116	18,868	18,331	537
Aug. 14	23,047	23,047	....	1,161	874	25,102	22,627	5,114	31,069	764	475	363	273	1,113	18,786	18,195	591
Aug. 21	23,034	23,034	....	931	1,227	25,211	22,625	5,116	31,055	762	513	343	270	1,203	18,806	18,254	552
Aug. 28	23,220	23,215	5	915	977	25,133	22,626	5,118	30,998	764	475	339	268	1,203	18,831	18,397	434
Sept. 4	23,511	23,463	48	832	858	25,228	22,626	5,118	31,149	759	485	340	281	1,197	18,760	18,346	414
Sept. 11	23,399	23,367	32	1,031	953	25,408	22,626	5,119	31,256	759	431	357	279	1,194	18,876	18,301	575
Sept. 18	23,303	23,286	17	950	1,442	25,719	22,627	5,121	31,184	755	510	429	287	1,196	19,108	18,484	624
Sept. 25	23,178	23,173	5	1,106	1,318	25,622	22,628	5,123	31,052	769	759	386	255	1,189	18,963	18,416	547
Oct. 2	23,346	23,294	52	942	1,000	25,304	22,634	5,125	31,039	776	493	356	253	1,112	19,034	18,685	349
Oct. 9	23,545	23,312	233	1,009	991	25,563	22,646	5,127	31,129	774	498	373	260	1,112	19,189	18,625	564
Oct. 16	23,371	23,281	90	992	1,071	25,451	22,658	5,128	31,191	776	506	333	252	1,110	19,068	18,574	494
Oct. 23	23,267	23,222	45	605	1,517	25,407	22,665	5,131	31,129	781	464	317	265	1,109	19,137	18,574	563
Oct. 30	23,195	23,179	16	710	1,051	24,972	22,671	5,132	31,008	786	518	318	251	1,057	18,837	18,474	363
Nov. 6	23,441	23,256	185	824	943	25,225	22,707	5,135	31,115	792	461	367	313	1,056	18,963	18,509	454
Nov. 13	23,498	23,332	166	911	997	25,424	22,731	5,136	31,287	795	505	329	407	1,057	18,911	18,354	557
Nov. 20	23,288	23,282	6	752	1,430	25,489	22,757	5,137	31,336	801	503	315	386	1,054	18,987	18,459	528
Nov. 27	23,318	23,167	151	777	1,209	25,325	22,762	5,139	31,431	794	469	301	294	1,030	18,907	18,461	446
Dec. 4	23,732	23,480	252	626	1,005	25,387	22,763	5,141	31,668	770	305	291	191	1,041	19,023	18,580	443
Dec. 11	23,886	23,574	312	676	1,020	25,617	22,766	5,142	31,827	769	318	318	186	1,080	19,027	18,600	427
Dec. 18	23,907	23,600	307	751	1,525	26,218	22,770	5,143	31,973	768	339	334	183	1,050	19,483	18,873	610
Dec. 25	23,950	23,617	333	786	1,894	26,687	22,770	5,145	32,089	764	483	359	179	1,061	19,666	19,014	652
1958																	
Jan. 1	24,344	23,735	609	661	1,550	26,623	22,774	5,147	31,962	773	458	397	201	1,045	19,707	19,042	665
Jan. 8	24,011	23,645	366	707	1,328	26,100	22,781	5,146	31,553	768	529	337	186	996	19,658	18,982	676
Jan. 15	23,720	23,581	139	580	1,039	25,390	22,781	5,147	31,207	771	503	306	190	994	19,348	18,769	579
Jan. 22	23,315	23,266	49	359	1,230	24,949	22,782	5,149	30,878	781	511	275	227	992	19,216	18,624	592
Jan. 29	23,372	23,335	37	295	919	24,632	22,783	5,151	30,625	789	521	275	275	992	19,089	18,509	580
Feb. 5	23,364	23,321	43	189	803	24,397	22,783	5,157	30,581	777	378	265	294	1,046	18,997	18,498	499
Feb. 12	23,422	23,292	130	286	793	24,543	22,784	5,159	30,675	734	296	284	325	1,118	19,054	18,483	571
Feb. 19	23,373	23,285	88	361	1,054	24,830	22,785	5,161	30,642	685	501	337	293	1,195	19,122	p18,437	p685
Feb. 26	23,380	23,380	....	153	952	24,527	22,714	5,165	30,542	695	508	284	276	1,193	18,909	p18,441	p468

p Preliminary.

For other notes see following page.

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

[In millions of dollars]

Period or date	Reserve Bank credit outstanding						Gold stock	Treasury currency outstanding	Currency in circulation	Treasury cash holdings	Deposits, other than member bank reserves, with F. R. Banks			Other F. R. accounts	Member bank reserves		
	U. S. Govt. securities			Discounts and advances	Float	Total[1]					Treasury	Foreign	Other		Total	Required[2]	Excess[2]
	Total	Bought outright	Held under repurchase agreement														
Averages of daily figures																	
1957																	
Feb.	23,111	23,083	28	665	1,106	24,912	22,279	5,071	30,595	817	336	335	294	1,071	18,816	18,302	514
Mar.	23,061	22,997	64	859	1,024	24,968	22,305	5,081	30,568	812	423	316	216	1,135	18,884	18,366	518
Apr.	23,239	23,121	118	1,036	1,110	25,411	22,313	5,090	30,614	803	429	348	339	1,195	19,087	18,580	507
May	23,041	22,996	45	931	1,046	25,041	22,358	5,098	30,645	792	521	361	276	1,075	18,827	18,362	465
June	22,989	22,917	72	1,009	1,170	25,189	22,621	5,106	30,902	782	490	393	290	1,077	18,982	18,485	497
July	23,351	23,198	153	917	1,175	25,466	22,625	5,108	31,116	769	480	377	279	1,048	19,129	18,595	534
Aug.	23,146	23,129	17	1,010	989	25,166	22,626	5,115	31,035	764	490	349	273	1,163	18,834	18,300	534
Sept.	23,325	23,302	23	994	1,147	25,489	22,627	5,121	31,143	763	547	378	271	1,180	18,956	18,434	522
Oct.	23,348	23,252	96	818	1,143	25,326	22,660	5,129	31,109	780	495	338	258	1,097	19,040	18,573	467
Nov.	23,417	23,276	141	810	1,126	25,373	22,743	5,137	31,335	793	464	322	337	1,044	18,958	18,447	511
Dec.	23,982	23,615	367	716	1,443	26,186	22,769	5,144	31,932	768	385	345	186	1,063	19,420	18,843	577
1958																	
Jan.	23,608	23,458	150	454	1,118	25,229	22,782	5,148	31,059	777	512	297	224	993	19,296	18,723	573
Feb.	23,378	23,313	65	242	907	24,568	22,759	5,161	30,608	717	421	294	299	1,150	19,000	....	......
Midyear or year-end																	
1929—June	216	148	68	1,037	52	1,400	4,037	2,019	4,459	204	36	6	21	374	2,356	2,333	23
1933—June	1,998	1,998	....	164	4	2,220	4,031	2,286	5,434	264	35	15	151	346	2,292	1,817	475
1939—Dec.	2,484	2,484	....	7	91	2,593	17,644	2,963	7,598	2,409	634	397	256	251	11,653	6,444	5,209
1941—Dec.	2,254	2,254	....	3	94	2,361	22,737	3,247	11,160	2,215	867	774	586	291	12,450	9,365	3,085
1945—Dec.	24,262	24,262	....	249	578	25,091	20,065	4,339	28,515	2,287	977	862	446	495	15,915	14,457	1,458
1947—Dec.	22,559	22,559	....	85	535	23,181	22,754	4,562	28,868	1,336	870	392	569	563	17,899	16,400	1,499
1950—Dec.	20,778	20,725	53	67	1,368	22,216	22,706	4,636	27,741	1,293	668	895	565	714	17,681	16,509	1,172
1954—Dec.	24,932	24,888	44	143	808	25,885	21,713	4,985	30,509	796	563	490	441	907	18,876	18,618	258
1955—Dec.	24,785	24,391	394	108	1,585	26,507	21,690	5,008	31,158	767	394	402	554	925	19,005	18,903	102
1956—June	23,758	23,712	46	232	1,210	25,219	21,799	5,032	30,715	768	522	297	313	992	18,443	18,449	−6
Dec.	24,915	24,610	305	50	1,665	26,699	21,949	5,066	31,790	775	441	322	426	901	19,059	19,089	−30
End of month																	
1957																	
Feb.	22,887	22,854	33	595	1,196	24,704	22,304	5,076	30,575	809	458	327	206	1,133	18,576	18,294	282
Mar.	23,149	23,040	109	994	803	24,970	22,306	5,086	30,585	804	591	311	304	1,137	18,629	18,512	117
Apr.	23,169	23,169	....	829	936	24,960	22,318	5,094	30,519	791	509	316	294	1,079	18,864	18,588	276
May	23,108	22,950	158	1,170	926	25,224	22,620	5,104	30,836	788	568	360	274	1,072	19,049	18,351	698
June	23,035	22,994	41	558	1,199	24,816	22,623	5,107	31,082	758	498	449	308	1,075	18,376	18,543	−167
July	23,355	23,079	276	420	896	24,691	22,627	5,111	30,933	759	504	364	296	942	18,630	18,520	110
Aug.	23,539	23,475	64	986	865	25,418	22,626	5,118	31,133	752	477	342	285	1,198	18,975	18,305	670
Sept.	23,312	23,312	....	396	898	24,622	22,635	5,125	31,073	773	429	337	261	1,111	18,399	18,694	−295
Oct.	23,338	23,218	120	789	1,062	25,206	22,691	5,135	31,090	784	552	378	256	1,056	18,917	18,541	376
Nov.	23,733	23,448	285	819	942	25,515	22,763	5,139	31,661	761	243	283	196	1,000	19,274	18,578	696
Dec.	24,238	23,719	519	55	1,424	25,784	22,781	5,146	31,834	761	481	356	246	998	19,034	19,091	−57
1958																	
Jan.	23,331	23,331	....	217	763	24,352	22,784	5,158	30,576	771	469	249	279	990	18,958	18,543	415
Feb.	23,240	23,240	....	122	924	24,330	p22,686	p5,168	p30,550	p697	516	265	336	1,151	18,667	p18,229	p438
Wednesday																	
1957																	
Dec. 4	23,778	23,555	223	498	1,019	25,321	22,763	5,141	31,716	773	244	308	182	1,095	18,907	18,667	240
Dec. 11	23,872	23,600	272	972	961	25,836	22,770	5,142	31,878	770	333	330	182	1,041	19,214	18,737	477
Dec. 18	23,863	23,600	263	731	1,923	26,559	22,770	5,144	32,002	776	488	344	175	1,063	19,625	19,106	519
Dec. 25	24,020	23,636	384	794	1,520	26,394	22,770	5,145	32,131	759	346	386	180	1,062	19,444	18,937	507
Dec. 31[3]	24,238	23,719	519	55	1,424	25,784	22,781	5,146	31,834	761	481	356	246	998	19,034	19,091	−57
1958																	
Jan. 8	23,745	23,635	110	707	1,044	25,551	22,781	5,146	31,375	766	474	342	171	994	19,355	18,893	462
Jan. 15	23,708	23,557	151	285	1,089	25,127	22,782	5,148	31,019	782	525	279	187	992	19,273	18,722	551
Jan. 22	23,333	23,257	76	392	1,088	24,866	22,782	5,150	30,730	788	454	294	204	992	19,336	18,610	726
Jan. 29	23,360	23,357	3	253	741	24,397	22,783	5,151	30,543	785	511	257	267	991	18,977	18,479	498
Feb. 5	23,411	23,307	104	153	805	24,409	22,784	5,158	30,582	780	207	284	321	1,119	19,058	18,558	500
Feb. 12	23,464	23,299	165	237	923	24,665	22,784	5,160	30,674	686	350	297	597	1,118	18,888	18,451	437
Feb. 19	23,356	23,356	....	135	1,208	24,741	22,785	5,163	30,571	702	453	291	282	1,208	19,182	p18,546	p636
Feb. 26	23,409	23,409	....	184	721	24,356	22,685	5,166	30,495	700	406	274	298	1,154	18,880	p18,462	p418

p Preliminary.

[1] Includes industrial loans and acceptances; these items are not shown separately in this table, but are given for end-of-month and Wednesday dates in subsequent tables on Federal Reserve Banks.

[2] These figures are estimated.

[3] Tuesday.

RESERVES, DEPOSITS, AND BORROWINGS OF MEMBER BANKS, BY CLASSES

[Averages of daily figures.[1] In millions of dollars]

Item and period	All member banks	Central reserve city banks: New York	Central reserve city banks: Chicago	Reserve city banks	Country banks
Total reserves held:					
1957—Jan.	19,295	4,316	1,126	7,996	5,857
Feb.	18,816	4,205	1,107	7,781	5,722
Mar.	18,884	4,341	1,102	7,746	5,696
Apr.	19,087	4,307	1,097	7,921	5,762
May	18,827	4,234	1,101	7,794	5,697
June	18,982	4,335	1,121	7,774	5,751
July	19,129	4,294	1,131	7,906	5,799
Aug.	18,834	4,170	1,123	7,790	5,750
Sept.	18,956	4,211	1,122	7,800	5,823
Oct.	19,040	4,231	1,116	7,836	5,857
Nov.	18,958	4,162	1,101	7,849	5,847
Dec.	19,420	4,336	1,136	8,042	5,906
1958—Jan.	19,296	4,251	1,125	8,007	5,914
Week ending:					
1958—Jan. 22	19,216	4,151	1,116	7,959	5,989
29	19,089	4,203	1,114	7,930	5,842
Feb. 5	18,997	4,235	1,122	7,873	5,766
12	19,054	4,200	1,114	7,908	5,833
19	19,122	4,208	1,113	7,897	5,905
26	18,909	4,201	1,113	7,857	5,738
Required reserves:[2]					
1957—Jan.	18,773	4,327	1,129	7,938	5,379
Feb.	18,302	4,200	1,107	7,715	5,279
Mar.	18,366	4,326	1,098	7,686	5,256
Apr.	18,580	4,308	1,097	7,855	5,320
May	18,362	4,221	1,098	7,739	5,305
June	18,485	4,320	1,123	7,729	5,314
July	18,595	4,288	1,124	7,840	5,344
Aug.	18,300	4,152	1,121	7,722	5,306
Sept.	18,434	4,203	1,117	7,749	5,366
Oct.	18,573	4,231	1,116	7,797	5,429
Nov.	18,447	4,147	1,100	7,786	5,414
Dec.	18,843	4,303	1,127	7,956	5,457
1958—Jan.	18,723	4,216	1,121	7,928	5,458
Week ending:					
1958—Jan. 22	18,624	4,163	1,113	7,903	5,445
29	18,509	4,133	1,108	7,840	5,428
Feb. 5	18,498	4,201	1,120	7,795	5,382
12	18,483	4,191	1,109	7,798	5,385
19	^{p}18,437	4,162	1,106	7,787	^{p}5,382
26	^{p}18,441	4,190	1,108	7,768	^{p}5,376
Deposits:	January 1957				
Gross demand deposits:					
Total	118,717	23,740	6,084	46,556	42,336
Interbank	13,656	4,342	1,210	6,665	1,440
Other	105,061	19,398	4,875	39,891	40,896
Net demand deposits[3]	101,694	20,777	5,314	39,321	36,283
Time deposits	42,460	3,426	1,317	17,209	20,509
Demand balances due from domestic banks	6,708	62	109	2,099	4,438
	January 1958				
Gross demand deposits:					
Total	117,402	23,267	6,020	45,952	42,163
Interbank	13,545	4,257	1,194	6,582	1,511
Other	103,858	19,010	4,826	39,369	40,652
Net demand deposits[3]	100,232	20,112	5,262	38,778	36,080
Time deposits	46,768	3,879	1,361	18,966	22,562
Demand balances due from domestic banks	6,650	59	114	2,056	4,422
Excess reserves:[2]					
1957—Jan.	523	−10	−2	58	478
Feb.	514	5	....	66	443
Mar.	518	14	4	60	440
Apr.	506	−1	−1	65	443
May	465	13	3	56	393
June	496	15	−2	45	438
July	534	6	7	66	455
Aug.	534	19	2	69	444
Sept.	522	9	5	51	457
Oct.	467	....	....	39	428
Nov.	512	16	1	63	432
Dec.	577	34	8	86	449
1958—Jan.	573	34	4	78	456
Week ending:					
1958—Jan. 22	592	−12	4	56	544
29	580	70	6	90	414
Feb. 5	499	34	2	79	384
12	572	9	5	110	448
19	^{p}686	46	7	110	^{p}523
26	^{p}468	12	5	89	^{p}362
Borrowings at Federal Reserve Banks:					
1957—Jan.	407	30	38	229	110
Feb.	640	129	53	314	144
Mar.	834	116	257	302	159
Apr.	1,011	299	210	329	173
May	909	117	169	422	201
June	1,005	200	46	531	228
July	917	186	34	519	177
Aug.	1,005	308	28	468	201
Sept.	988	263	120	485	121
Oct.	811	141	115	428	127
Nov.	804	96	123	405	181
Dec.	710	139	85	314	172
1958—Jan.	451	80	29	222	119
Week ending:					
1958—Jan. 22	355	59	8	201	87
29	295	3	3	144	145
Feb. 5	189	1	2	91	95
12	286	44	27	126	89
19	361	140	14	125	82
26	153	....	2	61	90
Free reserves:[2] [4]					
1957—Jan.	117	−40	−40	−172	369
Feb.	−126	−123	−53	−249	299
Mar.	−316	−101	−253	−242	280
Apr.	−505	−300	−210	−263	269
May	−444	−104	−165	−367	192
June	−508	−185	−48	−486	210
July	−383	−181	−28	−452	278
Aug.	−471	−289	−26	−400	244
Sept.	−467	−254	−115	−433	335
Oct.	−344	−141	−115	−389	301
Nov.	−293	−80	−123	−342	251
Dec.	−133	−105	−77	−228	277
1958—Jan.	122	−46	−25	−144	337
1958—Jan. 22	237	−71	−4	−145	457
29	285	67	3	−54	269
Feb. 5	310	33	....	−12	289
12	286	−35	−22	−16	359
19	^{p}325	−94	−7	−15	^{p}441
26	^{p}315	12	3	28	^{p}272

^{p} Preliminary.

[1] Averages of daily *closing* figures for reserves and borrowings and of daily *opening* figures for other items, inasmuch as reserves required are based on deposits at opening of business.

[2] Weekly figures of required, excess, and free reserves of all member banks and of country banks are estimates.

[3] Demand deposits subject to reserve requirements, i. e., gross demand deposits minus cash items reported as in process of collection and demand balances due from domestic banks.

[4] Free reserves are excess reserves less borrowings.

FEDERAL RESERVE BANK DISCOUNT RATES

[Per cent per annum]

Federal Reserve Bank	Discounts for and advances to member banks						Advances to individuals, partnerships, or corporations other than member banks secured by direct obligations of the U. S. (last par. Sec. 13)		
	Advances secured by Government obligations and discounts of and advances secured by eligible paper (Secs. 13 and 13a)[1]			Other secured advances [Sec. 10(b)]					
	Rate on Feb. 28	In effect beginning—	Previous rate	Rate on Feb. 28	In effect beginning—	Previous rate	Rate on Feb. 28	In effect beginning—	Previous rate
Boston	2¾	Jan. 28, 1958	3	3¼	Jan. 28, 1958	3½	3¾	Jan. 28, 1958	4
New York	2¾	Jan. 24, 1958	3	3¼	Jan. 24, 1958	3½	3½	Jan. 24, 1958	3¾
Philadelphia	2¾	Jan. 22, 1958	3	3¼	Jan. 22, 1958	3½	4	Aug. 9, 1957	3½
Cleveland	2¾	Jan. 24, 1958	3	3¼	Jan. 24, 1958	3½	4	Nov. 29, 1957	4½
Richmond	2¾	Jan. 24, 1958	3	3¼	Jan. 24, 1958	3½	4	Jan. 24, 1958	4½
Atlanta	2¾	Jan. 28, 1958	3	3¼	Jan. 28, 1958	3½	4	Jan. 28, 1958	4½
Chicago	2¾	Jan. 24, 1958	3	3¼	Jan. 24, 1958	3½	4	Jan. 24, 1958	4½
St. Louis	2¾	Jan. 24, 1958	3	3¼	Jan. 24, 1958	3½	3¾	Jan. 24, 1958	4
Minneapolis	2¾	Feb. 7, 1958	3	3¼	Feb. 7, 1958	3½	4	Feb. 7, 1958	4½
Kansas City	2¾	Jan. 24, 1958	3	3¼	Jan. 24 1958	3½	4	Nov. 22, 1957	4½
Dallas	2¾	Feb. 14, 1958	3	3¼	Feb. 14, 1958	3½	4½	Aug. 13, 1957	4
San Francisco	3	Nov. 29, 1957	3½	3½	Nov. 29, 1957	4	4½	Aug. 15, 1957	4

[1] Rates shown also apply to advances secured by obligations of Federal intermediate credit banks maturing within 6 months.

NOTE.—*Maximum maturities.* Discounts for and advances to member banks: 90 days for discounts and advances under Sections 13 and 13a of the Federal Reserve Act except that discounts of certain bankers' acceptances and of agricultural paper may have maturities not exceeding 6 months and 9 months, respectively, and advances secured by obligations of Federal intermediate credit banks maturing within 6 months are limited to maximum maturities of 15 days; 4 months for advances under Section 10(b). Advances to individuals, partnerships, or corporations under the last paragraph of Section 13: 90 days.

FEDERAL RESERVE BANK OF NEW YORK DISCOUNT RATES[1]

[Per cent per annum]

Date effective	Rate	Date effective	Rate
1930—Feb. 7	4	1946—Apr. 25	1
Mar. 14	3½	1948—Jan. 12	1¼
May 2	3	Aug. 13	1½
June 20	2½	1950—Aug. 21	1¾
Dec. 24	2	1953—Jan. 16	2
1931—May 8	1½	1954—Feb. 5	1¾
Oct. 9	2½	Apr. 16	1½
Oct. 16	3½	1955—Apr. 15	1¾
1932—Feb. 26	3	Aug. 5	2
June 24	2½	Sept. 9	2¼
1933—Mar. 3	3½	Nov. 18	2½
Apr. 7	3	1956—Apr. 13	2¾
May 26	2½	Aug. 24	3
Oct. 20	2	1957—Aug. 23	3½
1934—Feb. 2	1½	Nov. 15	3
1937—Aug. 27	1	1958—Jan. 24	2¾
1942—Oct. 30	*½	In effect Mar. 1, 1958	2¾

[1] Under Secs. 13 and13a, as described in table above.

* Preferential rate for advances secured by Govt. securities maturing or callable in 1 year or less in effect during the period Oct. 30, 1942–Apr. 24, 1946. The rate of 1 per cent was continued for discounts of and advances secured by eligible paper.

NOTE.—*Repurchase rate on U. S. Govt. securities.* In 1955, 1956, and 1957 this rate was the same as the discount rate except in the following periods (rates in percentages): 1955—May 4–6, 1.65; Aug. 4, 1.85; Sept. 1–2, 2.10; Sept. 8, 2.15; Nov. 10, 2.375; and 1956—Aug. 24–29, 2.75; 1957—Aug. 22, 3.50.

MARGIN REQUIREMENTS[1]

[Per cent of market value]

Prescribed in accordance with Securities Exchange Act of 1934	Jan. 4, 1955–Apr. 22, 1955	Apr. 23, 1955–Jan. 15, 1958	Effective Jan. 16, 1958
Regulation T:			
For extensions of credit by brokers and dealers on listed securities	60	70	50
For short sales	60	70	50
Regulation U:			
For loans by banks on stocks	60	70	50

[1] Regulations T and U limit the amount of credit that may be extended on a security by prescribing a maximum loan value, which is a specified percentage of its market value at the time of extension; margin requirements are the difference between the market value (100%) and the maximum loan value. Change on Jan. 4, 1955, was effective after the close of business on that date.

MEMBER BANK RESERVE REQUIREMENTS

[Per cent of deposits]

Effective date of change	Net demand deposits[1]			Time deposits	
	Central reserve city banks	Reserve city banks	Country banks	Central reserve and reserve city banks	Country banks
1917—June 21	13	10	7	3	3
1936—Aug. 16	19½	15	10½	4½	4½
1937—Mar. 1	22¾	17½	12¼	5¼	5¼
May 1	26	20	14	6	6
1938—Apr. 16	22¾	17½	12	5	5
1941—Nov. 1	26	20	14	6	6
1942—Aug. 20	24	....	....	....	....
Sept. 14	22	....	....	....	....
Oct. 3	20	....	....	....	....
1948—Feb. 27	22	....	....	....	....
June 11	24	....	....	....	....
Sept, 16, 24*	26	22	16	7½	7½
1949—May 1, 5*	24	21	15	7	7
June 30, July 1*	....	20	14	6	6
Aug. 1, 11*	23½	19½	13	5	....
Aug. 16, 18*	23	19	12	....	5
Aug. 25	22½	18½	....	....	....
Sept. 1	22	18	....	....	....
1951—Jan. 11, 16*	23	19	13	6	6
Jan. 25, Feb. 1*	24	20	14	....	....
1953- July 1, 9*	22	19	13	....	....
1954 June 16, 24*	21	....	....	5	5
July 29, Aug. 1*	20	18	12	....	....
1958—Mar. 27, Mar. 1	19½	17½	11½	....	....
In effect Mar. 1, 1958	19½	17½	11½	5	5
Present legal requirements:					
Minimum	13	10	7	3	3
Maximum	26	20	14	6	6

[1] Demand deposits subject to reserve requirements which, beginning Aug. 23, 1935, have been total demand deposits minus cash items in process of collection and demand balances due from domestic banks (also minus war loan and Series E bond accounts during the period Apr. 13, 1943–June 30, 1947).

* First-of-month or midmonth dates are changes at country banks, and other dates (usually Thurs.) are at central reserve or reserve city banks.

STATEMENT OF CONDITION OF THE FEDERAL RESERVE BANKS

[In thousands of dollars]

Item	Wednesday					End of month		
	1958					1958		1957
	Feb. 26	Feb. 19	Feb. 12	Feb. 5	Jan. 29	Feb.	Jan.	Feb.
Assets								
Gold certificate account	21,245,393	21,345,393	21,345,392	21,245,393	21,245,392	21,245,394	21,245,393	20,764,392
Redemption fund for F. R. notes	853,803	854,018	855,593	857,193	858,711	853,802	858,710	861,898
Total gold certificate reserves	22,099,196	22,199,411	22,200,985	22,102,586	22,104,103	22,099,196	22,104,103	21,626,290
F. R. notes of other Banks	545,402	549,722	560,503	627,259	676,726	536,425	656,234	455,038
Other cash	521,607	511,941	531,631	535,407	527,860	529,677	544,476	469,903
Discounts and advances:								
For member banks	183,737	135,117	237,397	153,061	252,921	122,361	217,380	570,456
For nonmember banks, etc.	...	...	...	...	...	...	...	25,000
Industrial loans	512	485	523	512	541	506	536	758
Acceptances—Bought outright	41,703	41,514	39,839	39,838	39,838	42,887	40,910	24,493
Held under repurchase agreement	...	...	...	...	3,000	...	...	...
U. S. Government securities:								
Bought outright:								
Bills	674,023	621,023	563,773	571,273	621,773	504,460	595,273	118,255
Certificates—Special	...	...	...	...	...	...	...	...
Other	19,946,105	19,946,105	19,933,612	19,933,612	19,933,612	19,946,105	19,933,612	11,362,199
Notes	...	...	...	...	...	...	...	8,571,413
Bonds	2,789,257	2,789,257	2,801,750	2,801,750	2,801,750	2,789,257	2,801,750	2,801,750
Total bought outright	23,409,385	23,356,385	23,299,135	23,306,635	23,357,135	23,239,822	23,330,635	22,853,617
Held under repurchase agreement	...	...	164,700	104,300	3,000	...	...	33,000
Total U. S. Government securities	23,409,385	23,356,385	23,463,835	23,410,935	23,360,135	23,239,822	23,330,635	22,886,617
Total loans and securities	23,635,337	23,533,501	23,741,594	23,604,346	23,656,435	23,405,576	23,589,461	23,507,324
Due from foreign banks	15	15	15	15	15	15	15	22
Uncollected cash items	4,626,630	5,041,846	4,760,371	4,424,067	4,561,983	4,373,925	4,156,763	5,146,306
Bank premises	84,580	84,741	84,372	84,295	84,259	84,749	84,203	74,804
Other assets	124,468	110,666	189,367	172,654	288,075	129,033	293,003	106,980
Total assets	51,637,235	52,031,843	52,068,838	51,550,629	51,899,456	51,158,596	51,428,258	51,386,667
Liabilities								
Federal Reserve notes	26,510,170	26,586,310	26,708,350	26,685,493	26,701,889	26,558,812	26,711,420	26,555,990
Deposits:								
Member bank reserves	18,879,769	19,182,442	18,888,425	19,058,348	18,977,485	18,667,005	18,958,370	18,575,591
U. S. Treasurer—general account	406,364	452,776	349,868	206,656	511,148	516,256	469,246	457,593
Foreign	273,956	290,546	296,756	283,753	257,036	265,479	249,013	327,113
Other	297,801	282,202	596,979	321,124	267,058	336,484	279,437	205,882
Total deposits	19,857,890	20,207,966	20,132,028	19,869,881	20,012,727	19,785,224	19,956,066	19,566,179
Deferred availability cash items	3,905,843	3,834,155	3,837,131	3,619,014	3,821,062	3,449,524	3,394,031	3,949,869
Other liabilities and accrued dividends	16,653	15,379	16,154	14,568	15,235	14,931	14,479	15,092
Total liabilities	50,290,556	50,643,810	50,693,663	50,188,956	50,550,913	49,808,491	50,075,996	50,087,130
Capital Accounts								
Capital paid in	348,824	348,591	348,301	347,780	347,364	348,880	347,482	330,179
Surplus (Section 7)	809,198	809,198	809,198	809,198	809,198	809,198	809,198	747,593
Surplus (Section 13b)	27,543	27,534	27,543	27,543	27,543	27,543	27,543	27,543
Other capital accounts	161,114	202,701	190,133	177,152	164,438	164,484	168,039	194,222
Total liabilities and capital accounts	51,637,235	52,031,843	52,068,838	51,550,629	51,899,456	51,158,596	51,428,258	51,386,667
Ratio of gold certificate reserves to deposits and F. R. note liabilities combined (per cent)	47.7	47.4	47.4	47.5	47.3	47.7	47.4	46.9
Contingent liability on acceptances purchased for foreign correspondents	142,742	132,914	131,312	128,399	127,242	139,414	127,188	58,016
Industrial loan commitments	1,075	1,102	1,069	1,079	1,065	1,062	1,058	2,014
Maturity Distribution of Loans and U. S. Government Securities[1]								
Discounts and advances—total	183,737	135,117	237,397	153,061	252,921	122,361	217,380	595,456
Within 15 days	181,113	129,441	234,850	149,489	249,432	115,493	211,648	564,297
16 days to 90 days	2,521	5,562	2,426	3,474	3,386	6,769	5,634	6,159
91 days to 1 year	103	114	121	98	103	99	98	25,000
Industrial loans—total	512	485	523	512	541	506	536	758
Within 15 days	119	119	120	120	111	128	120	36
16 days to 90 days	29	29	20	20	29	20	20	79
91 days to 1 year	251	224	260	249	278	245	273	414
Over 1 year to 5 years	113	113	123	123	123	113	123	229
Acceptances—total	41,703	41,514	39,839	39,838	42,838	42,887	40,910	24,493
Within 15 days	12,284	12,716	13,063	12,138	15,016	12,330	9,507	8,241
16 days to 90 days	29,419	28,798	26,776	27,700	27,822	30,557	31,403	16,252
U. S. Government securities—total	23,409,385	23,356,385	23,463,835	23,410,935	23,360,135	23,239,822	23,330,635	22,886,617
Within 15 days	214,573	241,023	5,856,663	5,733,650	230,550	45,010	5,585,650	63,600
16 days to 90 days	459,450	380,000	378,803	448,916	5,901,216	459,450	516,616	66,755
91 days to 1 year	19,946,105	19,946,105	14,439,112	14,439,112	14,439,112	19,946,105	14,439,112	19,954,512
Over 1 year to 5 years	1,374,400	1,374,400	1,374,400	1,374,400	1,374,400	1,374,400	1,374,400	373,279
Over 5 years to 10 years	56,610	56,610	56,610	56,610	56,610	56,610	56,610	1,013,614
Over 10 years	1,358,247	1,358,247	1,358,247	1,358,247	1,358,247	1,358,247	1,358,247	1,414,857

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

STATEMENT OF CONDITION OF EACH FEDERAL RESERVE BANK ON FEBRUARY 28, 1958

[In thousands of dollars]

Item	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Assets												
Gold certificate account	1,010,571	5,790,603	1,139,016	1,864,121	1,310,472	870,121	3,831,836	841,698	415,967	913,368	834,182	2,423,439
Redemption fund for F. R. notes	55,250	178,988	59,569	78,250	69,106	48,278	155,629	42,951	22,036	41,260	28,238	74,247
Total gold certificate reserves	1,065,821	5,969,591	1,198,585	1,942,371	1,379,578	918,399	3,987,465	884,649	438,003	954,628	862,420	2,497,686
F. R. notes of other Banks	32,276	131,413	34,069	58,181	39,838	80,403	41,812	13,813	21,838	7,295	35,439	40,048
Other cash	31,147	117,328	30,066	46,866	34,533	40,092	87,430	31,360	9,785	17,953	20,918	62,199
Discounts and advances:												
Secured by U. S. Govt. securities	12,840	11,825	11,480	11,110	11,565	10,915	18,900	8,450	5,800	17,128	1,350	800
Other	50	....	....	....	....	....	148	....	....	....	....	....
Industrial loans	327	....	158	....	....	....	....	....	21	....	....	....
Acceptances:												
Bought outright	....	42,887	....	....	....	....	....	....	....	....	....	....
Held under repurchase agreement	....	....	....	....	....	....	....	....	....	....	....	....
U. S. Govt. securities:												
Bought outright	1,267,639	5,811,838	1,356,578	2,041,340	1,484,862	1,203,753	4,056,534	961,083	501,515	997,755	910,746	2,646,179
Held under repurchase agreement	....	....	....	....	....	....	....	....	....	....	....	....
Total loans and securities	1,280,856	5,866,550	1,368,216	2,052,450	1,496,427	1,214,668	4,075,582	969,533	507,336	1,014,883	912,096	2,646,979
Due from foreign banks	1	[1]4	1	1	1	1	2	1	([2])	1	1	1
Uncollected cash items	285,731	823,420	258,966	412,649	348,539	359,709	735,651	172,292	120,882	221,336	226,838	407,912
Bank premises	4,941	10,629	4,469	9,694	6,943	6,935	6,845	6,353	5,301	4,952	6,495	11,192
Other assets	6,820	30,894	7,171	11,506	8,161	6,751	24,369	5,155	2,749	5,478	5,717	14,262
Total assets	2,707,593	12,949,829	2,901,543	4,533,718	3,314,020	2,626,958	8,959,156	2,083,156	1,105,894	2,226,526	2,069,924	5,680,279
Liabilities												
F. R. notes	1,564,411	6,265,783	1,667,665	2,518,185	2,099,429	1,244,399	5,177,136	1,185,628	510,624	1,049,680	714,514	2,561,358
Deposits:												
Member bank reserves	761,495	5,319,060	866,163	1,491,107	808,463	958,288	2,911,731	671,269	432,307	893,134	1,033,708	2,520,280
U. S. Treasurer—general account	31,702	27,099	46,873	45,599	48,613	35,795	77,586	31,471	26,639	47,567	42,602	54,710
Foreign	15,105	[3]75,209	18,285	23,585	13,515	11,925	37,895	9,805	6,360	10,335	13,780	29,680
Other	436	281,845	9,862	1,865	2,266	1,141	1,039	865	485	1,054	1,571	34,055
Total deposits	808,738	5,703,213	941,183	1,562,156	872,857	1,007,149	3,028,251	713,410	465,791	952,090	1,091,661	2,638,725
Deferred availability cash items	255,020	606,211	198,906	330,932	269,521	311,596	556,286	131,411	95,281	170,415	193,750	330,195
Other liabilities	832	3,280	707	2,192	665	693	2,466	520	579	587	660	1,750
Total liabilities	2,629,001	12,578,487	2,808,461	4,413,465	3,242,472	2,563,837	8,764,139	2,030,969	1,072,275	2,172,772	2,000,585	5,532,028
Capital Accounts												
Capital paid in	17,817	102,652	21,388	32,902	15,874	16,950	47,610	11,749	7,543	14,136	19,685	40,574
Surplus (Sec. 7)	47,013	223,963	55,923	71,550	41,236	36,192	121,504	31,586	19,697	30,533	40,871	89,130
Surplus (Sec. 13b)	3,011	7,319	4,489	1,006	3,349	762	1,429	521	1,073	1,137	1,307	2,140
Other capital accounts	10,751	37,408	11,282	14,795	11,089	9,217	24,474	8,331	5,306	7,948	7,476	16,407
Total liabilities and capital accounts	2,707,593	12,949,829	2,901,543	4,533,718	3,314,020	2,626,958	8,959,156	2,083,156	1,105,894	2,226,526	2,069,924	5,680,279
Ratio of gold certificate reserves to deposit and F. R. note liabilities combined (per cent)	44.3	50.0	46.1	47.7	46.4	40.0	48.5	47.2	44.5	48.2	47.2	48.1
Contingent liability on acceptances purchased for foreign correspondents	8,134	[4]36,956	9,846	12,700	7,278	6,422	20,406	5,280	3,425	5,565	7,420	15,982
Industrial loan commitments	....	....	7	52	....	....	63	....	....	940	....	....

[1] After deducting $11,000 participations of other Federal Reserve Banks.
[2] Less than $500.
[3] After deducting $190,270,000 participations of other Federal Reserve Banks.
[4] After deducting $102,458,000 participations of other Federal Reserve Banks.

FEDERAL RESERVE NOTES—FEDERAL RESERVE AGENTS' ACCOUNTS

[In thousands of dollars]

FEDERAL RESERVE BANKS COMBINED

Item	Wednesday					End of month		
	1958					1958		1957
	Feb. 26	Feb. 19	Feb. 12	Feb. 5	Jan. 29	Feb.	Jan.	Feb.
F. R. notes outstanding (issued to Bank)	27,745,074	27,890,647	27,936,244	28,023,411	28,137,602	27,742,068	28,109,074	27,747,268
Collateral held against notes outstanding:								
Gold certificate account	12,213,000	12,253,000	12,253,000	12,253,000	12,253,000	12,213,000	12,253,000	11,868,000
Eligible paper	44,028	28,203	42,158	30,088	49,143	37,058	44,668	108,447
U. S. Government securities	17,165,000	17,165,000	17,165,000	17,165,000	17,165,000	17,165,000	17,165,000	17,090,000
Total collateral	29,422,028	29,446,203	29,460,158	29,448,088	29,467,143	29,415,058	29,462,668	29,066,447

EACH FEDERAL RESERVE BANK ON FEBRUARY 28, 1958

Item	Boston	New York	Phila-delphia	Cleve-land	Rich-mond	Atlanta	Chicago	St. Louis	Minne-apolis	Kansas City	Dallas	San Fran-cisco
F. R. notes outstanding (issued to Bank)	1,663,856	6,623,701	1,754,788	2,623,751	2,185,290	1,306,521	5,301,536	1,235,207	534,803	1,072,917	764,196	2,675,502
Collateral held:												
Gold certificate acct.	700,000	3,270,000	640,000	1,130,000	875,000	425,000	2,500,000	450,000	140,000	300,000	283,000	1,500,000
Eligible paper	....	....	11,480	....	....	....	....	8,450	....	17,128	....	....
U. S. Govt. securities	1,150,000	3,600,000	1,200,000	1,600,000	1,350,000	1,000,000	3,100,000	895,000	425,000	820,000	525,000	1,500,000
Total collateral	1,850,000	6,870,000	1,851,480	2,730,000	2,225,000	1,425,000	5,600,000	1,353,450	565,000	1,137,128	808,000	3,000,000

INDUSTRIAL LOANS BY FEDERAL RESERVE BANKS

[Amounts in thousands of dollars]

End of year or month	Applications approved to date		Approved but not completed[1] (amount)	Loans outstanding[2] (amount)	Commitments outstanding (amount)	Participations of financing institutions outstanding[3] (amount)
	Number	Amount				
1952	3,753	766,492	1,638	3,921	3,210	3,289
1953	3,765	803,429	1,951	1,900	3,569	3,469
1954	3,771	818,224	520	719	1,148	1,027
1955	3,778	826,853	305	702	2,293	1,103
1956	3,782	832,550	....	794	2,365	1,129
1957						
Jan.	3,782	833,045	....	822	2,315	1,126
Feb.	3,782	833,692	....	758	2,014	1,017
Mar.	3,782	834,051	....	772	1,987	1,012
Apr.	3,782	834,668	....	780	1,955	991
May	3,782	835,264	....	774	1,794	948
June	3,783	835,766	80	742	1,780	919
July	3,784	836,636	155	608	1,795	812
Aug.	3,784	837,410	80	628	1,815	816
Sept.	3,785	838,714	760	620	1,323	684
Oct.	3,786	840,504	....	586	1,165	1,169
Nov.	3,786	840,814	....	581	1,130	1,126
Dec.	3,786	841,290	....	524	1,109	1,122
1958						
Jan.	3,786	841,691	....	535	1,058	1,087

[1] Includes applications approved conditionally by the Federal Reserve Banks and under consideration by applicant.
[2] Includes industrial loans past due 3 months or more, which are not included in industrial loans outstanding in weekly statement of condition of Federal Reserve Banks.
[3] Not covered by Federal Reserve Bank commitment to purchase or discount.

NOTE.—The difference between amount of applications approved and the sum of the following four columns represents repayments of advances, and applications for loans and commitments withdrawn or expired.

LOANS GUARANTEED UNDER REGULATION V[1]

[Amounts in millions of dollars]

End of year or month	Loans authorized to date		Loans outstanding		Additional amount available to borrowers under guarantee agreements outstanding
	Number	Amount	Total amount	Portion guaranteed	
1952	1,159	2,124	979	803	586
1953	1,294	2,358	805	666	364
1954	1,367	2,500	472	368	273
1955	1,411	2,575	294	226	170
1956	1,468	2,761	389	289	125
1957					
Jan.	1,475	2,823	401	298	120
Feb.	1,481	2,829	398	296	128
Mar.	1,482	2,842	408	304	127
Apr.	1,485	2,850	402	300	133
May	1,488	2,862	407	305	130
June	1,493	2,867	412	307	126
July	1,496	2,878	412	307	123
Aug.	1,497	2,880	390	292	146
Sept.	1,498	2,882	395	295	138
Oct.	1,498	2,888	398	300	124
Nov.	1,500	2,906	394	298	127
Dec.	1,503	2,912	395	300	135
1958					
Jan.	1,506	2,923	380	290	156

[1] Loans made by private financing institutions and guaranteed by Government procurement agencies, pursuant to the Defense Production Act of 1950. Federal Reserve Banks act as fiscal agents of the guaranteeing agencies in these transactions, and the procedure is governed by Regulation V of the Board of Governors.

NOTE.—The difference between guaranteed loans authorized and sum of loans outstanding and additional amounts available to borrowers under guarantee agreements outstanding represents amounts repaid, guarantees authorized but not completed, and authorizations expired or withdrawn.

FEDERAL RESERVE BANK RATES ON INDUSTRIAL LOANS[1]

[In effect February 28. Per cent per annum]

Federal Reserve Bank	To industrial or commercial businesses		To financing institutions		
			On discounts or purchases		
	On loans[2]	On commitments	Portion for which institution is obligated	Remaining portion	On commitments
Boston	3½–6	½–1½	(3)	(4)	½–1½
New York	3¾–5½	½–1⅜	(3)	(4)	½–1⅜
Philadelphia	3½–6	½–1½	(5)	(4)	½–1½
Cleveland	3½–6	½–1½	(3)	(4)	½–1½
Richmond	4–6	½–1½	(3)	(4)	½–1½
Atlanta	3–5½	1–1⅜	(3)	(4)	(6)
Chicago	3½–6	½–1½	3½–6	3½–6	½–1½
St. Louis	3¼–5¼	½–1 5/16	(3)	(4)	½–1 5/16
Minneapolis	4–6	½–1½	4–6	4–6	½–1½
Kansas City	4–6	½–1½	(3)	(4)	½–1½
Dallas	4–6	½–1½	(3)	(4)	[7]½–1½
San Francisco	4–6	½–1½	(3)	(4)	[7]½–1½

1 Rates on industrial loans, discounts or purchases of loans, and commitments under Sec. 13b of the Federal Reserve Act. Maturities not exceeding five years.
2 Including loans made in participation with financing institutions.
3 Rate charged borrower less commitment rate.
4 Rate charged borrower. 5 Rate charged borrower but not to exceed 1 per cent above the discount rate.
6 Twenty-five per cent of loan rate. Charge of ½ per cent per annum is made on undisbursed portion.
7 Charge of ¼ per cent per annum is made on undisbursed portion.

FEES AND RATES ON LOANS GUARANTEED UNDER REGULATION V[1]

[In effect February 28]

Fees Payable to Guaranteeing Agency by Financing Institution on Guaranteed Portion of Loan

Percentage of loan guaranteed	Guarantee fee (percentage of interest payable by borrower)	Percentage of any commitment fee charged borrower
70 or less	10	10
75	15	15
80	20	20
85	25	25
90	30	30
95	35	35
Over 95	40–50	40–50

Maximum Rates Financing Institution May Charger Borrower
[Per cent per annum]

Interest rate	6
Commitment rate	½

1 Schedule of fees and rates established by the Board of Governors on loans made by private financing institutions and guaranteed by Government procurement agencies, pursuant to the Defense Production Act of 1950. Federal Reserve Banks act as fiscal agents of the guaranteeing agencies in these transactions, and the procedure is governed by Regulation V of the Board of Governors.

BANK DEBITS AND DEPOSIT TURNOVER

[Debit in millions of dollars]

Year or month	Debits to demand deposits accounts, except interbank and U. S. Government accounts				Annual rate of turnover of demand deposits except interbank and U. S. Government deposits					
					Without seasonal adjustment			Seasonally adjusted[3]		
	Total, all reporting centers	New York City	6 other centers[1]	337 other reporting centers[2]	New York City	6 other centers[1]	337 other reporting centers[2]	New York City	6 other centers[1]	337 other reporting centers[2]
1950	1,380,112	509,340	298,564	572,208	31.1	22.6	17.2	....	....	....
1951	1,542,554	544,367	336,885	661,302	31.9	24.0	18.4	....	....	....
1952	1,642,853	597,815	349,904	695,133	34.4	24.1	18.4	....	....	....
1953	1,759,069	632,801	385,831	740,436	36.7	25.6	18.9	....	....	....
1954	1,887,366	738,925	390,066	758,375	42.3	25.8	19.2	....	....	....
1955	2,043,548	766,890	431,651	845,007	42.7	27.3	20.4	....	....	....
1956	2,200,643	815,856	462,859	921,928	45.8	28.8	21.8	....	....	....
1957	2,356,768	888,455	489,311	979,002	49.5	30.4	23.0	....	....	....
1956—Dec.	201,876	77,495	40,912	83,469	51.8	29.9	23.3	45.8	28.6	22.1
1957—Jan.	204,514	76,460	42,596	85,457	48.3	30.0	22.9	48.1	30.6	22.7
Feb.	177,536	67,035	36,886	73,615	48.9	30.2	23.0	50.2	31.0	23.1
Mar.	197,231	74,786	42,113	80,332	48.7	32.0	22.5	47.5	29.2	22.6
Apr.	192,701	72,328	40,182	80,192	46.9	30.3	22.4	47.6	29.4	23.1
May	197,257	71,780	42,128	83,349	47.1	30.5	23.2	48.3	31.0	23.7
June	193,349	74,512	39,942	78,895	51.4	30.4	23.1	47.6	29.8	23.1
July	200,559	74,509	41,711	84,339	49.5	30.6	23.6	50.8	31.2	24.0
Aug.	190,539	68,409	40,194	81,936	44.7	28.5	22.1	51.7	31.1	23.5
Sept.	189,294	70,953	39,095	79,245	52.2	31.4	24.1	50.9	31.7	23.7
Oct.	204,168	77,431	41,761	84,976	49.9	29.6	22.7	51.4	30.5	22.7
Nov.	189,246	71,667	39,012	78,567	51.2	30.5	23.5	51.7	30.0	22.3
Dec.	220,376	88,584	43,692	88,100	58.9	32.2	24.7	52.1	30.8	23.4
1958—Jan.	212,862	84,355	41,988	86,518	54.6	30.0	23.3	54.3	30.6	23.1
Feb.	181,693	72,803	36,185	72,705	55.4	p30.0	p22.7	56.8	p30.8	p22.8

p Preliminary.
1 Boston, Philadelphia, Chicago, Detroit, San Francisco, and Los Angeles.
2 Prior to April 1955, 338 centers.
3 These data are complied by the Federal Reserve Bank of New York.
NOTE.—For description see BULLETIN for April 1953, pp. 355–57.

DENOMINATIONS OF UNITED STATES CURRENCY IN CIRCULATION

[On basis of compilation by United States Treasury. In millions of dollars]

End of year or month	Total in circulation[1]	Coin and small denomination currency							Large denomination currency						
		Total	Coin	$1[2]	$2	$5	$10	$20	Total	$50	$100	$500	$1,000	$5,000	$10,000
1939	7,598	5,553	590	559	36	1,019	1,772	1,576	2,048	460	919	191	425	20	32
1941	11,160	8,120	751	695	44	1,355	2,731	2,545	3,044	724	1,433	261	556	24	46
1945	28,515	20,683	1,274	1,039	73	2,313	6,782	9,201	7,834	2,327	4,220	454	801	7	24
1947	28,868	20,020	1,404	1,048	65	2,110	6,275	9,119	8,850	2,548	5,070	428	782	5	17
1950	27,741	19,305	1,554	1,113	64	2,049	5,998	8,529	8,438	2,422	5,043	368	588	4	12
1952	30,433	21,450	1,750	1,228	71	2,143	6,561	9,696	8,985	2,669	5,447	343	512	4	10
1953	30,781	21,636	1,812	1,249	72	2,119	6,565	9,819	9,146	2,732	5,581	333	486	4	11
1954	30,509	21,374	1,834	1,256	71	2,098	6,450	9,665	9,136	2,720	5,612	321	464	3	15
1955	31,158	22,021	1,927	1,312	75	2,151	6,617	9,940	9,136	2,736	5,641	307	438	3	12
1956	31,790	22,598	2,027	1,369	78	2,196	6,734	10,194	9,192	2,771	5,704	292	407	3	14
1957—Jan.	30,614	21,597	1,990	1,276	76	2,065	6,427	9,763	9,017	2,701	5,613	289	402	3	8
Feb.	30,575	21,601	1,993	1,269	75	2,058	6,450	9,756	8,974	2,689	5,586	287	400	3	8
Mar.	30,585	21,639	2,000	1,270	75	2,063	6,473	9,758	8,946	2,679	5,573	286	397	3	8
Apr.	30,519	21,588	2,020	1,276	75	2,055	6,425	9,737	8,931	2,674	5,566	285	395	3	8
May	30,836	21,905	2,029	1,301	76	2,093	6,554	9,852	8,931	2,679	5,564	284	393	3	8
June	31,082	22,123	2,042	1,302	77	2,102	6,615	9,985	8,958	2,696	5,575	283	391	3	10
July	30,933	21,987	2,050	1,292	77	2,069	6,520	9,979	8,946	2,695	5,570	281	388	3	8
Aug.	31,133	22,155	2,060	1,296	78	2,085	6,581	10,055	8,977	2,701	5,596	280	388	4	8
Sept.	31,073	22,088	2,069	1,312	78	2,084	6,533	10,013	8,984	2,696	5,611	279	386	4	9
Oct.	31,090	22,086	2,083	1,330	77	2,089	6,533	9,975	9,003	2,695	5,632	279	385	4	9
Nov.	31,661	22,582	2,099	1,356	78	2,146	6,726	10,177	9,079	2,725	5,677	279	386	3	8
Dec.	31,834	22,626	2,110	1,398	80	2,188	6,662	10,187	9,208	2,777	5,752	280	384	3	13
1958—Jan.	30,576	21,527	2,061	1,293	78	2,044	6,331	9,721	9,049	2,711	5,668	277	381	3	9

[1] Outside Treasury and Federal Reserve Banks. Prior to December 1955 the totals shown as in circulation were less than totals of coin and paper currency shown by denomination by amounts of unassorted currency (not shown separately.)

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

KINDS OF UNITED STATES CURRENCY OUTSTANDING AND IN CIRCULATION

[On basis of compilation by United States Treasury. In millions of dollars]

Kind of currency	Total outstanding Jan. 31 1958	Held in the Treasury			Held by F. R. Banks and agents	Currency in circulation[1]		
		As security against gold and silver certificates	Treasury cash	For F. R. Banks and agents		Jan. 31, 1958	Dec. 31, 1957	Jan. 31, 1957
Gold	22,784	22,136	[2]647	....	....	....	....	....
Gold certificates	22,136	....	....	19,289	2,816	32	32	33
Federal Reserve notes	28,109	....	69	....	2,054	25,986	27,031	26,051
Treasury currency—total	5,158	[3]*2,405*	54	....	544	4,559	4,771	4,530
Standard silver dollars	488	189	30	....	8	262	263	247
Silver bullion	2,216	2,216	....	....	....	....	....	....
Silver certificates and Treasury notes of 1890	[3]*2,405*	....	....	....	393	2,011	2,157	2,035
Subsidiary silver coin	1,421	....	17	....	87	1,317	1,358	1,277
Minor coin	499	....	3	....	14	482	489	466
United States notes	347	....	5	....	41	301	316	304
Federal Reserve Bank notes	126	....	(4)	....	1	125	126	138
National Bank notes	61	....	(4)	....	(4)	60	61	63
Total—Jan. 31, 1958	(5)	24,541	771	19,289	5,414	30,576	....	....
Dec. 31, 1957	(5)	24,525	761	19,269	4,706	....	31,834	....
Jan. 31, 1957	(5)	23,998	809	18,746	5,192	....	....	30,614

[1] Outside Treasury and Federal Reserve Banks. Includes any paper currency held outside the continental limits of the United States. Totals for other end-of-month dates are shown in table above; totals for Wednesday dates, in table on p. 306.

[2] Includes $156,039,431 held as reserve against United States notes and Treasury notes of 1890.

[3] To avoid duplication, amount of silver dollars and bullion held as security against silver certificates and Treasury notes of 1890 outstanding is not included in total Treasury currency outstanding.

[4] Less than $500,000.

[5] Because some of the types of currency shown are held as collateral or reserves against other types, a grand total of all types has no special significance and is not shown. See note for explanation of duplications.

NOTE.—There are maintained in the Treasury—(1) as a reserve for United States notes and Treasury notes of 1890—$156,039,431 in gold bullion; (2) as security for Treasury notes of 1890—an equal dollar amount in standard silver dollars (these notes are being canceled and retired on receipt); (3) as security for outstanding silver certificates—silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates; and (4) as security for gold certificates—gold bullion of a value at the legal standard equal to the face amount of such gold certificates. Federal Reserve notes are obligations of the United States and a first lien on all the assets of the issuing Federal Reserve Bank. Federal Reserve notes are secured by the deposit with Federal Reserve agents of a like amount of gold certificates or of gold certificates and such discounted or purchased paper as is eligible under the terms of the Federal Reserve Act, or of direct obligations of the United States. Each Federal Reserve Bank must maintain a reserve in gold certificates of at least 25 per cent against its Federal Reserve notes in actual circulation. Gold certificates deposited with Federal Reserve agents as collateral, and those deposited with the Treasury of the United States as a redemption fund, are counted as reserve. Gold certificates, as herein used, includes credits with the Treasurer of the United States payable in gold certificates. Federal Reserve Bank notes and national bank notes are in process of retirement.

CONSOLIDATED CONDITION STATEMENT FOR BANKS AND THE MONETARY SYSTEM[1]

[Figures partly estimated except on call dates. In millions of dollars]

Date	Assets: Gold	Assets: Treasury currency outstanding	Assets: Bank credit: Total	Assets: Bank credit: Loans, net	Assets: Bank credit: U. S. Government obligations: Total	U. S. Government obligations: Commercial and savings banks	U. S. Government obligations: Federal Reserve Banks	U. S. Government obligations: Other	Assets: Bank credit: Other securities	Total assets, net—Total liabilities and capital, net	Liabilities and Capital: Total deposits and currency	Liabilities and Capital: Capital and misc. accounts, net
1929—June 29	4,037	2,019	58,642	41,082	5,741	5,499	216	26	11,819	64,698	55,776	8,922
1933—June 30	4,031	2,286	42,148	21,957	10,328	8,199	1,998	131	9,863	48,465	42,029	6,436
1939—Dec. 30	17,644	2,963	54,564	22,157	23,105	19,417	2,484	1,204	9,302	75,171	68,359	6,812
1941—Dec. 31	22,737	3,247	64,653	26,605	29,049	25,511	2,254	1,284	8,999	90,637	82,811	7,826
1945—Dec. 31	20,065	4,339	167,381	30,387	128,417	101,288	24,262	2,867	8,577	191,785	180,806	10,979
1947—Dec. 31	22,754	4,562	160,832	43,023	107,086	81,199	22,559	3,328	10,723	188,148	175,348	12,800
1950—Dec. 30	22,706	4,636	171,667	60,366	96,560	72,894	20,778	2,888	14,741	199,009	184,384	14,624
1954—Dec. 31	21,713	4,985	210,988	85,730	104,819	77,728	24,932	2,159	20,439	237,686	218,882	18,806
1955—Dec. 31	21,690	5,008	217,437	100,031	96,736	70,052	24,785	1,899	20,670	244,135	224,943	19,193
1956—Dec. 31	21,949	5,066	223,742	110,120	93,161	66,523	24,915	1,723	20,461	250,757	230,510	20,246
1957—Jan. 30	22,300	5,100	219,300	108,000	90,800	65,700	23,400	1,700	20,400	246,600	226,400	20,300
Feb. 27	22,300	5,100	218,100	108,200	89,400	64,800	22,900	1,700	20,600	245,500	225,100	20,500
Mar. 27	22,300	5,100	219,000	109,600	88,500	63,800	23,100	1,700	20,900	246,400	225,400	20,900
Apr. 24	22,300	5,100	221,700	110,400	90,200	65,400	23,200	1,600	21,100	249,200	228,200	20,900
May 29	22,600	5,100	221,600	110,700	89,600	65,000	23,000	1,600	21,400	249,400	228,200	21,200
June 6	22,620	5,106	221,454	110,938	89,114	64,548	23,016	1,550	21,402	249,180	227,576	21,605
June 26p	22,600	5,100	222,200	113,000	87,800	63,400	22,900	1,600	21,400	249,900	229,100	20,900
July 31p	22,600	5,100	222,700	112,200	89,000	64,100	23,400	1,500	21,400	250,400	229,300	21,100
Aug. 28p	22,600	5,100	223,200	112,700	88,900	64,000	23,300	1,500	21,600	250,900	229,000	21,900
Sept. 25p	22,600	5,100	223,600	113,400	88,400	63,700	23,200	1,500	21,800	251,300	229,500	21,900
Oct. 30p	22,700	5,100	225,200	113,000	89,700	65,000	23,200	1,500	22,500	253,000	231,100	21,900
Nov. 27p	22,800	5,100	224,800	113,000	89,300	64,400	23,600	1,400	22,400	252,700	231,000	21,700
Dec. 25p	22,800	5,100	228,300	114,800	90,800	65,400	24,000	1,300	22,700	256,200	235,200	21,100
1958—Jan. 29p	22,800	5,200	225,500	112,600	89,800	65,100	23,400	1,300	23,100	253,400	231,500	21,900

Details of Deposits and Currency

Date	Foreign bank deposits, net	U. S. Govt. balances: Treasury cash holdings	U. S. Govt. balances: At commercial and savings banks	U. S. Govt. balances: At F. R. Banks	Deposits adjusted and currency: Total	Time deposits[2]: Total	Time deposits: Commercial banks	Time deposits: Mutual savings banks[3]	Time deposits: Postal Savings System	Demand deposits[4]	Currency outside banks	Seasonally adjusted series[5]: Total demand deposits adjusted and currency	Seasonally adjusted series: Demand deposits adjusted	Seasonally adjusted series: Currency outside banks
1929—June 29	365	204	381	36	54,790	28,611	19,557	8,905	149	22,540	3,639	....	....	......
1933—June 30	50	264	852	35	40,828	21,656	10,849	9,621	1,186	14,411	4,761	....	....	......
1939—Dec. 30	1,217	2,409	846	634	63,254	27,059	15,258	10,523	1,278	29,793	6,401	....	....	......
1941—Dec. 31	1,498	2,215	1,895	867	76,336	27,729	15,884	10,532	1,313	38,992	9,615	....	....	......
1945—Dec. 31	2,141	2,287	24,608	977	150,793	48,452	30,135	15,385	2,932	75,851	26,490	....	....	......
1947—Dec. 31	1,682	1,336	1,452	870	170,008	56,411	35,249	17,746	3,416	87,121	26,476	111,100	85,200	25,900
1950—Dec. 30	2,518	1,293	2,989	668	176,916	59,247	36,314	20,009	2,923	92,272	25,398	114,300	89,800	24,500
1954—Dec. 31	3,329	796	4,510	563	209,684	75,282	46,844	26,302	2,136	106,550	27,852	129,700	102,800	26,900
1955—Dec. 31	3,167	767	4,038	394	216,577	78,378	48,359	28,129	1,890	109,914	28,285	133,200	105,800	27,400
1956—Dec. 31	3,306	775	4,038	441	221,950	82,224	50,577	30,000	1,647	111,391	28,335	134,400	106,700	27,700
1957—Jan. 30	3,100	800	1,900	600	219,900	82,900	51,200	30,100	1,600	109,500	27,400	134,100	106,500	27,600
Feb. 27	3,100	800	2,800	300	218,000	83,600	51,800	30,200	1,600	107,000	27,400	134,500	106,900	27,600
Mar. 27	3,100	800	3,800	500	217,200	84,600	52,600	30,400	1,600	105,200	27,400	134,700	107,000	27,700
Apr. 24	3,200	800	4,400	300	219,600	84,900	52,900	30,400	1,500	107,300	27,400	135,000	107,300	27,700
May 29	3,200	800	5,300	500	218,400	85,700	53,600	30,600	1,500	104,800	27,900	134,600	106,600	28,000
June 6	3,247	792	3,625	473	219,439	85,715	53,605	30,647	1,463	105,706	28,018	(5)	(5)	(5)
June 26p	3,400	800	4,800	500	219,700	86,400	54,000	30,900	1,500	105,600	27,800	135,200	107,300	27,900
July 31p	3,300	800	3,700	500	221,000	86,700	54,400	30,900	1,400	106,600	27,800	136,000	108,000	28,000
Aug. 28p	3,200	800	4,400	500	220,000	87,100	54,700	31,000	1,400	105,100	27,800	134,700	106,800	27,900
Sept. 25p	3,300	800	3,900	600	220,900	87,700	55,100	31,200	1,400	105,500	27,800	133,900	106,200	27,700
Oct. 30p	3,300	800	3,500	500	223,000	88,100	55,500	31,300	1,400	107,200	27,800	134,200	106,500	27,700
Nov. 27p	3,200	800	3,300	400	223,300	87,600	55,000	31,300	1,300	107,200	28,500	134,000	105,900	28,100
Dec. 25p	3,300	800	4,500	300	226,300	88,600	55,500	31,700	1,300	108,900	28,800	132,900	104,900	28,000
1958—Jan. 29p	3,300	800	2,400	500	224,500	89,700	56,500	31,900	1,300	107,500	27,300	132,100	104,600	27,500

p Preliminary.

1 Represents all commercial and savings banks, Federal Reserve Banks, Postal Savings System, and Treasury currency funds (the gold account, Treasury currency account, and Exchange Stabilization Fund).

2 Excludes interbank time deposits; U. S. Treasurer's time deposits, open account; and deposits of Postal Savings System in banks.

3 Prior to June 30, 1947, includes a small amount of demand deposits.

4 Demand deposits other than interbank and U. S. Govt., less cash items reported as in process of collection.

5 Seasonally adjusted series begin in 1947 and are available only for last Wednesday of the month. For back figures, see BULLETIN for July 1957, pp. 828–29.

NOTE.—For description of statement and back figures, see BULLETIN for January 1948, pp. 24–32. The composition of a few items differs slightly from the description in the BULLETIN article; stock of Federal Reserve Banks held by member banks is included in other securities and in capital and miscellaneous accounts, net, and balances of the Postal Savings System and the Exchange Stabilization Fund with the U. S. Treasury are netted against capital and miscellaneous accounts, net, instead of against U. S. Govt. deposits and Treasury cash. Total deposits and currency shown in the monthly *Chart Book* excludes foreign bank deposits, net, and Treasury cash. Except on call dates, figures are rounded to nearest $100 million and may not add to the totals.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER OF ALL BANKS, BY CLASSES[1]

[Figures partly estimated except on call dates. Amounts in millions of dollars]

Class of bank and date	Loans and investments: Total	Loans and investments: Loans	Loans and investments: U. S. Govt. obligations	Loans and investments: Other securities	Cash assets[2]	Total assets—Total liabilities and capital accounts[3]	Deposits: Total[2]	Deposits: Interbank[2]	Deposits: Other: Demand: U. S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time	Total capital accounts	Number of banks
All banks:													
1939—Dec. 30	50,884	22,165	19,417	9,302	23,292	77,068	68,242	9,874	32,516		25,852	8,194	15,035
1941—Dec. 31	61,126	26,615	25,511	8,999	27,344	90,908	81,816	10,982	44,355		26,479	8,414	14,826
1945—Dec. 31	140,227	30,362	101,288	8,577	35,415	177,332	165,612	14,065	105,935		45,613	10,542	14,553
1947—Dec. 31[4]	134,924	43,002	81,199	10,723	38,388	175,091	161,865	13,033	1,346	94,381	53,105	11,948	14,714
1950—Dec. 30	148,021	60,386	72,894	14,741	41,086	191,317	175,296	14,039	2,809	101,936	56,513	13,837	14,650
1955—Dec. 31	190,780	100,057	70,052	20,670	47,803	242,008	220,441	16,646	3,712	123,239	76,844	18,112	14,243
1956—Dec. 31	197,063	110,079	66,523	20,461	49,641	250,770	227,546	17,595	3,736	125,308	80,908	19,249	14,167
1957—Jan. 30	194,950	108,830	65,680	20,440	41,640	240,730	216,040	14,180	1,620	118,600	81,640	19,340	14,163
June 6	197,465	111,515	64,548	21,402	40,834	242,647	216,986	14,423	3,320	114,659	84,584	19,879	14,144
June 26p	198,600	113,810	63,360	21,430	42,250	245,050	219,790	14,380	4,490	115,690	85,230	19,760	14,138
July 31p	198,530	112,960	64,140	21,430	42,840	245,740	220,640	14,950	3,390	116,690	85,610	20,000	14,135
Aug. 28p	199,250	113,590	64,040	21,620	42,080	245,850	219,700	14,370	4,130	115,150	86,050	20,140	14,133
Sept. 25p	199,820	114,260	63,720	21,840	42,040	246,370	220,150	14,800	3,580	115,160	86,610	20,210	14,128
Oct. 30p	201,450	114,000	64,960	22,490	42,590	248,660	222,030	14,710	3,180	117,100	87,040	20,450	14,113
Nov. 27p	200,910	114,130	64,390	22,390	43,600	249,150	222,380	14,550	3,040	118,190	86,600	20,540	14,102
Dec. 25p	203,640	115,520	65,390	22,730	45,840	254,020	227,480	15,510	4,170	120,250	87,550	20,570	14,090
1958—Jan. 29p	201,690	113,490	65,110	23,090	41,930	248,430	222,320	14,950	2,150	116,540	88,680	20,560	14,081
All commercial banks:													
1939—Dec. 30	40,668	17,238	16,316	7,114	22,474	65,216	57,718	9,874	32,513		15,331	6,885	14,484
1941—Dec. 31	50,746	21,714	21,808	7,225	26,551	79,104	71,283	10,982	44,349		15,952	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	8,950	14,011
1947—Dec. 31[4]	116,284	38,057	69,221	9,006	37,502	155,377	144,103	13,032	1,343	94,367	35,360	10,059	14,181
1950—Dec. 30	126,675	52,249	62,027	12,399	40,289	168,932	155,265	14,039	2,806	101,917	36,503	11,590	14,121
1955—Dec. 31	160,881	82,601	61,592	16,688	46,838	210,734	192,254	16,643	3,709	123,187	48,715	15,300	13,716
1956—Dec. 31	165,123	90,302	58,552	16,269	48,720	217,460	197,515	17,593	3,733	125,282	50,908	16,302	13,640
1957—Jan. 30	162,810	88,930	57,710	16,170	40,800	207,290	185,930	14,180	1,620	118,570	51,560	16,380	13,636
June 6	164,515	91,028	56,642	16,845	39,995	208,393	186,308	14,421	3,318	114,633	53,937	16,837	13,619
June 26p	165,600	93,280	55,500	16,820	41,380	210,710	188,880	14,380	4,490	115,660	54,350	16,750	13,613
July 31p	165,380	92,340	56,280	16,760	42,040	211,310	189,710	14,950	3,390	116,660	54,710	16,970	13,610
Aug. 28p	165,900	92,840	56,170	16,890	41,320	211,250	188,680	14,370	4,130	115,120	55,060	17,090	13,608
Sept. 25p	166,320	93,400	55,870	17,050	41,260	211,590	188,930	14,800	3,580	115,130	55,420	17,140	13,603
Oct. 30p	167,900	93,000	57,280	17,620	41,790	213,840	190,740	14,710	3,180	117,070	55,780	17,380	13,588
Nov. 27p	167,270	93,010	56,840	17,420	42,800	214,220	191,050	14,550	3,040	118,160	55,300	17,440	13,578
Dec. 25p	169,840	94,280	57,850	17,710	44,900	218,810	195,750	15,510	4,170	120,220	55,850	17,490	13,567
1958—Jan. 29p	167,560	92,110	57,570	17,880	41,050	212,940	190,360	14,950	2,150	116,510	56,750	17,470	13,561
All member banks:													
1939—Dec. 30	33,941	13,962	14,328	5,651	19,782	55,361	49,340	9,410	743	27,489	11,699	5,522	6,362
1941—Dec. 31	43,521	18,021	19,539	5,961	23,123	68,121	61,717	10,525	1,709	37,136	12,347	5,886	6,619
1945—Dec. 31	107,183	22,775	78,338	6,070	29,845	138,304	129,670	13,640	22,179	69,640	24,210	7,589	6,884
1947—Dec. 31	97,846	32,628	57,914	7,304	32,845	132,060	122,528	12,403	1,176	80,609	28,340	8,464	6,923
1950—Dec. 30	107,424	44,705	52,365	10,355	35,524	144,660	133,089	13,448	2,523	87,783	29,336	9,695	6,873
1955—Dec. 31	135,360	70,982	50,697	13,680	41,416	179,414	163,757	15,865	3,327	105,400	39,165	12,783	6,543
1956—Dec. 31	138,768	78,034	47,575	13,159	42,906	184,874	167,906	16,855	3,292	106,850	40,909	13,655	6,462
1957—Jan. 30	136,579	76,742	46,767	13,070	35,909	175,762	157,485	13,559	1,408	101,084	41,434	13,713	6,459
June 6	137,808	78,448	45,829	13,531	35,270	176,507	157,593	13,736	2,932	97,612	43,313	14,058	6,445
June 26p	138,848	80,529	44,808	13,511	36,660	178,816	160,116	13,704	4,086	98,673	43,653	14,004	6,438
July 31p	138,573	79,621	45,490	13,462	37,137	179,151	160,652	14,236	3,090	99,425	43,901	14,210	6,430
Aug. 28p	139,010	80,103	45,334	13,573	36,594	179,188	159,767	13,681	3,715	98,187	44,184	14,300	6,427
Sept. 25p	139,315	80,608	45,007	13,700	36,399	179,283	159,759	14,095	3,189	97,997	44,478	14,341	6,421
Oct. 30p	140,475	80,155	46,158	14,162	36,935	181,109	161,229	14,008	2,777	99,704	44,740	14,539	6,411
Nov. 27p	139,882	80,097	45,823	13,962	37,862	181,440	161,536	13,841	2,681	100,648	44,366	14,584	6,406
Dec. 25p	142,239	81,229	46,812	14,198	39,604	185,467	165,648	14,743	3,782	102,247	44,876	14,623	6,393
1958—Jan. 29p	140,122	79,160	46,599	14,363	36,151	180,150	160,793	14,237	1,855	99,109	45,592	14,630	6,390
All mutual savings banks:													
1939—Dec. 30	10,216	4,927	3,101	2,188	818	11,852	10,524	......	3		10,521	1,309	551
1941—Dec. 31	10,379	4,901	3,704	1,774	793	11,804	10,533	......	6		10,527	1,241	548
1945—Dec. 31	16,208	4,279	10,682	1,246	609	17,020	15,385	......	14		15,371	1,592	542
1947—Dec. 31[4]	18,641	4,944	11,978	1,718	886	19,714	17,763	1	3	14	17,745	1,889	533
1950—Dec. 30	21,346	8,137	10,868	2,342	797	22,385	20,031	......	3	19	20,009	2,247	529
1955—Dec. 31	29,898	17,456	8,460	3,982	965	31,274	28,187	3	4	51	28,129	2,812	527
1956—Dec. 31	31,940	19,777	7,971	4,192	920	33,311	30,032	2	3	25	30,001	2,947	527
1957—Jan. 30	32,140	19,900	7,970	4,270	840	33,440	30,110	(5)	(5)	30	30,080	2,960	527
June 6	32,950	20,487	7,906	4,557	839	34,254	30,678	2	2	27	30,647	3,042	525
June 26p	33,000	20,530	7,860	4,610	870	34,340	30,910	(5)	(5)	30	30,880	3,010	525
July 31p	33,150	20,620	7,860	4,670	800	34,430	30,930	(5)	(5)	30	30,900	3,030	525
Aug. 28p	33,350	20,750	7,870	4,730	760	34,600	31,020	(5)	(5)	30	30,990	3,050	525
Sept. 25p	33,500	20,860	7,850	4,790	780	34,780	31,220	(5)	(5)	30	31,190	3,070	525
Oct. 30p	33,550	21,000	7,680	4,870	800	34,820	31,290	(5)	(5)	30	31,260	3,070	525
Nov. 27p	33,640	21,120	7,550	4,970	800	34,930	31,330	(5)	(5)	30	31,300	3,100	524
Dec. 25p	33,800	21,240	7,540	5,020	940	35,210	31,730	(5)	(5)	30	31,700	3,080	523
1958—Jan. 29p	34,130	21,380	7,540	5,210	880	35,490	31,960	(5)	(5)	30	31,930	3,090	520

p Preliminary.

1 All banks in the United States. All banks comprise all commercial banks and all mutual savings banks. All commercial banks comprise all nonmember commercial banks and all member banks (including (1) one bank in Alaska and one in the Virgin Islands that became members on Apr. 15, 1954, and May 31, 1957, respectively, and (2) a noninsured nondeposit trust company, but excluding three mutual savings banks that became members in 1941). Stock savings banks and nondeposit trust companies are included with commercial banks. Number of banks includes a few noninsured banks for which asset and liability data are not available. Comparability of figures for classes of banks is affected somewhat by changes in Federal Reserve membership, insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

2 Beginning June 30, 1942, excludes reciprocal balances, which on Dec. 31, 1942, aggregated $513 million at all member banks and $525 million at all insured commercial banks.

3 Includes other assets and liabilities not shown separately.

For other notes see following two pages.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER OF ALL BANKS, BY CLASSES[1]—Continued

[Figures partly estimated except on call dates. Amounts in millions of dollars]

Class of bank and date	Loans and investments: Total	Loans and investments: Loans	Loans and investments: U. S. Govt. obligations	Loans and investments: Other securities	Cash assets[2]	Total assets—Total liabilities and capital accounts[3]	Deposits: Total[2]	Deposits: Interbank[2]	Deposits: Other: Demand: U. S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time	Total capital accounts	Number of banks
Central reserve city member banks:													
New York City:													
1939—Dec. 30	9,339	3,296	4,772	1,272	6,703	16,413	14,507	4,238	74	9,459	736	1,592	36
1941—Dec. 31	12,896	4,072	7,265	1,559	6,637	19,862	17,932	4,207	866	12,051	807	1,648	36
1945—Dec. 31	26,143	7,334	17,574	1,235	6,439	32,887	30,121	4,657	6,940	17,287	1,236	2,120	37
1947—Dec. 31	20,393	7,179	11,972	1,242	7,261	27,982	25,216	4,464	267	19,040	1,445	2,259	37
1950—Dec. 30	20,612	9,729	8,993	1,890	7,922	28,954	25,646	4,638	451	18,836	1,722	2,351	23
1955—Dec. 31	23,583	14,640	6,796	2,148	8,948	33,228	29,378	5,600	756	20,719	2,303	2,745	18
1956—Dec. 31	23,809	15,987	6,057	1,765	8,629	33,381	29,149	5,987	747	19,940	2,475	2,873	18
1957—Jan. 30	23,101	15,665	5,645	1,791	7,046	31,151	26,497	4,927	188	18,905	2,477	2,878	18
June 6	23,293	15,895	5,738	1,660	6,692	30,993	26,322	5,033	688	17,836	2,765	2,907	18
June 26p	23,686	16,776	5,270	1,640	7,384	32,053	27,565	5,158	938	18,722	2,747	2,909	18
July 31p	23,182	16,006	5,476	1,700	7,470	31,685	26,981	5,233	726	18,320	2,702	3,061	18
Aug. 28p	23,252	16,191	5,298	1,763	7,701	32,144	27,070	4,945	737	18,698	2,690	3,059	18
Sept. 25p	23,258	16,216	5,254	1,788	6,984	31,403	26,182	5,108	535	17,778	2,761	3,054	18
Oct. 30p	23,385	16,115	5,415	1,855	7,539	32,103	27,030	5,119	500	18,648	2,763	3,127	18
Nov. 27p	23,054	15,887	5,423	1,744	7,700	31,921	26,935	5,148	443	18,591	2,753	3,133	18
Dec. 25p	23,776	16,232	5,726	1,818	7,515	32,418	27,176	5,105	810	18,428	2,833	3,131	18
1958—Jan. 29p	23,181	15,501	5,690	1,990	7,134	31,612	26,600	5,328	266	18,081	2,925	3,152	18
Chicago:													
1939—Dec. 30	2,105	569	1,203	333	1,446	3,595	3,330	888	80	1,867	495	250	14
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
1950—Dec. 30	5,569	2,083	2,911	576	2,034	7,649	7,109	1,229	174	4,604	1,103	490	13
1955—Dec. 31	6,542	3,342	2,506	695	2,132	8,720	8,010	1,296	222	5,165	1,327	628	13
1956—Dec. 31	6,473	3,772	2,113	588	2,171	8,695	7,943	1,372	184	5,069	1,319	660	14
1957—Jan. 30	6,120	3,494	2,074	552	1,905	8,077	7,280	1,125	68	4,784	1,303	660	14
June 6	6,266	3,789	1,884	593	1,821	8,147	7,284	1,184	97	4,691	1,312	665	14
June 26p	6,293	3,893	1,847	553	1,912	8,258	7,407	1,153	305	4,630	1,319	663	14
July 31p	6,234	3,862	1,825	547	1,947	8,239	7,462	1,279	196	4,676	1,311	671	14
Aug. 28p	6,289	3,915	1,823	551	1,968	8,314	7,440	1,185	275	4,674	1,306	671	14
Sept. 25p	6,261	3,937	1,783	541	1,939	8,257	7,319	1,251	186	4,573	1,309	670	14
Oct. 30p	6,273	3,829	1,888	556	1,969	8,310	7,264	1,183	148	4,624	1,309	679	14
Nov. 27p	6,275	3,781	1,927	567	1,938	8,285	7,320	1,145	151	4,708	1,316	685	14
Dec. 25p	6,404	3,851	1,996	557	2,016	8,484	7,489	1,192	236	4,719	1,342	685	14
1958—Jan. 29p	6,211	3,600	2,050	561	1,862	8,137	7,291	1,170	86	4,695	1,340	688	14
Reserve city member banks:													
1939—Dec. 30	12,272	5,329	5,194	1,749	6,785	19,687	17,741	3,686	435	9,004	4,616	1,828	346
1941—Dec. 31	15,347	7,105	6,467	1,776	8,518	24,430	22,313	4,460	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	6,448	8,221	24,655	9,760	2,566	359
1947—Dec. 31	36,040	13,449	20,196	2,396	13,066	49,659	46,467	5,649	405	28,990	11,423	2,844	353
1950—Dec. 30	40,685	17,906	19,084	3,695	13,998	55,369	51,437	6,448	976	32,366	11,647	3,322	336
1955—Dec. 31	52,459	28,622	18,826	5,011	16,994	70,478	64,733	7,446	1,288	39,835	16,164	4,641	292
1956—Dec. 31	53,915	31,783	17,368	4,764	17,716	72,854	66,524	7,878	1,201	40,647	16,797	5,076	289
1957—Jan. 30	52,978	31,234	17,056	4,688	14,802	69,034	62,111	6,224	474	38,393	17,020	5,082	290
June 6	53,137	31,435	16,797	4,905	14,532	68,965	61,796	6,228	1,051	36,874	17,642	5,182	282
June 26p	53,649	32,168	16,529	4,952	15,150	70,083	62,886	6,138	1,634	37,276	17,838	5,195	282
July 31p	53,785	32,104	16,798	4,883	15,079	70,164	63,225	6,373	1,264	37,671	17,917	5,199	282
Aug. 28p	53,831	32,259	16,696	4,876	14,683	69,808	62,521	6,248	1,453	36,820	18,000	5,242	282
Sept. 25p	53,881	32,576	16,372	4,933	14,930	70,128	62,870	6,408	1,274	37,103	18,085	5,260	281
Oct. 30p	54,109	32,261	16,755	5,093	14,899	70,389	62,963	6,367	918	37,483	18,195	5,298	281
Nov. 27p	54,201	32,510	16,669	5,022	15,500	71,106	63,556	6,203	1,017	38,159	18,177	5,338	c280
Dec. 25p	55,287	32,943	17,251	5,093	16,564	73,243	65,968	6,961	1,569	38,993	18,445	5,357	c279
1958—Jan. 29p	54,294	32,076	17,156	5,062	14,715	70,471	63,244	6,364	610	37,591	18,679	5,394	278
Country member banks:													
1939—Dec. 30	10,224	4,768	3,159	2,297	4,848	15,666	13,762	598	154	7,158	5,852	1,851	5,966
1941—Dec. 31	12,518	5,890	4,377	2,250	6,402	19,466	17,415	822	225	10,109	6,258	1,982	6,219
1945—Dec. 31	35,002	5,596	26,999	2,408	10,632	46,059	43,418	1,223	5,465	24,235	12,494	2,525	6,476
1947—Dec. 31	36,324	10,199	22,857	3,268	10,778	47,553	44,443	1,073	432	28,378	14,560	2,934	6,519
1950—Dec. 30	40,558	14,988	21,377	4,193	11,571	52,689	48,897	1,133	922	31,977	14,865	3,532	6,501
1955—Dec. 31	52,775	24,379	22,570	5,826	13,342	66,988	61,636	1,523	1,061	39,681	19,372	4,769	6,220
1956—Dec. 31	54,571	26,491	22,037	6,042	14,390	69,945	64,289	1,618	1,160	41,194	20,317	5,046	6,141
1957—Jan. 30	54,380	26,349	21,992	6,039	12,156	67,500	61,597	1,283	678	39,002	20,634	5,093	6,137
June 6	55,112	27,330	21,409	6,373	12,224	68,404	62,192	1,290	1,097	38,211	21,594	5,304	6,131
June 26p	55,220	27,692	21,162	6,366	12,214	68,422	62,258	1,255	1,209	38,045	21,749	5,237	6,124
July 31p	55,372	27,649	21,391	6,332	12,641	69,063	62,984	1,351	904	38,758	21,971	5,279	6,116
Aug. 28p	55,638	27,738	21,517	6,383	12,242	68,922	62,736	1,303	1,250	37,995	22,188	5,328	6,113
Sept. 25p	55,915	27,879	21,598	6,438	12,546	69,495	63,388	1,328	1,194	38,543	22,323	5,357	6,108
Oct. 30p	56,708	27,950	22,100	6,658	12,528	70,307	63,972	1,339	1,211	38,949	22,473	5,435	6,098
Nov. 27p	56,352	27,919	21,804	6,629	12,724	70,128	63,725	1,345	1,070	39,190	22,120	5,428	c6,094
Dec. 25p	56,772	28,203	21,839	6,730	13,509	71,322	65,015	1,485	1,167	40,107	22,256	5,450	c6,082
1958—Jan. 29p	56,436	27,983	21,703	6,750	12,440	69,930	63,658	1,375	893	38,742	22,648	5,396	6,080

[4] Beginning with Dec. 31, 1947, the all-bank series was revised as announced in November 1947 by the Federal bank supervisory agencies. At that time a net of 115 noninsured nonmember commercial banks with total loans and investments of about $110 million was added, and 8 banks with total loans and investments of $34 million were transferred from noninsured mutual savings to nonmember commercial banks.

[5] Less than $5 million. Because preliminary data are rounded to the nearest $10 million no amount is shown except on call dates.

For other notes see preceding and opposite pages.

PRINCIPAL ASSETS AND LIABILITIES AND NUMBER OF ALL BANKS, BY CLASSES[1]—Continued

[Amounts in millions of dollars]

Class of bank and date	Loans and investments: Total	Loans and investments: Loans	Loans and investments: U. S. Govt. obligations	Loans and investments: Other securities	Cash assets[2]	Total assets—Total liabilities and capital accounts[3]	Deposits: Total[2]	Deposits: Interbank[2]	Deposits: Other: Demand: U. S. Govt.	Deposits: Other: Demand: Other	Deposits: Other: Time	Total capital accounts	Number of banks
All insured commercial banks:													
1941—Dec. 31	49,290	21,259	21,046	6,984	25,788	76,820	69,411	10,654	1,762	41,298	15,699	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	8,671	13,297
1947—Dec. 31	114,274	37,583	67,941	8,750	36,926	152,733	141,851	12,670	1,325	92,975	34,882	9,734	13,398
1955—Dec. 31	159,164	82,081	60,765	16,318	46,480	208,608	190,512	16,273	3,697	122,149	48,393	14,980	13,216
1956—June 30	158,344	86,374	55,835	16,136	42,126	203,676	184,680	14,862	5,221	114,892	49,705	15,600	13,208
Dec. 31	163,601	89,831	57,837	15,933	48,352	215,514	195,953	17,282	3,717	124,346	50,608	15,988	13,195
1957—June 6	163,025	90,571	55,973	16,481	39,713	206,567	184,860	14,095	3,310	113,812	53,643	16,525	13,189
National member banks:													
1941—Dec. 31	27,571	11,725	12,039	3,806	14,977	43,433	39,458	6,786	1,088	23,262	8,322	3,640	5,117
1945—Dec. 31	69,312	13,925	51,250	4,137	20,114	90,220	84,939	9,229	14,013	45,473	16,224	4,644	5,017
1947—Dec. 31	65,280	21,428	38,674	5,178	22,024	88,182	82,023	8,410	795	53,541	19,278	5,409	5,005
1955—Dec. 31	86,152	43,428	33,579	9,144	25,697	113,412	103,903	9,317	2,063	65,840	26,683	7,915	4,692
1956—June 30	85,455	45,860	30,555	9,040	23,545	110,703	100,826	8,404	2,929	62,123	27,370	8,232	4,667
Dec. 31	88,477	48,109	31,568	8,800	27,006	117,345	107,161	9,844	2,074	67,434	27,810	8,450	4,651
1957—June 6	87,910	48,415	30,345	9,150	22,525	112,460	100,989	7,963	1,782	61,737	29,506	8,722	4,647
State member banks:													
1941—Dec. 31	15,950	6,295	7,500	2,155	8,145	24,688	22,259	3,739	621	13,874	4,025	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	2,945	1,867
1947—Dec. 31	32,566	11,200	19,240	2,125	10,822	43,879	40,505	3,993	381	27,068	9,062	3,055	1,918
1955—Dec. 31	49,208	27,554	17,118	4,536	15,719	66,002	59,854	6,549	1,264	39,559	12,482	4,868	1,851
1956—June 30	48,973	28,923	15,671	4,379	13,992	64,117	57,563	6,104	1,877	36,781	12,801	5,061	1,832
Dec. 31	50,291	29,924	16,007	4,359	15,900	67,530	60,744	7,012	1,218	39,416	13,098	5,205	1,811
1957—June 6	49,898	30,034	15,483	4,381	12,745	64,047	56,605	5,773	1,150	35,874	13,807	5,337	1,798
Insured nonmember commercial banks:													
1941—Dec. 31	5,776	3,241	1,509	1,025	2,668	8,708	7,702	129	53	4,162	3,360	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	1,083	6,416
1947—Dec. 31	16,444	4,958	10,039	1,448	4,083	20,691	19,340	266	149	12,366	6,558	1,271	6,478
1955—Dec. 31	23,829	11,108	10,081	2,640	5,067	29,220	26,779	408	370	16,749	9,252	2,199	6,677
1956—June 30	23,942	11,600	9,621	2,720	4,592	28,884	26,316	355	415	15,988	9,558	2,309	6,713
Dec. 31	24,859	11,808	10,274	2,777	5,448	30,667	28,073	427	425	17,497	9,724	2,336	6,737
1957—June 6	25,243	12,134	10,156	2,953	4,446	30,088	27,292	359	378	16,200	10,355	2,469	6,748
Noninsured nonmember commercial banks:													
1941—Dec. 31	1,457	455	761	241	763	2,283	1,872	329	1,291		253	329	852
1945—Dec. 31	2,211	318	1,693	200	514	2,768	2,452	181	1,905		365	279	714
1947—Dec. 31[4]	2,009	474	1,280	255	576	2,643	2,251	363	18	1,392	478	325	783
1955—Dec. 31	1,716	520	827	370	357	2,126	1,742	370	12	1,039	322	320	499
1956—June 30	1,664	513	785	365	318	2,036	1,646	377	11	932	326	326	470
Dec. 31	1,521	471	714	336	369	1,946	1,562	310	16	936	300	313	444
1957—June 6	1,490	457	669	364	282	1,825	1,448	326	8	821	294	312	429
All nonmember commercial banks:													
1941—Dec. 31	7,233	3,696	2,270	1,266	3,431	10,992	9,573	457	5,504		3,613	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	1,362	7,130
1947—Dec. 31[4]	18,454	5,432	11,318	1,703	4,659	23,334	21,591	629	167	13,758	7,036	1,596	7,261
1955—Dec. 31	25,546	11,628	10,908	3,010	5,424	31,347	28,522	778	382	17,788	9,574	2,519	7,176
1956—June 30	25,605	12,114	10,406	3,085	4,909	30,920	27,962	732	426	16,920	9,884	2,636	7,183
Dec. 31	26,381	12,279	10,989	3,113	5,817	32,613	29,635	737	440	18,433	10,024	2,649	7,181
1957—June 6	26,733	12,591	10,825	3,317	4,728	31,913	28,740	685	385	17,021	10,649	2,781	7,177
Insured mutual savings banks:													
1941—Dec. 31	1,693	642	629	421	151	1,958	1,789	......	......	......	1,789	164	52
1945—Dec. 31	10,846	3,081	7,160	606	429	11,424	10,363	......	12		10,351	1,034	192
1947—Dec. 31	12,683	3,560	8,165	958	675	13,499	12,207	1	2	12	12,192	1,252	194
1955—Dec. 31	22,331	13,563	5,858	2,910	785	23,458	21,237	3	3	49	21,182	2,006	220
1956—June 30	23,168	14,514	5,636	3,018	739	24,271	21,959	3	2	24	21,930	2,061	220
Dec. 31	24,170	15,542	5,518	3,110	739	25,282	22,886	2	3	23	22,857	2,130	223
1957—June 6	25,185	16,228	5,505	3,452	672	26,241	23,578	2	2	26	23,549	2,240	234
Noninsured mutual savings banks:													
1941—Dec. 31	8,687	4,259	3,075	1,353	642	9,846	8,744	......	6		8,738	1,077	496
1945—Dec. 31	5,361	1,198	3,522	641	180	5,596	5,022	......	2		5,020	558	350
1947—Dec. 31[4]	5,957	1,384	3,813	760	211	6,215	5,556	......	1	2	5,553	637	339
1955—Dec. 31	7,567	3,893	2,601	1,072	180	7,816	6,950	......	1	2	6,947	806	307
1956—June 30	7,898	4,125	2,661	1,112	178	8,150	7,225	......	1	2	7,222	824	307
Dec. 31	7,770	4,235	2,453	1,082	182	8,028	7,146	......	1	2	7,143	817	304
1957—June 6	7,765	4,259	2,401	1,105	167	8,013	7,100	......	1	......	7,098	802	291

For other notes see preceding two pages.

NOTE.—For revisions in series prior to June 30, 1947, see BULLETIN for July 1947, pp. 870–71.

LOANS AND INVESTMENTS OF COMMERCIAL BANKS, BY CLASSES[1]

[In millions of dollars]

Class of bank and call date	Total loans and investments	Loans[2]: Total[2]	Loans: Commercial, including open market paper	Loans: Agricultural	Loans for purchasing or carrying securities: To brokers and dealers	Loans for purchasing or carrying securities: To others	Loans: Real estate loans	Loans: Other loans to individuals	Loans: Other loans	Investments: Total	U. S. Government obligations: Total	Direct: Bills	Direct: Certificates of indebtedness	Direct: Notes	Direct: Bonds	Guaranteed	Obligations of States and political subdivisions	Other securities
All commercial banks:[3]																		
1947—Dec. 31....	116,284	38,057	18,167	1,660	830	1,220	9,393	5,723	1,063	78,226	69,221	2,193	7,789	6,034	53,191	14	5,276	3,729
1955—Dec. 31....	160,881	82,601	33,245	4,475	3,263	1,774	20,809	17,185	3,117	78,280	61,592	4,219	2,318	14,034	41,010	11	12,698	3,990
1956—Dec. 31....	165,123	90,302	38,720	4,161	2,589	1,691	22,509	18,850	3,343	74,821	58,552	5,924	1,997	11,823	38,796	13	12,901	3,368
1957—June 6....	164,515	91,028	39,020	4,077	2,274	1,634	22,530	19,508	3,623	73,487	56,642	4,761	3,665	10,070	38,137	9	13,314	3,531
Oct. 11[e]...	167,530	93,140	40,010	4,030	2,450	1,590	22,970	20,090	3,660	74,390	57,210	4,860	4,670	10,060	37,610	10	13,700	3,470
All insured commercial banks:																		
1941—Dec. 31....	49,290	21,259	9,214	1,450	614	662	4,773	4,545		28,031	21,046	988	......	3,159	12,797	4,102	3,651	3,333
1945—Dec. 31....	121,809	25,765	9,461	1,314	3,164	3,606	4,677	2,361	1,181	96,043	88,912	2,455	19,071	16,045	51,321	22	3,873	3,258
1947—Dec. 31....	114,274	37,583	18,012	1,610	823	1,190	9,266	5,654	1,028	76,691	67,941	2,124	7,552	5,918	52,334	14	5,129	3,621
1955—Dec. 31....	159,164	82,081	33,092	4,396	3,229	1,742	20,692	17,104	3,091	77,083	60,765	4,105	2,292	13,856	40,502	10	12,465	3,853
1956—Dec. 31....	163,601	89,831	38,571	4,101	2,565	1,669	22,394	18,765	3,325	73,770	57,837	5,763	1,981	11,722	38,358	13	12,675	3,258
1957—June 6....	163,025	90,571	38,870	4,027	2,251	1,613	22,427	19,421	3,599	72,454	55,973	4,658	3,610	9,967	37,730	8	13,095	3,386
Member banks, total:																		
1941—Dec. 31....	43,521	18,021	8,671	972	594	598	3,494	3,692		25,500	19,539	971	......	3,007	11,729	3,832	3,090	2,871
1945—Dec. 31....	107,183	22,775	8,949	855	3,133	3,378	3,455	1,900	1,104	84,408	78,338	2,275	16,985	14,271	44,792	16	3,254	2,815
1947—Dec. 31....	97,846	32,628	16,962	1,046	811	1,065	7,130	4,662	952	65,218	57,914	1,987	5,816	4,815	45,286	10	4,199	3,105
1955—Dec. 31....	135,360	70,982	31,019	2,726	3,150	1,560	16,391	14,313	2,943	64,377	50,697	3,250	1,738	11,508	34,192	9	10,444	3,236
1956—Dec. 31....	138,768	78,034	36,296	2,478	2,447	1,473	17,811	15,765	3,147	60,734	47,575	4,383	1,469	9,493	32,218	12	10,494	2,665
1957—June 6....	137,808	78,448	36,500	2,453	2,132	1,416	17,768	16,229	3,399	59,360	45,829	3,439	2,798	7,952	31,632	8	10,768	2,763
Oct. 11....	140,338	80,308	37,504	2,411	2,272	1,370	18,103	16,682	3,432	60,030	46,241	3,377	3,517	8,055	31,285	6	11,086	2,703
New York City:[4]																		
1941—Dec. 31....	12,896	4,072	2,807	8	412	169	123	554		8,823	7,265	311	......	1,623	3,652	1,679	729	830
1945—Dec. 31....	26,143	7,334	3,044	.....	2,453	1,172	80	287	298	18,809	17,574	477	3,433	3,325	10,337	1	606	629
1947—Dec. 31....	20,393	7,179	5,361	.....	545	267	111	564	330	13,214	11,972	1,002	640	558	9,771	......	638	604
1955—Dec. 31....	23,583	14,640	9,126	17	2,144	511	577	1,506	1,006	8,943	6,796	552	100	1,141	5,002	2	1,609	539
1956—Dec. 31....	23,809	15,987	11,266	1	1,409	402	617	1,558	1,049	7,822	6,057	724	194	976	4,160	3	1,406	358
1957—June 6....	23,293	15,895	11,344	1	1,152	389	567	1,516	1,245	7,398	5,738	685	219	781	4,052	......	1,311	349
Oct. 11....	23,277	16,067	11,717	.....	1,115	361	591	1,513	1,085	7,210	5,420	321	163	1,046	3,889	......	1,447	342
Chicago:[4]																		
1941—Dec. 31....	2,760	954	732	6	48	52	22	95		1,806	1,430	256	......	153	903	119	182	193
1945—Dec. 31....	5,931	1,333	760	2	211	233	36	51	40	4,598	4,213	133	1,467	749	1,864	......	181	204
1947—Dec. 31....	5,088	1,801	1,418	3	73	87	46	149	26	3,287	2,890	132	235	248	2,274	......	213	185
1955—Dec. 31....	6,542	3,342	2,390	15	275	99	128	316	184	3,200	2,506	111	68	604	1,723	......	476	219
1956—Dec. 31....	6,473	3,772	2,781	17	203	97	134	439	178	2,701	2,113	112	42	316	1,643	......	440	148
1957—June 6....	6,266	3,789	2,859	8	172	96	135	430	184	2,477	1,884	75	74	223	1,513	......	460	133
Oct. 11....	6,298	3,897	2,981	6	164	98	141	423	182	2,402	1,869	36	72	278	1,483	......	396	137
Reserve city banks:																		
1941—Dec. 31....	15,347	7,105	3,456	300	114	194	1,527	1,512		8,243	6,467	295	......	751	4,248	1,173	956	820
1945—Dec. 31....	40,108	8,514	3,661	205	427	1,503	1,459	855	404	31,594	29,552	1,034	6,982	5,653	15,878	5	1,126	916
1947—Dec. 31....	36,040	13,449	7,088	225	170	484	3,147	1,969	366	22,591	20,196	373	2,358	1,901	15,560	3	1,342	1,053
1955—Dec. 31....	52,459	28,622	13,212	566	542	696	6,962	5,916	1,180	23,837	18,826	813	657	4,708	12,643	5	3,778	1,233
1956—Dec. 31....	53,915	31,783	15,170	489	501	712	7,654	6,512	1,289	22,132	17,368	1,185	441	3,742	11,995	4	3,820	944
1957—June 6....	53,137	31,435	14,919	495	496	672	7,481	6,630	1,300	21,702	16,797	758	1,179	3,038	11,819	3	3,888	1,017
Oct. 11....	54,198	32,364	15,378	502	610	659	7,533	6,801	1,447	21,834	16,893	752	1,322	3,039	11,778	2	3,980	961
Country banks:																		
1941—Dec. 31....	12,518	5,890	1,676	659	20	183	1,823	1,530		6,628	4,377	110	......	481	2,926	861	1,222	1,028
1945—Dec. 31....	35,002	5,596	1,484	648	42	471	1,881	707	363	29,407	26,999	630	5,102	4,544	16,713	9	1,342	1,067
1947—Dec. 31....	36,324	10,199	3,096	818	23	227	3,827	1,979	229	26,125	22,857	480	2,583	2,108	17,681	6	2,006	1,262
1955—Dec. 31....	52,775	24,379	6,290	2,127	189	255	8,723	6,575	573	28,397	22,570	1,774	913	5,056	14,825	3	4,581	1,246
1956—Dec. 31....	54,571	26,491	7,080	1,972	334	261	9,407	7,256	631	28,080	22,037	2,362	792	4,458	14,420	4	4,827	1,215
1957—June 6....	55,112	27,330	7,378	1,949	312	259	9,586	7,653	669	27,782	21,409	1,920	1,326	3,910	14,248	4	5,109	1,265
Oct. 11....	56,565	27,980	7,427	1,902	382	252	9,838	7,945	718	28,585	22,058	2,268	1,960	3,691	14,135	4	5,263	1,263
Nonmember commercial banks:[3]																		
1947—Dec. 31....	18,454	5,432	1,205	614	20	156	2,266	1,061	111	13,021	11,318	206	1,973	1,219	7,916	4	1,078	625
1955—Dec. 31....	25,546	11,628	2,226	1,750	113	214	4,428	2,872	174	13,918	10,908	970	580	2,527	6,829	2	2,255	755
1956—Dec. 31....	26,381	12,279	2,424	1,683	143	218	4,708	3,085	196	14,102	10,989	1,541	528	2,330	6,588	1	2,409	704
1957—June 6....	26,733	12,591	2,519	1,625	143	219	4,773	3,278	224	14,141	10,825	1,323	867	2,119	6,515	1	2,548	769

[e] Estimated.

[1] All commercial banks in the United States. These figures exclude data for banks in U. S. possessions except for one bank in Alaska and one in the Virgin Islands that became members on Apr. 15, 1954, and May 31, 1957, respectively. During 1941 three mutual savings banks became members of the Federal Reserve System; these banks are included in member banks but are *not* included in all insured commercial banks or all commercial banks. Comparability of figures for classes of banks is affected somewhat by changes in Federal Reserve membership, insurance status, and the reserve classifications of cities and individual banks, and by mergers, etc.

[2] Beginning 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.

For other notes see opposite page.

RESERVES AND LIABILITIES OF COMMERCIAL BANKS, BY CLASSES[1]

[In millions of dollars]

Class of bank and call date	Reserves with Federal Reserve Banks	Cash in vault	Balances with domestic banks[5]	Demand deposits adjusted[6]	Demand deposits: Interbank deposits: Domestic[5]	Demand deposits: Interbank deposits: Foreign	Demand deposits: U. S. Govt.	Demand deposits: States and political subdivisions	Demand deposits: Certified and officers' checks, etc.	Demand deposits: Individuals, partnerships, and corporations	Time deposits: Interbank	Time deposits: U. S. Govt. and postal Savings	Time deposits: States and political subdivisions	Time deposits: Individuals, partnerships, and corporations	Borrowings	Capital accounts
All commercial banks:[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
1955—Dec. 31....	18,721	2,682	12,050	109,905	13,512	1,546	3,709	10,273	3,904	109,011	1,585	356	2,340	46,019	159	15,300
1956—Dec. 31....	18,706	3,261	12,813	111,405	14,338	1,794	3,733	10,449	3,785	111,048	1,460	330	2,384	48,193	75	16,302
1957—June 6....	18,500	2,737	9,761	105,713	11,247	1,618	3,318	10,603	2,852	101,177	1,556	331	2,712	50,893	1,446	16,837
Oct. 11[e]...	19,200	2,500	10,800	106,370	11,910	1,820	3,980	9,760	2,570	104,340	1,470	330	2,730	52,570	1,790	17,300
All insured commercial banks:																
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
1955—Dec. 31....	18,721	2,656	11,744	108,887	13,390	1,516	3,697	10,138	3,879	108,131	1,367	356	2,282	45,756	145	14,980
1956—Dec. 31....	18,706	3,237	12,490	110,487	14,226	1,755	3,717	10,350	3,744	110,252	1,301	330	2,329	47,949	56	15,988
1957—June 6....	18,500	2,717	9,515	104,904	11,127	1,581	3,310	10,500	2,829	100,483	1,388	331	2,652	50,660	1,430	16,525
Member banks, 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
1955—Dec. 31....	18,722	2,019	7,612	92,435	13,002	1,511	3,327	8,075	3,638	93,687	1,353	327	1,865	36,972	137	12,783
1956—Dec. 31....	18,707	2,487	8,124	93,320	13,818	1,749	3,292	8,211	3,475	95,163	1,289	301	1,839	38,769	48	13,655
1957—June 6....	18,501	2,065	5,931	88,912	10,799	1,568	2,932	8,371	2,616	86,624	1,369	302	2,128	40,883	1,374	14,058
Oct. 11....	19,203	1,889	6,586	89,101	11,450	1,760	3,575	7,634	2,366	89,136	1,277	292	2,128	42,253	1,759	14,467
New York City:[4]																
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
1955—Dec. 31....	4,431	127	111	16,493	3,364	1,151	756	302	1,498	18,919	1,085	59	72	2,171	1	2,745
1956—Dec. 31....	4,375	161	99	15,974	3,622	1,400	747	286	1,172	18,482	965	36	44	2,395	2	2,873
1957—June 6....	4,080	143	45	15,450	2,775	1,249	688	261	914	16,660	1,009	36	67	2,662	326	2,907
Oct. 11....	4,361	116	39	14,892	2,777	1,444	878	266	862	16,341	931	32	75	2,656	683	3,063
Chicago:[4]																
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
1955—Dec. 31....	1,135	32	141	4,349	1,246	40	222	299	85	4,781	11	6	8	1,313	3	628
1956—Dec. 31....	1,158	37	174	4,272	1,318	46	184	294	85	4,690	7	5	12	1,302	4	660
1957—June 6....	1,089	28	95	4,087	1,133	35	97	459	80	4,152	16	4	10	1,298	101	665
Oct. 11....	1,141	29	96	3,905	1,186	39	183	350	67	4,164	14	3	10	1,297	205	676
Reserve city banks:																
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
1955—Dec. 31....	7,727	638	2,515	33,757	6,903	303	1,288	3,048	1,035	35,752	239	106	941	15,117	82	4,641
1956—Dec. 31....	7,649	787	2,656	34,046	7,298	286	1,201	3,092	1,036	36,519	294	114	935	15,748	21	5,076
1957—June 6....	7,701	653	1,825	32,549	5,648	266	1,051	2,911	787	33,177	314	120	1,089	16,432	681	5,182
Oct. 11....	7,997	580	1,862	32,473	6,113	259	1,297	2,570	668	34,381	311	119	1,086	16,988	743	5,285
Country banks:																
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
1955—Dec. 31....	5,429	1,222	4,844	37,836	1,488	17	1,061	4,425	1,020	34,235	18	157	844	18,371	52	4,769
1956—Dec. 31....	5,526	1,502	5,194	39,028	1,580	16	1,160	4,538	1,183	35,473	22	146	847	19,324	21	5,046
1957—June 6....	5,631	1,241	3,966	36,827	1,243	18	1,097	4,740	835	32,635	30	142	962	20,491	267	5,304
Oct. 11....	5,704	1,164	4,589	37,830	1,374	17	1,217	4,448	769	34,249	21	138	956	21,312	129	5,443
Nonmember commercial banks:[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
1955—Dec. 31....	....	663	4,439	17,470	510	36	382	2,198	265	15,324	231	29	475	9,071	22	2,519
1956—Dec. 31....	....	774	4,690	18,085	521	45	440	2,238	310	15,885	171	29	546	9,449	27	2,649
1957—June 6....	....	672	3,831	16,801	448	50	385	2,232	236	14,553	187	30	584	10,035	72	2,781

[3] Breakdowns of loan, investment, and deposit classifications are not available prior to 1947; summary figures for earlier dates appear in the preceding table.

[4] Central reserve city banks.

[5] Beginning June 30, 1942, excludes reciprocal bank balances, which on Dec. 31, 1942, aggregated $513 million at all member banks and $525 million at all insured commercial banks.

[6] Demand deposits other than interbank and U. S. Govt., less cash items reported as in process of collection.

For other notes see opposite page.

LOANS AND INVESTMENTS OF BANKS IN LEADING CITIES

[Monthly data are averages of Wednesday figures. In millions of dollars]

Month or date	Total loans and investments	Loans and investments adjusted[1]	Loans[1]									U. S. Government obligations					Other securities	Loans to banks
			Loans adjusted[1]	Commercial and industrial	Agricultural	For purchasing or carrying securities				Real estate loans	Other loans	Total	Bills	Certificates of indebtedness	Notes	Bonds[2]		
						To brokers and dealers		To others										
						U.S. Govt. obligations	Other securities	U.S. Govt. obligations	Other securities									
Total—Leading Cities																		
1957																		
Feb.	86,227	85,001	51,726	29,831	439	1,726		1,152		8,770	10,824	25,781	1,397	773	4,977	18,634	7,494	1,226
1958																		
Jan.	88,318	86,867	52,969	30,689	437	1,829		1,113		8,749	11,284	25,954	1,472	1,761	4,711	18,010	7,944	1,451
Feb.	88,680	87,152	52,527	29,975	442	2,096		1,147		8,737	11,269	26,478	1,416	1,583	4,785	18,694	8,147	1,528
1958																		
Jan. 8	89,094	87,744	53,748	31,212	439	2,022		1,108		8,750	11,349	26,087	1,581	1,734	4,786	17,986	7,909	1,350
Jan. 15	88,391	87,018	53,211	30,925	436	1,815		1,105		8,747	11,316	25,945	1,485	1,714	4,711	18,035	7,862	1,373
Jan. 22	88,146	86,521	52,673	30,419	438	1,833		1,116		8,753	11,247	25,861	1,389	1,796	4,682	17,994	7,987	1,625
Jan. 29	87,644	86,187	52,245	30,201	437	1,645		1,125		8,744	11,226	25,923	1,431	1,799	4,665	18,028	8,019	1,457
Feb. 5	88,770	87,066	52,726	29,993	447	2,230		1,124		8,732	11,339	26,290	1,458	2,051	4,720	18,061	8,050	1,704
Feb. 12	88,689	87,156	52,679	29,887	443	2,303		1,117		8,738	11,330	26,313	1,400	2,087	4,752	18,074	8,164	1,533
Feb. 19	88,460	87,027	52,422	30,013	438	1,968		1,171		8,737	11,235	26,452	1,254	1,076	4,821	19,301	8,153	1,433
Feb. 26	88,804	87,361	52,281	30,006	442	1,882		1,178		8,742	11,170	26,856	1,552	1,119	4,847	19,338	8,224	1,443
New York City																		
1957																		
Feb.	22,882	22,212	14,959	11,091	1	138	925	14	365	586	2,157	5,433	300	187	898	4,048	1,820	670
1958																		
Jan.	23,142	22,424	14,909	11,276	1	272	717	35	342	540	2,077	5,598	490	249	992	3,867	1,917	718
Feb.	23,910	23,112	15,282	11,192	1	484	828	44	344	544	2,198	5,782	460	265	977	4,080	2,048	798
1958																		
Jan. 8	23,321	22,736	15,239	11,450	1	410	732	35	336	545	2,081	5,630	523	235	1,073	3,799	1,867	585
Jan. 15	23,148	22,396	14,948	11,366	1	243	708	32	342	537	2,070	5,593	517	215	970	3,891	1,855	752
Jan. 22	22,984	22,281	14,729	11,131	1	217	741	37	344	539	2,071	5,586	456	273	968	3,889	1,966	703
Jan. 29	23,117	22,284	14,721	11,160	1	216	686	38	347	537	2,088	5,584	464	274	955	3,891	1,979	833
Feb. 5	24,038	23,143	15,330	11,142	1	617	791	36	346	543	2,207	5,804	516	363	972	3,953	2,009	895
Feb. 12	23,843	23,171	15,350	11,092	1	611	868	36	345	550	2,200	5,766	439	382	972	3,973	2,055	672
Feb. 19	23,882	23,061	15,277	11,244	1	405	836	53	345	542	2,205	5,738	408	145	992	4,193	2,046	821
Feb. 26	23,877	23,073	15,170	11,286	1	305	818	51	341	543	2,179	5,821	475	170	973	4,203	2,082	804
Outside New York City																		
1957																		
Feb.	63,345	62,789	36,767	18,740	438	663		773		8,184	8,667	20,348	1,097	586	4,079	14,586	5,674	556
1958																		
Jan.	65,176	64,443	38,060	19,413	436	840		736		8,209	9,207	20,356	982	1,512	3,719	14,143	6,027	733
Feb.	64,770	64,040	37,245	18,783	441	784		759		8,193	9,071	20,696	956	1,318	3,808	14,614	6,099	730
1958																		
Jan. 8	65,773	65,008	38,509	19,762	438	880		737		8,205	9,268	20,457	1,058	1,499	3,713	14,187	6,042	765
Jan. 15	65,243	64,622	38,263	19,559	435	864		731		8,210	9,246	20,352	968	1,499	3,741	14,144	6,007	621
Jan. 22	65,162	64,240	37,944	19,288	437	875		735		8,214	9,176	20,275	933	1,523	3,714	14,105	6,021	922
Jan. 29	64,527	63,903	37,524	19,041	436	743		740		8,207	9,138	20,339	967	1,525	3,710	14,137	6,040	624
Feb. 5	64,732	63,923	37,396	18,851	446	822		742		8,189	9,132	20,486	942	1,688	3,748	14,108	6,041	809
Feb. 12	64,846	63,985	37,329	18,795	442	824		736		8,188	9,130	20,547	961	1,705	3,780	14,101	6,109	861
Feb. 19	64,578	63,966	37,145	18,769	437	727		773		8,195	9,030	20,714	846	931	3,829	15,108	6,107	612
Feb. 26	64,927	64,288	37,111	18,720	441	759		786		8,199	8,991	21,035	1,077	949	3,874	15,135	6,142	639

[1] Exclusive of loans to banks and after deduction of valuation reserves; individual loan items are shown gross.

[2] Includes guaranteed obligations.
See also NOTE on opposite page.

RESERVES AND LIABILITIES OF BANKS IN LEADING CITIES

[Monthly data are averages of Wednesday figures. In millions of dollars]

Month or date	Reserves with F. R. Banks	Cash in vault	Balances with domestic banks	Demand deposits adjusted[1]	Demand deposits, except interbank				Time deposits, except interbank			Interbank deposits			Borrowings		Capital accounts
					Individuals, partnerships, and corporations	States and political subdivisions	Certified and officers' checks, etc.	U. S. Govt.	Individuals, partnerships, and corporations	States and political subdivisions	U. S. Govt. and Postal Savings	Demand		Time	From F. R. Banks	From others	
												Domestic	Foreign				
Total—Leading Cities																	
1957																	
Feb.	13,457	988	2,392	56,470	59,256	4,025	1,802	1,197	20,333	961	180	10,242	1,516	1,243	532	922	9,093
1958																	
Jan.	13,658	1,036	2,488	56,394	58,954	4,115	2,080	1,028	21,990	1,198	134	10,882	1,587	1,359	291	819	9,651
Feb.	13,437	970	2,555	55,313	57,428	4,191	2,081	1,773	22,275	1,372	135	10,476	1,492	1,831	91	930	9,708
1958																	
Jan. 8	13,758	1,077	2,420	56,356	58,647	4,119	2,049	1,364	21,907	1,183	137	11,311	1,677	1,221	619	754	9,649
Jan. 15	13,635	1,028	2,633	56,532	60,399	4,064	2,077	844	21,961	1,192	134	11,465	1,584	1,345	128	697	9,644
Jan. 22	13,782	1,011	2,417	56,556	58,845	4,099	2,381	855	22,029	1,201	134	10,501	1,554	1,360	298	1,043	9,634
Jan. 29	13,458	1,031	2,480	56,134	57,924	4,176	1,816	1,048	22,062	1,216	137	10,252	1,533	1,508	118	782	9,675
Feb. 5	13,452	905	2,505	55,880	57,554	4,312	2,512	1,417	22,157	1,304	136	10,681	1,501	1,652	75	999	9,698
Feb. 12	13,264	1,013	2,503	55,548	58,224	4,193	1,908	1,222	22,245	1,362	136	10,526	1,485	1,823	143	1,053	9,701
Feb. 19	13,562	952	2,694	54,882	56,893	4,118	1,980	2,144	22,306	1,380	134	10,493	1,479	1,916	68	862	9,705
Feb. 26	13,469	1,012	2,518	54,943	57,040	4,141	1,925	2,308	22,390	1,443	134	10,203	1,503	1,933	79	807	9,730
New York City																	
1957																	
Feb.	4,342	151	48	15,764	17,342	284	874	300	2,363	49	35	2,893	1,203	953	127	532	2,862
1958																	
Jan.	4,377	149	52	15,458	16,989	267	1,102	295	2,743	65	24	2,974	1,282	1,011	49	447	3,114
Feb.	4,141	137	46	15,345	16,679	311	1,173	506	2,831	142	24	2,942	1,205	1,394	......	437	3,138
1958																	
Jan. 8	4,496	164	57	15,555	16,940	269	1,012	418	2,727	62	24	3,003	1,359	904	170	430	3,110
Jan. 15	4,222	144	53	15,393	17,246	263	1,055	268	2,710	63	24	3,108	1,278	996	......	360	3,111
Jan. 22	4,549	145	52	15,462	16,864	293	1,408	229	2,755	63	23	2,847	1,254	1,009	27	688	3,114
Jan. 29	4,241	145	45	15,425	16,905	246	934	265	2,780	74	24	2,938	1,238	1,133	......	308	3,122
Feb. 5	4,090	137	43	15,557	16,739	276	1,607	476	2,802	133	24	2,996	1,219	1,258	......	481	3,137
Feb. 12	4,168	142	42	15,433	16,769	342	983	364	2,831	135	24	2,818	1,202	1,392	......	589	3,138
Feb. 19	4,017	129	45	15,128	16,470	316	1,072	581	2,825	135	24	3,025	1,194	1,456	......	301	3,140
Feb. 26	4,288	141	52	15,260	16,737	309	1,029	606	2,866	166	23	2,928	1,206	1,469	......	379	3,136
Outside New York City																	
1957																	
Feb.	9,115	837	2,344	40,706	41,914	3,741	928	897	17,970	912	145	7,349	313	290	405	390	6,231
1958																	
Jan.	9,281	887	2,436	40,936	41,965	3,848	978	733	19,247	1,133	110	7,908	305	348	242	372	6,537
Feb.	9,296	833	2,509	39,968	40,749	3,880	908	1,267	19,444	1,230	111	7,534	287	437	91	493	6,570
1958																	
Jan. 8	9,262	913	2,363	40,801	41,707	3,850	1,037	946	19,180	1,121	113	8,308	318	317	449	324	6,539
Jan. 15	9,413	884	2,580	41,139	43,153	3,801	1,022	576	19,251	1,129	110	8,357	306	349	128	337	6,533
Jan. 22	9,233	866	2,365	41,094	41,981	3,806	973	626	19,274	1,138	111	7,654	300	351	271	355	6,520
Jan. 29	9,217	886	2,435	40,709	41,019	3,930	882	783	19,282	1,142	113	7,314	295	375	118	474	6,553
Feb. 5	9,362	768	2,462	40,323	40,815	4,036	905	941	19,355	1,171	112	7,685	282	394	75	518	6,561
Feb. 12	9,096	871	2,461	40,115	41,455	3,851	925	858	19,414	1,227	112	7,708	283	431	143	464	6,563
Feb. 19	9,545	823	2,649	39,754	40,423	3,802	908	1,563	19,481	1,245	110	7,468	285	460	68	561	6,565
Feb. 26	9,181	871	2,466	39,683	40,303	3,832	896	1,702	19,524	1,277	111	7,275	297	464	79	428	6,594

[1] Demand deposits other than interbank and U. S. Govt., less cash items reported as in process of collection.

NOTE.—For description of revision beginning Mar. 4, 1953, see BULLETIN for April 1953, p. 357, and for figures on the revised basis beginning Jan. 2, 1952, see BULLETIN for May 1953, pp. 550–55.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF WEEKLY REPORTING MEMBER BANKS, BY INDUSTRY[1]

[Net decline, (−). In millions of dollars]

Period[2]	Manufacturing and mining: Food, liquor, and tobacco	Manufacturing and mining: Textiles, apparel, and leather	Manufacturing and mining: Metals and metal products[3]	Manufacturing and mining: Petroleum, coal, chemical, and rubber	Manufacturing and mining: Other	Trade (wholesale and retail)	Commodity dealers	Sales finance companies	Public utilities (incl. transportation)	Construction	All other types of business	Net changes classified	Comm'l and ind'l change—all weekly reporting banks[4]
1955—Jan.-June	−540	220	177	313	153	146	−461	589	384	134	143	1,257	1,078
July-Dec.	480	71	224	208	63	327	469	704	27	106	370	3,050	[5]3,206
1956—Jan.-June	−302	238	1,362	424	369	171	−386	−322	365	54	149	2,124	[4]2,243
July-Dec.	822	−6	−71	428	72	178	739	98	350	−66	176	2,719	2,459
1957—Jan.-June	−456	148	935	291	214	−1	−539	366	513	−12	−54	1,404	1,249
July-Dec.	331	−159	−496	150	−161	−8	420	−108	183	−49	58	161	−296
1957—Dec.	−19	−20	52	89	−65	−254	83	569	200	−21	135	750	708
1958—Jan.	−227	25	−44	−22	−28	−207	−10	−571	−81	−24	−130	−1,319	−1,600
Feb.	−126	76	111	4	45	−51	−125	−44	−89	1	43	−155	−195
Week ending:													
1957—Dec. 4	20	−10	35	10	−4	−3	−13	37	−14	−16	34	77	43
Dec. 11	30	3	18	26	−7	−1	29	73	97	4	−16	256	249
Dec. 18	81	6	31	15	−19	−63	55	294	2	7	49	458	487
Dec. 25	−31	2	11	1	−20	−82	17	68	23	−9	10	−12	−19
Dec. 31[6]	−118	−20	−42	37	−16	−105	−5	97	92	−7	58	−30	−52
1958—Jan. 8	−57	−1	−24	−27	−1	−59	32	−239	−10	−13	−58	−456	−589
Jan. 15	−58	16	20	11	5	−45	−13	−97	−22	1	−57	−240	−287
Jan. 22	−67	−3	−28	−5	−7	−52	−88	−123	−35	−7	−26	−440	−506
Jan. 29	−45	13	−12	−1	−25	−52	59	−113	−13	−5	10	−183	−218
Feb. 5	−18	26	−25	10	−1	−14	−53	−69	−61	−8	21	−193	−208
Feb. 12	−30	13	10	−2	11	−13	−49	−48	−8	10	−2	−107	−106
Feb. 19	−36	22	90	9	17	−25	−16	68	....	3	8	139	126
Feb. 26	−42	16	36	−12	17	2	−8	5	−20	−3	16	6	−7

1 Data for a sample of about 210 banks reporting changes in their larger loans; these banks hold about 95 per cent of total commercial and industrial loans of all weekly reporting member banks and about 75 per cent of those of all commercial banks.
2 Figures for periods other than weekly are based on weekly changes.
3 Includes machinery and transportation equipment.
4 Prior to week ending Jan. 11, 1956, included changes in agricultural loans.
5 Includes increase of $318 million resulting from errors disclosed incident to survey of credit extended to real estate mortgage lenders.
6 Tuesday.

COMMERCIAL AND FINANCE COMPANY PAPER AND BANKERS' ACCEPTANCES OUTSTANDING

[In millions of dollars]

End of year or month	Commercial and finance company paper: Total	Commercial and finance company paper: Placed through dealers[1]	Commercial and finance company paper: Placed directly (finance paper)[2]	Dollar acceptances: Total	Held by: Accepting banks: Total	Held by: Accepting banks: Own bills	Held by: Accepting banks: Bills bought	Held by: F. R. Banks: Own acct.	Held by: F. R. Banks: Foreign corr.	Held by: Others	Based on: Imports into United States	Based on: Exports from United States	Based on: Dollar exchange	Based on: Goods stored in or shipped between points in: United States	Based on: Goods stored in or shipped between points in: Foreign countries
1952	1,745	552	1,193	492	183	126	57	......	20	289	232	125	39	64	32
1953	1,966	564	1,402	574	172	117	55	......	24	378	274	154	29	75	43
1954	1,924	733	1,191	873	289	203	86	......	19	565	285	182	17	300	89
1955	2,020	510	1,510	642	175	126	49	28	33	405	252	210	17	63	100
1956	2,166	506	1,660	967	227	155	72	69	50	621	261	329	2	227	148
1957—Jan.	2,575	548	2,027	1,012	230	156	74	30	62	689	291	363	2	197	158
Feb.	2,714	555	2,159	992	202	133	69	24	58	708	307	389	2	127	167
Mar.	2,650	489	2,161	1,019	209	150	59	23	58	728	305	425	2	116	171
Apr.	2,485	466	2,019	1,018	195	135	60	24	64	735	272	471	4	89	182
May	2,775	483	2,292	984	188	142	46	21	63	713	227	501	5	73	177
June	2,452	454	1,998	979	183	142	41	23	62	711	220	502	21	58	178
July	2,781	459	2,322	1,000	154	112	42	19	70	757	231	507	35	59	169
Aug.	2,835	501	2,334	1,227	220	152	68	27	68	913	243	524	66	212	182
Sept.	2,558	501	2,057	1,197	214	149	65	16	66	901	234	483	75	225	181
Oct.	2,654	516	2,138	1,225	197	131	66	16	69	942	248	465	94	226	192
Nov.	2,944	560	2,384	1,224	221	151	70	20	67	916	268	459	64	222	211
Dec.	2,666	551	2,115	1,307	287	194	94	66	76	878	278	456	46	296	232
1958—Jan.	[3]3,345	654	[3]2,691	1,422	416	307	109	41	127	838	273	461	65	386	237

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.
3 Includes an additional finance company.

MONEY MARKET RATES

[Per cent per annum]

Year, month, or week	Prime commercial paper, 4- to 6-months[1]	Finance company paper placed directly, 3- to 6-months[1]	Prime bankers' acceptances, 90 days[1]	U. S. Government securities (taxable)[2]: 3-month bills: Market yield	U. S. Government securities (taxable)[2]: 3-month bills: Rate on new issues	U. S. Government securities (taxable)[2]: 9-to 12-month issues[3]	U. S. Government securities (taxable)[2]: 3- to 5-year issues[4]
1955 average	2.18	1.97	1.71	1.73	1.753	1.89	2.50
1956 average	3.31	3.06	2.64	2.62	2.658	2.83	3.12
1957 average	3.81	3.55	3.45	3.23	3.267	3.53	3.62
1957—Feb.	3.63	3.38	3.38	3.11	3.165	3.23	3.33
Mar.	3.63	3.38	3.27	3.08	3.140	3.35	3.38
Apr.	3.63	3.38	3.20	3.06	3.113	3.41	3.48
May	3.63	3.38	3.25	3.06	3.042	3.37	3.60
June	3.79	3.48	3.36	3.29	3.316	3.55	3.77
July	3.88	3.63	3.38	3.16	3.165	3.71	3.89
Aug.	3.98	3.63	3.78	3.37	3.404	3.93	3.91
Sept.	4.00	3.82	3.83	3.53	3.578	4.02	3.93
Oct.	4.10	3.88	3.75	3.58	3.591	3.94	3.99
Nov.	4.07	3.79	3.50	3.29	3.337	3.52	3.63
Dec.	3.81	3.55	3.35	3.04	3.102	3.09	3.04
1958—Jan.	3.49	3.23	3.06	2.44	2.598	2.56	2.77
Feb.	2.63	2.18	2.30	1.54	1.562	1.93	2.67
Week ending							
Feb. 1	3.23	2.90	2.78	1.92	2.202	2.29	2.78
Feb. 8	2.83	2.43	2.43	1.65	1.583	2.09	2.78
Feb. 15	2.63	2.19	2.38	1.69	1.730	2.05	2.72
Feb. 22	2.63	2.13	2.35	1.62	1.731	1.93	2.67
Mar. 1	2.45	1.98	2.08	1.22	1.202	1.69	2.54

[1] Average of daily prevailing rates. [2] Except for new bill issues, yields are averages computed from daily closing bid prices.
[3] Consists of certificates of indebtedness and selected note and bond issues.
[4] Consists of selected note and bond issues.

BANK RATES ON SHORT-TERM BUSINESS LOANS

[Per cent per annum]

Area and period	All loans	Size of loan (thous. of dol.): 1–10	10–100	100–200	200 and over
Annual averages, 19 large cities:					
1955	3.7	5.0	4.4	4.0	3.5
1956	4.2	5.2	4.8	4.4	4.0
1957	4.6	5.5	5.1	4.8	4.5
Quarterly:[1]					
19 large cities:					
1957—Mar.	4.38	5.38	4.94	4.59	4.21
June	4.40	5.37	4.94	4.61	4.23
Sept.	4.83	5.67	5.29	5.01	4.69
Dec.	4.85	5.66	5.29	5.01	4.71
New York City:					
1957—Mar.	4.23	5.26	4.92	4.47	4.11
June	4.23	5.24	4.86	4.49	4.12
Sept.	4.69	5.54	5.24	4.93	4.60
Dec.	4.71	5.50	5.23	4.94	4.62
7 Northern & Eastern cities:					
1957—Mar.	4.40	5.41	4.91	4.61	4.26
June	4.39	5.39	4.94	4.61	4.25
Sept.	4.85	5.69	5.31	5.01	4.73
Dec.	4.86	5.67	5.33	5.02	4.74
11 Southern & Western cities:					
1957—Mar.	4.60	5.42	4.96	4.64	4.35
June	4.65	5.42	4.99	4.70	4.43
Sept.	5.01	5.72	5.31	5.05	4.81
Dec.	5.05	5.73	5.31	5.04	4.87

[1] Based on figures for first 15 days of month.
NOTE.—For description see BULLETIN for March 1949, pp. 228–37.

BOND AND STOCK YIELDS[1]

[Per cent per annum]

Year, month, or week	U. S. Govt. bonds (long-term)[2]	State and local govt. bonds[3]: Total[4]	State and local: Aaa	State and local: Baa	Corporate bonds[3]: Total[4]	Corporate: By selected ratings: Aaa	Corporate: By selected ratings: Baa	Corporate: By groups: Industrial	Corporate: By groups: Railroad	Corporate: By groups: Public utility	Stocks[5]: Dividends/price ratio: Preferred	Stocks: Dividends/price ratio: Common	Stocks: Earnings/price ratio: Common
Number of issues	4–7	20	5	5	120	30	30	40	40	40	14	90	500
1955 average	2.84	2.57	2.18	3.14	3.25	3.06	3.53	3.19	3.34	3.22	4.01	4.08	7.81
1956 average	3.08	2.94	2.51	3.50	3.57	3.36	3.88	3.50	3.65	3.54	4.25	4.09	7.40
1957 average	3.47	3.56	3.10	4.20	4.21	3.89	4.71	4.12	4.32	4.18	4.63	4.35	7.84
1957—Feb.	3.22	3.29	2.79	3.96	3.99	3.67	4.47	3.94	4.06	3.97	4.47	4.54	....
Mar.	3.26	3.36	2.88	3.97	3.97	3.66	4.43	3.90	4.04	3.95	4.46	4.47	7.71
Apr.	3.32	3.35	2.88	3.95	3.96	3.67	4.44	3.89	4.06	3.94	4.47	4.36	....
May	3.40	3.48	3.00	4.10	4.02	3.74	4.52	3.96	4.13	3.98	4.53	4.18	....
June	3.58	3.65	3.19	4.32	4.15	3.91	4.63	4.14	4.26	4.06	4.69	4.04	7.10
July	3.60	3.65	3.17	4.29	4.26	3.99	4.73	4.19	4.39	4.19	4.75	3.95	....
Aug.	3.63	3.84	3.37	4.43	4.37	4.10	4.82	4.29	4.49	4.33	4.83	4.17	....
Sept.	3.66	3.89	3.43	4.49	4.44	4.12	4.93	4.31	4.56	4.45	4.79	4.31	8.00
Oct.	3.73	3.74	3.31	4.38	4.46	4.10	4.99	4.32	4.57	4.48	4.80	4.54	....
Nov.	3.57	3.67	3.24	4.35	4.49	4.08	5.09	4.34	4.65	4.49	4.78	4.67	....
Dec.	3.30	3.33	2.92	4.00	4.31	3.81	5.03	4.11	4.53	4.29	4.49	4.64	8.56
1958—Jan.	3.24	3.17	2.75	3.81	4.06	3.60	4.83	3.91	4.30	3.99	4.36	4.48	....
Feb.	3.26	3.15	2.72	3.79	4.01	3.59	4.66	3.86	4.29	3.87	4.38	4.47	....
Week ending:													
Feb. 1	3.28	3.12	2.68	3.76	4.00	3.56	4.72	3.84	4.29	3.89	4.32	4.40	....
Feb. 8	3.27	3.14	2.70	3.77	4.01	3.59	4.68	3.87	4.30	3.88	4.37	4.37	....
Feb. 15	3.25	3.13	2.70	3.77	4.01	3.59	4.66	3.86	4.29	3.87	4.38	4.51	....
Feb. 22	3.25	3.15	2.73	3.78	4.00	3.58	4.64	3.85	4.28	3.86	4.38	4.49	....
Mar. 1	3.27	3.19	2.76	3.85	4.00	3.60	4.65	3.85	4.29	3.87	4.39	4.52	....

[1] Monthly and weekly yields are averages of daily figures for U. S. Govt. and corporate bonds. Yields of State and local govt. general obligations are based on Thursday figures; and of preferred stocks, on Wednesday figures. Figures for common stocks are as of the end of the period, except for annual averages.
[2] Series is based on bonds maturing or callable in 10 years or more.
[3] Moody's Investors Service. State and local govt. bonds include general obligations only.
[4] 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.
[5] Standard and Poor's Corporation. Preferred stock ratio is based on 8 median yields in a sample of noncallable issues—12 industrial and 2 public utility. For common stocks, the earnings/price ratio is now computed for the 500 stocks in the price index, but figures prior to June 1957 are based on the 90 stocks formerly included in the daily price index. The dividend/price ratio has not yet been converted to the broader base.

SECURITY PRICES[1]

Year, month, or week	Bond prices: U. S. Govt. (long-term)[2]	Bond prices: Municipal (high-grade)[3]	Bond prices: Corporate (high-grade)[3]	Common stock prices: Standard and Poor's series (index, 1941–43=10): Total	Industrial	Railroad	Public utility	Common stock prices: Securities and Exchange Commission series (index, 1939=100): Total	Manufacturing: Total	Manufacturing: Durable	Manufacturing: Nondurable	Transportation	Public utility	Trade, finance, and service	Mining	Volume of trading[4] (in thousands of shares)
Number of issues	4–5	15	17	500	425	25	50	265	170	98	72	21	29	31	14	......
1955 average	....	123.1	114.4	40.49	42.40	32.94	31.37	305	374	352	394	320	153	297	313	2,578
1956 average	....	116.3	109.1	46.62	49.80	33.65	32.25	345	439	410	465	327	156	306	358	2,216
1957 average	92.05	105.8	101.3	44.38	47.66	28.11	32.19	331	422	391	451	275	156	277	342	2,222
1957—Feb.	93.74	110.9	104.3	43.47	46.10	29.59	32.29	325	409	386	431	292	157	278	346	1,978
Mar.	93.28	110.0	104.5	44.03	46.86	29.37	32.45	328	415	388	440	288	159	280	344	1,698
Apr.	92.45	109.8	104.3	45.05	48.06	29.78	33.03	339	431	404	455	291	160	281	352	2,300
May	91.33	106.9	103.2	46.78	50.10	30.42	34.03	352	450	419	480	297	163	286	380	2,389
June	89.22	103.5	101.1	47.55	51.30	30.11	33.35	355	457	421	489	293	160	283	390	2,224
July	89.07	103.5	100.0	48.51	52.54	31.20	32.93	362	468	434	500	302	158	291	382	2,194
Aug.	88.65	101.2	98.3	45.84	49.51	29.52	31.89	343	441	408	472	286	155	282	354	1,882
Sept.	89.24	101.3	98.1	43.98	47.52	27.17	31.09	328	419	386	450	263	153	277	334	1,844
Oct.	91.87	102.9	98.2	41.24	44.43	24.78	30.39	306	388	357	417	241	149	266	297	2,782
Nov.	94.25	103.4	98.3	40.35	43.41	22.63	30.68	302	382	350	411	228	149	262	284	2,538
Dec.	100.73	107.5	102.7	40.33	43.29	21.39	31.79	298	376	336	413	215	152	258	274	2,594
1958—Jan.	102.66	110.0	105.9	41.12	43.98	22.69	33.30	305	382	347	414	230	158	270	272	2,267
Feb.	102.47	109.2	105.7	41.26	44.01	23.00	34.12	304	378	346	408	231	160	278	267	2,010
Week ending:																
Feb. 1	102.00	110.8	106.3	41.70	44.53	23.48	34.03	308	386	350	418	238	160	276	278	2,151
Feb. 8	101.96	109.6	105.8	42.10	45.00	23.87	34.18	308	385	350	416	236	160	279	274	2,474
Feb. 15	102.48	109.3	105.6	41.16	43.91	22.92	34.02	306	380	348	410	234	160	277	269	2,001
Feb. 22	102.83	109.3	105.7	41.04	43.75	22.92	34.11	301	374	343	402	230	160	278	261	1,840
Mar. 1	102.61	108.4	105.6	40.74	43.40	22.29	34.16	301	373	342	402	226	161	275	263	1,725

[1] Monthly and weekly data for (1) U. S. Govt. bond prices, Standard and Poor's common stock indexes, and volume of trading are averages of daily figures; for (2) municipal and corporate bond prices are based on Wednesday closing prices; and for (3) the Securities and Exchange Commission series on common stock prices are based on weekly closing prices.

[2] Average prices of bonds maturing or callable in 10 years or more; averages for 1955 and 1956 not yet available.

[3] Prices derived from average yields, as computed by Standard and Poor's Corporation, on basis of a 4 per cent, 20-year bond.

[4] Average daily volume of trading in stocks on the New York Stock Exchange for a 5½-hour trading day.

STOCK MARKET CREDIT

[In millions of dollars]

End of month or last Wednesday of month	Customer credit: Total—securities other than U. S. Govt. obligations (col.3+col. 5)	Net debit balances with New York Stock Exchange firms[1]: Secured by U. S. Govt. obligations	Net debit balances with New York Stock Exchange firms[1]: Secured by other securities	Bank loans to others (than brokers and dealers) for purchasing and carrying securities[2]: U. S. Govt. obligations	Bank loans to others: Other securities	Broker and dealer credit[1]: Money borrowed: On U. S. Govt. obligations	Money borrowed: On other securities	Customer net free credit balances
1953—Dec.	2,445	31	1,665	88	780	88	1,074	713
1954—Dec.	3,436	41	2,388	65	1,048	69	1,529	1,019
1955—Dec.	4,030	34	2,791	32	1,239	51	2,246	894
1956—Dec.	3,984	33	2,823	41	1,161	46	2,132	880
1957—Feb.	3,846	35	2,729	31	1,117	53	2,004	828
Mar.	3,832	28	2,713	27	1,119	47	1,958	820
Apr.	3,938	28	2,792	28	1,146	53	2,051	807
May	3,924	39	2,794	26	1,130	52	2,063	817
June	4,031	31	2,887	25	1,144	52	2,104	820
July	4,004	32	2,885	23	1,119	59	2,079	829
Aug.	3,929	30	2,833	24	1,096	58	2,035	816
Sept.	3,882	35	2,789	21	1,093	63	2,046	838
Oct.	3,643	39	2,568	31	1,075	72	1,708	879
Nov.	3,577	42	2,517	33	1,060	56	1,641	876
Dec.	3,576	68	2,482	60	1,094	125	1,706	896
1958—Jan.	3,554	126	2,487	58	1,067	188	1,552	[c]937
Feb.	3,679	102	2,580	79	1,099	199	1,647	939

[c] Corrected.

[1] Ledger balances of member firms of the New York Stock Exchange carrying margin accounts, as reported to the Exchange. Customers' debit and free credit balances exclude balances maintained with the reporting firm by other member firms of national securities exchanges and balances of the reporting firm and of general partners of the reporting firm. Balances are net for each customer—i. e., all accounts of one customer are consolidated. Money borrowed includes borrowings from banks and from other lenders except member firms of national securities exchanges. Data are as of the end of the month, except money borrowed, which is as of the last Wednesday of the month beginning June 1955.

[2] Figures are for last Wednesday of month for weekly reporting member banks, which account for about 70 per cent of all loans for this purpose. Column 5 includes some loans for purchasing or carrying U. S. Govt. securities (such loans are reported separately only by New York and Chicago banks). On June 30, 1956, reporting banks outside New York and Chicago held $51 million of such loans. On the same date insured commercial banks not reporting weekly held loans of $28 million for purchasing and carrying U. S. Govt. securities and of $384 million for other securities. Noninsured banks had $33 million of such loans, probably mostly for purchasing or carrying other securities.

LIFE INSURANCE COMPANIES[1]

[Institute of Life Insurance data. In millions of dollars]

Date	Total assets	Government securities: Total	Government securities: United States	Government securities: State and local (U. S.)	Government securities: Foreign[2]	Business securities: Total	Business securities: Bonds	Business securities: Stocks	Mortgages	Real estate	Policy loans	Other assets
End of year:[3]												
1941	32,731	9,478	6,796	1,995	687	10,174	9,573	601	6,442	1,878	2,919	1,840
1945	44,797	22,545	20,583	722	1,240	11,059	10,060	999	6,636	857	1,962	1,738
1950	64,020	16,118	13,459	1,152	1,507	25,351	23,248	2,103	16,102	1,445	2,413	2,591
1951	68,278	13,760	11,009	1,170	1,581	28,111	25,890	2,221	19,314	1,631	2,590	2,872
1952	73,375	12,905	10,252	1,153	1,500	31,515	29,069	2,446	21,251	1,903	2,713	3,088
1953	78,533	12,537	9,829	1,298	1,410	34,438	31,865	2,573	23,322	2,020	2,914	3,302
1954	84,486	12,262	9,070	1,846	1,346	37,300	34,032	3,268	25,976	2,298	3,127	3,523
1955	90,432	11,829	8,576	2,038	1,215	39,545	35,912	3,633	29,445	2,581	3,290	3,743
1956	96,011	11,067	7,555	2,273	1,239	41,543	38,040	3,503	32,989	2,817	3,519	4,076
End of month:[4]												
1953—Dec.	78,201	12,452	9,767	1,278	1,407	34,265	31,926	2,339	23,275	1,994	2,894	3,321
1954—Dec.	84,068	12,199	9,021	1,833	1,345	36,695	33,985	2,710	25,928	2,275	3,087	3,884
1955—Dec.	90,267	11,757	8,545	1,998	1,214	38,851	35,930	2,921	29,425	2,557	3,294	4,383
1956—Dec.	95,844	10,989	7,519	2,234	1,236	40,976	38,067	2,909	32,994	2,829	3,505	4,551
1957—Jan.	96,316	11,068	7,588	2,244	1,236	41,177	38,256	2,921	33,279	2,841	3,523	4,428
Feb.	96,738	11,038	7,544	2,244	1,250	41,365	38,432	2,933	33,479	2,865	3,547	4,444
Mar.	97,074	10,926	7,427	2,251	1,248	41,579	38,638	2,941	33,672	2,883	3,575	4,439
Apr.	97,488	10,946	7,430	2,264	1,252	41,772	38,821	2,951	33,840	2,907	3,606	4,417
May	97,868	10,895	7,340	2,290	1,265	41,962	39,004	2,958	34,022	2,948	3,633	4,408
June	98,239	10,824	7,270	2,290	1,264	42,146	39,190	2,956	34,159	2,983	3,657	4,470
July	99,005	10,906	7,306	2,323	1,277	42,567	39,574	2,993	34,356	3,004	3,703	4,469
Aug.	99,374	10,880	7,268	2,333	1,279	42,742	39,724	3,018	34,547	3,032	3,731	4,442
Sept.	99,812	10,833	7,224	2,340	1,269	42,932	39,922	3,010	34,697	3,059	3,764	4,527
Oct.	100,224	10,856	7,233	2,352	1,271	43,170	40,149	3,021	34,859	3,085	3,802	4,452
Nov.	100,597	10,782	7,135	2,362	1,285	43,368	40,349	3,028	34,986	3,113	3,833	4,515
Dec.	101,043	10,600	6,950	2,375	1,275	43,644	40,637	3,007	35,230	3,134	3,863	4,572
1958—Jan.	101,672	10,819	7,113	2,418	1,288	43,859	40,862	2,997	35,410	3,156	3,896	4,532

[1] Figures are for all life insurance companies in the United States.

[2] Represents issues of foreign governments and their subdivisions and bonds of the International Bank for Reconstruction and Development.

[3] These represent annual statement asset values, with bonds carried on an amortized basis and stocks at end-of-year market value.

[4] These represent 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[1]

[Federal Savings and Loan Insurance Corporation data. In millions of dollars]

End of year or month	Assets: Total[2]	Assets: Mortgages[3]	Assets: U. S. Govt. obligations	Assets: Cash	Assets: Other[4]	Liabilities: Savings capital	Liabilities: Borrowings: FHLB advances	Liabilities: Borrowings: Other	Liabilities: Reserves and undivided profits
1941	6,049	4,578	107	344	775	4,878	218	38	475
1945	8,747	5,376	2,420	450	356	7,386	190	146	644
1950	16,893	13,657	1,487	924	733	13,992	810	90	1,280
1951	19,222	15,564	1,603	1,066	899	16,107	801	93	1,453
1952	22,660	18,396	1,787	1,289	1,108	19,195	860	84	1,658
1953	26,733	21,962	1,920	1,479	1,297	22,846	947	80	1,901
1954	31,736	26,194	2,021	1,980	1,471	27,334	864	96	2,191
1955	37,719	31,461	2,342	2,067	1,791	32,192	1,412	146	2,557
1956	42,875	35,729	2,782	2,119	2,199	37,148	1,225	122	2,950
1957	48,275	40,119	3,169	2,144	2,809	42,038	1,263	118	3,377
1957—Jan.	43,020	35,929	2,924	1,947	2,175	37,484	1,035	97	....
Feb.	43,419	36,195	3,041	1,907	2,232	37,799	973	89	....
Mar.	43,934	36,559	3,132	1,884	2,316	38,158	958	83	....
Apr.	44,431	36,963	3,162	1,836	2,428	38,471	968	87	....
May	45,085	37,421	3,180	1,874	2,569	38,939	990	84	....
June	45,736	37,886	3,139	2,061	2,610	39,798	1,077	103	3,136
July	45,750	38,280	3,180	1,741	2,510	39,730	1,037	109	....
Aug.	46,188	38,743	3,203	1,635	2,569	39,982	1,070	115	....
Sept.	46,639	39,106	3,229	1,643	2,624	40,306	1,117	115	....
Oct.	47,127	39,532	3,219	1,622	2,718	40,673	1,129	121	....
Nov.	47,600	39,835	3,238	1,705	2,787	41,072	1,141	117	....
Dec.	48,275	40,119	3,169	2,144	2,809	42,038	1,263	118	3,377
1958—Jan.	48,423	[3]40,369	3,215	2,023	2,816	42,491	904	100	....

[1] Figures are for all savings and loan associations in the United States. Data beginning 1950 are based on monthly reports of insured associations and annual reports of noninsured associations. Data prior to 1950 are based entirely on annual reports.

[2] Includes gross mortgages with no deduction for mortgage pledged shares.

[3] Beginning January 1958, no deduction is made for mortgage pledged shares. These have declined consistently in recent years and amounted to $34 million at the end of 1957.

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

NOTE.—Data for 1957 and 1958 are preliminary.

SELECTED ASSETS AND LIABILITIES OF FEDERAL BUSINESS-TYPE ACTIVITIES

[Based on compilation by Treasury Department. In millions of dollars]

Asset or liability, and activity[1]	End of year						End of quarter				
							1956			1957	
	1950	1951[2]	1952[2]	1953[2]	1954	1955	2*	3	4*	1	2*
Loans, by purpose and agency:											
To aid agriculture, total	*3,884*	*4,161*	*5,070*	*6,811*	*6,929*	*6,715*	*[3]6,756*	*7,160*	*6,752*	*7,261*	*6,827*
Banks for cooperatives	345	425	424	377	367	375	349	395	457	423	384
Federal intermediate credit banks	510	633	673	590	638	689	898	874	734	[4]845	997
Farmers Home Administration	535	539	596	648	701	681	[3]777	769	724	823	866
Rural Electrification Administration	1,543	1,742	1,920	2,096	2,226	2,348	2,413	2,450	2,488	2,544	2,586
Commodity Credit Corporation	898	782	1,426	3,076	2,981	2,621	2,319	2,671	2,349	2,626	1,994
Other agencies	52	40	31	23	18	1	(5)	(5)	(5)	(5)	(5)
To aid home owners, total	*1,528*	*2,142*	*2,603*	*2,930*	*2,907*	*3,205*	*3,299*	*3,391*	*3,680*	*4,076*	*4,381*
Federal National Mortgage Association	1,347	1,850	2,242	2,462	2,461	2,641	2,729	2,806	3,072	3,433	3,629
Veterans Administration	181	292	362	300	383	480	433	446	464	488	521
Other agencies				168	63	84	137	138	145	155	123
To industry, total	*568*	*589*	*598*	*588*	*431*	*678*	*627*	*624*	*619*	*629*	*640*
Treasury Department				174	353	306	323	216	209	209	211
Commerce Department	568	589	598	413	79	261	221	216	219	228	219
Other agencies						112	83	192	191	192	210
To financing institutions	*824*	*814*	*864*	*952*	*870*	*1,419*	*1,178*	*1,147*	*1,233*	*966*	*1,084*
To aid States, territories, etc., total	*468*	*744*	*1,020*	*645*	*272*	*245*	*227*	*244*	*246*	*272*	*243*
Public Housing Administration	351	589	894	500	112	90	90	109	106	120	94
Other agencies	117	155	126	145	160	155	137	135	140	153	149
Foreign, total	*6,078*	*6,110*	*7,736*	*8,043*	*8,001*	*7,988*	*8,172*	*8,229*	*8,223*	*8,237*	*8,300*
Export-Import Bank	2,226	2,296	2,496	2,833	2,806	2,702	2,712	2,692	2,701	2,678	2,667
Treasury Department[6]	3,750	3,750	3,667	3,620	3,570	3,519	3,519	3,519	3,470	3,470	3,470
International Cooperation Administration	......	......	[7]1,515	1,537	1,624	1,767	1,885	1,958	1,995	2,035	2,084
Other agencies	102	64	58	53	1	......	55	60	57	54	52
All other purposes, total	*63*	*35*	*75*	*119*	*166*	*256*	*176*	*193*	*213*	*240*	*338*
Housing and Home Finance Agency	......	(5)	5	29	127	209	122	136	156	184	275
Other agencies	63	34	69	90	39	47	55	56	57	56	60
Less: Reserves for losses	*−185*	*−173*	*−140*	*−203*	*−228*	*−268*	*[3]−592*	*−656*	*−309*	*−327*	*−695*
Total loans receivable (net)	**13,228**	**14,422**	**17,826**	**19,883**	**19,348**	**20,238**	**19,844**	**20,331**	**20,657**	**21,353**	**20,980**
Investments:											
U. S. Government securities, total	*2,075*	*2,226*	*2,421*	*2,602*	*2,967*	*3,236*	*3,719*	*3,720*	*3,739*	*3,923*	*3,881*
Federal home loan banks	199	249	311	387	641	745	1,083	1,054	1,018	1,095	1,017
Federal Savings and Loan Insurance Corp.	193	200	208	217	228	241	256	248	256	265	274
Federal Housing Administration	244	285	316	319	327	381	405	422	458	479	482
Federal Deposit Insurance Corporation	1,307	1,353	1,437	1,526	1,624	1,720	1,810	1,812	1,825	1,898	1,914
Other agencies	132	140	148	152	147	149	166	183	181	186	194
Investment in international institutions	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*	*3,385*
Other securities[8]	*266*	*257*	*223*	*219*	*197*	*179*	*253*	*283*	*284*	*344*	*340*
Inventories, total	**1,774**	**1,461**	**1,280**	**2,515**	**3,852**	**4,356**	**20,231**	**20,949**	**21,375**	**21,303**	**21,450**
Commodity Credit Corporation	1,638	1,174	978	2,087	3,302	3,747	3,897	3,323	3,651	3,362	3,153
Defense Department	......	......	......	......	......	......	9,814	10,994	11,004	11,094	11,105
General Services Administration	136	288	303	428	550	609	6,332	6,418	6,517	6,654	7,022
Other agencies							188	215	201	193	171
Land, structures, and equipment, total	**2,945**	**3,358**	**3,213**	**8,062**	**8,046**	**7,822**	**9,682**	**10,028**	**9,985**	**9,875**	**9,979**
Commerce Dept. (primarily maritime activities)	......	......	......	4,834	4,798	4,822	4,612	4,548	4,502	4,470	4,506
Panama Canal Company[9]	18	298	415	363	421	421	400	398	398	396	401
Tennessee Valley Authority	886	1,048	1,251	1,475	1,739	1,829	1,723	1,712	1,762	1,751	1,803
Housing and Home Finance Agency	1,296	1,284	1,202	1,040	728	450	311	285	236	144	114
Nat. Advisory Committee for Aeronautics	......	......	......	......	......	......	......	278	276	277	281
Bonneville Power Administration	......	......	......	......	......	......	309	306	311	317	327
General Services Administration	......	......	......	......	......	......	1,199	1,302	1,298	1,226	1,332
Post Office Department	......	......	......	......	......	......	590	590	590	590	599
Other agencies	745	728	345	350	360	300	538	608	613	704	616
Bonds, notes, & debentures payable (not guar.), total	**1,190**	**1,369**	**1,330**	**1,182**	**1,068**	**2,379**	**2,607**	**2,742**	**2,711**	**2,975**	**3,497**
Banks for cooperatives	110	170	181	150	156	185	152	188	257	231	190
Federal intermediate credit banks	520	674	704	619	640	665	857	865	721	803	953
Federal home loan banks	560	525	445	414	272	958	928	918	963	720	733
Federal National Mortgage Association	......	......	......	......	......	570	670	770	770	1,220	1,620

NOTE.—Statistics beginning Mar. 31, 1956, reflect the expanded coverage and the new classification of agencies now reported in the *Treasury Bulletin*. The revised statement includes a larger number of agencies, and their activities are classified according to the type of fund they represent. Funds are combined in the table above, but are shown separately in the table on the following page. Classifications by supervisory authorities are those in existence currently. Where current Treasury compilations do not provide a detailed breakdown of loans, these items have been classified by Federal Reserve on basis of information about the type of lending activity involved.

Data for agencies classified by type of fund and activity include all those reporting on a fiscal year basis.

* Totals adjusted to reflect exclusion of agencies reporting other than quarterly.

[1] Figures for trust revolving funds include interagency items. For all types of funds combined, loans by purpose and agency are shown on a gross basis; total loans and all other assets, on a net basis, i. e., after reserve for losses.

[2] Coverage changed from preceding period (see also NOTE).

[3] Adjusted figures; for amounts reported for this date but excluded from this figure, see BULLETIN for May 1957, p. 550, note 3.

[4] Effective Jan. 1, 1957, the production credit corporations were merged in the Federal intermediate credit banks, pursuant to the Farm Credit Act of 1956, approved July 26, 1956 (70 Stat. 659). Thereafter operations of the banks are classified as trust revolving transactions.

[5] Less than $500,000.

[6] Figures represent largely the Treasury loan to the United Kingdom, and through 1952 are based in part on information not shown in Treasury compilation.

[7] Figure derived by Federal Reserve.

[8] Includes investment of the Agricultural marketing revolving fund in the banks for cooperatives; Treasury compilations prior to 1956 classified this item as an interagency asset.

[9] Figures prior to 1951 are for the Panama Railroad Company. The Panama Canal Company, established in 1951, combined the Panama Railroad Company with the business activities of the Panama Canal (not reported prior to that time).

PRINCIPAL ASSETS AND LIABILITIES OF FEDERAL BUSINESS-TYPE ACTIVITIES

[Based on compilation by Treasury Department. In millions of dollars]

Date, and fund or activity	Assets, other than interagency items[1]								Liabilities, other than interagency items[1]			U. S. Govt. interest	Privately owned interest
	Total	Cash	Loans receivable	Inventories	Investments		Land, structures, and equipment	Other	Bonds, notes, and debentures payable		Other liabilities		
					Public debt securities	Other securities			Guaranteed by U. S.	Other			
All activities													
1951—Dec. 31[2]	26,744	931	14,422	1,461	2,226	3,463	3,358	882	43	1,369	1,161	23,842	329
1952—Dec. 31[2]	29,945	944	17,826	1,280	2,421	3,429	3,213	832	53	1,330	1,728	26,456	378
1953—Dec. 31[2]	38,937	1,190	19,883	2,514	2,602	3,425	8,062	1,261	75	1,182	3,818	33,429	434
1954—Dec. 31	41,403	1,371	19,348	3,852	2,967	3,432	8,046	2,387	33	1,068	4,183	35,610	508
1955—Dec. 31	45,304	1,338	20,238	4,356	3,236	3,414	7,822	4,900	44	2,379	2,703	39,583	596
1956—June 30*	66,797	4,457	19,844	20,231	3,719	3,638	9,682	5,226	49	2,607	3,238	60,224	677
Sept. 30	69,143	5,144	20,331	20,949	3,720	3,668	10,028	5,303	58	2,742	3,145	62,507	693
Dec. 31*	69,653	4,996	20,657	21,375	3,739	3,669	9,985	5,232	67	2,711	3,659	62,516	699
1957—Mar. 31	69,895	4,441	21,353	21,303	3,923	3,729	9,875	5,272	68	2,975	3,713	62,364	775
June 30*	69,059	3,981	20,980	21,450	3,881	3,725	9,979	5,063	57	3,497	3,325	61,144	1,037
Classification by type of fund and activity, June 30, 1957													
Public Enterprise Funds—Total	**18,762**	**1,217**	**8,150**	**3,921**	**790**	**149**	**3,326**	**1,209**	**57**	**570**	**1,494**	**16,641**	......
Farm Credit Administration:[4]													
Federal Farm Mortgage Corporation	11	1	......	......	......	......	......	10	(5)	......	(5)	10	......
Agricultural Marketing Act, revolving fund	186	39	......	......	......	147	......	......	......	......	......	186	......
Agriculture Department:													
Commodity Credit Corporation	5,399	61	1,532	3,153	......	......	165	489	......	......	917	4,482	......
Disaster loans, etc., revolving fund	129	32	92	......	......	......	......	5	......	......	1	128	......
All other	41	25	11	......	......	......	......	5	......	......	6	35	......
Housing and Home Finance Agency:													
Public Housing Administration	153	33	93	......	......	......	20	8	......	......	33	120	......
Federal Housing Administration	784	25	......	......	482	(5)	1	276	56	......	139	590	......
Federal National Mortgage Association	2,396	1	2,381	......	......	......	(5)	14	......	750	39	1,787	......
Office of the Administrator	689	119	451	......	......	......	93	27	......	......	6	683	......
Federal Saving and Loan Insurance Corporation	284	1	......	......	274	......	......	10	......	......	14	270	......
Small Business Administration	215	64	149	......	......	......	(5)	2	......	......	(5)	214	......
Export-Import Bank	2,737	44	2,667	(5)	......	(5)	(5)	25	......	......	28	2,709	......
Tennessee Valley Authority	2,026	102	......	42	......	......	1,803	78	......	......	33	1,993	......
Panama Canal Company	460	30	......	8	......	......	401	21	......	......	14	446	......
Veterans Administration	824	261	522	4	34	......	2	1	......	......	11	813	......
General Services Administration	913	44	......	686	......	......	103	80	......	......	14	899	......
Treasury Department	295	29	232	1	......	(5)	7	27	......	......	1	295	......
Post Office Department—postal fund	862	217	......	13	......	......	599	32	......	......	212	649	......
Interior Department	219	46	9	9	......	......	130	25	......	......	7	211	......
All other	139	45	13	6	......	......	(5)	75	(5)	(5)	19	120	......
Intragovernmental Funds—Total	**13,142**	**1,572**	......	**11,225**	......	(5)	**218**	**128**	......	......	**723**	**12,419**	......
Defense Department:													
Army	8,442	708	......	7,575	......	......	106	52	......	......	287	8,155	......
Navy	3,530	588	......	2,891	......	......	......	51	......	......	287	3,244	......
Air Force	863	204	......	638	......	......	......	21	......	......	88	774	......
All other	306	71	......	120	......	(5)	112	4	......	......	61	245	......
Certain Other Activities—Total	**53,536**	**6,712**	**9,287**	**8,321**	**7**	**3,649**	**18,266**	**7,295**	......	......	**1,895**	**51,641**	......
General Services Administration	8,236	492	82	6,293	......	(5)	1,220	147	......	......	29	8,207	......
Agriculture Department:													
Farmers Home Administration	719	70	627	(5)	......	......	(5)	23	......	......	7	712	......
Rural Electrification Administration	2,711	3	2,579	......	......	......	......	129	......	......	1	2,709	......
Other	1,418	448	......	6	......	......	879	86	......	......	21	1,397	......
Atomic Energy Commission	8,622	1,324	......	1,749	......	......	5,130	419	......	......	206	8,417	......
Federal Civil Defense Administration	233	55	......	174	......	......	2	2	......	......	(5)	233	......
Veterans Administration	1,902	355	107	2	......	......	1,340	98	......	......	137	1,765	......
Civil Aeronautics Administration	609	141	......	26	......	......	196	246	......	......	1	608	......
Health, Education, and Welfare Department	1,055	790	......	2	......	1	260	3	......	......	157	898	......
Interior Department	3,752	287	4	8	......	......	2,891	562	......	......	376	3,375	......
International Cooperation Administration	4,028	1,885	2,111	1	......	......	17	14	......	......	3	4,025	......
Treasury Department	13,375	278	3,506	44	......	3,563	765	[10]5,219	......	......	774	12,601	......
Commerce Department—maritime activities	5,057	259	270	3	(5)	......	4,473	51	......	......	132	4,925	......
All other	1,820	324	1	15	7	85	1,093	296	......	......	51	1,769	......
Certain Deposit Funds—Total	**4,552**	**71**	**1,461**	(5)	**2,976**	**13**	(5)	**31**	......	**923**	**846**	**2,024**	**758**
Banks for cooperatives	455	21	381	......	44	......	(5)	9	......	190	3	228	34
Federal Deposit Insurance Corporation	1,930	3	(5)	(5)	1,914	......	......	12	......	......	134	1,796	......
Federal home loan banks	2,166	47	1,079	......	1,017	13	......	10	......	733	709	......	724
Certain Trust Revolving Funds—Total	**2,637**	**205**	**2,221**	(5)	**108**	......	(5)	**103**	......	**2,004**	**63**	**292**	[11]278
Federal National Mortgage Association	1,255	52	1,197	......	......	......	......	6	......	1,050	29	149	[11]126
Federal intermediate credit banks	1,125	12	997	......	100	......	......	18	......	953	21	143	[11]18
Office of Alien Property	204	133	......	......	......	......	......	70	......	......	1	......	[11]202
All other	53	9	27	(5)	8	......	(5)	9	......	......	12	......	[11]42

[10] Includes $1,000 million due under the agreement with Germany signed Feb. 27, 1953, and lend-lease and surplus property balances due the United States in the principal amount of $2,048 million.

[11] Figure represents total trust interest.

For other notes, see opposite page.

SUMMARY OF FEDERAL FISCAL OPERATIONS

[On basis of U. S. Treasury statements and *Treasury Bulletin*. In millions of dollars]

Period	Derivation of Federal Government cash transactions												
	Receipts from the public, other than debt				Payments to the public, other than debt				Excess of rects. from, or payts. to (−), the public	Net Federal cash borrowing or repayt. (−) of borrowing			
	Net Budget rects.	*Plus:* Trust fund rects.	*Less:* Intra-Govt. trans.[1]	*Equals:* Total rects. from the public[2]	Budget expenditures	*Plus:* Trust fund expenditures	*Less:* Adjustments[3]	*Equals:* Total payts. to the public		Increase, or decrease (−), in debt (direct & agen.)	*Less:* Net inv. by Govt. agen. & tr. funds	*Less:* Other noncash debt[4]	*Equals:* Net cash borrowing or repayt. (−)
Cal. year—1955	63,358	10,624	2,511	71,448	66,129	9,331	3,282	72,178	−729	3,484	2,476	566	448
1956	70,994	12,398	3,027	80,330	67,216	10,342	2,751	74,805	5,525	−3,561	2,481	−136	−5,910
1957	72,285	15,367	3,080	84,520	71,692	14,792	3,158	83,327	1,194	467	1,572	63	−1,168
Fiscal year—1954	64,655	9,155	2,110	71,627	67,772	7,204	3,117	71,860	−232	5,186	2,055	618	2,512
1955	60,390	9,536	2,061	67,836	64,570	8,546	2,578	70,538	−2,702	3,986	1,533	644	1,809
1956	68,165	11,685	2,739	77,088	66,540	9,436	3,358	72,617	4,471	−578	3,166	623	−4,366
1957	71,029	14,369	3,243	82,106	69,433	12,961	2,387	80,007	2,099	−1,053	2,339	−292	−3,100
Semiannually:													
1955—July-Dec.	25,240	5,456	1,289	29,397	33,125	4,396	1,096	36,426	−7,028	7,019	1,331	369	5,323
1956—Jan.-June	42,925	6,229	1,450	47,691	33,415	5,040	2,262	36,191	11,499	−7,597	1,835	254	−9,689
July-Dec.	28,069	6,169	1,573	32,643	33,801	5,302	485	38,618	−5,974	4,036	646	−390	3,779
1957—Jan.-June	42,960	8,200	1,670	49,463	35,632	7,659	1,902	41,389	8,073	−5,089	1,693	98	−6,879
July-Dec.	29,325	7,167	1,410	35,057	36,060	7,133	1,254	41,938	−6,881	5,556	−120	−35	5,711
Monthly:													
1957—Jan.	4,809	650	106	5,349	6,095	1,112	1,111	6,096	−747	−195	−126	367	−435
Feb.	6,188	1,458	80	7,564	5,743	1,095	−250	7,088	476	142	209	−103	37
Mar.	10,737	1,068	96	11,704	5,584	1,342	296	6,630	5,073	−1,160	108	−126	−1,142
Apr.	4,256	1,083	90	5,244	5,987	1,491	258	7,220	−1,976	−813	−469	−174	−170
May	5,282	2,121	117	7,280	5,944	1,344	367	6,923	358	1,432	1,241	257	−67
June	11,688	1,820	1,182	12,322	6,279	1,275	122	7,431	4,891	−4,496	728	−123	−5,100
July	3,057	858	113	3,801	6,347	1,220	408	7,160	−3,359	1,992	−382	....	2,373
Aug.	5,128	1,778	115	6,786	5,930	1,075	−180	7,185	−399	1,462	646	40	776
Sept.	7,225	972	126	8,066	5,667	1,086	−2	6,754	1,311	634	−310	−69	1,014
Oct.	3,131	938	167	3,896	6,501	1,387	386	7,501	−3,605	476	9	−32	500
Nov.	4,827	1,438	186	6,075	5,806	964	550	6,219	−144	655	4	−13	665
Dec.	5,956	1,184	703	6,433	5,809	1,402	92	7,119	−686	337	−87	40	383
1958—Jan.[p]	4,786	820	234	5,366	6,011	1,651	1,293	6,369	−1,003	−137	−119	18	−36

Period	Effects of operations on Treasurer's account											
	Operating transactions			Financing transactions			Cash balances: inc., or dec. (−)		Account of Treasurer of United States (end of period)			
	Net Budget surplus, or deficit (−)	Trust fund accumulation, or deficit (−)	Reconciliation to Treas. cash	Net market issuance (+) of Govt. agency obligations[5]	Net inv. (−) in Fed. sec. by Govt. agency & trust funds[5]	Increase, or decrease (−), in gross direct public debt	Held outside Treasury	Treasurer's account	Balance	Deposits in— F. R. Banks (available funds)	Deposits in— Treasury Tax and Loan Accts.	Other net assets
Fiscal year—1954	−3,117	1,951	−46	−14	−1,609	5,189	257	2,096	6,766	875	4,836	1,055
1955	−4,180	991	−29	602	−1,362	3,115	−312	−551	6,216	380	4,365	1,471
1956	1,626	2,250	309	173	−2,617	−1,623	−213	331	6,546	522	4,633	1,391
1957	1,596	1,409	−518	1,085	−2,300	−2,224	5	−956	5,590	498	4,082	1,010
Semiannually:												
1955—July-Dec.	−7,885	1,060	92	−139	−1,217	6,394	−24	−1,671	4,545	397	3,036	1,112
1956—Jan.-June	9,511	1,190	217	312	−1,400	−8,017	−189	2,002	6,546	522	4,633	1,391
July-Dec.	−5,732	866	−482	−5	−697	3,877	−55	−2,119	4,427	441	2,924	1,062
1957—Jan.-June	7,328	543	−36	1,090	−1,603	−6,101	60	1,163	5,590	498	4,082	1,010
July-Dec.	−6,735	34	159	1,007	21	4,371	−160	−984	4,606	481	3,084	1,041
Monthly:												
1957—Jan.	−1,286	−462	390	205	374	−399	−17	−1,162	3,265	715	1,161	1,389
Feb.	446	363	−200	35	−169	40	−69	584	3,849	458	2,027	1,364
Mar.	5,153	−274	275	298	−245	−1,271	112	3,824	7,673	591	5,912	1,170
Apr.	−1,731	−408	333	253	402	−991	1	−2,142	5,532	509	3,516	1,507
May	−662	777	59	153	−1,255	1,226	−11	308	5,840	568	4,318	954
June	5,409	547	−894	147	−708	−4,707	44	−250	5,590	498	4,082	1,010
July	−3,290	−362	384	19	324	1,942	131	−1,115	4,475	504	2,833	1,138
Aug.	−802	703	−288	87	−694	1,376	−40	423	4,898	477	3,331	1,090
Sept.	1,559	−115	43	−6	282	567	−106	2,436	7,335	429	5,818	1,088
Oct.	−3,370	−449	282	745	36	−345	−72	−3,028	4,307	552	2,572	1,183
Nov.	−979	474	382	−23	−8	679	−33	558	4,865	243	3,583	1,039
Dec.	147	−218	−644	186	80	151	−40	−259	4,606	481	3,084	1,041
1958—Jan.	−1,225	−831	600	225	541	−343	68	−1,101	3,505	469	1,767	1,269

[p] Preliminary.

[1] Consists primarily of interest payments by Treasury to trust accounts and to Treasury by Govt. agencies, transfers to trust accounts representing Budget expenditures, and payroll deductions for Federal employees retirement funds.

[2] Small adjustments to arrive at this total are not shown separately.

[3] Consists primarily of (1) intra-Governmental transactions as described in note 1, (2) net accruals over payments of interest on savings bonds and Treasury bills, (3) Budget expenditures involving issuance of Federal securities, (4) cash transactions between International Monetary Fund and the Treasury, (5) reconciliation items to Treasury cash, and (6) net operating transactions of Govt. sponsored enterprises.

[4] Primarily adjustments 2, 3, and 4, described in note 3.

[5] Excludes net transactions of Govt. sponsored enterprises, which are included in the corresponding columns above.

DETAILS OF FEDERAL FISCAL OPERATIONS

[On basis of Treasury statements and *Treasury Bulletin* unless otherwise noted. In millions of dollars]

Period	Budget receipts												Selected excise taxes (Int. Rev. Serv. repts.)		
	Net Budget receipts	Adjustments from total Budget receipts				Total Budget receipts	Income and profits taxes			Excise taxes	Employment taxes[2]	Other receipts	Liquor	Tobacco	Mfrs.' and retailers'
		Transfers to—			Refunds of receipts		Individual		Corporation						
		Old-age trust fund[1]	Highway trust fund	R. R. retirement acct.			Withheld	Other							
Fiscal year—1954	64,655	4,537	......	603	3,377	73,173	21,635	10,747	21,523	10,014	5,425	3,829	2,798	1,581	3,127
1955	60,390	5,040	......	599	3,426	69,454	21,254	10,396	18,265	9,211	6,220	4,108	2,743	1,571	3,177
1956	68,165	6,337	......	634	3,684	78,820	24,012	11,322	21,299	10,004	7,296	4,887	2,921	1,613	3,778
1957	71,029	6,634	1,479	616	3,917	83,675	26,728	12,302	21,531	10,638	7,581	4,895	2,973	1,674	4,098
Semiannually:															
1955—July-Dec	25,240	2,927	......	318	496	28,981	11,312	2,699	4,109	5,052	3,283	2,526	1,524	792	1,890
1956—Jan.-June	42,925	3,410	......	316	3,188	49,839	12,700	8,623	17,190	4,952	4,013	2,361	1,397	821	1,888
July-Dec	28,069	2,559	643	312	463	32,045	13,020	3,004	5,553	5,325	2,876	2,267	1,648	817	1,876
1957—Jan.-June	42,960	4,075	836	304	3,454	51,630	13,708	9,298	15,978	5,313	4,705	2,628	1,325	857	2,222
July-Dec	29,325	3,135	1,151	305	655	34,571	13,760	2,874	6,273	5,595	3,445	2,625	1,574	848	2,226
Monthly:															
1957—Jan	4,809	255	141	21	52	5,279	1,025	2,101	461	856	316	520	186	151	
Feb	6,188	[1]807	205	83	203	7,486	3,838	871	445	874	1,160	298	197	132	1,119
Mar	10,737	632	120	50	606	12,145	2,083	785	7,327	931	692	327	231	138	
Apr	4,256	617	124	15	1,130	6,142	819	2,827	520	812	633	531	214	133	
May	5,282	1,229	109	83	1,057	7,759	3,690	897	502	965	1,314	391	243	161	1,102
June	11,688	536	137	52	406	12,819	2,252	1,818	6,722	875	589	563	257	142	
July	3,057	346	174	19	138	3,734	1,047	269	541	955	366	556	244	146	
Aug	5,128	919	219	84	124	6,475	3,678	128	355	965	1,003	346	241	157	1,124
Sept	7,225	486	207	54	137	8,109	2,163	1,823	2,304	922	540	357	260	146	
Oct	3,131	332	183	30	120	3,796	1,333	204	429	1,088	363	379	323	159	
Nov	4,827	671	203	69	76	5,845	3,415	97	367	840	740	386	285	133	1,102
Dec	5,956	382	165	49	59	6,611	2,125	352	2,277	824	432	601	221	106	
1958—Jan	4,786	313	151	19	−25	5,243	981	2,053	486	892	385	446	n.a.	n.a.	n.a.

Period	Budget expenditures[3]												
	Total	Major national security				Intl. affairs and finance (5)	Interest	Veterans' services and benefits	Labor and welfare	Agriculture and agricultural resources	Natural resources	Commerce and housing	General government
		Total[4] (5)	Defense Dept., military	Mutual security, program (5)	Atomic energy								
Fiscal year:													
1953	74,274	51,830	43,611	5,421	1,791	749	6,583	4,298	2,426	2,936	1,476	2,502	1,474
1954	67,772	47,872	40,335	4,596	1,895	765	6,470	4,256	2,485	2,557	1,315	814	1,239
1955	64,570	42,089	35,533	3,755	1,857	719	6,438	4,457	2,552	4,411	1,202	1,502	1,201
1956	66,540	41,825	35,791	3,795	1,651	662	6,846	4,756	2,776	4,913	1,104	2,028	1,629
1957	69,433	44,414	38,440	3,495	1,990	832	7,308	4,793	2,966	4,582	1,296	1,453	1,789
Semiannually:													
1955—July-Dec.[6]	33,125	20,421	17,917	1,383	797	212	3,349	2,330	1,348	2,775	614	1,137	940
1956—Jan.-June[7]	33,415	21,190	17,873	2,197	854	664	3,497	2,426	1,428	2,138	490	891	689
July-Dec	33,801	21,145	18,547	1,464	930	382	3,587	2,291	1,421	2,183	736	879	1,181
1957—Jan.-June[7]	35,632	23,269	19,893	2,031	1,060	450	3,721	2,502	1,545	2,399	560	574	608
Monthly:													
1956—Nov	5,726	3,664	3,276	201	160	72	585	407	207	319	175	213	102
Dec	5,718	3,651	3,295	178	153	57	635	405	197	435	106	142	102
1957—Jan	6,095	3,833	3,335	269	182	29	655	410	330	551	87	85	100
Feb	5,743	3,654	3,245	214	150	65	592	407	236	312	94	268	98
Mar	5,584	3,788	3,224	349	169	43	606	414	209	397	85	−19	81
Apr	5,987	4,011	3,544	253	183	44	611	419	285	455	82	−6	101
May	5,944	3,869	3,279	377	184	57	610	444	208	308	106	139	124
June	6,279	4,114	3,266	569	192	212	647	408	277	376	106	107	104
July	6,347	3,628	3,108	311	170	77	665	377	317	664	129	241	120
Aug	5,931	3,989	3,545	215	190	96	635	382	272	215	161	108	100
Sept	5,666	3,589	3,148	226	169	53	638	362	239	386	138	269	104
Oct	6,501	3,700	3,222	240	190	360	647	421	358	529	158	222	115
Nov	5,806	3,506	3,035	254	183	104	646	432	226	404	147	196	119

n.a. Not available.

[1] Beginning February 1957, includes transfers to Federal disability insurance trust fund.

[2] Represents the sum of taxes for old-age insurance, railroad retirement, and unemployment insurance.

[3] For more details, see the 1959 *Budget document*, pp. 890–96 and pp. 954–55 and the *Treasury Bulletin*, Table 3 of section on Budget receipts and expenditures.

[4] Includes stockpiling and defense production expansion not shown separately.

[5] Periodic revisions of Treasury statement data for fiscal years given without corresponding monthly revisions; consequently monthly and semiannual data may not add to totals.

[6] Data are from *Treasury Bulletin* for June 1956 and are not fully comparable with data in subsequent *Bulletins* or with other data in this table.

[7] Derived by subtracting totals for July-December from totals for fiscal year.

UNITED STATES GOVERNMENT DEBT, BY TYPE OF SECURITY

[On basis of daily statements of United States Treasury. In billions of dollars]

End of month	Total gross debt[1]	Total gross direct debt[2]	Public issues[3]											Special issues
			Total	Marketable						Convertible bonds	Nonmarketable			
				Total	Bills	Certificates of indebtedness	Notes	Bonds			Total[5]	Savings bonds	Tax and savings notes	
								Bank eligible[4]	Bank restricted					
1941—Dec.	64.3	57.9	50.5	41.6	2.0	....	6.0	33.6	....	....	8.9	6.1	2.5	7.0
1945—Dec.	278.7	278.1	255.7	198.8	17.0	38.2	23.0	68.4	52.2	....	56.9	48.2	8.2	20.0
1947—Dec.	257.0	256.9	225.3	165.8	15.1	21.2	11.4	68.4	49.6	....	59.5	52.1	5.4	29.0
1951—Dec.	259.5	259.4	221.2	142.7	18.1	29.1	18.4	41.0	36.0	12.1	66.4	57.6	7.5	35.9
1952—Dec.	267.4	267.4	226.1	148.6	21.7	16.7	30.3	58.9	21.0	12.5	65.0	57.9	5.8	39.2
1953—Dec.	275.2	275.2	231.7	154.6	19.5	26.4	31.4	63.9	13.4	12.0	65.1	57.7	6.0	41.2
1954—Dec.	278.8	278.8	233.2	157.8	19.5	28.5	28.0	76.1	5.7	11.8	63.6	57.7	4.5	42.6
1955—Dec.	280.8	280.8	233.9	163.3	22.3	15.7	43.3	81.9	....	11.4	59.2	57.9	(6)	43.9
1956—Dec.	276.7	276.6	228.6	160.4	25.2	19.0	35.3	80.9	....	10.8	57.4	56.3	....	45.6
1957—Feb.	276.4	276.3	228.4	160.9	25.9	20.2	33.9	80.9	....	10.6	57.0	55.8	....	45.5
Mar.	275.1	275.0	227.2	159.9	25.3	19.4	34.4	80.9	....	10.5	56.7	55.6	....	45.6
Apr.	274.1	274.0	226.9	160.0	25.3	19.4	34.4	80.9	....	10.4	56.5	55.4	....	45.2
May	275.3	275.2	226.9	160.3	26.8	21.8	30.9	80.8	....	10.3	56.3	55.2	....	46.1
June	270.6	270.5	221.7	155.7	23.4	20.5	31.0	80.8	....	10.3	55.7	54.6	....	46.8
July	272.6	272.5	224.3	158.8	26.4	20.5	31.1	80.8	....	10.2	55.3	54.3	....	46.3
Aug.	274.0	273.8	225.3	160.2	28.2	34.1	17.1	80.8	....	10.1	55.0	54.0	....	46.7
Sept.	274.5	274.4	226.5	161.8	26.7	35.0	19.3	80.8	....	9.9	54.8	53.8	....	46.2
Oct.	274.2	274.1	226.3	162.2	26.7	34.7	19.4	81.5	....	9.7	54.4	53.5	....	46.1
Nov.	274.9	274.7	227.1	163.4	26.7	34.7	20.6	81.5	....	9.6	54.1	53.2	....	46.0
Dec.	275.0	274.9	227.1	164.2	26.9	34.6	20.7	82.1	....	9.5	53.4	52.5	....	45.8
1958—Jan.	274.7	274.6	227.3	164.6	27.3	34.6	20.7	82.1	....	9.5	53.2	52.3	....	45.5
Feb.	274.8	274.7	227.0	164.5	26.1	31.5	20.5	86.4	....	9.3	53.2	52.3	....	46.0

[1] Includes some debt not subject to statutory debt limitation (amounting to $435 million on Feb. 28, 1958) and fully guaranteed securities, not shown separately.
[2] Includes non-interest-bearing debt, not shown separately.
[3] Includes amounts held by Govt. agencies and trust funds, which aggregated $9,610 million on Jan. 31, 1958
[4] Includes Treasury bonds and minor amounts of Panama Canal and Postal Savings bonds.
[5] Includes Series A investment bonds, depositary bonds, armed forces leave bonds, and adjusted service bonds, not shown separately.
[6] Less than $50 million.

OWNERSHIP OF UNITED STATES GOVERNMENT SECURITIES, DIRECT AND FULLY GUARANTEED

[Par value in billions of dollars]

End of month	Total gross debt (including guaranteed securities)	Held by U. S. Govt. agencies and trust funds[1]		Held by the public									
		Special issues	Public issues	Total	Federal Reserve Banks	Commercial banks[2]	Mutual savings banks	Insurance companies	Other corporations	State and local govts.	Individuals		Misc. investors[3]
											Savings bonds	Other securities	
1941—Dec.	64.3	7.0	2.6	54.7	2.3	21.4	3.7	8.2	4.0	.7	5.4	8.2	.9
1945—Dec.	278.7	20.0	7.0	251.6	24.3	90.8	10.7	24.0	22.2	6.5	42.9	21.2	9.1
1947—Dec.	257.0	29.0	5.4	222.6	22.6	68.7	12.0	23.9	14.1	7.3	46.2	19.4	8.4
1951—Dec.	259.5	35.9	6.4	217.2	23.8	61.6	9.8	16.5	20.7	9.6	49.1	15.5	10.6
1952—Dec.	267.4	39.2	6.7	221.6	24.7	63.4	9.5	16.1	19.9	11.1	49.2	16.0	11.7
1953—Dec.	275.2	41.2	7.1	226.9	25.9	63.7	9.2	15.8	21.6	12.7	49.4	15.4	13.2
1954—Dec.	278.8	42.6	7.0	229.2	24.9	69.2	8.8	15.0	19.2	14.4	50.0	13.7	13.9
1955—Dec.	280.8	43.9	7.8	229.1	24.8	62.0	8.5	14.3	23.3	15.1	50.2	15.4	15.6
1956—June	272.8	45.1	8.4	219.3	23.8	57.1	8.4	13.3	17.4	15.7	50.3	17.2	16.2
Dec.	276.7	45.6	8.4	222.7	24.9	59.3	8.0	12.8	18.6	16.1	50.1	17.0	15.9
1957—Jan.	276.3	45.3	8.6	222.4	23.4	58.3	8.1	12.9	20.2	16.2	49.9	17.3	16.2
Feb.	276.4	45.5	8.6	222.3	22.9	57.7	8.1	12.8	20.9	16.3	49.7	17.8	16.2
Mar.	275.1	45.6	8.6	221.0	23.1	58.1	8.1	12.6	18.0	16.6	49.6	18.6	16.3
Apr.	274.1	45.2	8.5	220.4	23.2	58.0	8.0	12.5	17.9	16.8	49.4	18.6	16.0
May	275.3	46.1	8.7	220.5	23.1	57.7	8.0	12.4	18.5	16.8	49.3	18.3	16.4
June	270.6	46.8	8.7	215.1	23.0	55.8	7.9	12.3	15.7	16.9	49.1	18.3	16.1
July	272.6	46.3	8.8	217.4	23.4	56.8	7.9	12.3	16.3	16.9	48.9	18.7	16.3
Aug.	274.0	46.7	9.1	218.2	23.5	56.6	7.9	12.2	16.8	17.1	48.8	19.2	16.0
Sept.	274.5	46.2	9.2	219.1	23.3	58.3	7.9	12.2	16.1	17.2	48.6	19.6	16.0
Oct.	274.2	46.1	9.4	218.7	23.3	58.1	7.8	12.2	16.1	17.2	48.4	19.5	16.1
Nov.	274.9	46.0	9.3	219.5	23.7	58.1	7.6	12.1	16.4	17.3	48.3	19.6	16.4
Dec.	275.0	45.8	9.4	219.8	24.2	58.9	7.6	12.0	16.1	17.0	48.2	19.3	16.4

[1] Includes the Postal Savings System.
[2] Includes holdings by banks in territories and insular possessions, which amounted to about $250 million on Dec. 31, 1956.
[3] Includes savings and loan associations, dealers and brokers, foreign accounts, corporate pension funds, and nonprofit institutions.

NOTE.—Reported data for Federal Reserve Banks and U. S. Govt. agencies and trust funds; Treasury Department estimates for other groups.

UNITED STATES GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES OUTSTANDING, FEBRUARY 28, 1958[1]

[On basis of daily statements of United States Treasury. 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[2]		**Certificates—Cont.**		**Treasury notes—Cont.**		**Treasury bonds—Cont.**	
Mar. 6, 1958	1,800	Aug. 1, 1958........4	11,519	Aug. 15, 1962........4	2,000	Dec. 15, 1963–68...2½	2,822
Mar. 13, 1958	1,803	Dec. 1, 1958......3¾	9,833	Oct. 1, 1962......1½	292	Feb. 15, 1964........3	3,841
Mar. 20, 1958	1,700	Feb. 14, 1959......2½	9,767	Nov. 15, 1962......3¾	1,143	June 15, 1964–69...2½	3,747
Mar. 24, 1958	3,002					Dec. 15, 1964–69...2½	3,822
Mar. 27, 1958	1,700	**Treasury notes**		**Treasury bonds**		Mar. 15, 1965–70...2½	4,705
Apr. 3, 1958	1,700	Apr. 1, 1958......1½	50	Mar. 15, 1956–58[3]..2½	180	Mar. ,5, 1966–71...2½	2,952
Apr. 10, 1958	1,700	June 15, 1958......2⅞	4,392	Sept. 15, 1956–59[3]..2¼	3,818	June 15, 1967–72...2½	1,852
Apr. 15, 1958	607	Oct. 1, 1958......1½	121	Mar. 15, 1957–59[3]..2⅜	927	Sept. 15, 1967–72...2½	2,716
Apr. 17, 1958	1,701	Feb. 15, 1959......1⅞	5,102	June 15, 1958......2⅜	4,245	Dec. 15, 1967–72...2½	3,752
Apr. 24, 1958	1,702	Apr. 1, 1959......1½	119	June 15, 1958–63[4]..2¾	919	Oct. 1, 1969........4	657
May 1, 1958	1,701	Oct. 1, 1959......1½	99	Dec. 15, 1958......2½	2,368	Nov. 15, 1974......3⅞	654
May 8, 1958	1,700	Apr. 1, 1960......1½	198	June 15, 1959–62...2¼	5,269	June 15, 1978–83...3¼	1,604
May 15, 1958	1,709	May 15, 1960......3½	2,406	Dec. 15, 1959–62...2¼	3,457	Feb. 15, 1990 .....3½	1,722
May 22, 1958	1,801	Oct. 1, 1960......1½	278	Nov. 15, 1960......2⅛	3,806	Feb. 15, 1995........3	2,742
May 29, 1958	1,802	Apr. 1, 1961......1½	144	Dec. 15, 1960–65[5]..2¾	1,485	**Panama Canal Loan....3**	50
		Aug. 1, 1961........4	2,609	Sept. 15, 1961......2¾	2,239		
Certificates		Oct. 1, 1961......1½	332	Nov. 15, 1961......2½	11,177	**Convertible bonds**	
Apr. 15, 1958......3½	357	Feb. 15, 1962......3⅝	647	Aug. 15, 1963......2½	6,755	Investment Series B	
		Apr. 1, 1962......1½	551	June 15 1962–67...2½	2,113	Apr. 1, 1975–80...2¾	9,334

[1] Direct public issues.
[2] Sold on discount basis. See table on Money Market Rates, p. 323.
[3] Not called for redemption on first call date. Callable on succeeding interest payment dates.
[4] Called for redemption on June 15.
[5] Partially tax-exempt.

OWNERSHIP OF UNITED STATES GOVERNMENT MARKETABLE AND CONVERTIBLE SECURITIES[1]

[On basis of Treasury Survey data. Par value in millions of dollars]

Type of holder and date	Marketable and convertible securities, by type						Marketable securities, by maturity class				
	Total	Bills	Certificates	Notes	Marketable bonds[2]	Convertible bonds	Total	Within 1 year	1–5 years	5–10 years	Over 10 years
All holders:											
1955—June 30	166,882	19,514	13,836	40,729	81,128	11,676	155,206	49,703	38,188	33,687	33,628
1956—June 30	166,050	20,808	16,303	35,952	81,890	11,098	154,953	58,714	31,997	31,312	32,930
Dec. 31	171,137	25,179	19,023	35,294	80,878	10,763	160,374	68,557	41,021	17,893	32,904
1957—June 30	165,985	23,420	20,473	30,973	80,839	10,280	155,705	71,033	39,184	14,732	30,756
Nov. 30	173,028	26,660	34,692	20,598	81,470	9,609	163,419	71,941	45,357	14,731	31,389
Dec. 31	173,718	26,857	34,554	20,664	82,117	9,527	164,191	74,368	46,513	11,272	32,038
U. S. Govt. agencies and trust funds:											
1955—June 30	7,162	40	8	119	3,556	3,439	3,723	74	199	506	2,944
1956—June 30	8,236	273	355	688	3,575	3,345	4,891	927	500	434	3,030
Dec. 31	8,242	142	353	842	3,669	3,236	5,006	928	708	317	3,053
1957—June 30	8,554	130	416	1,282	3,664	3,063	5,491	1,138	1,210	295	2,848
Nov. 30	9,165	137	670	1,608	3,810	2,940	6,225	1,230	1,734	301	2,959
Dec. 31	9,260	130	657	1,617	3,933	2,923	6,337	1,236	1,782	260	3,059
Federal Reserve Banks:											
1955—June 30	23,607	886	8,274	11,646	2,802	....	23,607	17,405	3,773	1,014	1,415
1956—June 30	23,758	855	10,944	9,157	2,802	....	23,758	20,242	1,087	1,014	1,415
Dec. 31	24,915	1,918	10,975	9,219	2,802	....	24,915	22,113	373	1,014	1,415
1957—June 30	23,035	287	11,367	8,579	2,802	....	23,035	20,246	681	750	1,358
Nov. 30	23,733	814	20,044	40	2,836	....	23,733	20,931	694	750	1,358
Dec. 31	24,238	1,220	20,104	87	2,827	....	24,238	21,427	1,397	57	1,358
Commercial banks:											
1955—June 30	55,667	2,721	1,455	15,385	35,942	164	55,503	7,187	21,712	21,110	5,494
1956—June 30	49,673	2,181	1,004	11,620	34,712	155	49,517	7,433	18,234	19,132	4,719
Dec. 31	51,466	4,934	1,600	10,714	34,071	147	51,319	11,635	24,528	10,242	4,914
1957—June 30	48,734	2,853	2,913	8,984	33,839	144	48,590	12,268	23,500	8,600	4,222
Nov. 30	50,757	3,514	3,980	9,633	33,491	139	50,618	11,180	26,288	8,735	4,414
Dec. 31	51,712	4,332	4,046	9,672	33,529	133	51,579	13,066	26,526	7,364	4,623
Mutual savings banks:											
1955—June 30	8,069	84	53	289	6,422	1,222	6,848	164	533	1,405	4,746
1956—June 30	7,735	107	37	356	6,074	1,161	6,574	247	540	1,319	4,468
Dec. 31	7,431	131	24	312	5,849	1,115	6,316	241	1,057	659	4,358
1957—June 30	7,397	163	114	367	5,655	1,098	6,299	576	1,082	601	4,040
Nov. 30	7,203	132	167	454	5,435	1,016	6,187	446	1,178	583	3,980
Dec. 31	7,209	122	167	438	5,470	1,012	6,197	453	1,227	476	4,041
Insurance companies:											
1955—June 30	13,117	630	74	789	8,479	3,145	9,972	810	1,339	2,027	5,796
1956—June 30	11,702	318	44	760	7,789	2,791	8,911	632	1,192	1,802	5,285
Dec. 31	11,331	349	66	781	7,464	2,671	8,660	726	1,749	1,136	5,049
1957—June 30	10,936	326	136	648	7,277	2,549	8,387	955	1,775	1,022	4,634
Nov. 30	10,937	401	236	690	7,233	2,377	8,560	980	1,886	1,025	4,668
Dec. 31	10,801	291	248	683	7,231	2,347	8,454	938	2,074	718	4,724
Other investors:											
1955—June 30	59,260	15,153	3,973	12,502	23,927	3,706	55,554	24,062	10,633	7,626	13,233
1956—June 30	64,947	17,074	3,919	13,371	26,896	3,646	61,301	29,233	10,443	7,612	14,013
Dec. 31	67,752	17,705	6,004	13,426	27,024	3,593	64,159	32,914	12,605	4,525	14,114
1957—June 30	67,329	19,661	5,527	11,113	27,602	3,426	63,904	35,850	10,936	3,464	13,654
Nov. 30	71,233	21,663	9,595	8,173	28,665	3,137	68,096	37,174	13,576	3,336	14,009
Dec. 31	70,499	20,762	9,331	8,167	29,127	3,112	67,387	37,249	13,508	2,397	14,233

[1] Direct public issues.
[2] Includes minor amounts of Panama Canal and Postal Savings bonds.
NOTE.—Commercial banks, mutual savings banks, and insurance companies included in the survey account for over 90 per cent of total holdings by these institutions. Data are complete for U. S. Govt. agencies and trust funds and Federal Reserve Banks.

NEW SECURITY ISSUES[1]

[Securities and Exchange Commission estimates. In millions of dollars]

Year or month	Gross proceeds, all issuers[2]											Proposed uses of net proceeds, all corporate issuers[6]				
	Total	Noncorporate				Corporate						New capital				Retirement of securities
		U. S. Govt.[3]	Federal agency[4]	State and municipal	Other[5]	Total	Bonds			Preferred stock	Common stock	Total	New money[7]	Miscellaneous purposes	Retirement of bank debt, etc.[8]	
							Total	Publicly offered	Privately placed							
1939	5,687	2,332	13	1,128	50	2,164	1,980	1,276	703	98	87	420	325	26	69	1,695
1941	15,157	11,466	38	956	30	2,667	2,390	1,578	811	167	110	1,041	868	28	144	1,583
1945	54,712	47,353	506	795	47	6,011	4,855	3,851	1,004	758	397	1,347	1,080	133	134	4,555
1950	19,893	9,687	30	3,532	282	6,361	4,920	2,360	2,560	631	811	4,990	4,006	364	620	1,271
1951	21,265	9,778	110	3,189	446	7,741	5,691	2,364	3,326	838	1,212	7,120	6,531	226	363	486
1952	26,929	12,577	459	4,121	237	9,534	7,601	3,645	3,957	564	1,369	8,716	8,180	537		664
1953	28,824	13,957	106	5,558	306	8,898	7,083	3,856	3,228	489	1,326	8,495	7,960	535		260
1954	29,765	12,532	458	6,969	289	9,516	7,488	4,003	3,484	816	1,213	7,490	6,780	709		1,875
1955	26,772	9,628	746	5,977	182	10,240	7,420	4,119	3,301	635	2,185	8,821	7,957	864		1,227
1956	22,405	5,517	169	5,446	334	10,939	8,002	4,225	3,777	636	2,301	10,384	9,663	721		364
1957	r30,631	9,601	572	r6,958	559	12,941	10,035	6,113	3,923	408	2,497	12,473	11,830	643		248
1957—Jan.	2,432	496	72	685	84	1,094	916	641	276	34	144	1,063	1,026	38		11
Feb.	2,123	386	....	569	53	1,116	761	514	248	26	329	1,071	927	144		22
Mar.	3,248	1,327	....	503	32	1,386	1,072	643	429	38	276	1,344	1,271	73		21
Apr.	2,362	390	125	763	128	956	647	385	262	46	264	924	864	61		13
May	1,785	394	....	539	51	802	691	437	254	25	85	771	707	64		15
June	2,401	362	60	388	44	1,547	1,074	633	441	66	407	1,489	1,419	69		31
July	1,977	400	....	516	38	1,022	770	459	311	22	230	991	930	60		15
Aug.	1,934	392	....	595	10	937	830	540	290	31	76	914	905	9		9
Sept.	3,980	2,263	215	437	37	1,028	913	587	327	19	96	973	949	24		40
Oct.	2,670	894	....	683	15	1,078	911	608	303	68	100	1,055	1,026	29		10
Nov.	3,027	1,374	100	639	65	849	676	485	191	24	150	792	765	28		41
Dec.	r2,692	925	....	r640	2	1,125	773	182	592	10	341	1,086	1,043	43		21
1958—Jan.	3,412	511	1,163	753	200	785	717	505	213	28	39	688	672	16		86

Year or month	Proposed uses of net proceeds, major groups of corporate issuers											
	Manufacturing		Commercial and miscellaneous		Transportation		Public utility		Communication		Real estate and financial	
	New capital[10]	Retirement of securities	New capital[10]	Retirement of securities	New capital[10]	Retirement of securities	New capital[10]	Retirement of securities	New capital[10]	Retirement of securities	New capital[10]	Retirement of securities
1950	1,026	149	474	63	609	196	1,927	682	314	81	639	100
1951	2,846	221	462	56	437	53	2,326	85	600	5	449	66
1952	3,712	261	512	24	758	225	2,539	88	747	6	448	60
1953	2,128	90	502	40	553	36	2,905	67	871	3	1,536	24
1934	2,044	190	831	93	501	270	2,675	990	651	60	788	273
1955	2,397	533	769	51	544	338	2,254	174	1,045	77	1,812	56
1956	3,336	243	682	51	694	20	2,474	14	1,384	21	1,815	17
1957	4,097	62	612	49	820	14	3,801	56	1,443	3	1,701	64
1957—Jan.	381	8	42	2	101	....	247	(9)	105	1	187	(9)
Feb.	543	2	94	4	31	....	247	14	46	....	108	2
Mar.	366	4	32	(9)	85	....	490	16	281	1	91	....
Apr.	314	3	53	4	65	....	351	5	47	(9)	93	....
May	135	4	55	3	80	....	348	8	82	....	72	(9)
June	626	21	29	1	51	8	436	....	137	(9)	210	....
July	234	5	71	10	45	....	244	(9)	54	....	343	....
Aug.	242	(9)	50	6	30	(9)	251	(9)	126	1	215	1
Sept.	331	4	36	5	76	....	418	(9)	65	(9)	47	30
Oct.	126	3	48	(9)	45	6	310	(9)	369	(9)	158	....
Nov.	222	1	42	1	62	....	287	9	92	(9)	88	30
Dec.	575	7	61	13	149	....	172	2	41	(9)	88	....
1958—Jan.	118	8	35	2	87	24	311	(9)	20	50	116	2

r Revised.
1 Estimates of new issues sold for cash in the United States.
2 Gross proceeds are derived by multiplying principal amounts or number of units by offering price.
3 Includes guaranteed issues.
4 Issues not guaranteed.
5 Represents foreign governments, International Bank for Reconstruction and Development, and domestic eleemosynary and other nonprofit organizations.
6 Estimated net proceeds are equal to estimated gross proceeds less cost of flotation, i.e., compensation to underwriters, agents, etc., and expenses.
7 Represents proceeds for plant and equipment and working capital.
8 Represents proceeds for the retirement of mortgages and bank debt with original maturities of more than one year. Proceeds for retirement of short-term bank debt are included under the uses for which the bank debt was incurred.
9 Less than $500,000.
10 Represents all issues other than those for retirement of securities.

SALES, PROFITS, AND DIVIDENDS OF LARGE CORPORATIONS

[In millions of dollars]

Industry	Annual totals						Quarterly totals						
	1951	1952	1953	1954	1955	1956	1956				1957		
							1	2	3	4	1	2	3
Manufacturing													
Total (200 corps.):													
Sales	52,940	54,517	63,343	58,110	69,876	71,901	18,131	18,457	16,119	19,193	19,754	19,424	17,994
Profits before taxes	8,869	7,308	8,375	7,244	10,250	9,253	2,603	2,509	1,700	2,441	2,751	2,575	2,053
Profits after taxes	3,548	3,192	3,649	3,825	5,231	4,842	1,302	1,305	914	1,321	1,420	1,339	1,107
Dividends	2,075	2,073	2,154	2,384	2,827	2,972	703	706	723	841	752	757	757
Nondurable goods industries (94 corps.):[1]													
Sales	18,916	19,266	20,694	20,620	23,106	24,762	6,079	6,135	6,084	6,464	6,604	6,510	6,522
Profits before taxes	3,447	2,853	3,028	2,753	3,413	3,468	907	876	808	877	941	873	844
Profits after taxes	1,533	1,392	1,526	1,581	1,918	1,985	503	491	466	526	537	503	487
Dividends	925	946	972	1,064	1,202	1,249	290	295	305	359	315	318	319
Durable goods industries (106 corps.):[2]													
Sales	34,024	35,251	42,649	37,490	46,770	47,139	12,052	12,322	10,036	12,730	13,150	12,914	11,472
Profits before taxes	5,422	4,455	5,346	4,491	6,836	5,784	1,696	1,633	892	1,564	1,810	1,702	1,209
Profits after taxes	2,015	1,800	2,123	2,244	3,313	2,857	799	815	448	794	883	836	620
Dividends	1,149	1,127	1,182	1,320	1,625	1,724	413	411	418	482	437	439	438
Selected industries:													
Foods and kindred products (28 corps.):													
Sales	4,909	5,042	5,411	5,476	5,833	6,300	1,530	1,569	1,561	1,640	1,618	1,642	1,663
Profits before taxes	473	453	465	462	499	561	126	149	141	145	133	154	158
Profits after taxes	227	203	212	224	244	275	58	71	71	74	63	75	77
Dividends	159	154	154	156	160	166	37	38	41	50	39	40	41
Chemicals and allied products (26 corps.):													
Sales	5,882	5,965	6,373	6,182	7,222	7,726	1,879	1,957	1,889	2,001	2,045	2,047	2,065
Profits before taxes	1,490	1,259	1,308	1,153	1,535	1,500	388	380	342	389	395	394	397
Profits after taxes	521	486	520	593	782	776	196	195	178	207	197	202	201
Dividends	381	396	417	499	597	602	138	141	143	181	150	152	150
Petroleum refining (14 corps.):													
Sales	5,078	5,411	5,883	6,015	6,556	7,185	1,764	1,742	1,770	1,909	2,048	1,941	1,920
Profits before taxes	911	728	841	751	854	916	248	223	218	226	298	219	193
Profits after taxes	560	524	603	567	624	688	177	163	163	184	220	172	161
Dividends	262	283	290	294	317	346	82	82	89	93	91	91	95
Primary metals and products (39 corps.):													
Sales	12,507	11,564	13,750	11,522	14,952	16,062	4,209	4,415	3,098	4,340	4,272	4,270	3,830
Profits before taxes	2,098	1,147	1,817	1,357	2,377	2,366	690	712	267	697	678	652	515
Profits after taxes	778	564	790	705	1,195	1,233	346	363	145	378	344	327	267
Dividends	382	369	377	407	522	606	141	137	140	188	157	157	158
Machinery (27 corps.):													
Sales	6,168	7,077	8,005	7,745	8,477	9,798	2,167	2,463	2,422	2,746	2,624	2,750	2,669
Profits before taxes	1,000	971	1,011	914	912	943	200	267	233	243	296	305	273
Profits after taxes	365	375	402	465	465	460	76	139	125	120	142	148	136
Dividends	192	199	237	263	281	321	78	78	79	87	79	81	82
Automobiles and equipment (15 corps.):													
Sales	12,707	13,038	16,611	14,137	18,826	16,336	4,578	4,195	3,347	4,215	4,993	4,522	3,689
Profits before taxes	1,950	1,982	2,078	1,789	3,023	1,940	689	509	272	470	713	603	293
Profits after taxes	717	709	758	863	1,394	898	320	242	118	214	337	292	152
Dividends	486	469	469	536	693	656	162	164	164	166	167	166	164
Public Utility													
Railroad:													
Operating revenue	10,391	10,581	10,664	9,371	10,106	10,551	2,535	2,704	2,590	2,722	2,575	2,660	2,676
Profits before taxes	1,260	1,438	1,436	908	1,341	1,267	252	343	298	375	247	264	286
Profits after taxes	693	825	903	682	927	874	163	237	208	266	161	182	191
Dividends	328	338	412	379	448	445	110	116	70	148	124	111	83
Electric power:													
Operating revenue	6,058	6,549	7,136	7,588	8,360	9,059	2,398	2,185	2,175	2,302	2,549	2,318	2,344
Profits before taxes	1,482	1,740	1,895	2,049	2,304	2,457	710	592	568	586	731	596	600
Profits after taxes	814	947	1,030	1,134	1,244	1,329	374	321	302	331	393	327	326
Dividends	651	725	780	868	942	1,013	247	256	248	262	269	270	265
Telephone:													
Operating revenue	3,729	4,136	4,525	4,902	5,425	5,966	1,439	1,480	1,495	1,552	1,560	1,611	1,623
Profits before taxes	691	787	925	1,050	1,282	1,430	339	352	359	380	387	388	387
Profits after taxes	341	384	452	525	638	715	169	176	180	190	195	195	195
Dividends	318	355	412	448	496	552	132	136	137	147	148	150	155

[1] Includes 26 companies in groups not shown separately, as follows: textile mill products (10); paper and allied products (15); miscellaneous (1).

[2] Includes 25 companies in groups not shown separately, as follows: building materials (12); transportation equipment other than automobile (6); and miscellaneous (7).

NOTE.—*Manufacturing corporations.* Sales data are obtained from the Securities and Exchange Commission; other data from published company reports.

Railroads. Figures are for Class I line-haul railroads (which account for 95 per cent of all railroad operations) and are obtained from reports of the Interstate Commerce Commission.

Electric power. Figures are for Class A and B electric utilities (which account for about 95 per cent of all electric power operations) and are obtained from reports of the Federal Power Commission, except that quarterly figures on operating revenue and profits before taxes are partly estimated by the Federal Reserve to include affiliated nonelectric operations.

Telephone. Revenues and profits are for telephone operations of the Bell System Consolidated (including the 20 operating subsidiaries and the Long Lines and General departments of American Telephone and Telegraph Company) and for two affiliated telephone companies, which together represent about 85 per cent of all telephone operations. Dividends are for the 20 operating subsidiaries and the two affiliates. Data are obtained from the Federal Communications Commission.

All series. Profits before taxes refer to income after all charges and before Federal income taxes and dividends. For detailed description of series, see pp. 662–66 of the BULLETIN for June 1949 (manufacturing); pp. 215–17 of the BULLETIN for March 1942 (public utilities); and p. 908 of the BULLETIN for September 1944 (electric power).

CORPORATE PROFITS, TAXES, AND DIVIDENDS

[Department of Commerce estimates. In billions of dollars]

Year or quarter	Profits before taxes	Income taxes	Profits after taxes	Cash dividends	Undistributed profits
1949	26.2	10.4	15.8	7.5	8.3
1950	40.0	17.8	22.1	9.2	12.9
1951	41.2	22.5	18.7	9.1	9.6
1952	35.9	19.8	16.1	9.0	7.1
1953	37.0	20.3	16.7	9.3	7.4
1954	33.5	17.4	16.0	9.9	6.1
1955	42.5	21.5	21.0	11.0	9.9
1956	43.0	22.0	21.0	11.9	9.2
1956—1	43.3	22.1	21.2	11.7	9.5
2	42.4	21.6	20.7	12.0	8.7
3	40.8	20.8	19.9	12.1	7.8
4	45.6	23.3	22.3	11.5	10.8
1957—1	43.9	22.4	21.5	12.4	9.1
2	42.0	21.4	20.5	12.5	8.0
3	41.8	21.3	20.4	12.6	7.8

NOTE.—Quarterly data are at seasonally adjusted annual rates.

NET CHANGE IN OUTSTANDING CORPORATE SECURITIES[1]

[Securities and Exchange Commission estimates. In millions of dollars]

Year or quarter	All types			Bonds and notes			Stocks		
	New issues	Retirements	Net change	New issues	Retirements	Net change	New issues	Retirements	Net change
1950	7,224	3,501	3,724	4,806	2,802	2,004	2,418	698	1,720
1951	9,048	2,772	6,277	5,682	2,105	3,577	3,366	667	2,700
1952	10,679	2,751	7,927	7,344	2,403	4,940	3,335	348	2,987
1953	9,550	2,429	7,121	6,651	1,896	4,755	2,898	533	2,366
1954	11,694	5,629	6,065	7,832	4,033	3,799	3,862	1,596	2,265
1955	12,474	5,599	6,875	7,571	3,383	4,188	4,903	2,216	2,687
1956[r]	13,033	4,968	8,065	7,934	3,181	4,752	5,099	1,787	3,313
1957	14,289	3,159	11,129	9,691	2,236	7,455	4,598	923	3,675
1956—4[r]	3,462	1,105	2,357	1,821	701	1,120	1,641	404	1,237
1957—1	3,666	783	2,884	2,377	553	1,824	1,289	230	1,059
2	3,739	867	2,873	2,367	626	1,741	1,373	241	1,132
3	3,474	802	2,672	2,554	554	2,000	920	248	672
4	3,409	708	2,701	2,393	503	1,890	1,016	205	811

[r] Revised.

[1] Reflects cash transactions only. As contrasted with data shown on p. 332, new issues exclude foreign and include offerings of open-end investment companies, sales of securities held by affiliated companies or RFC, special offerings to employees, and also new stock issues and cash proceeds connected with conversions of bonds into stocks. Retirements include the same types of issues, and also securities retired with internal funds or with proceeds of issues for that purpose shown on p. 332.

CURRENT ASSETS AND LIABILITIES OF CORPORATIONS[1]

[Securities and Exchanges Commission estimates. In billions of dollars]

End of year or quarter	Net working capital	Current assets							Current liabilities				
		Total	Cash	U. S. Govt. securities	Notes and accts. receivable		Inventories	Other	Total	Notes and accts. payable		Federal income tax liabilities	Other
					U. S. Govt.[2]	Other				U. S. Govt.[2]	Other		
1949	72.4	133.1	26.5	16.8	43.0		45.3	1.4	60.7	37.5		9.3	14.0
1950	81.6	161.5	28.1	19.7	1.1	55.7	55.1	1.7	79.8	.4	47.9	16.7	14.9
1951	86.5	179.1	30.0	20.7	2.7	58.8	64.9	2.1	92.6	1.3	53.6	21.3	16.5
1952	90.1	186.2	30.8	19.9	2.8	64.6	65.8	2.4	96.1	2.3	57.0	18.1	18.7
1953	91.8	190.6	31.1	21.5	2.6	65.9	67.2	2.4	98.9	2.2	57.3	18.7	20.7
1954	91.8	194.6	33.4	19.2	2.4	71.2	65.3	3.1	102.8	2.4	61.4	15.5	23.5
1955	98.9	214.6	34.0	23.3	2.3	81.6	70.0	3.5	115.7	2.3	69.9	18.4	25.1
1956—2	102.7	214.7	32.1	17.4	2.3	84.3	74.8	3.8	112.1	2.5	71.4	12.3	25.8
3	103.4	220.4	32.6	17.5	2.4	88.1	76.0	3.8	117.0	2.5	73.0	14.4	27.1
4	104.4	225.7	34.7	18.6	2.6	88.8	77.3	3.6	121.3	2.4	74.9	16.8	27.2
1957—1	106.0	224.9	31.9	18.0	2.5	89.4	79.1	4.0	118.9	2.5	74.1	14.4	28.0
2	107.0	224.5	32.5	15.7	2.5	90.5	79.3	4.0	117.6	2.6	74.4	12.2	28.3
3	107.7	228.9	33.2	16.1	2.4	92.9	80.0	4.2	121.2	2.6	75.2	13.8	29.6

[1] Excludes banks and insurance companies.

[2] Receivables from, and payables to, the U. S. Government exclude amounts offset against each other on corporations' books.

BUSINESS EXPENDITURES ON NEW PLANT AND EQUIPMENT[1]

[Department of Commerce and Securities and Exchange Commission estimates. In billions of dollars]

Year	Total	Manufacturing	Mining	Transportation		Public utilities	Communications	Other[2]	Quarter	Total	Manufacturing and mining	Transportation	Public utilities	All other[3]
				Railroad	Other									
1950	20.6	7.5	.7	1.1	1.2	3.3	1.1	5.7	1956—4	9.8	4.8	.8	1.5	2.8
1951	25.6	10.9	.9	1.5	1.5	3.7	1.3	5.9						
1952	26.5	11.6	1.0	1.4	1.5	3.9	1.5	5.6	1957—1	8.3	3.8	.7	1.2	2.6
1953	28.3	11.9	1.0	1.3	1.6	4.6	1.7	6.3	2	9.6	4.5	.8	1.5	2.7
1954	26.8	11.0	1.0	.9	1.5	4.2	1.7	6.5	3	9.4	4.3	.8	1.7	2.5
1955	28.7	11.4	1.0	.9	1.6	4.3	2.0	7.5	4	9.7	4.6	.8	1.8	2.6
1956	35.1	15.0	1.2	1.2	1.7	4.9	2.7	8.4						
1957	37.0	16.0	1.2	1.4	1.8	6.2	3.0	7.4	1958—1[4r]	8.2	3.7	.7	1.5	2.3
1958[4]	32.1	13.2	1.1	.9	1.4	6.4	9.1		2[4]	8.4	3.6	.6	1.7	2.5

[r] Revised.

[1] Corporate and noncorporate business, excluding agriculture.

[2] Includes trade, service, finance, and construction.

[3] Includes communications and other.

[4] Anticipated by business.

MORTGAGE DEBT OUTSTANDING, BY TYPE OF PROPERTY MORTGAGED AND TYPE OF MORTGAGE HOLDER

[In billions of dollars]

End of year or quarter	All properties				Nonfarm							Farm		
	All holders	Financial institutions	Other holders		All holders	1- to 4-family houses			Multi-family and commercial properties[1]			All holders	Financial institutions	Other holders[2]
			Selected Federal agencies	Individuals and others		Total	Financial institutions	Other holders	Total	Financial institutions	Other holders			
1941	37.6	20.7	2.0	14.9	31.2	18.4	11.2	7.2	12.9	8.1	4.8	6.4	1.5	4.9
1945	35.5	21.0	.9	13.7	30.8	18.6	12.2	6.4	12.2	7.4	4.7	4.8	1.3	3.4
1950	72.8	51.7	1.4	19.8	66.7	45.2	35.4	9.8	21.6	14.0	7.6	6.1	2.3	3.7
1951	82.3	59.5	2.0	20.8	75.6	51.7	41.1	10.7	23.9	15.9	8.0	6.7	2.6	4.1
1952	91.4	66.9	2.4	22.1	84.2	58.5	46.8	11.7	25.7	17.2	8.4	7.3	2.8	4.4
1953	101.3	75.1	2.8	23.5	93.6	66.1	53.6	12.5	27.5	18.5	9.0	7.8	3.0	4.8
1954	113.8	85.8	2.8	25.2	105.5	75.7	62.5	13.2	29.8	20.0	9.8	8.3	3.3	5.0
1955	130.0	99.4	3.1	27.5	120.9	88.2	73.8	14.4	32.7	21.9	10.8	9.1	3.6	5.4
1956	144.7	111.2	3.6	29.9	134.8	99.0	83.4	15.6	35.8	23.9	11.9	9.9	3.9	6.0
1957p	156.3	119.9	4.7	31.7	145.8	107.6	90.3	17.3	38.2	25.6	12.6	10.5	4.0	6.5
1956—June	137.6	105.5	3.2	28.8	128.0	93.7	78.8	14.9	34.3	22.9	11.3	9.6	3.8	5.8
Sept.	141.4	108.7	3.3	29.4	131.6	96.6	81.4	15.2	35.1	23.4	11.6	9.8	3.9	5.9
Dec.	144.7	111.2	3.6	29.9	134.8	99.0	83.4	15.6	35.8	23.9	11.9	9.9	3.9	6.0
1957—Mar.p	147.4	113.0	4.0	30.4	137.3	101.0	84.9	16.2	36.3	24.2	12.0	10.1	3.9	6.2
Junep	150.3	115.3	4.2	30.9	140.1	103.3	86.8	16.5	36.8	24.6	12.2	10.3	4.0	6.4
Sept.p	153.5	117.7	4.5	31.3	143.1	105.6	88.7	16.9	37.5	25.1	12.4	10.4	4.0	6.4
Dec.p	156.3	119.9	4.7	31.7	145.8	107.6	90.3	17.3	38.2	25.6	12.6	10.5	4.0	6.5

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1 Derived figures, which include negligible amount of farm loans held by savings and loan associations.

2 Derived figures, which include debt held by Federal land banks and Farmers Home Administration.

NOTE.—Figures for first three quarters of each year are Federal Reserve estimates. Financial institutions represent commercial banks (including nondeposit trust companies but not trust departments), mutual savings banks, life insurance companies, and savings and loan associations. Federal agencies represent HOLC, FNMA, and VA (the bulk of the amounts through 1948 held by HOLC, since then by FNMA). Other Federal agencies (amounts small and separate data not readily available currently) are included with individuals and others.

Sources.—Federal Deposit Insurance Corporation, Federal Home Loan Bank Board, Institute of Life Insurance, Departments of Agriculture and Commerce, Federal National Mortgage Association, Veterans Administration, Comptroller of the Currency, and Federal Reserve.

MORTGAGE LOANS HELD BY BANKS[1]

[In millions of dollars]

End of year or quarter	Commercial bank holdings[2]							Mutual savings bank holdings[3]						
	Total	Residential				Other nonfarm	Farm	Total	Residential				Other nonfarm	Farm
		Total	FHA-insured	VA-guaranteed	Conventional				Total	FHA-insured	VA-guaranteed	Conventional		
1941	4,906	3,292	......	......	......	1,048	566	4,812	3,884	......	......	......	900	28
1945	4,772	3,395	......	......	......	856	521	4,208	3,387	......	......	......	797	24
1950	13,664	10,431	......	......	......	2,264	968	8,261	7,054	......	......	......	1,164	44
1951	14,732	11,270	3,421	2,921	4,929	2,458	1,004	9,916	8,595	2,567	1,726	4,303	1,274	47
1952	15,867	12,188	3,675	3,012	5,501	2,621	1,058	11,379	9,883	3,168	2,237	4,477	1,444	53
1953	16,850	12,925	3,912	3,061	5,951	2,843	1,082	12,943	11,334	3,489	3,053	4,792	1,556	53
1954	18,573	14,152	4,106	3,350	6,695	3,263	1,159	15,007	13,211	3,800	4,262	5,149	1,740	56
1955	21,004	15,888	4,560	3,711	7,617	3,819	1,297	17,457	15,568	4,150	5,773	5,645	1,831	58
1956	22,719	17,004	4,803	3,902	8,300	4,379	1,336	19,745	17,703	4,409	7,139	6,155	1,984	59
1957p	23,345	17,155	4,840	3,590	8,725	4,835	1,355	21,165	19,035	4,625	7,820	6,590	2,075	55
1956—June	21,990	16,500	4,668	3,837	7,995	4,137	1,353	18,610	16,644	4,274	6,506	5,864	1,898	68
Sept.	22,500	16,860	4,760	3,890	8,210	4,282	1,358	19,225	17,218	4,350	6,840	6,028	1,944	63
Dec.	22,719	17,004	4,803	3,902	8,300	4,379	1,336	19,745	17,703	4,409	7,139	6,155	1,984	59
1957—Mar.	22,670	16,880	4,770	3,810	8,300	4,440	1,350	20,105	18,035	4,455	7,330	6,250	2,010	60
June	22,760	16,890	4,730	3,720	8,440	4,500	1,370	20,475	18,384	4,500	7,520	6,364	2,033	58
Sept.p	23,105	17,070	4,760	3,660	8,650	4,660	1,375	20,812	18,697	4,550	7,677	6,470	2,058	57
Dec.p	23,345	17,155	4,840	3,590	8,725	4,835	1,355	21,165	19,035	4,625	7,820	6,590	2,075	55

p Preliminary.

1 Represents all banks in the United States and possessions.

2 Includes loans held by nondeposit trust companies but excludes holdings of trust departments of commercial banks. March and September figures are Federal Reserve estimates based on data from *Member Bank Call Report* and from weekly reporting member banks.

3 Figures for 1941 and 1945, except for the grand total, are estimates based on Federal Reserve preliminary tabulation of a revised series of banking statistics. March and September figures are Federal Reserve estimates based in part on data from National Association of Mutual Savings Banks.

Sources.—All-bank series prepared by Federal Deposit Insurance Corporation from data supplied by Federal and State bank supervisory agencies, Comptroller of the Currency, and Federal Reserve.

MORTGAGE ACTIVITY OF LIFE INSURANCE COMPANIES

[In millions of dollars]

Year or month	Loans acquired						Loans outstanding (end of period)					
	Total	Nonfarm				Farm	Total	Nonfarm				Farm
		Total	FHA-insured	Va-guaranteed	Other			Total	FHA-insured	VA-guaranteed	Other	
1941	....	....	....	....	....	....	6,442	5,529	815	....	4,714	913
1945	976	....	....	....	....	....	6,636	5,860	1,394	....	4,466	776
1950	4,894	4,532	1,486	938	2,108	362	16,102	14,775	4,573	2,026	8,176	1,327
1951	5,134	4,723	1,058	1,294	2,371	411	19,314	17,787	5,257	3,131	9,399	1,527
1952	3,978	3,606	864	429	2,313	372	21,251	19,546	5,681	3,347	10,518	1,705
1953	4,345	3,925	817	455	2,653	420	23,322	21,436	6,012	3,560	11,864	1,886
1954	5,344	4,931	672	1,378	2,881	413	25,976	23,928	6,116	4,643	13,169	2,048
1955	6,623	6,108	971	1,839	3,298	515	29,445	27,172	6,395	6,074	14,703	2,273
1956	6,715	6,201	842	1,652	3,707	514	32,989	30,508	6,627	7,304	16,577	2,481
1957	5,231	4,823	686	833	3,304	408	35,230	32,640	6,766	7,750	18,124	2,590
1957—Jan.	553	512	51	141	320	41	33,279	30,810	6,658	7,420	16,732	2,469
Feb.	402	356	43	98	215	46	33,479	31,001	6,671	7,493	16,837	2,478
Mar.	429	376	43	73	260	53	33,672	31,179	6,666	7,556	16,957	2,493
Apr.	454	419	49	93	277	35	33,840	31,334	6,671	7,603	17,060	2,506
May	426	391	44	94	253	35	34,022	31,498	6,673	7,656	17,169	2,524
June	367	338	48	53	237	29	34,159	31,620	6,670	7,677	17,273	2,539
July	432	404	53	64	287	28	34,356	31,794	6,671	7,702	17,421	2,562
Aug.	435	412	50	58	304	23	34,547	31,978	6,677	7,725	17,576	2,569
Sept.	408	383	82	43	258	25	34,697	32,122	6,690	7,736	17,696	2,575
Oct.	435	404	67	51	286	31	34,859	32,274	6,706	7,753	17,815	2,585
Nov.	362	335	60	38	237	27	34,986	32,396	6,720	7,758	17,918	2,590
Dec.	528	493	96	27	370	35	35,230	32,640	6,766	7,750	18,124	2,590
1958—Jan.	525	482	122	41	319	43	35,410	32,816	6,818	7,748	18,250	2,594

NOTE.—For loans acquired, the monthly figures may not add to annual totals, and for loans outstanding, the end-of-December figures may differ from end-of-year figures, because monthly figures represent book value of ledger assets whereas year-end figures represent annual statement asset values, and because data for year-end adjustments are more complete.

Source.—Institute of Life Insurance; end-of-year figures are from *Life Insurance Fact Book*, and end-of-month figures from the *Tally of Life Insurance Statistics* and *Life Insurance News Data*.

MORTGAGE ACTIVITY OF SAVINGS AND LOAN ASSOCIATIONS

[In millions of dollars]

Year or month	Loans made			Loans outstanding (end of period)			
	Total[1]	New construction	Home purchase	Total[1,2]	FHA-insured	VA-guaranteed	Conventional[2]
1941	1,379	437	581	4,578	....	....	....
1945	1,913	181	1,358	5,376	....	....	....
1950	5,237	1,767	2,246	13,657	848	2,973	9,836
1951	5,250	1,657	2,357	15,564	866	3,133	11,565
1952	6,617	2,105	2,955	18,396	904	3,394	14,098
1953	7,767	2,475	3,488	21,962	1,048	3,979	16,935
1954	8,969	3,076	3,846	26,194	1,172	4,721	20,301
1955	11,432	4,041	5,241	31,461	1,405	5,891	24,165
1956	10,545	3,771	4,727	35,729	1,486	6,643	27,600
1957	10,402	3,562	4,708	40,119	1,643	7,013	31,463
1957							
Jan.	714	245	326	35,929	1,488	6,659	27,782
Feb.	709	243	318	36,195	1,493	6,682	28,020
Mar.	842	298	366	36,559	1,499	6,724	28,336
Apr.	899	317	391	36,963	1,508	6,774	28,681
May	968	360	412	37,421	1,520	6,833	29,068
June	925	319	415	37,886	1,530	6,889	29,467
July	969	318	462	38,280	1,545	6,904	29,831
Aug.	1,001	331	470	38,743	1,560	6,920	30,263
Sept.	891	292	423	39,106	1,573	6,933	30,600
Oct.	980	341	443	39,532	1,591	6,946	30,995
Nov.	768	250	358	39,835	1,597	6,963	31,275
Dec.	734	248	324	40,119	1,643	7,013	31,463
1958							
Jan.	723	245	308	40,369	1,651	7,048	31,670

[1] Includes loans for other purposes (for repair, additions and alterations, refinancing, etc.) not shown separately.
[2] Beginning 1958 includes shares pledged against mortgage loans.
Source.—Federal Home Loan Bank Board.

NONFARM MORTGAGE RECORDING OF $20,000 OR LESS

[In millions of dollars]

Year or month	Total		By type of lender (without seasonal adjustment)			
	Seasonally adjusted[1]	Without seasonal adjustment[2]	Savings & loan assns.	Insurance companies	Commercial banks	Mutual savings banks
1941	....	4,732	1,490	404	1,165	218
1945	....	5,650	2,017	250	1,097	217
1950	....	16,179	5,060	1,618	3,365	1,064
1951	....	16,405	5,295	1,615	3,370	1,013
1952	....	18,018	6,452	1,420	3,600	1,137
1953	....	19,747	7,365	1,480	3,680	1,327
1954	....	22,974	8,312	1,768	4,239	1,501
1955	....	28,484	10,452	1,932	5,617	1,858
1956	....	27,088	9,532	1,799	5,458	1,824
1957	....	24,244	9,217	1,472	4,264	1,429
1957						
Jan.	2,056	1,942	659	134	353	117
Feb.	2,050	1,749	644	105	308	96
Mar.	2,011	1,937	744	115	334	99
Apr.	2,042	2,044	798	116	357	110
May	2,031	2,144	840	125	374	121
June	2,046	2,028	795	119	363	126
July	2,047	2,211	852	130	390	142
Aug.	2,056	2,208	883	132	378	137
Sept.	2,032	2,026	796	124	354	121
Oct.	1,983	2,226	855	132	395	131
Nov.	1,946	1,877	686	117	333	117
Dec.	1,924	1,851	666	125	325	113
1958						
Jan.	....	1,782	628	111	322	98

[1] Three-month moving average, seasonally adjusted by Federal Reserve.
[2] Includes amounts for other lenders, not shown separately.
Source.—Federal Home Loan Bank Board.

GOVERNMENT-UNDERWRITTEN RESIDENTIAL LOANS MADE

[In millions of dollars]

Year or month	FHA-insured loans: Total	FHA: Home mortgages: New properties	FHA: Home mortgages: Existing properties	FHA: Project-type mortgages[1]	FHA: Property improvement loans[2]	VA-guaranteed loans: Total[3]	VA: Home mortgages: New properties	VA: Home mortgages: Existing properties
1945	665	257	217	20	171	192	....	....
1950	4,343	1,637	856	1,157	694	3,072	1,865	1,202
1951	3,220	1,216	713	582	708	3,614	2,667	942
1952	3,113	969	974	322	848	2,719	1,823	890
1953	3,882	1,259	1,030	259	1,334	3,064	2,044	1,014
1954	3,066	1,035	907	232	891	4,257	2,686	1,566
1955	3,807	1,269	1,816	76	646	7,156	4,582	2,564
1956	3,461	1,133	1,505	130	692	5,868	3,910	1,948
1957	3,715	880	1,371	595	869	3,761	2,890	863
1957—Jan.	300	87	107	29	77	555	393	162
Feb.	266	74	85	50	56	431	316	113
Mar.	317	75	86	96	60	380	285	94
Apr.	264	68	90	41	66	350	271	78
May	292	60	94	80	58	286	218	68
June	247	60	104	18	65	276	213	62
July	333	67	124	76	65	268	206	62
Aug.	340	63	122	67	88	251	193	58
Sept.	273	57	116	14	85	295	228	66
Oct.	422	87	145	79	111	280	229	50
Nov.	329	86	145	33	65	213	182	30
Dec.	332	97	152	12	71	176	155	20
1958—Jan.	418	120	186	56	55	160	142	18

1 Monthly figures do not reflect mortgage amendments included in annual totals.
2 These loans are 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.—FHA-insured loans represent gross amount of insurance written; VA-guaranteed loans, gross amount of loans closed. Figures do not take account of principal repayments on previously insured or guaranteed loans. For VA-guaranteed loans, amounts by type are derived from data on number and average amount of loans closed.

Sources.—Federal Housing Administration and Veterans Administration.

MORTGAGE DEBT OUTSTANDING ON NONFARM 1- TO 4-FAMILY PROPERTIES

[In billions of dollars]

End of year or quarter	Total	Government-underwritten: Total	Government-underwritten: FHA-insured	Government-underwritten: VA-guaranteed	Conventional
1945	18.6	4.3	4.1	.2	14.3
1950	45.2	18.9	8.6	10.3	26.3
1951	51.7	22.9	9.7	13.2	28.8
1952	58.5	25.4	10.8	14.6	33.1
1953	66.1	28.1	12.0	16.1	38.0
1954	75.7	32.1	12.8	19.3	43.6
1955	88.2	38.9	14.3	24.6	49.3
1956	99.0	43.9	15.5	28.4	55.1
1957p	107.6	47.2	16.5	30.7	60.4
1956—June	93.7	41.3	15.0	26.3	52.4
Sept.	96.6	42.5	15.2	27.3	54.1
Dec.	99.0	43.9	15.5	28.4	55.1
1957—Mar.p	101.0	45.1	15.7	29.4	55.9
Junep	103.3	45.9	15.9	30.0	57.4
Sept.p	105.6	46.5	16.1	30.4	59.1
Dec.p	107.6	47.2	16.5	30.7	60.4

p Preliminary.

NOTE.—For total debt outstanding, figures for first three quarters of year are Federal Reserve estimates. For conventional, figures are derived.

Sources.—Federal Home Loan Bank Board, Federal Housing Administration, Veterans Administration, and Federal Reserve.

FEDERAL NATIONAL MORTGAGE ASSOCIATION ACTIVITY[1]

[In millions of dollars]

End of year or month	Mortgage holdings: Total	Mortgage holdings: FHA-insured	Mortgage holdings: VA-guaranteed	Mortgage transactions (during period): Purchases	Mortgage transactions (during period): Sales	Commitments undisbursed
1950	1,347	169	1,177	1,044	469	485
1951	1,850	204	1,646	677	111	239
1952	2,242	320	1,922	538	56	323
1953	2,462	621	1,841	542	221	638
1954	2,434	802	1,632	614	525	476
1955	2,615	901	1,714	411	62	76
1956	3,047	978	2,069	609	5	360
1957	3,974	1,237	2,737	1,119	2	764
1957—Jan.	3,182	1,009	2,173	147	....	411
Feb.	3,295	1,026	2,269	129	....	436
Mar.	3,409	1,053	2,356	127	....	483
Apr.	3,491	1,074	2,417	95	....	493
May	3,551	1,087	2,464	75	1	518
June	3,605	1,100	2,505	69	1	525
July	3,654	1,112	2,541	83	....	626
Aug.	3,718	1,132	2,586	78	....	680
Sept.	3,783	1,152	2,631	82	....	712
Oct.	3,849	1,170	2,679	79	....	726
Nov.	3,909	1,197	2,712	75	....	717
Dec.	3,974	1,237	2,737	80	....	764
1958—Jan.	4,038	1,283	2,755	77	....	786

1 Operations beginning Nov. 1, 1954, are on the basis of FNMA's new charter, under which it maintains three separate programs: secondary market, special assistance, and management and liquidation.

Source.—Federal National Mortgage Association.

FEDERAL HOME LOAN BANK LENDING

[In millions of dollars]

Year or month	Advances	Repayments	Advances outstanding (end of period): Total	Advances outstanding (end of period): Short-term[1]	Advances outstanding (end of period): Long-term[2]
1945	278	213	195	176	19
1950	675	292	816	547	269
1951	423	433	806	508	298
1952	586	528	864	565	299
1953	728	640	952	634	317
1954	734	818	867	612	255
1955	1,251	702	1,417	991	426
1956	745	934	1,228	798	430
1957	1,116	1,079	1,265	731	534
1957—Feb.	30	91	976	601	375
Mar.	68	83	961	563	398
Apr.	73	62	971	544	427
May	73	52	993	559	434
June	135	48	1,079	614	465
July	131	171	1,040	638	402
Aug.	83	50	1,072	663	409
Sept.	96	49	1,119	688	431
Oct.	83	70	1,131	686	445
Nov.	74	62	1,143	689	454
Dec.	196	74	1,265	731	534
1958—Jan.	58	417	906	527	379
Feb.	41	158	790	451	339

1 Secured or unsecured loans maturing in one year or less.
2 Secured loans, amortized quarterly, having maturities of more than one year but not more than ten years.

Source.—Federal Home Loan Bank Board.

CONSUMER CREDIT, BY MAJOR PARTS

[Estimated amounts of short- and intermediate-term credit outstanding, in millions of dollars]

End of year or month	Total	Instalment credit					Noninstalment credit			
		Total	Automobile paper[1]	Other consumer goods paper[1]	Repair and modernization loans[2]	Personal loans	Total	Single-payment loans	Charge accounts	Service credit
1939	7,222	4,503	1,497	1,620	298	1,088	2,719	787	1,414	518
1941	9,172	6,085	2,458	1,929	376	1,322	3,087	845	1,645	597
1945	5,665	2,462	455	816	182	1,009	3,203	746	1,612	845
1950	21,395	14,703	6,074	4,799	1,016	2,814	6,692	1,821	3,291	1,580
1951	22,617	15,294	5,972	4,880	1,085	3,357	7,323	1,934	3,605	1,784
1952	27,401	19,403	7,733	6,174	1,385	4,111	7,998	2,120	4,011	1,867
1953	31,243	23,005	9,835	6,779	1,610	4,781	8,238	2,187	4,124	1,927
1954	32,292	23,568	9,809	6,751	1,616	5,392	8,724	2,408	4,308	2,008
1955	38,670	28,958	13,472	7,634	1,689	6,163	9,712	3,002	4,579	2,131
1956	42,097	31,827	14,459	8,510	1,895	6,963	10,270	3,253	4,735	2,282
1957	r44,776	r34,105	15,496	r8,687	1,984	7,938	10,671	3,502	4,760	2,409
1957—Jan.	41,138	31,568	14,410	8,305	1,872	6,981	9,570	3,199	4,111	2,260
Feb.	40,738	31,488	14,432	8,160	1,859	7,037	9,250	3,273	3,690	2,287
Mar.	40,735	31,524	14,528	8,043	1,856	7,097	9,211	3,370	3,534	2,307
Apr.	41,247	31,786	14,691	8,017	1,862	7,216	9,461	3,374	3,735	2,352
May	41,937	32,158	14,883	8,081	1,886	7,308	9,779	3,582	3,834	2,363
June	42,491	32,608	15,127	8,165	1,905	7,411	9,883	3,530	3,948	2,405
July	42,592	32,968	15,329	8,189	1,921	7,529	9,624	3,406	3,810	2,408
Aug.	43,133	33,303	15,490	8,229	1,954	7,630	9,830	3,458	3,957	2,415
Sept.	43,270	33,415	15,556	8,228	1,969	7,662	9,855	3,493	3,942	2,420
Oct.	43,274	33,504	15,579	8,236	1,988	7,701	9,770	3,405	3,991	2,374
Nov.	43,530	33,596	15,542	8,300	1,996	7,758	9,934	3,458	4,135	2,341
Dec.	r44,776	r34,105	15,496	r8,687	1,984	7,938	10,671	3,502	4,760	2,409
1958—Jan.	43,966	33,737	15,326	8,499	1,963	7,949	10,229	3,514	4,264	2,451

r Revised.

1 Represents all consumer instalment credit extended for the purpose of purchasing automobiles and other consumer goods, whether held by retail outlets or financial institutions. Includes credit on purchases by individuals of automobiles or other consumer goods that may be used in part for business.

2 Represents repair and modernization loans held by financial institutions; holdings of retail outlets are included in other consumer goods paper.

NOTE.—Monthly figures for the period December 1939 through 1947 and a general description of the series are shown on pp. 336–54 of the, BULLETIN for April 1953; monthly figures for 1948–56, in the BULLETINS for October 1956, pp. 1035–42, and December 1957, pp. 1420–22. A detailed description of the methods used to derive the estimates may be obtained from Division of Research and Statistics.

INSTALMENT CREDIT, BY HOLDER

[Estimated amounts outstanding, in millions of dollars]

End of year or month	Total instalment credit	Financial institutions						Retail outlets					
		Total	Commercial banks	Sales finance companies	Credit unions	Consumer finance companies[1]	Other[1]	Total	Department stores[2]	Furniture stores	Household appliance stores	Automobile dealers[3]	Other
1939	4,503	3,065	1,079	1,197	132	....	657	1,438	354	439	183	123	339
1941	6,085	4,480	1,726	1,797	198	....	759	1,605	320	496	206	188	395
1945	2,462	1,776	745	300	102	....	629	686	131	240	17	28	270
1950	14,703	11,805	5,798	3,711	590	1,286	420	2,898	746	827	267	287	771
1951	15,294	12,124	5,771	3,654	635	1,555	509	3,170	924	810	243	290	903
1952	19,403	15,581	7,524	4,711	837	1,866	643	3,822	1,107	943	301	389	1,082
1953	23,005	18,963	8,998	5,927	1,124	2,137	777	4,042	1,064	1,004	377	527	1,070
1954	23,568	19,450	8,796	6,144	1,342	2,257	911	4,118	1,242	984	377	463	1,052
1955	28,958	24,450	10,601	8,443	1,678	2,656	1,072	4,508	1,511	1,044	365	487	1,101
1956	31,827	27,084	11,707	9,100	2,014	3,056	1,207	4,743	1,408	1,187	377	502	1,269
1957	r34,105	29,375	12,714	9,573	2,472	3,332	1,284	r4,730	r1,393	1,146	374	529	1,288
1957—Jan.	31,568	26,974	11,638	9,077	2,011	3,048	1,200	4,594	1,387	1,139	364	499	1,205
Feb.	31,488	27,008	11,662	9,035	2,039	3,058	1,214	4,480	1,351	1,115	362	499	1,153
Mar.	31,524	27,148	11,736	9,048	2,076	3,063	1,225	4,376	1,304	1,090	356	501	1,125
Apr.	31,786	27,544	11,981	9,104	2,127	3,105	1,227	4,242	1,176	1,075	354	505	1,132
May	32,158	27,864	12,143	9,176	2,167	3,123	1,255	4,294	1,229	1,077	355	510	1,123
June	32,608	28,263	12,323	9,300	2,227	3,155	1,258	4,345	1,249	1,077	359	518	1,142
July	32,968	28,726	12,508	9,476	2,284	3,209	1,249	4,242	1,144	1,072	361	525	1,140
Aug.	33,303	29,014	12,607	9,565	2,344	3,234	1,264	4,289	1,161	1,083	360	530	1,155
Sept.	33,415	29,128	12,656	9,598	2,377	3,231	1,266	4,287	1,167	1,077	363	533	1,147
Oct.	33,504	29,241	12,749	9,585	2,415	3,229	1,263	4,263	1,134	1,080	365	533	1,151
Nov.	33,596	29,239	12,717	9,564	2,439	3,248	1,271	4,357	1,199	1,092	365	531	1,170
Dec.	r34,105	29,375	12,714	9,573	2,472	3,332	1,284	r4,730	r1,393	1,146	374	529	1,288
1958—Jan.	33,737	29,125	12,611	9,464	2,446	3,320	1,284	4,612	1,381	1,108	367	522	1,234

r Revised.

1 Consumer finance companies included with "other" financial institutions until September 1950.

2 Includes mail-order houses.

3 Represents automobile paper only; other instalment credit held by automobile dealers is included with "other" retail outlets.

INSTALMENT CREDIT HELD BY COMMERCIAL BANKS, BY TYPE OF CREDIT

[Estimated amounts outstanding, in millions of dollars]

End of year or month	Total instalment credit	Automobile paper: Purchased	Automobile paper: Direct	Other consumer goods paper	Repair and modernization loans	Personal loans
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
1951	5,771	1,135	1,311	1,315	888	1,122
1952	7,524	1,633	1,629	1,751	1,137	1,374
1953	8,998	2,215	1,867	2,078	1,317	1,521
1954	8,796	2,269	1,668	1,880	1,303	1,676
1955	10,601	3,243	2,062	2,042	1,338	1,916
1956	11,707	3,651	2,075	2,394	1,469	2,118
1957	12,714	4,054	2,335	2,435	1,527	2,363
1957—Jan.	11,638	3,653	2,092	2,313	1,452	2,128
Feb.	11,662	3,680	2,109	2,295	1,438	2,140
Mar.	11,736	3,723	2,149	2,280	1,432	2,152
Apr.	11,981	3,789	2,200	2,363	1,436	2,193
May	12,143	3,851	2,246	2,368	1,450	2,228
June	12,323	3,921	2,282	2,395	1,466	2,259
July	12,508	3,976	2,310	2,456	1,480	2,286
Aug.	12,607	4,026	2,330	2,434	1,503	2,314
Sept.	12,656	4,050	2,334	2,437	1,514	2,321
Oct.	12,749	4,082	2,334	2,471	1,531	2,331
Nov.	12,717	4,067	2,333	2,448	1,537	2,332
Dec.	12,714	4,054	2,335	2,435	1,527	2,363
1958—Jan.	12,611	4,016	2,330	2,378	1,508	2,379

INSTALMENT CREDIT HELD BY SALES FINANCE COMPANIES, BY TYPE OF CREDIT

[Estimated amounts outstanding, in millions of dollars]

End of year or month	Total instalment credit	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	1,197	878	115	148	56
1941	1,797	1,363	167	201	66
1945	300	164	24	58	54
1950	3,711	2,956	532	61	162
1951	3,654	2,863	452	63	276
1952	4,711	3,630	680	60	341
1953	5,927	4,688	816	46	377
1954	6,144	4,870	841	31	402
1955	8,443	6,919	1,034	25	465
1956	9,100	7,283	1,227	23	567
1957	9,573	7,470	1,413	20	670
1957—Jan.	9,077	7,222	1,261	23	571
Feb.	9,035	7,190	1,247	23	575
Mar.	9,048	7,190	1,255	22	581
Apr.	9,104	7,212	1,279	22	591
May	9,176	7,272	1,285	22	597
June	9,300	7,376	1,296	22	606
July	9,476	7,466	1,369	22	619
Aug.	9,565	7,532	1,384	22	627
Sept.	9,598	7,557	1,389	22	630
Oct.	9,585	7,537	1,390	23	635
Nov.	9,564	7,510	1,388	21	645
Dec.	9,573	7,470	1,413	20	670
1958—Jan.	9,464	7,363	1,404	20	677

INSTALMENT CREDIT HELD BY FINANCIAL INSTITUTIONS OTHER THAN COMMERCIAL BANKS AND SALES FINANCE COMPANIES, BY TYPE OF CREDIT

[Estimated amounts outstanding, in millions of dollars]

End of year or month	Total instalment credit	Automobile paper	Other consumer goods paper	Repair and modernization loans	Personal loans
1939	789	81	24	15	669
1941	957	122	36	14	785
1945	731	54	20	14	643
1950	2,296	360	200	121	1,615
1951	2,699	373	233	134	1,959
1952	3,346	452	310	188	2,396
1953	4,038	538	370	247	2,883
1954	4,510	539	375	282	3,314
1955	5,406	761	537	326	3,782
1956	6,277	948	648	403	4,278
1957	7,088	1,108	638	437	4,905
1957—Jan.	6,259	944	636	397	4,282
Feb.	6,311	954	637	398	4,322
Mar.	6,364	965	633	402	4,364
Apr.	6,459	985	638	404	4,432
May	6,545	1,004	644	414	4,483
June	6,640	1,030	647	417	4,546
July	6,742	1,052	647	419	4,624
Aug.	6,842	1,072	652	429	4,689
Sept.	6,874	1,082	648	433	4,711
Oct.	6,907	1,093	645	434	4,735
Nov.	6,958	1,101	638	438	4,781
Dec.	7,088	1,108	638	437	4,905
1958—Jan.	7,050	1,095	627	435	4,893

NOTE.—Institutions represented are consumer finance companies, credit unions, industrial loan companies, mutual savings banks, savings and loan associations, and other lending institutions holding consumer instalment loans.

NONINSTALMENT CREDIT, BY HOLDER

[Estimated amounts outstanding, in millions of dollars]

End of year or month	Total noninstalment credit	Financial institutions (single-payment loans): Commercial banks	Financial institutions (single-payment loans): Other	Retail outlets (charge accounts): Department stores[1]	Retail outlets (charge accounts): Other	Service credit
1939	2,719	625	162	236	1,178	518
1941	3,087	693	152	275	1,370	597
1945	3,203	674	72	290	1,322	845
1950	6,692	1,576	245	650	2,641	1,580
1951	7,323	1,684	250	698	2,907	1,784
1952	7,998	1,844	276	728	3,283	1,867
1953	8,238	1,899	288	772	3,352	1,927
1954	8,724	2,096	312	793	3,515	2,008
1955	9,712	2,635	367	862	3,717	2,131
1956	10,270	2,843	410	893	3,842	2,282
1957	10,671	3,095	407	876	3,884	2,409
1957—Jan.	9,570	2,829	370	723	3,388	2,260
Feb.	9,250	2,851	422	611	3,079	2,287
Mar.	9,211	2,874	496	566	2,968	2,307
Apr.	9,461	2,920	454	592	3,143	2,352
May	9,779	2,996	586	593	3,241	2,363
June	9,883	3,029	501	579	3,369	2,405
July	9,624	2,996	410	533	3,277	2,408
Aug.	9,830	3,002	456	535	3,422	2,415
Sept.	9,855	3,023	470	588	3,354	2,420
Oct.	9,770	3,022	383	612	3,379	2,374
Nov.	9,934	3,028	430	658	3,477	2,341
Dec.	10,671	3,095	407	876	3,884	2,409
1958—Jan.	10,229	3,054	460	725	3,539	2,451

[1] Includes mail-order houses.

INSTALMENT CREDIT EXTENDED AND REPAID, BY TYPE OF CREDIT

[Estimates of short- and intermediate-term credit, in millions of dollars. The terms "adjusted" and "unadjusted" refer to adjustment of *monthly* figures for seasonal variation and differences in trading days]

Year or month	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted	Adjusted	Unadjusted
	Extensions									
1950	....	21,558	....	8,530	....	7,150	....	835	....	5,043
1951	....	23,576	....	8,956	....	7,485	....	841	....	6,294
1952	....	29,514	....	11,764	....	9,186	....	1,217	....	7,347
1953	....	31,558	....	12,981	....	9,227	....	1,344	....	8,006
1954	....	31,051	....	11,807	....	9,117	....	1,261	....	8,866
1955	....	39,039	....	16,745	....	10,634	....	1,388	....	10,272
1956	....	40,063	....	15,563	....	11,590	....	1,568	....	11,342
1957	....	r42,411	....	16,681	....	r11,599	....	1,518	....	12,613
1957—Jan.	3,473	3,090	1,420	1,258	932	802	123	96	998	934
Feb.	3,509	2,976	1,407	1,215	963	763	129	101	1,010	897
Mar.	3,426	3,347	1,374	1,380	931	846	123	111	998	1,010
Apr.	3,470	3,594	1,371	1,468	937	901	123	123	1,039	1,102
May	3,535	3,748	1,363	1,513	995	1,016	134	147	1,043	1,072
June	3,547	3,674	1,356	1,494	1,007	998	128	133	1,056	1,049
July	3,599	3,837	1,381	1,563	999	995	130	143	1,089	1,136
Aug.	3,591	3,704	1,355	1,467	1,027	1,022	137	150	1,072	1,065
Sept.	3,546	3,388	1,392	1,364	973	927	127	138	1,054	959
Oct.	3,541	3,545	1,435	1,404	912	976	126	141	1,068	1,024
Nov.	3,559	3,439	1,404	1,250	964	1,020	120	123	1,071	1,046
Dec.	r3,615	r4,069	1,423	1,305	r959	r1,333	118	112	1,115	1,319
1958—Jan.	3,504	3,108	1,346	1,190	940	799	131	102	1,087	1,017
	Repayments									
1950	....	18,445	....	7,011	....	6,057	....	717	....	4,660
1951	....	22,985	....	9,058	....	7,404	....	772	....	5,751
1952	....	25,405	....	10,003	....	7,892	....	917	....	6,593
1953	....	27,956	....	10,879	....	8,622	....	1,119	....	7,336
1954	....	30,488	....	11,833	....	9,145	....	1,255	....	8,255
1955	....	33,649	....	13,082	....	9,751	....	1,315	....	9,501
1956	....	37,194	....	14,576	....	10,714	....	1,362	....	10,542
1957	....	40,133	....	15,644	....	11,422	....	1,429	....	11,638
1957—Jan.	3,292	3,349	1,312	1,307	942	1,007	117	119	921	916
Feb.	3,257	3,056	1,284	1,193	933	908	120	114	920	841
Mar.	3,255	3,311	1,272	1,284	935	963	113	114	935	950
Apr.	3,284	3,332	1,294	1,305	908	927	117	117	965	983
May	3,313	3,376	1,305	1,321	919	952	121	123	968	980
June	3,339	3,224	1,289	1,250	951	914	120	114	979	946
July	3,382	3,477	1,317	1,361	964	971	125	127	976	1,018
Aug.	3,343	3,369	1,276	1,306	976	982	117	117	974	964
Sept.	3,418	3,276	1,318	1,298	990	928	124	123	986	927
Oct.	3,358	3,456	1,317	1,381	945	968	118	122	978	985
Nov.	3,394	3,347	1,292	1,287	981	956	113	115	1,008	989
Dec.	3,498	3,560	1,368	1,351	978	946	124	124	1,028	1,139
1958—Jan.	3,421	3,476	1,368	1,360	925	987	120	123	1,008	1,006
	Change in outstanding credit[1]									
1950	....	+3,113	....	+1,519	....	+1,093	....	+118	....	+383
1951	....	+591	....	−102	....	+81	....	+69	....	+543
1952	....	+4,109	....	+1,761	....	+1,294	....	+300	....	+754
1953	....	+3,602	....	+2,102	....	+605	....	+225	....	+670
1954	....	+563	....	−26	....	−28	....	+6	....	+611
1955	....	+5,390	....	+3,663	....	+883	....	+73	....	+771
1956	....	+2,869	....	+987	....	+876	....	+206	....	+800
1957	....	r+2,278	....	+1,037	....	r+177	....	+89	....	+975
1957—Jan.	+181	−259	+108	−49	−10	−205	+6	−23	+77	+18
Feb.	+252	−80	+123	+22	+30	−145	+9	−13	+90	+56
Mar.	+171	+36	+102	+96	−4	−117	+10	−3	+63	+60
Apr.	+186	+262	+77	+163	+29	−26	+6	+6	+74	+119
May	+222	+372	+58	+192	+76	+64	+13	+24	+75	+92
June	+208	+450	+67	+244	+56	+84	+8	+19	+77	+103
July	+217	+360	+64	+202	+35	+24	+5	+16	+113	+118
Aug.	+248	+335	+79	+161	+51	+40	+20	+33	+98	+101
Sept.	+128	+112	+74	+66	−17	−1	+3	+15	+68	+32
Oct.	+183	+89	+118	+23	−33	+8	+8	+19	+90	+39
Nov.	+165	+92	+112	−37	−17	+64	+7	+8	+63	+57
Dec.	r+117	r+509	+55	−46	r−19	r+387	−6	−12	+87	+180
1958—Jan.	+83	−368	−22	−170	+15	−188	+11	−21	+79	+11

r Revised.

1 Obtained by subtracting instalment credit repaid from instalment credit extended.

NOTE.—Monthly figures for 1940–54 are shown on pp. 1043–54 of the BULLETIN for October 1956; for 1955–56, in the BULLETIN for December 1957, pp. 1420–22.

A discussion of the composition and characteristics of the data and a description of the methods used to derive the estimates are shown in the BULLETIN for January 1954, pp. 9–17. Estimates of instalment credit extended and repaid are based on information from accounting records of retail outlets and financial institutions and often include charges incurred under the instalment contract. Renewals and refinancing of loans, repurchases and resales of instalment paper, and certain other transactions may increase the amount of both credit extended and credit repaid without adding to the amount of credit outstanding.

INSTALMENT CREDIT EXTENDED AND REPAID, BY HOLDER

[Estimates of short- and intermediate-term credit, in millions of dollars. The terms "adjusted" and "unadjusted" refer to adjustment of *monthly* figures for seasonal variation and differences in trading days]

Year or month	Total		Commercial banks		Sales finance companies		Other financial institutions		Retail outlets	
	Adjusted	Unad-justed	Adjusted	Unad-justed	Adjusted	Unad-justed	Adjusted	Unad-justed	Adjusted	Unad-justed
	Extensions									
1950	....	21,558	....	8,135	....	5,098	....	3,826	....	4,499
1951	....	23,576	....	8,358	....	5,467	....	4,788	....	4,963
1952	....	29,514	....	11,123	....	6,982	....	5,659	....	5,750
1953	....	31,558	....	12,099	....	7,560	....	6,375	....	5,524
1954	....	31,051	....	11,267	....	7,260	....	6,983	....	5,541
1955	....	39,039	....	14,109	....	10,200	....	8,449	....	6,281
1956	....	40,063	....	14,387	....	9,600	....	9,474	....	6,602
1957	....	[r]42,411	....	15,188	....	10,200	....	10,453	....	[r]6,570
1957—Jan.[1]	3,473	3,090	1,276	1,204	903	785	817	740	477	361
Feb.	3,509	2,976	1,262	1,108	831	691	841	749	575	428
Mar.	3,426	3,347	1,208	1,212	852	821	836	843	530	471
Apr.[1]	3,470	3,594	1,236	1,348	845	855	865	901	524	490
May	3,535	3,748	1,245	1,362	832	886	877	904	581	596
June	3,547	3,674	1,268	1,333	830	904	870	871	579	566
July[1]	3,599	3,837	1,291	1,382	890	1,022	905	946	513	487
Aug.	3,591	3,704	1,284	1,320	819	903	907	906	581	575
Sept.	3,546	3,388	1,289	1,239	834	829	869	797	554	523
Oct.[1]	3,541	3,545	1,325	1,302	856	860	871	850	489	533
Nov.	3,559	3,439	1,252	1,150	835	779	893	877	579	633
Dec.	[r]3,615	[r]4,069	1,252	1,228	873	865	902	1,069	[r]588	[r]907
1958—Jan.[1]	3,504	3,108	1,247	1,174	828	720	875	793	554	421
	Repayments									
1950	....	18,445	....	6,776	....	4,331	....	3,404	....	3,934
1951	....	22,985	....	8,385	....	5,524	....	4,385	....	4,691
1952	....	25,405	....	9,370	....	5,925	....	5,012	....	5,098
1953	....	27,956	....	10,625	....	6,344	....	5,683	....	5,304
1954	....	30,488	....	11,469	....	7,043	....	6,511	....	5,465
1955	....	33,649	....	12,304	....	7,901	....	7,553	....	5,891
1956	....	37,194	....	13,320	....	8,943	....	8,603	....	6,328
1957	....	40,133	....	14,252	....	9,727	....	9,642	....	6,512
1957—Jan.[1]	3,292	3,349	1,177	1,198	821	808	767	758	527	585
Feb.	3,257	3,056	1,162	1,084	793	733	757	697	545	542
Mar.	3,255	3,311	1,141	1,138	791	808	778	790	545	575
Apr.[1]	3,284	3,332	1,155	1,187	801	799	793	806	535	540
May	3,313	3,376	1,168	1,200	817	814	805	818	523	544
June	3,339	3,224	1,196	1,153	805	780	800	776	538	515
July[1]	3,382	3,477	1,189	1,242	831	846	817	844	545	545
Aug.	3,343	3,369	1,196	1,221	797	814	819	806	531	528
Sept.	3,418	3,276	1,228	1,190	808	796	815	765	567	525
Oct.[1]	3,358	3,456	1,200	1,226	820	873	810	817	528	540
Nov.	3,394	3,347	1,208	1,182	795	800	838	826	553	539
Dec.	3,498	3,560	1,232	1,231	848	856	843	939	575	534
1958—Jan.[1]	3,421	3,476	1,216	1,237	844	829	837	831	524	579
	Change in outstanding credit[2]									
1950	....	+3,113	....	+1,359	....	+767	....	+422	....	+565
1951	....	+591	....	−27	....	−57	....	+403	....	+272
1952	....	+4,109	....	+1,753	....	+1,057	....	+647	....	+652
1953	....	+3,602	....	+1,474	....	+1,216	....	+692	....	+220
1954	....	+563	....	−202	....	+217	....	+472	....	+76
1955	....	+5,390	....	+1,805	....	+2,299	....	+896	....	+390
1956	....	+2,869	....	+1,106	....	+657	....	+871	....	+235
1957	....	[r]+2,278	....	[c]+1,007	....	+473	....	+811	....	[r]−13
1957—Jan.[1]	+181	−259	+24	−69	+82	−23	+50	−18	+25	−149
Feb.	+252	−80	+100	+24	+38	−42	+84	+52	+30	−114
Mar.	+171	+36	+67	+74	+61	+13	+58	+53	−15	−104
Apr.[1]	+186	+262	+165	+245	+44	+56	+72	+95	−95	−134
May	+222	+372	+77	+162	+15	+72	+72	+86	+58	+52
June	+208	+450	+72	+180	+25	+124	+70	+95	+41	+51
July[1]	+217	+360	+147	+185	+59	+176	+88	+102	−77	−103
Aug.	+248	+335	+88	+99	+22	+89	+88	+100	+50	+47
Sept.	+128	+112	+61	+49	+26	+33	+54	+32	−13	−2
Oct.[1]	+183	+89	+142	+93	+36	−13	+61	+33	−56	−24
Nov.	+165	+92	+44	−32	+40	−21	+55	+51	+26	+94
Dec.	[r]+117	[r]+509	+20	−3	+25	+9	+59	+130	[r]+13	[r]+373
1958—Jan.[1]	+83	−368	−9	−103	−16	−109	+38	−38	+70	−118

[c] Corrected. [r] Revised.

[1] Data on extensions and repayments for commercial banks and retail outlets have been adjusted to avoid duplications resulting from large transfers of other consumer goods paper. As a result, the differences between extensions and repayments for these institutions do not equal the changes in outstanding credit.

[2] Obtained by subtracting instalment credit repaid from instalment credit extended, except as indicated in note 1.

NOTE.—Monthly figures for 1940–54 are shown on pp. 1043–54 of the BULLETIN for October 1956; for 1955–56, in the BULLETIN for December 1957, pp. 1420–22.

A discussion of the composition and characteristics of the data and a description of the methods used to derive the estimates are shown in the BULLETIN for January 1954, pp. 9–17. Estimates of instalment credit extended and repaid are based on information from accounting records of retail outlets and financial institutions and often include charges incurred under the instalment contract. Renewals and refinancing of loans, repurchases and resales of instalment paper, and certain other transactions may increase the amount of both credit extended and credit repaid without adding to the amount of credit outstanding.

SELECTED BUSINESS INDEXES

[Indexes, 1947–49=100. The terms "adjusted" and "unadjusted" refer to adjustment of *monthly* figures for seasonal variation]

Year or month	Industrial production (physical volume)* — Total, Adjusted	Industrial production — Total, Unadjusted	Manufactures — Total, Adjusted	Manufactures — Durable, Adjusted	Manufactures — Nondurable, Adjusted	Minerals, Adjusted	Construction contracts awarded (value)[1] — Total, Adjusted	Construction — Residential, Adjusted	Construction — All other, Adjusted	Employment and payrolls[2] — Nonagricultural employment, Adjusted	Manufacturing production workers — Employment, Adjusted	Manufacturing production workers — Employment, Unadjusted	Manufacturing production workers — Payrolls, Unadjusted	Freight carloadings*, Adjusted	Department store sales* (retail value), Adjusted	Consumer prices[2], Unadjusted	Wholesale commodity prices[2], Unadjusted
1919	.....	39	38	38	37	45	34	26	39	61.3	.....	68.7	31.1	90	27	74.0	....
1920	.....	41	39	42	36	53	34	18	45	61.9	.....	69.0	37.1	98	32	85.7	....
1921	.....	31	30	24	34	42	30	27	32	55.2	.....	52.8	24.0	83	30	76.4	....
1922	.....	39	39	37	40	45	43	41	43	58.5	.....	58.4	25.7	92	30	71.6	....
1923	.....	47	45	47	44	62	45	49	42	64.3	.....	66.9	32.6	107	34	72.9	....
1924	.....	44	43	43	42	57	51	57	46	63.5	.....	62.1	30.4	105	34	73.1	....
1925	.....	49	48	49	46	59	66	75	59	65.2	.....	64.2	32.1	110	36	75.0	....
1926	.....	51	50	52	48	63	69	73	67	67.5	.....	65.5	33.0	115	37	75.6	65.0
1927	.....	51	50	49	50	64	69	71	68	67.9	.....	64.1	32.4	111	37	74.2	62.0
1928	.....	53	52	53	51	63	73	76	70	67.9	.....	64.2	32.8	112	37	73.3	62.9
1929	.....	59	58	60	56	68	63	52	70	71.0	.....	68.3	35.0	115	38	73.3	61.9
1930	.....	49	48	45	51	59	49	30	62	66.6	.....	59.5	28.3	99	35	71.4	56.1
1931	.....	40	39	31	48	51	34	22	41	60.3	.....	50.2	21.5	79	32	65.0	47.4
1932	.....	31	30	19	42	42	15	8	20	53.4	.....	42.6	14.8	59	24	58.4	42.1
1933	.....	37	36	24	48	48	14	7	18	53.6	.....	47.2	15.9	62	24	55.3	42.8
1934	.....	40	39	30	49	51	17	7	24	58.8	.....	55.1	20.4	67	27	57.2	48.7
1935	.....	47	46	38	55	55	20	13	25	61.3	.....	58.8	23.5	69	29	58.7	52.0
1936	.....	56	55	49	61	63	30	22	35	65.8	.....	63.9	27.2	81	32	59.3	52.5
1937	.....	61	60	55	64	71	32	25	36	70.2	.....	70.1	32.6	84	35	61.4	56.1
1938	.....	48	46	35	57	62	35	27	40	66.1	.....	59.6	25.3	67	32	60.3	51.1
1939	.....	58	57	49	66	68	39	37	40	69.3	.....	66.2	29.9	76	35	59.4	50.1
1940	.....	67	66	63	69	76	44	43	44	73.3	.....	71.2	34.0	83	37	59.9	51.1
1941	.....	87	88	91	84	81	66	54	74	82.8	.....	87.9	49.3	98	44	62.9	56.8
1942	.....	106	110	126	93	84	89	49	116	90.9	.....	103.9	72.2	104	49	69.7	64.2
1943	.....	127	133	162	103	87	37	24	45	96.3	.....	121.4	99.0	104	56	74.0	67.0
1944	.....	125	130	159	99	93	22	10	30	95.0	.....	118.1	102.8	106	62	75.2	67.6
1945	.....	107	110	123	96	92	36	16	50	91.5	.....	104.0	87.8	102	70	76.9	68.8
1946	.....	90	90	86	95	91	82	87	79	94.4	.....	97.9	81.2	100	90	83.4	78.7
1947	.....	100	100	101	99	100	84	86	83	99.4	.....	103.4	97.7	108	98	95.5	96.4
1948	.....	104	103	104	102	106	102	98	105	101.6	.....	102.8	105.1	104	104	102.8	104.4
1949	.....	97	97	95	99	94	113	116	111	99.0	.....	93.8	97.2	88	99	101.8	99.2
1950	.....	112	113	116	111	105	159	185	142	102.3	.....	99.6	111.7	97	107	102.8	103.1
1951	.....	120	121	128	114	115	171	170	172	108.2	.....	106.4	129.8	101	112	111.0	114.8
1952	.....	124	125	136	114	114	183	183	183	110.4	.....	106.3	136.6	95	114	113.5	111.6
1953	.....	134	136	153	118	116	192	178	201	113.6	.....	111.8	151.4	96	118	114.4	110.1
1954	.....	125	127	137	116	111	215	232	204	110.7	.....	101.8	137.7	86	118	114.8	110.3
1955	.....	139	140	155	126	122	261	280	248	114.4	.....	105.6	152.9	95	128	114.5	110.7
1956	.....	143	144	159	129	129	268	271	266	118.6	.....	106.7	161.4	97	135	116.2	114.3
1957	.....	143	145	160	130	128	n.a.	n.a.	274	120.1	.....	104.5	162.7	90	136	....	....
1957																	
Feb.	146	148	r147	164	131	r132	n.a.	n.a.	323	120.2	106.4	106.0	165.0	96	136	118.7	117.0
Mar.	145	148	147	r163	131	r132	n.a.	n.a.	281	120.1	106.0	105.8	164.3	98	137	118.9	116.9
Apr.	r144	r145	145	160	r130	r131	n.a.	n.a.	286	120.2	105.9	104.8	161.5	91	131	119.3	117.2
May	r144	143	145	r160	r131	130	n.a.	n.a.	259	120.5	105.7	104.2	161.0	90	135	119.6	117.1
June	r145	145	r147	r163	r131	127	n.a.	n.a.	267	120.6	105.3	104.7	163.8	90	138	120.2	117.4
July	r145	135	r147	r162	r131	r128	n.a.	n.a.	252	120.7	104.9	103.4	160.5	85	138	120.8	118.2
Aug.	145	145	147	163	r132	129	n.a.	n.a.	246	120.8	104.4	105.3	164.7	92	144	121.0	118.4
Sept.	144	146	146	160	r131	129	n.a.	n.a.	251	120.4	103.3	105.0	164.7	87	136	121.1	118.0
Oct.	r142	r146	143	r156	130	r127	n.a.	n.a.	262	120.0	102.8	104.2	162.6	86	129	121.1	117.8
Nov.	139	141	141	r154	128	r123	n.a.	n.a.	269	119.4	101.8	102.7	160.9	85	133	121.6	118.1
Dec.	r135	r134	137	r146	127	122	n.a.	n.a.	298	r118.8	r100.3	r100.7	r157.4	83	138	121.6	118.5
1958																	
Jan.	133	132	134	143	126	121	n.a.	n.a.	n.a.	118.3	98.1	97.4	149.2	82	p131	122.3	118.8
Feb.	p130	p131	p131	p137	p125	p119	......	......	......	p116.9	p95.6	p95.2	e145.4	76	e126	....	p118.9

e Estimated. p Preliminary. r Revised.

n.a. Not available.

* Average per working day.

[1] Three-month moving average, based on F. W. Dodge Corporation data. A description of the index may be obtained from the Division of Research and Statistics.

A new adjusted index covering the 48 states will appear in the BULLETIN for April 1958.

[2] The indexes of employment and payrolls, wholesale commodity prices, and consumer prices are compiled by the Bureau of Labor Statistics. Nonagricultural employment covers employees only and excludes personnel in the armed forces. The consumer price index is the revised series, reflecting, beginning January 1953, the inclusion of some new series and revised weights; prior to January 1953, indexes are based on the "interim adjusted" and "old" indexes converted to the base 1947–49=100.

INDUSTRIAL PRODUCTION

[Federal Reserve indexes, 1947-49 average= 100]

Industry	1947-49 proportion	Annual average 1956	Annual average 1957	1957 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1958 Jan.
SEASONALLY ADJUSTED																
INDUSTRIAL PRODUCTION—TOTAL	**100.00**	**143**	**143**	**r145**	**146**	**145**	**r144**	**r144**	**r145**	**r145**	**145**	**144**	**r142**	**139**	**r135**	**133**
MANUFACTURES—TOTAL	**90.02**	**144**	**145**	**147**	**r147**	**147**	**145**	**145**	**r147**	**r147**	**147**	**146**	**r143**	**141**	**137**	**134**
Durable Manufactures—Total	***45.17***	***159***	***160***	***r163***	***164***	***r163***	***160***	***r160***	***r163***	***r162***	***163***	***160***	***r156***	***r154***	***r146***	***143***
Primary metals	6.70	138	132	143	143	137	134	132	132	r134	136	131	128	121	r107	99
Metal fabricating	*28.52*	*172*	*176*	*r178*	*180*	*179*	*176*	*r176*	*r179*	*r179*	*178*	*r176*	*r172*	*170*	*r163*	*159*
Fabricated metal products	5.73	135	139	137	138	r138	r138	r138	139	141	140	r139	r137	r141	135	128
Machinery	13.68	171	168	r172	r173	172	r167	168	171	173	r172	170	r164	r163	r156	152
Nonelectrical machinery	9.04	153	150	154	155	155	r152	152	r153	152	r151	r150	r148	r143	r137	132
Electrical machinery	4.64	207	204	r206	r206	204	196	199	r207	r215	r215	r209	r197	r203	r194	192
Transportation equipment	7.54	199	213	r218	r222	r219	r216	r216	r220	r216	r216	r212	r208	r203	r194	192
Autos, trucks, and parts	4.80	125	128	r132	r136	r131	r124	r127	r132	r128	r131	r129	r126	r125	r113	109
Other transportation equipment	2.74	310	344	348	353	355	357	352	355	r351	r345	340	r334	322	r315	317
Instruments and related products	1.29	166	172	173	174	173	172	r173	r173	173	r174	r173	170	170	r168	165
Clay, glass, and lumber products	*5.91*	*140*	*133*	*133*	*r134*	*r134*	*r134*	*136*	*140*	*r133*	*r136*	*r134*	*131*	*128*	*124*	*124*
Stone, clay, and glass products	2.82	158	155	155	155	155	155	r157	r156	155	r159	159	r155	r151	r148	143
Lumber and products	3.09	123	114	114	r115	r115	r115	r117	125	r113	r116	r112	r109	r107	103	108
Furniture and misc. manufactures	*4.04*	*135*	*132*	*131*	*129*	*r132*	*132*	*132*	*133*	*r133*	*135*	*r135*	*r132*	*r129*	*125*	*123*
Furniture and fixtures	1.64	122	120	r119	118	r119	r120	r120	121	r122	r123	r122	r120	r118	r116	114
Miscellaneous manufactures	2.40	144	140	140	r137	r140	r141	r141	142	141	r143	r143	r140	r136	r131	129
Nondurable Manufactures—Total	***44.85***	***129***	***130***	***r130***	***131***	***131***	***r130***	***r131***	***r131***	***r131***	***r132***	***r131***	***130***	***128***	***127***	***126***
Textiles and apparel	*11.87*	*108*	*105*	*r105*	*105*	*r106*	*r106*	*r106*	*106*	*r107*	*r106*	*r106*	*r104*	*r101*	*97*	*96*
Textile mill products	6.32	104	99	r101	101	101	r100	r100	100	r101	r101	101	r98	95	91	93
Apparel and allied products	5.55	112	111	r110	110	r112	r112	113	113	113	r112	r112	110	r107	r104	.....
Rubber and leather products	*3.20*	*117*	*118*	*r118*	*r121*	*r124*	*118*	*r118*	*r119*	*r119*	*r122*	*r120*	*117*	*r116*	*r108*	*107*
Rubber products	1.47	133	135	r138	r141	r145	r132	r134	r135	r136	r141	r138	r135	r131	r116	115
Leather and products	1.73	104	104	r101	r104	r105	r105	r104	106	r105	r106	r104	r103	r103	100	.....
Paper and printing	*8.93*	*145*	*148*	*148*	*147*	*147*	*r146*	*148*	*148*	*146*	*149*	*149*	*149*	*r149*	*146*	*145*
Paper and allied products	3.46	159	158	159	157	157	156	158	159	156	163	161	161	162	152	154
Printing and publishing	5.47	136	141	141	141	141	r140	r141	141	140	141	142	142	r141	r142	140
Newsprint consumption	1.85	132	131	r133	132	132	128	132	132	129	129	131	130	r129	131	126
Job printing and periodicals	3.62	138	146	145	146	145	r146	r145	146	146	146	147	148	r148	r148	147
Chemical and petroleum products	*9.34*	*167*	*172*	*r173*	*172*	*171*	*r171*	*r173*	*r172*	*r174*	*r175*	*174*	*r173*	*r171*	*r169*	*169*
Chemicals and allied products	6.84	177	184	r183	183	182	r182	185	r184	185	186	185	185	r184	r181	181
Industrial chemicals	2.54	196	203	r203	r203	202	r202	r204	r204	205	r206	207	206	r201	r196	193
Petroleum and coal products	2.50	141	141	r146	143	141	142	142	r139	r142	r143	r141	139	r135	137	p133
Foods, beverages, and tobacco	*11.51*	*112*	*112*	*111*	*113*	*r114*	*r111*	*r112*	*113*	*r113*	*r112*	*113*	*111*	*r110*	*113*	*111*
Food and beverage manufactures	10.73	113	112	111	113	r114	r112	r112	r114	r113	113	113	r112	110	r114	112
Food manufactures	8.49	113	112	111	113	r114	r112	r112	r113	r114	r112	r112	111	110	113	112
Beverages	2.24	112	113	113	111	115	r109	r112	r116	r109	r113	r113	r112	r110	118	.....
Tobacco manufactures	.78	107	111	r110	r114	111	109	110	r112	114	r111	r114	r110	107	106	.....
MINERALS—TOTAL	**9.98**	**129**	**128**	**131**	**r132**	**r132**	**r131**	**130**	**127**	**r128**	**129**	**129**	**r127**	**r123**	**122**	**121**
Mineral fuels	*8.35*	*129*	*128*	*131*	*r132*	*r132*	*r131*	*130*	*127*	*127*	*128*	*129*	*128*	*r123*	*r122*	*120*
Coal	2.68	85	83	r81	87	92	87	r83	86	r84	84	82	80	77	70	68
Anthracite	.36	55	49	r52	r50	r49	r52	r56	60	r40	r50	r48	r45	r43	r40	43
Bituminous coal	2.32	90	88	86	93	99	93	88	90	90	89	88	85	82	74	72
Crude oil and natural gas	5.67	150	150	154	154	r151	151	153	146	r148	149	151	151	r145	146	p144
Crude oil	4.12	137	137	142	144	r142	r140	141	136	134	134	136	136	r132	131	p131
Natural gas and gas liquids	.70	191	.....	196	198	198	r200	204	194	r197	198	196	p199	p195	p192	.....
Metal, stone, and earth minerals	*1.63*	*127*	*129*	*131*	*132*	*132*	*r130*	*r128*	*r131*	*r132*	*r133*	*r129*	*r125*	*r120*	*r125*	*128*
Metal mining	.82	114	116	120	122	121	r121	r114	r121	r122	r121	r115	r107	r100	110	110
Stone and earth minerals	.81	141	143	142	142	143	140	142	142	143	r146	144	r143	r140	141	146

p Preliminary. rRevised.

NOTE.—Revised seasonally adjusted industrial production indexes for the period beginning January 1957 are shown in the above table following the practice announced in the BULLETIN for March 1957 pages 277-278. Revised indexes for autos will be shown in the BULLETIN for April, when the results of the review of seasonal adjustment factors for indexes of consumer durable goods and electricity and gas utilities will be published. Revised indexes of industrial production, of consumer durable goods, and of electricity and gas utilities for the year 1956 will be shown in the BULLETIN for April. The revised index of total industrial production, seasonally adjusted, for 1956 is as follows:

Jan.......143	Apr.......143	July......137	Oct.......145
Feb.......143	May......142	Aug.......143	Nov.......145
Mar.......142	June......142	Sept.......144	Dec.......146

Revised seasonal adjustment factors for all published production indexes will be shown in a pamphlet *Seasonal Adjustment Factors—1947-57* to be available within the next month upon request to the Division of Administrative Services, Board of Governors of the Federal Reserve System, Washington 25, D. C.

For other notes see end of table.

INDUSTRIAL PRODUCTION—Continued

[Federal Reserve indexes, 1947–49 average= 100]

Industry	1947–49 proportion	Annual average 1956	Annual average 1957	1957 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1958 Jan.
WITHOUT SEASONAL ADJUSTMENT																
INDUSTRIAL PRODUCTION—TOTAL	**100.00**	**143**	**143**	**r144**	**148**	**148**	**r145**	**143**	**145**	**135**	**145**	**146**	**r146**	**141**	**r134**	**132**
MANUFACTURES—TOTAL	**90.02**	**144**	**145**	**146**	**149**	**r149**	**146**	**144**	**146**	**r137**	**r147**	**r148**	**r148**	**r144**	**135**	**133**
Durable Manufactures—Total	**45.17**	**159**	**160**	**164**	**167**	**166**	**163**	**159**	**162**	**151**	**r160**	**r160**	**r159**	**r156**	**147**	**143**
Primary metals	**6.70**	**138**	**132**	**146**	**148**	**144**	**140**	**135**	**136**	**118**	**128**	**128**	**129**	**121**	**106**	**101**
Ferrous metals	5.03	135	130	147	149	144	138	133	134	118	127	126	126	118	102	95
Pig iron and steel	3.51	142	140	159	159	154	148	143	141	130	135	136	135	126	108	99
Pig iron	.37	131	137	148	149	147	144	141	139	136	137	139	132	121	107	98
Steel	3.05	143	139	160	160	154	147	142	140	128	134	134	134	126	107	99
Carbon steel	2.62	139	138	157	159	152	146	141	141	129	133	134	132	125	107	96
Alloy steel	.43	167	143	178	167	163	151	149	136	123	137	132	143	132	108	111
Ferrous castings and forgings	1.52	119	108	118	124	122	115	109	119	90	106	105	106	99	87	85
Iron and steel castings	1.29	117	107	117	122	119	113	108	117	90	107	104	105	99	87	83
Steel forgings	.23	126	113	126	133	137	124	116	126	89	103	110	107	98	88	92
Nonferrous metals	1.67	144	136	143	148	142	145	r140	142	117	132	134	138	129	r117	121
Primary nonferrous metals	.38	164	164	170	167	167	175	r172	167	157	160	153	156	159	161	160
Copper smelting	.09	133	129	135	139	132	140	131	134	114	122	120	126	125	r128	134
Copper refining	.06	132	135	137	146	141	146	r149	r137	r126	126	r120	128	r131	134	134
Lead	.04	115	114	113	118	116	129	115	110	104	107	116	115	112	112	106
Zinc	.10	123	123	128	133	132	137	133	128	118	115	110	113	114	r120	114
Aluminum	.09	280	275	289	259	267	283	285	280	279	282	263	263	274	275	275
Secondary nonferrous metals	.13	118	112	116	125	120	118	110	108	86	106	114	117	r112	98	.....
Nonferrous shapes and castings	1.16	140	129	138	144	137	138	132	138	107	125	130	134	121	r104	110
Copper mill shapes	.63	115	104	111	121	105	113	r108	r115	r73	105	r109	r110	r98	80	87
Aluminum mill shapes	.20	215	198	203	200	206	213	215	211	214	192	200	199	167	159	167
Nonferrous castings	.33	146	136	150	156	157	141	131	140	109	125	131	140	138	118	.....
Metal Fabricating	***28.52***	***172***	***176***	***181***	***185***	***184***	***179***	***174***	***176***	***167***	***174***	***r174***	***r173***	***r174***	***166***	***161***
Fabricated metal products	**5.73**	**135**	**139**	**136**	**138**	**138**	**140**	**136**	**139**	**134**	**141**	**r145**	**r142**	**r139**	**133**	**127**
Structural metal parts	2.68	141	152	148	149	149	148	149	152	149	r153	r156	r156	r156	r154	146
Stampings and misc. metal products	2.12	125	125	130	130	129	126	124	124	118	121	122	124	125	120	112
Tin cans	.30	151	146	113	116	127	190	122	149	163	205	195	146	r112	110	116
Furnaces, gas ranges, and heaters	.63	110	99	84	103	101	98	95	104	81	105	122	115	99	r76	.....
Machinery	**13.68**	**171**	**168**	**r174**	**177**	**177**	**169**	**166**	**168**	**158**	**r167**	**r173**	**r170**	**r165**	**r157**	**154**
Nonelectrical machinery	9.04	153	150	r157	160	161	157	154	153	146	143	r149	r145	r140	r138	134
Farm and industrial machinery	8.13	147	146	153	154	154	152	149	148	r144	141	r143	r140	r136	r135	130
Farm machinery	1.02	86	84	86	89	92	90	87	85	82	r80	82	r82	r78	r80	81
Industrial and commercial machinery	7.11	156	155	163	164	163	161	158	157	152	r150	r152	r148	r144	r143	137
Machine tools and presses	.68	197	182	203	204	202	198	193	188	179	r175	r175	r164	r154	r153	143
Laundry and refrigeration appliances	.69	168	151	152	175	190	164	158	160	129	119	159	149	138	r119	.....
Electrical machinery	4.64	207	204	r206	210	208	194	189	197	r183	r213	r220	r220	r215	r194	192
Electrical apparatus and parts	3.23	198	201	210	210	208	204	200	200	r195	r196	r201	r196	r198	r197	189
Radio and television sets	.74	224	205	188	201	196	159	153	180	143	256	269	282	260	176	187
Transportation equipment	**7.54**	**199**	**213**	**225**	**231**	**228**	**223**	**214**	**217**	**205**	**209**	**194**	**198**	**213**	**r203**	**197**
Autos, trucks, and parts	4.80	125	128	141	148	142	135	127	130	114	123	100	110	139	r124	116
Autos	1.50	138	146	174	178	171	155	144	156	134	148	84	88	171	151	132
Trucks	.66	112	104	98	113	109	120	113	119	103	103	r85	r93	r100	r95	92
Light trucks	.22	92	100	97	110	105	107	r101	108	r96	r97	r69	r95	r118	r99	83
Medium trucks	.19	58	50	42	57	52	69	60	62	52	48	29	46	47	40	26
Heavy trucks	.14	218	194	182	200	193	224	215	228	208	195	184	161	157	183	216
Truck trailers	.07	167	137	134	156	162	154	148	156	109	146	136	122	116	103	.....
Auto and truck parts	2.58	121	123	134	140	134	127	121	118	106	113	114	127	131	116	.....
Other transportation equipment	2.74	310	344	351	356	359	357	348	351	344	341	340	334	322	322	320
Aircraft and parts	1.30	548	608	624	630	633	633	614	615	609	606	597	592	569	r571	569
Shipbuilding and repair	.81	118	129	128	130	132	132	134	136	131	128	126	123	r121	r125	122
Railroad equipment	.53	63	77	78	84	88	81	76	84	73	69	83	74	71	r61	64
Railroad cars	.35	54	80	77	86	98	86	81	88	71	84	85	76	72	59	66
Instruments and related products	**1.29**	**166**	**172**	**173**	**174**	**174**	**174**	**171**	**171**	**168**	**172**	**174**	**172**	**172**	**170**	**165**
Clay, Glass, and Lumber Products	***5.91***	***140***	***133***	***125***	***131***	***132***	***135***	***137***	***144***	***127***	***143***	***141***	***139***	***128***	***117***	***117***
Stone, clay, and glass products	**2.82**	**158**	**155**	**148**	**151**	**153**	**155**	**158**	**159**	**150**	**163**	**162**	**161**	**152**	**145**	**137**
Glass and pottery products	1.09	140	140	143	145	144	141	141	139	132	142	141	144	141	134	130
Flat glass and vitreous products	.60	164	161	167	166	164	160	159	157	149	156	163	165	165	161	150
Flat and other glass	.47	165	164	171	168	166	163	161	160	151	159	167	170	170	166	154
Glass containers	.26	132	136	127	134	138	132	137	144	137	154	138	143	128	117	128
Home glassware and pottery	.23	87	.....	98	102	100	100	97	85	78	91	90	92	.....	.....	.....
Cement	.32	157	148	113	116	133	145	161	161	119	185	187	177	152	132	109
Structural clay products	.35	137	129	120	120	121	129	130	133	134	137	135	134	126	r117	.....
Brick	.12	134	115	94	96	101	119	122	123	122	129	124	126	113	95	.....
Clay firebrick, pipe, and tile	.20	142	140	140	139	138	138	138	143	145	145	144	143	138	133	123
Concrete and plaster products	.48	194	188	173	177	181	185	194	200	198	201	198	193	182	172	165
Misc. stone and earth manufactures	.58	173	174	174	177	177	176	177	177	173	175	175	173	166	r165	158

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For other notes see end of table.

INDUSTRIAL PRODUCTION—Continued

[Federal Reserve indexes, 1947–49 average= 100]

Industry	1947–49 proportion	Annual average 1956	Annual average 1957	1957 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1958 Jan.
WITHOUT SEASONAL ADJUSTMENT —Continued																
Lumber and products	**3.09**	**123**	**114**	**104**	**112**	**112**	**117**	**118**	**131**	**105**	**125**	**121**	**119**	**106**	**92**	**98**
Lumber	2.05	107	96	89	98	100	100	99	110	88	106	103	98	89	75	81
Millwork and plywood	.60	189	187	167	181	170	191	196	219	168	209	205	207	178	155	170
Millwork	.39	121	112	90	105	102	107	110	146	101	144	132	124	100	80	58
Softwood plywood	.12	301	312	295	306	282	330	339	339	277	314	327	344	307	280	358
Wood containers	.29	91	84	88	86	86	87	88	88	83	83	83	82	78	77	74
Furniture and Misc. Manufacturing	***4.04***	***135***	***132***	***128***	***130***	***131***	***129***	***128***	***130***	***125***	***136***	***r141***	***r139***	***r134***	***r128***	***120***
Furniture and fixtures	**1.64**	**122**	**120**	**118**	**119**	**119**	**117**	**115**	**118**	**116**	**124**	**r126**	**r125**	**r121**	**r120**	**113**
Household furniture	1.10	121	120	116	118	119	117	114	117	115	124	r126	r127	r123	r122	115
Fixtures and office furniture	.54	122	120	121	121	121	118	118	119	118	r124	r125	r122	r116	r116	110
Miscellaneous manufactures	**2.40**	**144**	**140**	**136**	**137**	**139**	**137**	**137**	**139**	**131**	**144**	**150**	**148**	**143**	**134**	**125**
Nondurable Manufactures—Total	**44.85**	**129**	**130**	**128**	**131**	**r132**	**r129**	**129**	**130**	**122**	**r134**	**135**	**r137**	**r131**	**r123**	**124**
Textiles and Apparel	***11.87***	***108***	***105***	***r107***	***112***	***r113***	***r108***	***106***	***104***	***r91***	***r108***	***r104***	***r108***	***r102***	***r92***	***98***
Textile mill products	**6.32**	**104**	**99**	**r102**	**105**	**r105**	**r102**	**100**	**r99**	**r86**	**r101**	**101**	**r103**	**r98**	**r89**	**94**
Cotton and synthetic fabrics	3.72	108	105	108	111	r112	103	r107	r104	r86	r105	r107	r106	r107	r97	102
Cotton consumption	2.30	102	95	99	101	102	95	99	96	75	98	97	97	97	84	94
Synthetic fabrics	.97	118	119	129	129	r124	r118	r111	r111	r110	r113	r121	r122	r121	r116	110
Fabric finishing	.45	98	94	87	r103	r111	r89	r109	r102	r64	r94	r94	r86	r97	r90	82
Wool textiles	.97	86	75	74	81	79	78	81	87	67	82	79	71	65	55	56
Wool apparel yarns	.16	88	78	80	85	85	82	89	88	71	86	79	66	66	61	.....
Wool fabrics	.75	86	75	72	80	78	77	79	88	67	81	80	74	65	54	55
Knit goods	1.15	108	104	100	105	109	r103	r103	r107	96	r110	r110	r109	r104	r92	94
Hosiery	.65	100	93	98	103	106	92	r90	92	76	95	95	r98	r93	r78	90
Full-fashioned hosiery	.45	102	89	98	104	109	91	87	87	69	88	87	88	88	74	87
Seamless hosiery	.20	96	102	97	101	r98	r94	r96	r104	r92	r114	r116	r121	r107	r86	99
Knit garments	.50	119	118	102	108	113	r117	r119	r125	r123	r128	r129	r125	r118	r111	99
Floor coverings[1]	.48	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Woven carpets	.31	83	71	86	92	91	85	69	64	46	68	75	59	59	61	.....
Apparel and allied products	**5.55**	**112**	**111**	**113**	**r120**	**r123**	**r114**	**112**	**r110**	**96**	**r116**	**r109**	**r112**	**r107**	**r96**	.....
Men's outerwear	1.78	110	102	119	111	r114	r100	r111	r104	r74	r110	r100	r99	r98	r90	94
Men's suits and coats	.73	95	86	107	95	101	88	102	91	r55	r98	78	r72	r73	r72	69
Men's suits	.50	93	87	114	100	104	90	100	88	54	93	r76	73	r77	r76	73
Men's outercoats	.13	78	60	51	50	63	60	r86	r80	r48	r93	r68	r53	r41	r40	35
Shirts and work clothing	.99	118	112	126	121	r121	r106	r115	r111	r83	r117	r113	r116	r113	r100	110
Women's outerwear	1.85	112	112	108	130	148	119	115	111	101	118	109	108	102	80	.....
Women's suits and coats	.76	128	128	131	157	169	102	96	127	130	148	133	134	123	85	.....
Misc. apparel and allied mfrs	1.92	113	117	112	117	118	r112	110	r113	r113	r120	r122	r123	r121	r117	112
Rubber and Leather Products	***3.20***	***117***	***118***	***123***	***130***	***130***	***119***	***114***	***117***	***101***	***123***	***121***	***123***	***116***	***r103***	***111***
Rubber products	**1.47**	**133**	**135**	**147**	**148**	**148**	**135**	**133**	**132**	**112**	**135**	**139**	**145**	**135**	**114**	**122**
Tires and tubes	.70	121	123	126	136	134	121	125	123	109	120	124	129	119	106	106
Auto tires	.40	123	134	136	150	151	135	137	136	122	131	135	139	124	113	111
Truck and bus tires	.30	119	107	111	117	111	103	108	105	91	105	110	117	112	97	99
Miscellaneous rubber products	.77	144	147	166	159	161	147	140	141	114	150	153	.....	150	121	136
Leather and products	**1.73**	**104**	**104**	**102**	**115**	**115**	**106**	**98**	**105**	**92**	**112**	**105**	**104**	**99**	**94**	.....
Leather	.44	91	89	89	99	95	89	88	97	74	92	87	90	88	80	.....
Cattlehide leathers	.29	99	98	98	108	103	96	94	107	82	103	97	101	98	89	.....
Skin leathers	.15	76	72	72	82	81	76	75	77	58	72	69	71	68	63	.....
Shoes and slippers[1]	.90	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Miscellaneous leather products	.39	97	94	90	96	96	90	87	92	92	100	98	98	98	95	.....
Paper and Printing	***8.93***	***145***	***148***	***144***	***147***	***151***	***150***	***149***	***148***	***136***	***147***	***151***	***156***	***152***	***r141***	***142***
Paper and allied products	**3.46**	**159**	**158**	**157**	**161**	**163**	**161**	**158**	**161**	**139**	**165**	**163**	**170**	**163**	**140**	**152**
Pulp and paper	1.76	157	154	158	160	159	159	157	155	132	157	153	163	156	r137	150
Wood pulp	.51	179	176	182	181	181	182	182	175	152	181	172	187	183	r153	176
Paper and board	1.25	148	145	149	151	150	150	147	147	124	147	146	154	145	131	140
Printing paper	.22	140	133	140	139	137	136	136	136	121	132	125	135	132	123	134
Fine paper	.14	145	140	140	147	152	147	143	142	107	139	145	143	138	r131	135
Coarse paper	.20	136	127	139	139	131	131	125	123	102	127	124	135	129	r114	122
Miscellaneous paper	.18	170	179	184	189	186	192	182	184	160	175	171	185	172	167	179
Paperboard	.41	155	153	154	155	158	155	157	154	128	158	160	166	157	r134	142
Building paper and board	.10	131	124	118	128	120	126	124	127	118	134	134	141	120	101	114
Converted paper products	1.70	162	163	156	163	167	163	160	166	147	173	173	177	171	142	155
Shipping containers	.51	159	157	148	156	163	155	155	160	141	172	170	168	167	132	143
Sanitary paper products	.11	170	179	179	183	177	184	174	183	163	175	178	204	182	r171	187

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For other notes see end of table.

INDUSTRIAL PRODUCTION—Continued

[Federal Reserve indexes, 1947–49 average= 100]

Industry	1947–49 proportion	Annual average 1956	Annual average 1957	1957 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1958 Jan.
WITHOUT SEASONAL ADJUSTMENT —Continued																
Printing and publishing	5.47	**136**	**141**	**136**	**139**	**144**	**143**	**142**	**140**	**134**	**136**	**144**	**146**	**145**	**r142**	136
Newsprint consumption	1.85	132	131	123	128	137	137	140	132	112	116	133	140	140	129	116
Job printing and periodicals	3.62	138	146	143	144	147	146	144	144	144	146	150	150	148	r149	146
Chemical and Petroleum Products	*9.34*	*167*	*172*	*175*	*175*	*174*	*172*	*172*	*168*	*165*	*171*	*174*	*176*	*173*	*r171*	*170*
Chemicals and allied products	6.84	**177**	**184**	**184**	**186**	**186**	**184**	**184**	**179**	**174**	**181**	**185**	**190**	**187**	**r183**	**183**
Industrial chemicals	2.54	196	203	205	207	206	206	206	200	r195	200	205	208	203	r198	195
Basic inorganic chemicals	.57	189	202	198	208	206	210	209	197	189	196	203	209	205	r197	.....
Industrial organic chemicals	1.97	197	204	208	207	206	205	205	201	196	r202	r205	207	203	r198	196
Plastics materials	.24	256	272	263	277	280	275	278	266	240	269	283	299	276	259	.....
Synthetic rubber	.11	236	245	243	238	242	219	245	225	209	241	252	274	282	r268	265
Synthetic fibers	.59	181	199	205	202	196	203	198	189	191	r198	r202	206	201	194	189
Miscellaneous organic chemicals	1.03	189	186	193	191	190	188	188	191	188	184	184	179	178	r179	178
Vegetable and animal oils	.64	132	130	147	152	134	121	116	109	107	113	120	150	149	136	141
Vegetable oils	.48	124	121	143	143	129	113	103	94	95	100	110	148	147	132	136
Grease and tallow	.16	158	154	159	181	150	146	155	154	142	153	151	159	156	147	156
Soap and allied products	.71	111	112	120	117	128	113	115	104	80	115	115	126	110	105	111
Paints	.66	124	121	122	121	120	122	122	125	126	125	122	119	115	r114	113
Fertilizers	.23	129	132	125	135	166	181	172	119	104	108	119	122	115	r115	124
Petroleum and coal products	2.50	**141**	**141**	**148**	**145**	**139**	**137**	**139**	**139**	**139**	**144**	**144**	**139**	**136**	**138**	**p136**
Petroleum refining	1.97	150	150	160	154	149	145	148	147	146	152	152	145	147	153	p151
Gasoline	1.04	159	162	164	157	156	154	161	162	161	168	170	162	160	165	p162
Automotive gasoline	.98	153	157	158	153	150	149	155	156	155	163	166	157	156	161	.....
Aviation gasoline	.06	254	249	263	242	254	247	255	258	260	265	233	242	233	236	.....
Fuel oil	.56	147	147	170	164	151	143	143	142	141	144	142	137	139	150	p148
Distillate fuel oil	.30	193	194	225	216	197	187	190	188	185	191	188	181	184	200	.....
Residual fuel oil	.26	95	93	108	104	99	93	90	90	89	89	90	86	87	93	.....
Kerosene	.10	111	98	120	116	109	93	89	83	82	82	90	87	106	117	.....
Lubricating oil	.17	119	113	118	114	116	126	122	104	111	112	108	107	109	105	.....
Coke	.26	102	104	110	110	111	107	108	107	106	106	106	103	95	85	.....
Asphalt roofing and siding	.15	104	94	77	94	73	92	80	104	107	122	119	121	81	54	.....
Foods, Beverages, and Tobacco	*11.51*	*112*	*112*	*102*	*103*	*105*	*104*	*108*	*r117*	*115*	*122*	*r128*	*124*	*113*	*r106*	*102*
Food and beverage manufactures	10.73	**113**	**112**	**101**	**103**	**105**	**104**	**r108**	**116**	**r116**	**122**	**128**	**r125**	**113**	**r107**	**102**
Food manufactures	8.49	113	112	104	104	104	102	104	111	114	123	131	126	r116	109	105
Meat products	1.48	133	128	r138	133	131	123	124	120	116	118	130	140	133	131	134
Beef	.46	151	148	163	151	144	139	148	148	150	150	154	156	140	136	149
Pork	.83	119	110	121	117	117	108	104	97	91	94	109	124	122	122	118
Dairy products	.69	110	111	91	102	109	122	140	151	134	120	101	91	85	88	92
Butter	.14	107	109	102	109	117	122	139	145	113	97	87	88	87	97	.....
Natural cheese	.07	117	119	100	107	115	135	161	165	137	119	105	100	92	98	.....
Concentrated milk	.19	101	102	85	96	105	128	151	142	114	97	78	77	73	80	84
Ice cream	.28	112	111	82	97	101	109	122	149	151	141	117	96	84	82	84
Canned and frozen foods	1.13	133	126	87	84	82	89	91	111	163	r213	230	r158	r109	r99	86
Grain-mill products	1.16	101	100	100	100	99	95	97	98	r98	105	r108	r105	r98	r97	100
Wheat flour	.46	84	87	92	92	90	82	81	87	78	88	94	92	89	86	90
Cereals and feeds	.70	113	109	105	106	106	104	108	r106	r111	r117	r117	r114	r104	r104	106
Bakery products	1.64	98	100	95	96	96	98	99	102	104	103	102	101	101	101	98
Sugar	.27	122	120	85	57	54	60	68	88	74	80	117	262	279	233	.....
Cane sugar	.11	116	112	102	96	107	110	117	140	122	123	125	108	97	93	.....
Beet sugar	.13	121	121	65	20	3	13	21	38	27	38	105	390	431	350	.....
Confectionery	.71	107	112	113	123	119	96	84	95	81	103	155	147	132	99	.....
Miscellaneous food preparations	1.41	105	108	101	103	103	102	106	114	113	113	113	r112	110	108	108
Beverages	2.24	112	113	90	97	r111	r111	r120	r138	r122	r120	r118	r121	r105	99	.....
Bottled soft drinks	.54	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alcoholic beverages	1.70	105	103	86	93	r106	r103	r108	r123	r105	r102	r108	r117	r100	89	.....
Beer and ale	1.02	101	101	88	86	104	r109	r117	r130	r127	r111	r97	r88	r73	81	.....
Liquor distilling	.17	78	83	79	85	86	r82	r81	r67	r34	r47	r109	r140	r99	88	.....
Liquor bottling	.37	119	111	81	105	111	95	97	127	84	101	125	158	151	101	.....
Tobacco manufactures	.78	**107**	**111**	**110**	**114**	**111**	**104**	**113**	**121**	**102**	**120**	**118**	**119**	**110**	**87**	.....
Cigarettes	.46	111	116	117	119	115	109	121	129	114	126	123	122	111	90	.....
Cigars	.17	104	106	101	112	110	102	104	111	81	115	116	121	116	86	.....

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For other notes see end of table.

INDUSTRIAL PRODUCTION—Continued

[Federal Reserve indexes, 1947–49 average = 100]

Industry	1947–49 proportion	Annual average		1957												1958
		1956	1957	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
WITHOUT SEASONAL ADJUSTMENT—Continued																
MINERALS—TOTAL	**9.98**	**129**	**128**	**r131**	**131**	**131**	**131**	**132**	**r131**	**123**	**130**	**130**	**129**	**122**	**r122**	**121**
Mineral Fuels	***8.35***	***129***	***128***	***135***	***135***	***134***	***132***	***130***	***127***	***119***	***126***	***127***	***127***	***123***	***r124***	***124***
Coal	**2.68**	**85**	**83**	**85**	**87**	**88**	**83**	**82**	**88**	**65**	**86**	**86**	**87**	**80**	**73**	**72**
Anthracite	.36	55	49	57	52	43	46	50	64	32	52	52	49	46	42	48
Bituminous coal	2.32	90	88	90	93	95	89	87	92	71	92	91	93	86	77	76
Crude oil and natural gas	**5.67**	**150**	**150**	**158**	**157**	**156**	**155**	**153**	**145**	**145**	**145**	**147**	**146**	**144**	**148**	**p148**
Oil and gas extraction	4.82	145	146	154	157	156	153	150	143	139	138	140	140	141	143	p144
Crude oil	4.12	137	137	143	147	148	145	143	136	132	130	132	131	131	133	p132
Natural gas and gas liquids	.70	191	.....	214	214	206	200	194	184	181	186	188	p193	p201	p205	.....
Natural gas	.34	199	.....	240	235	225	214	202	192	196	194	196	.....	.....	.....	.....
Natural gas liquids	.36	182	184	190	194	189	188	186	177	167	179	180	182	189	186	.....
Oil and gas well drilling	.85	180	171	182	160	151	168	168	156	179	185	185	177	160	177	.....
Metal, Stone, and Earth Minerals	***1.63***	***127***	***129***	***109***	***113***	***114***	***124***	***140***	***149***	***143***	***r147***	***r145***	***r138***	***117***	***110***	***107***
Metal mining	**.82**	**114**	**116**	**91**	**98**	**95**	**111**	**135**	**r151**	**137**	**139**	**137**	**124**	**92**	**82**	**84**
Iron ore	.33	104	114	49	50	48	87	159	193	181	182	172	143	65	42	.....
Nonferrous metal mining	.49	120	117	120	r129	127	r127	r119	r123	108	110	113	r110	110	109	111
Copper mining	.24	136	133	133	145	141	140	133	139	121	124	132	125	131	131	130
Lead mining	.09	88	85	89	96	94	r97	88	r87	r80	r82	79	83	71	70	76
Zinc mining	.06	87	84	r94	r97	r99	r100	r88	r92	r80	r79	r70	74	68	67	72
Stone and earth minerals	**.81**	**141**	**143**	**128**	**129**	**133**	**137**	**145**	**148**	**149**	**r155**	**r153**	**r152**	**r143**	**r138**	**131**

p Preliminary. r Revised.

[1] Publication suspended pending revision.

NOTE.—A number of groups and subgroups include individual series not published separately, and metal fabricating contains the ordnance group in addition to the groups shown. Certain types of combat materiel are included in major group totals but not in individual indexes for autos, farm machinery, and some other products, as discussed in the BULLETIN for December 1953, pp. 1269–71.

For description and back figures, see BULLETIN for December 1953 pp. 1247–93 and pp. 1298–1328, respectively.

UTILITY OUTPUT OF ELECTRICITY AND GAS

[Seasonally adjusted Federal Reserve indexes, 1947–49 average = 100]

Series	1947–49 proportion	Annual average		1957												1958
		1955	1956	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
ELECTRICITY AND GAS—TOTAL	**100.00**	**199**	**218**	**225**	**227**	**226**	**227**	**229**	**232**	**236**	**236**	**234**	**p230**	**p233**	**p233**	**p235**
Residential	41.34	217	241	248	252	252	252	255	259	262	265	261	.....	.....	.....	.....
Nonresidential	58.66	187	201	210	209	207	209	211	213	217	217	214	.....	.....	.....	.....
Electricity	**76.18**	**199**	**218**	**227**	**229**	**227**	**228**	**231**	**234**	**239**	**240**	**237**	**233**	**236**	**235**	**p237**
Residential	27.48	224	250	260	266	266	263	267	274	280	284	280	274	285	282	.....
Industrial	23.68	190	206	213	211	209	214	215	214	217	217	215	213	210	207	.....
General industrial	23.49	174	186	193	191	188	193	194	193	198	198	196	194	191	188	.....
Atomic energy	.19	2221	2697	2740	2720	2750	2790	2880	2790	2560	2530	2580	2610	2580	2580	.....
Commercial and other	25.02	180	194	204	205	202	203	207	210	215	214	210	206	207	209	.....
Gas	**23.82**	**200**	**218**	**220**	**221**	**221**	**222**	**224**	**225**	**225**	**225**	**224**	**p223**	**p225**	**p228**	**p230**
Residential	13.86	203	223	223	224	225	229	231	231	228	226	225	.....	.....	.....	.....
Industrial	6.16	201	218	225	222	220	215	215	221	228	231	229	.....	.....	.....	.....
Commercial and other	3.80	185	197	203	205	207	209	210	212	212	213	214	.....	.....	.....	.....

p Preliminary. r Revised.

NOTE.—For description and back figures see BULLETIN for October 1956 pp. 1055–69. Indexes without seasonal adjustment may be obtained from the Division of Research and Statistics.

OUTPUT OF CONSUMER DURABLE GOODS

[Federal Reserve indexes, 1947-49 average = 100]

Product	1947-49 proportion	Annual average 1956	Annual average 1957	1957 Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1958 Jan.
SEASONALLY ADJUSTED																
CONSUMER DURABLES—TOTAL	**100.00**	**131**	**130**	**137**	**138**	**134**	**124**	**124**	**129**	**129**	**133**	**129**	**121**	**132**	**124**	**117**
Major Durables	**69.72**	**140**	**138**	**147**	**149**	**144**	**131**	**131**	**137**	**137**	**141**	**[r]135**	**[r]126**	**[r]142**	**[r]131**	**122**
Autos	**32.10**	**138**	**146**	**169**	**167**	**159**	**141**	**139**	**144**	**134**	**145**	**129**	**118**	**154**	**140**	**127**
Major household goods	**36.13**	**144**	**132**	**130**	**134**	**132**	**124**	**126**	**133**	**142**	**[r]139**	**[r]141**	**[r]134**	**132**	**[r]125**	**120**
Furniture and floor coverings	15.32	117	114	114	113	113	114	112	113	118	[r]117	115	[r]111	[r]112	[r]111	111
Household furniture	11.31	121	120	119	117	118	120	118	121	123	124	[r]123	[r]121	[r]118	[r]119	117
Floor coverings[1]	4.01	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Appliances and heaters	15.60	143	127	128	137	133	119	119	123	126	123	134	129	130	116	.....
Major appliances	11.88	151	133	136	144	140	121	124	127	132	133	144	139	139	121	.....
Ranges	2.60	103	89	95	103	100	88	85	85	77	84	85	85	92	87	.....
Refrigeration appliances	4.98	150	140	128	153	151	136	138	135	140	140	146	143	148	125	.....
Laundry appliances	2.51	216	180	209	183	177	133	152	167	182	182	212	203	189	159	142
Heating apparatus	3.72	118	104	105	114	111	110	104	108	109	92	102	100	102	102	.....
Radio and television sets	5.21	224	205	181	189	185	167	186	226	259	248	237	215	199	188	180
Radio sets	3.42	70	75	71	81	80	75	67	69	65	68	88	83	83	66	64
Television sets	1.79	519	453	392	395	388	343	413	524	628	591	521	468	421	419	401
Other Consumer Durables	**30.28**	**111**	**111**	**114**	**114**	**111**	**109**	**108**	**108**	**111**	**114**	**116**	**112**	**111**	**109**	**106**
Auto parts and tires	14.00	105	.....	112	114	112	104	103	104	110	111	112	109	.....	.....	.....
Misc. home and personal goods	16.28	116	114	116	113	110	113	112	112	112	117	119	114	114	110	106
WITHOUT SEASONAL ADJUSTMENT																
CONSUMER DURABLES—TOTAL	**100.00**	**131**	**130**	**137**	**143**	**142**	**130**	**124**	**131**	**116**	**132**	**119**	**119**	**141**	**124**	**118**
Major Durables	**69.72**	**140**	**138**	**149**	**157**	**155**	**140**	**131**	**140**	**121**	**139**	**118**	**119**	**[r]153**	**132**	**124**
Autos	**32.10**	**138**	**146**	**174**	**178**	**171**	**155**	**144**	**156**	**134**	**148**	**84**	**88**	**171**	**151**	**132**
Major household goods	**36.13**	**144**	**132**	**129**	**140**	**143**	**128**	**122**	**129**	**110**	**133**	**150**	**[r]148**	**138**	**[r]118**	**119**
Furniture and floor coverings	15.32	117	114	113	116	116	113	108	110	105	[r]116	119	[r]118	[r]115	[r]114	110
Household furniture	11.31	121	120	116	118	119	117	114	117	115	124	[r]126	[r]127	[r]123	[r]122	115
Floor coverings[1]	4.01	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Appliances and heaters	15.60	143	127	125	144	151	131	125	131	105	109	141	133	121	102	.....
Major appliances	11.88	151	133	137	158	166	140	133	136	108	109	144	136	126	109	.....
Ranges	2.60	103	89	94	116	114	92	82	88	59	77	93	90	89	79	.....
Refrigeration appliances	4.98	150	140	131	162	188	173	163	164	130	102	133	119	112	106	.....
Laundry appliances	2.51	216	180	207	208	195	140	144	150	126	164	229	229	206	156	141
Heating apparatus	3.72	118	104	88	100	104	103	99	114	94	109	134	121	104	80	.....
Radio and television sets	5.21	224	205	188	201	196	159	153	180	143	256	268	282	259	176	187
Radio sets	3.42	70	75	73	83	84	72	67	57	40	62	81	101	108	76	66
Television sets	1.79	519	453	408	427	411	326	318	414	339	627	625	627	547	365	417
Other Consumer Durables	**30.28**	**111**	**111**	**110**	**112**	**111**	**107**	**106**	**108**	**106**	**116**	**121**	**120**	**114**	**106**	**102**
Auto parts and tires	14.00	105	.....	109	110	107	101	103	107	109	114	120	118	.....	.....	.....
Misc. home and personal goods	16.28	116	114	111	114	114	112	109	108	104	117	121	122	120	110	101

[r] Revised.

[1] Publication suspended pending revision.

NOTE.—For a description of these indexes, see BULLETIN for May 1954, pp. 438–47.

Individual indexes without seasonal adjustment for woven carpets, appliances, heating apparatus, radio sets, and television sets may be obtained from the Division of Research and Statistics.

VALUE OF NEW CONSTRUCTION ACTIVITY

[Joint estimates of the Departments of Commerce and Labor. Seasonally adjusted. In millions of dollars]

Year or month	Total	Private: Total	Private: Residential	Private: Business: Total	Business: Industrial	Business: Commercial	Business: Public utility	Private: Other nonresidential	Public: Total	Public: Military	Public: Highway	Public: Conservation	Public: All other
1950	29,955	22,954	14,100	5,680	1,062	1,288	3,330	3,174	7,001	177	2,272	942	3,610
1951	32,739	23,320	12,529	7,217	2,117	1,371	3,729	3,574	9,419	887	2,518	912	5,102
1952	34,750	23,849	12,842	7,460	2,320	1,137	4,003	3,547	10,901	1,388	2,820	900	5,793
1953	37,118	25,724	13,777	8,436	2,229	1,791	4,416	3,511	11,394	1,307	3,160	892	6,035
1954	39,601	27,679	15,379	8,526	2,030	2,212	4,284	3,774	11,922	1,030	3,870	773	6,249
1955	44,581	32,620	18,705	10,160	2,399	3,218	4,543	3,755	11,961	1,313	4,050	701	5,897
1956	46,060	33,242	17,632	11,828	3,084	3,631	5,113	3,782	12,818	1,395	4,470	826	6,127
1957[p]	47,255	33,313	16,571	12,562	3,162	3,570	5,830	4,180	13,942	1,275	4,840	975	6,852
1957—Feb.	3,861	2,740	1,391	1,009	270	283	456	340	1,121	105	406	73	537
Mar.	3,912	2,752	1,383	1,025	274	292	459	344	1,160	104	434	71	551
Apr.	3,906	2,754	1,361	1,044	277	295	472	349	1,152	98	407	76	571
May	3,905	2,751	1,321	1,079	278	304	497	351	1,154	105	401	78	570
June	3,900	2,742	1,324	1,065	273	303	489	353	1,158	99	406	79	574
July	3,833	2,739	1,349	1,050	265	293	492	340	1,094	104	366	80	544
Aug.	3,942	2,787	1,377	1,056	266	297	493	354	1,155	117	374	90	574
Sept.	3,979	2,790	1,388	1,050	257	298	495	352	1,189	111	392	92	594
Oct.	4,064	2,833	1,414	1,069	251	308	510	350	1,231	111	429	94	597
Nov.	4,043	2,843	1,434	1,055	246	306	503	354	1,200	103	427	85	585
Dec.[p]	4,051	2,854	1,444	1,054	243	303	508	356	1,197	100	423	79	595
1958—Jan.[p]	4,013	2,785	1,403	1,027	235	285	507	355	1,228	99	461	79	589
Feb.[p]	3,958	2,789	1,416	1,017	231	276	510	356	1,169	92	427	81	569

[p] Preliminary.

CONSTRUCTION CONTRACTS AWARDED, BY TYPE OF OWNERSHIP AND BY TYPE OF CONSTRUCTION

[Figures for the 48 States, as reported by the F. W. Dodge Corporation. Value of contracts, in millions of dollars]

Year or month	Total	By type of ownership		By type of construction					
		Public	Private	Residential building	Nonresidential building				Public works and public utilities
					Factories	Commercial	Educational	Other	
1956	31,612	10,666	20,946	12,862	2,381	3,140	2,883	2,804	7,542
1957	32,173	11,238	20,935	13,039	2,168	3,267	2,936	2,922	7,841
1956—Jan.	2,221	848	1,373	808	172	206	239	170	625
Feb.	2,229	744	1,486	946	197	231	180	141	535
Mar.	2,770	810	1,959	1,186	316	276	262	210	519
Apr.	3,045	962	2,083	1,345	257	282	260	249	653
May	2,980	916	2,064	1,311	191	272	251	293	663
June	2,947	975	1,972	1,202	179	303	245	298	721
July	3,013	1,004	2,009	1,143	225	305	249	295	796
Aug.	2,953	1,027	1,926	1,224	171	272	239	251	796
Sept.	2,575	841	1,734	1,047	204	276	221	229	598
Oct.	2,443	799	1,644	1,050	159	247	235	224	528
Nov.	2,377	862	1,515	900	181	263	265	261	508
Dec.	2,057	878	1,180	699	129	208	237	183	602
1957—Jan.	2,300	892	1,407	817	228	261	224	201	569
Feb.	2,161	838	1,323	875	184	214	220	202	465
Mar.	3,078	1,018	2,060	1,107	212	348	274	259	878
Apr.	2,778	880	1,897	1,233	154	246	227	211	707
May	3,398	1,279	2,119	1,296	215	306	291	308	983
June	3,223	1,323	1,900	1,135	243	322	273	348	902
July	2,901	1,002	1,898	1,287	165	298	220	277	653
Aug.	2,818	802	2,016	1,284	181	324	265	239	526
Sept.	2,550	816	1,734	1,151	135	232	242	257	533
Oct.	2,614	787	1,827	1,165	167	248	265	230	538
Nov.	2,371	867	1,504	930	147	264	244	223	562
Dec.	1,982	734	1,249	759	137	204	190	167	525
1958—Jan.	2,066	758	1,308	777	107	247	214	191	530

NOTE.—This series for 48 States replaces the old series for 37 States. The index on p. 342 will be revised in the BULLETIN for April.

CONSTRUCTION CONTRACTS AWARDED, BY FEDERAL RESERVE DISTRICTS

[Figures as reported by the F. W. Dodge Corporation. Value of contracts, in millions of dollars]

Month	All districts	Federal Reserve district											
		Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
1956—Nov.	2,377	113	329	90	182	148	196	348	86	90	184	130	481
Dec.	2,057	114	329	89	173	127	191	291	76	67	115	141	344
1957—Jan.	2,300	75	266	98	127	218	274	323	116	56	137	166	444
Nov.	2,371	105	383	83	226	183	209	339	84	67	132	133	426
Dec.	1,982	68	213	80	204	113	211	316	68	68	129	178	336
1958—Jan.	2,066	85	329	85	154	183	216	236	99	35	100	164	379

PERMANENT NONFARM DWELLING UNITS STARTED

[Bureau of Labor Statistics estimates. In thousands of units]

Year or month	Total private (seasonally adjusted annual rate)	Total	Metropolitan areas	Nonmetropolitan areas	Private				Public	Government-underwritten[1]		
					Total	1-family	2-family	Multifamily		Total	FHA	VA
1956	....	1,118	780	338	1,094	981	31	82	24	463	192	271
1957	....	[p]1,041	699	342	[p]991	....	....	....	[p]50	305	177	128
1957—Feb.	935	66	47	19	63	53	2	8	3	19	10	10
Mar.	933	87	59	29	79	68	3	9	8	24	12	11
Apr.	962	94	64	30	91	79	3	10	2	26	12	13
May	994	103	68	35	97	82	3	13	6	27	15	12
June	995	100	69	31	95	80	3	11	5	29	16	13
July	1,015	100	63	37	94	81	3	10	6	29	17	12
Aug.	1,056	100	68	32	97	82	3	12	3	30	19	12
Sept.	1,012	92	6[illegible]	30	90	77	3	10	2	29	17	12
Oct.	1,020	97	62	35	88	74	3	11	8	29	20	10
Nov.	1,009	78	53	26	76	64	3	9	3	24	17	6
Dec.	[p]970	[p]62	42	20	[p]61	n.a.	n.a.	n.a.	[p]1	20	15	5
1958—Jan.	[p]1,030	[p]69	45	24	[p]64	n.a.	n.a.	n.a.	[p]5	18	14	4
Feb.	[p]890	[p]65	43	22	[p]60	n.a.	n.a.	n.a.	[p]5	14	12	3

[p] Preliminary. n.a. Not available.
[1] Represents units started under commitments of FHA or VA to insure or guarantee the mortgage. VA figures after June 1950 and all FHA figures are based on filed office reports of first compliance inspections; earlier VA figures are estimates based on loans-closed information.

LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT

[Bureau of the Census estimates, without seasonal adjustment. In thousands of persons]

Year or month	Total noninstitutional population	Total labor force	Civilian labor force					Not in the labor force
			Total	Employed[1]			Unemployed	
				Total	In nonagricultural industries	In agriculture		
1950	110,780	64,599	63,099	59,957	52,450	7,507	3,142	46,181
1951	111,924	65,832	62,884	61,005	53,951	7,054	1,879	46,092
1952	113,119	66,410	62,966	61,293	54,488	6,805	1,673	46,710
1953	115,095	67,362	63,815	62,213	55,651	6,562	1,602	47,732
1954	116,220	67,818	64,468	61,238	54,734	6,504	3,230	48,402
1955	117,388	68,896	65,848	63,193	56,464	6,730	2,654	48,492
1956	118,734	70,387	67,530	64,979	58,394	6,585	2,551	48,348
1957	120,445	70,746	67,946	65,011	58,789	6,222	2,936	49,699
1957—Feb.[2]	119,745	69,128	66,311	63,190	57,996	5,195	3,121	50,617
Mar.	119,899	69,562	66,746	63,865	58,431	5,434	2,882	50,337
Apr.	120,057	69,771	66,951	64,261	58,506	5,755	2,690	50,286
May	120,199	70,714	67,893	65,178	58,519	6,659	2,715	49,485
June	120,383	72,661	69,842	66,504	58,970	7,534	3,337	47,722
July	120,579	73,051	70,228	67,221	59,449	7,772	3,007	47,528
Aug.	120,713	71,833	68,994	66,385	59,562	6,823	2,609	48,880
Sept.	120,842	71,044	68,225	65,674	59,156	6,518	2,552	49,797
Oct.	120,983	71,299	68,513	66,005	59,168	6,837	2,508	49,684
Nov.	121,109	70,790	68,061	64,873	59,057	5,817	3,188	50,318
Dec.	121,221	70,458	67,770	64,396	59,012	5,385	3,374	50,763
1958—Jan.	121,325	69,379	66,732	62,238	57,240	4,998	4,494	51,947
Feb.	121,432	69,804	67,160	61,988	57,158	4,830	5,173	51,627

[1] Includes self-employed, unpaid family, and domestic service workers.

[2] Beginning 1957 persons waiting to start new wage and salary jobs and those on temporary layoff, previously considered as employed (with a job but not at work), are classified as unemployed, and a small group in school and waiting to start new jobs (previously included as employed) are classified as *not* in the labor force.

NOTE.—Information relating to persons 14 years of age and over is obtained through interviews of households 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

[Bureau of Labor Statistics. In thousands of persons]

Year or month	Total	Manufacturing	Mining	Contract construction	Transportation and public utilities	Trade	Finance	Service	Federal State and local government
1950	44,738	14,967	889	2,333	3,977	9,645	1,824	5,077	6,026
1951	47,347	16,104	916	2,603	4,166	10,012	1,892	5,264	6,389
1952	48,303	16,334	885	2,634	4,185	10,281	1,967	5,411	6,609
1953	49,681	17,238	852	2,622	4,221	10,527	2,038	5,538	6,645
1954	48,431	15,995	777	2,593	4,009	10,520	2,122	5,664	6,751
1955	50,056	16,563	777	2,759	4,062	10,846	2,219	5,916	6,914
1956	51,878	16,905	816	2,993	4,157	11,292	2,306	6,231	7,178
1957	52,545	16,793	840	3,026	4,157	11,551	2,343	6,453	7,381
SEASONALLY ADJUSTED									
1957—Feb.	52,577	16,995	833	3,020	4,168	11,519	2,324	6,401	7,317
Mar.	52,547	16,962	831	3,062	4,168	11,490	2,322	6,381	7,331
Apr.	52,593	16,965	841	3,059	4,160	11,501	2,320	6,400	7,347
May	52,698	16,946	843	3,097	4,159	11,542	2,329	6,424	7,358
June	52,773	16,924	854	3,108	4,164	11,579	2,336	6,454	7,354
July	52,815	16,880	861	3,061	4,168	11,636	2,343	6,492	7,374
Aug.	52,844	16,836	853	3,032	4,184	11,669	2,354	6,477	7,439
Sept.	52,662	16,681	849	3,028	4,175	11,620	2,361	6,508	7,440
Oct.	52,469	16,604	837	3,013	4,148	11,590	2,368	6,482	7,427
Nov.	52,218	16,463	825	2,956	4,113	11,567	2,367	6,512	7,415
Dec.	51,980	16,265	821	2,923	4,076	11,508	2,361	6,538	7,488
1958—Jan.	51,756	15,970	807	2,900	4,057	11,625	2,367	6,523	7,507
Feb.	51,151	15,637	793	2,702	4,008	11,598	2,368	6,529	7,516
WITHOUT SEASONAL ADJUSTMENT									
1957—Feb.	51,704	16,945	833	2,673	4,120	11,225	2,301	6,273	7,334
Mar.	51,919	16,933	831	2,756	4,147	11,265	2,310	6,317	7,360
Apr.	52,270	16,822	833	2,906	4,153	11,428	2,320	6,432	7,376
May	52,482	16,762	835	3,082	4,156	11,411	2,329	6,520	7,387
June	52,881	16,852	858	3,232	4,181	11,505	2,359	6,551	7,343
July	52,605	16,710	857	3,275	4,199	11,493	2,390	6,524	7,157
Aug.	52,891	16,955	862	3,305	4,215	11,499	2,389	6,509	7,157
Sept.	53,152	[c]16,905	853	3,285	4,206	11,620	2,361	6,541	7,381
Oct.	53,043	16,783	837	3,224	4,159	11,664	2,356	6,547	7,473
Nov.	52,789	16,573	829	3,059	4,123	11,840	2,355	6,512	7,498
Dec.	53,084	16,316	825	2,850	4,100	12,365	2,349	6,473	7,806
1958—Jan.	50,987	15,880	807	2,610	3,997	11,456	2,343	6,393	7,501
Feb.	50,314	15,586	793	2,391	3,962	11,302	2,344	6,398	7,538

[c] Corrected.

NOTE.—Data include all full- and part-time employees who worked during, or received pay for, the pay period ending nearest the 15th of the month. Proprietors, self-employed persons, domestic servants, unpaid family workers, and members of the armed forces are excluded. Figures for January and February 1958 are preliminary. Back data may be obtained from the Bureau of Labor Statistics.

PRODUCTION WORKER EMPLOYMENT IN MANUFACTURING INDUSTRIES

[Bureau of Labor Statistics. In thousands of persons]

Industry group	Seasonally adjusted				Without seasonal adjustment			
	1957		1958		1957		1958	
	Feb.	Dec.	Jan.	Feb.	Feb.	Dec.	Jan.	Feb.
Total	**13,156**	**12,408**	**12,134**	**11,828**	**13,114**	**12,458**	**12,050**	**11,780**
Durable goods	**7,706**	**7,101**	**6,874**	**6,619**	**7,721**	**7,136**	**6,860**	**6,628**
Ordnance and accessories	79	67	66	69	79	67	66	69
Lumber and wood products	617	593	588	575	589	581	556	549
Furniture and fixtures	307	301	293	289	313	307	297	295
Stone, clay, and glass products	456	435	426	416	449	435	415	410
Primary metal industries	1,118	999	955	899	1,124	1,004	960	903
Fabricated metal products	893	859	828	797	902	868	836	805
Machinery except electrical	1,275	1,116	1,090	1,059	1,294	1,122	1,101	1,075
Electrical machinery	868	808	783	753	877	824	791	761
Transportation equipment	1,482	1,342	1,276	1,208	1,482	1,342	1,276	1,208
Instruments and related products	230	217	212	204	230	219	213	204
Miscellaneous manufacturing industries	381	364	357	350	381	368	348	350
Nondurable goods	**5,450**	**5,307**	**5,260**	**5,209**	**5,393**	**5,322**	**5,190**	**5,152**
Food and kindred products	1,089	1,064	1,062	1,060	987	1,032	977	960
Tobacco manufactures	88	82	80	81	84	87	82	77
Textile-mill products	924	871	856	844	933	884	860	852
Apparel and other finished textiles	1,058	1,044	1,033	1,020	1,095	1,060	1,043	1,056
Paper and allied products	468	464	458	451	466	466	456	449
Printing, publishing and allied industries	558	556	557	556	555	564	557	553
Chemicals and allied products	545	520	514	508	548	523	517	511
Products of petroleum and coal	176	171	171	170	173	169	168	167
Rubber products	212	203	199	192	213	207	201	193
Leather and leather products	332	332	330	327	340	332	330	335

NOTE.—Data covering production and related workers only (full- and part-time) who worked during, or received pay for, the pay period ending nearest the 15th of the month. Figures for January and February 1958 are preliminary. Back data may be obtained from the Bureau of Labor Statistics.

HOURS AND EARNINGS OF PRODUCTION WORKERS IN MANUFACTURING INDUSTRIES

[Bureau of Labor Statistics. In unit indicated]

Industry group	Average weekly earnings (dollars per week)				Average hours worked (per week)				Average hourly earnings (dollars per hour)			
	1957		1958		1957		1958		1957		1958	
	Feb.	Dec.	Jan.	Feb.	Feb.	Dec.	Jan.	Feb.	Feb.	Dec.	Jan.	Feb.
Total	**82.41**	**82.74**	**81.06**	**80.85**	**40.2**	**39.4**	**38.6**	**38.5**	**2.05**	**2.10**	**2.10**	**2.10**
Durable goods	**88.75**	**88.93**	**87.14**	**86.52**	**40.9**	**39.7**	**38.9**	**38.8**	**2.17**	**2.24**	**2.24**	**2.23**
Ordnance and accessories	96.18	98.74	100.77	100.70	42.0	40.8	41.3	41.1	2.29	2.42	2.44	2.45
Lumber and wood products	68.51	71.37	69.48	70.20	39.6	39.0	38.6	39.0	1.73	1.83	1.80	1.80
Furniture and fixtures	69.55	70.62	67.38	67.61	40.2	39.9	38.5	38.2	1.73	1.77	1.75	1.77
Stone, clay, and glass products	81.61	83.18	82.32	81.27	40.6	39.8	39.2	38.7	2.01	2.09	2.10	2.10
Primary metal industries	99.14	97.16	95.49	95.23	40.3	38.1	37.3	37.2	2.46	2.55	2.56	2.56
Fabricated metal products	87.33	89.24	87.47	87.02	41.0	40.2	39.4	39.2	2.13	2.22	2.22	2.22
Machinery except electrical	95.11	94.30	92.90	92.36	41.9	40.3	39.7	39.3	2.27	2.34	2.34	2.35
Electrical machinery	83.23	83.35	82.89	82.47	40.6	39.5	39.1	38.9	2.05	2.11	2.12	2.12
Transportation equipment	98.36	99.70	95.20	94.82	41.5	40.2	38.7	38.7	2.37	2.48	2.46	2.45
Instruments and related products	85.69	85.57	84.71	85.14	41.0	39.8	39.4	39.6	2.09	2.15	2.15	2.15
Miscellaneous manufacturing industries	72.94	72.65	72.52	72.52	40.3	39.7	39.2	39.2	1.81	1.83	1.85	1.85
Nondurable goods	**73.10**	**74.88**	**73.54**	**73.34**	**39.3**	**39.0**	**38.3**	**38.2**	**1.86**	**1.92**	**1.92**	**1.92**
Food and kindred products	77.39	80.18	80.20	79.40	40.1	40.7	40.1	39.5	1.93	1.97	2.00	2.01
Tobacco manufactures	57.37	60.61	61.15	58.81	38.5	39.1	39.2	37.7	1.49	1.55	1.56	1.56
Textile-mill products	58.80	58.35	56.25	56.55	39.2	38.9	37.5	37.7	1.50	1.50	1.50	1.50
Apparel and other finished textiles	54.39	52.80	52.50	52.80	36.5	35.2	35.0	35.2	1.49	1.50	1.50	1.50
Paper and allied products	84.60	87.15	86.11	85.70	42.3	41.9	41.4	41.2	2.00	2.08	2.08	2.08
Printing, publishing and allied industries	95.48	98.43	95.76	96.27	38.5	38.6	37.7	37.9	2.48	2.55	2.54	2.54
Chemicals and allied products	89.40	93.34	92.62	91.94	41.2	41.3	40.8	40.5	2.17	2.26	2.27	2.27
Products of petroleum and coal	104.45	111.38	110.43	108.40	40.8	40.8	40.6	40.0	2.56	2.73	2.72	2.71
Rubber products	90.80	92.40	87.71	87.63	40.9	40.0	38.3	38.1	2.22	2.31	2.29	2.30
Leather and leather products	58.60	57.97	57.88	57.72	38.3	37.4	37.1	37.0	1.53	1.55	1.56	1.56

NOTE.—Data are for production and related workers. Figures for January and February 1958 are preliminary. Back data are available from the Bureau of Labor Statistics.

DEPARTMENT STORE SALES AND STOCKS, BY DISTRICTS

[Federal Reserve indexes, based on retail value figures. 1947–49 average = 100]

Year or month	United States	Federal Reserve district: Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
SALES[1]													
1950	107	105	102	107	107	107	111	105	106	107	112	115	106
1951	112	109	107	112	114	115	117	110	111	107	117	120	112
1952	114	110	104	113	115	122	127	109	116	109	121	129	120
1953	118	114	105	117	119	127	131	114	120	110	123	132	122
1954	118	117	108	116	112	129	135	112	121	113	129	136	122
1955	128	123	113	125	122	140	149	122	132	117	140	149	132
1956	135	126	120	131	128	146	164	128	138	126	144	158	141
1957	136	122	124	132	129	148	169	128	138	128	142	160	141
SEASONALLY ADJUSTED													
1957—Jan.	[r]132	120	123	130	125	147	[r]158	125	133	123	[r]136	157	137
Feb.	136	129	124	129	131	149	165	129	137	129	145	161	141
Mar.	137	122	124	133	130	152	164	131	139	131	144	161	146
Apr.	131	117	118	130	122	148	162	125	136	123	137	151	137
May	135	123	124	133	126	148	172	128	137	126	141	158	141
June	138	122	125	139	128	152	175	129	139	126	142	168	148
July	138	125	126	131	132	147	175	131	139	130	145	170	141
Aug.	144	130	135	138	139	158	179	139	147	138	147	170	144
Sept.	136	114	122	128	134	144	172	130	145	130	147	163	141
Oct.	129	116	119	129	121	141	159	121	126	119	136	152	134
Nov.	133	118	124	128	129	142	166	125	135	125	139	161	139
Dec.	138	128	128	133	133	148	174	[r]130	141	[r]132	142	156	139
1958—Jan.	[p]131	116	125	126	125	[p]147	[p]156	121	132	126	[p]138	156	132
WITHOUT SEASONAL ADJUSTMENT													
1957—Jan.	102	95	99	97	98	104	[r]123	95	101	90	102	124	109
Feb.	104	97	98	98	101	107	136	97	105	96	106	126	108
Mar.	114	99	104	115	105	126	151	109	117	103	118	138	115
Apr.	131	121	116	129	126	149	165	124	134	124	134	148	133
May	132	123	120	131	122	146	165	126	138	127	139	[r]156	134
June	131	122	121	130	120	140	153	126	129	116	137	153	139
July	111	90	92	96	107	118	145	104	114	104	128	151	125
Aug.	127	102	104	110	123	135	161	124	132	130	141	158	139
Sept.	139	122	126	134	134	150	165	136	143	139	149	157	141
Oct.	134	117	126	132	125	148	167	127	138	138	142	158	135
Nov.	162	144	158	171	159	178	193	153	163	145	161	183	162
Dec.	241	232	226	236	233	272	301	[r]221	238	[r]220	246	270	247
1958—Jan.	[p]101	92	100	95	97	[p]104	[p]122	92	100	92	[p]103	123	105
STOCKS[1]													
1950	110	112	106	110	108	109	123	108	108	106	114	114	112
1951	131	129	127	132	132	129	145	125	130	121	137	135	137
1952	121	117	115	120	115	127	143	112	120	113	130	129	131
1953	131	124	120	129	125	141	155	122	131	123	146	143	140
1954	128	126	117	127	122	138	152	120	125	124	141	140	135
1955	136	132	119	135	124	159	170	127	135	130	152	153	142
1956	148	141	130	148	133	175	195	138	148	142	164	168	156
1957	152	138	137	154	136	178	203	143	149	146	161	174	158
SEASONALLY ADJUSTED													
1957—Jan.	[r]151	140	138	149	138	[r]178	202	139	149	144	[r]162	[r]173	153
Feb.	149	140	135	149	135	174	200	139	149	144	162	170	151
Mar.	150	140	137	150	135	176	202	139	148	145	159	167	155
Apr.	152	138	137	149	136	181	203	[r]140	147	150	161	172	161
May	152	140	137	153	135	182	198	142	151	148	161	175	160
June	153	138	137	156	136	184	198	146	151	145	159	176	159
July	154	139	137	154	136	184	204	149	153	141	160	178	159
Aug.	153	136	138	157	137	180	203	145	149	145	158	176	159
Sept.	154	138	138	159	139	181	201	144	151	145	159	173	162
Oct.	155	138	138	156	139	174	208	147	151	148	163	176	163
Nov.	[r]154	137	138	158	138	175	206	141	151	150	165	179	162
Dec.	150	136	138	[r]154	134	171	207	140	141	143	158	169	152
1958—Jan.	[p]147	131	137	154	[p]133	[p]167	[p]201	135	[p]143	138	[p]152	[p]169	[p]151
WITHOUT SEASONAL ADJUSTMENT													
1957—Jan.	135	126	123	131	121	[r]159	183	127	133	133	[r]146	[r]152	[r]138
Feb.	142	131	127	143	129	167	198	131	145	138	155	165	142
Mar.	155	142	141	155	139	187	212	141	154	149	165	176	156
Apr.	159	144	143	159	142	190	213	149	156	153	169	179	164
May	155	143	140	156	139	183	200	147	151	147	163	173	159
June	146	130	129	145	129	170	188	142	141	136	153	164	153
July	144	125	124	138	125	168	190	143	142	134	152	169	154
Aug.	150	132	134	151	131	175	199	139	148	142	156	176	160
Sept.	160	144	145	167	144	187	209	150	158	151	164	184	168
Oct.	172	156	155	180	154	198	227	161	169	164	177	193	183
Nov.	174	161	159	182	156	198	233	161	169	170	183	197	182
Dec.	135	127	127	[r]139	122	156	180	124	127	[r]132	144	157	139
1958—Jan.	[p]132	119	122	135	[p]117	[p]150	[p]183	123	[p]127	127	[p]137	[p]149	[p]136

[p] Preliminary. [r] Revised.

[1] Figures for sales are the average per trading day, while those for stocks are as of the end of the month or averages of monthly data.

NOTE.—For description of the series and for monthly indexes beginning 1947, see BULLETIN for December 1957, pp. 1323–52. Figures prior to 1947 may be obtained from the Division of Research and Statistics.

DEPARTMENT STORE MERCHANDISING DATA

[Based on retail value figures]

Period	Amounts (In millions of dollars)					Ratios to sales[4]			
	Sales[1] (total for month)	Stocks[1] (end of month)	Out-standing orders[1] (end of month)	Re-ceipts[2] (total for month)	New orders[3] (total for month)	Stocks	Out-standing orders	Stocks plus out-standing orders	Re-ceipts
Annual average:									
1949	361	925	373	358	358	2.7	1.1	3.8	1.0
1950	376	1,012	495	391	401	2.8	1.4	4.2	1.1
1951	391	1,202	460	390	379	3.2	1.3	4.4	1.0
1952	397	1,097	435	397	401	2.9	1.2	4.1	1.0
1953	406	1,163	421	408	401	3.0	1.1	4.1	1.0
1954	409	1,140	388	410	412	3.0	1.0	4.0	1.0
1955	437	1,195	446	444	449	2.9	1.1	4.0	1.0
1956	454	1,286	470	459	458	3.0	1.1	4.1	1.0
1957	458	1,338	460	460	457	3.1	1.1	4.2	1.0
Month:									
1957—Jan.	[r]365	[r]1,202	[r]428	[r]356	[r]445	3.3	1.2	4.5	1.0
Feb.	336	1,252	461	391	422	3.7	1.4	5.1	1.2
Mar.	394	1,356	414	498	451	3.4	1.1	4.5	1.3
Apr.	441	1,381	346	466	398	3.1	0.8	3.9	1.1
May	449	1,353	355	421	430	3.0	0.8	3.8	0.9
June	409	1,257	519	313	477	3.1	1.3	4.3	0.8
July	356	1,245	600	344	425	3.5	1.7	5.2	1.0
Aug.	432	1,300	569	487	456	3.0	1.3	4.3	1.1
Sept.	438	1,400	567	538	536	3.2	1.3	4.5	1.2
Oct.	481	1,518	529	599	561	3.2	1.1	4.3	1.2
Nov.	554	1,562	427	598	496	2.8	0.8	3.6	1.1
Dec.	839	1,229	307	506	386	1.5	0.4	1.8	0.6
1958—Jan.[p]	365	1,207	378	343	414	3.3	1.0	4.3	0.9

[p] Preliminary. [r] Revised.

[1] These figures are *not* estimates for all department stores in the United States. They are the actual dollar amounts reported by a group of department stores located in various cities throughout the country. In 1957, sales by these stores accounted for about 45 per cent of estimated total department store sales.

[2] Derived from the reported figures on sales and stocks.

[3] Derived from receipts and reported figures on outstanding orders.

[4] The first three ratios are of stocks and/or orders at the end of the month to sales during the month. The final ratio is based on totals of sales and receipts for the month.

NOTE.—For description and monthly figures for back years, see BULLETIN for October 1952, pp. 1098–1102.

MERCHANDISE EXPORTS AND IMPORTS

[Bureau of the Census. In millions of dollars]

Period	Merchandise exports[1]			Merchandise exports excluding military-aid shipments[2]			Merchandise imports[3]		
	1956	1957	1958	1956	1957	1958	1956	1957	1958
Jan.	1,284	1,680	1,511	1,202	1,583	1,402	1,073	[r]1,115	[p]1,108
Feb.	1,363	1,611	....	1,273	1,490	....	1,051	993	....
Mar.	1,583	2,151	....	1,479	2,021	....	1,102	[r]1,133	....
Apr.	1,512	1,864	....	1,400	1,780	....	991	[r]1,119	....
May	1,717	1,813	....	1,522	1,711	....	1,095	[r]1,106	....
June	1,697	1,786	....	1,492	1,652	....	1,034	[r]984	....
July	1,640	1,692	....	1,289	1,505	....	1,052	[r]1,146	....
Aug.	1,536	1,677	....	1,378	1,536	....	1,055	[r]1,043	....
Sept.	1,534	1,540	....	1,427	1,437	....	995	[r]1,009	....
Oct.	1,671	1,674	....	1,561	1,600	....	1,121	[r]1,148	....
Nov.	1,545	1,683	....	1,425	1,596	....	987	1,043	....
Dec.	2,007	1,639	....	1,885	1,543	....	1,059	1,141	....
Jan.–Dec.	19,090	20,810	....	17,333	19,454	....	12,615	12,978	....

[p] Preliminary. [r] Revised.

[1] Exports of domestic and foreign merchandise.

[2] Department of Defense shipments of grant-aid military equipment and supplies under the Mutual Security Program.

[3] General imports including imports for immediate consumption plus entries into bonded warehouses.

CONSUMER PRICES

[Bureau of Labor Statistics index for city wage-earner and clerical-worker families. 1947–49=100]

Year or month	All items	Foods	Housing						Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other good and services
			Total	Rent	Gas and electricity	Solid fuels and fuel oil	House-furnishings	Household operation						
1929	73.3	65.6	....	117.4	....	....	....	....	60.3	....	....	....	....	....
1933	55.3	41.6	....	83.6	....	....	....	....	45.9	....	....	....	....	....
1941	62.9	52.2	....	88.4	....	....	....	....	55.6	....	....	....	....	....
1945	76.9	68.9	....	90.9	....	....	....	....	76.3	....	....	....	....	....
1949	101.8	100.0	103.3	105.0	102.5	106.8	99.6	100.1	99.4	108.5	104.1	101.1	104.1	103.4
1950	102.8	101.2	106.1	108.8	102.7	110.5	100.3	101.2	98.1	111.3	106.0	101.1	103.4	105.2
1951	111.0	112.6	112.4	113.1	103.1	116.4	111.2	109.0	106.9	118.4	111.1	110.5	106.5	109.7
1952	113.5	114.6	114.6	117.9	104.5	118.7	108.5	111.8	105.8	126.2	117.3	111.8	107.0	115.4
1953	114.4	112.8	117.7	124.1	106.6	123.9	107.9	115.3	104.8	129.7	121.3	112.8	108.0	118.2
1954	114.8	112.6	119.1	128.5	107.9	123.5	106.1	117.4	104.3	128.0	125.2	113.4	107.1	120.2
1955	114.5	110.9	120.0	130.3	110.7	125.2	104.1	119.1	103.7	126.4	128.0	115.3	106.6	120.2
1956	116.2	111.7	121.7	132.7	111.8	130.7	103.0	122.9	105.5	128.7	132.6	120.0	108.1	122.0
1957—Jan.	118.2	112.8	123.8	134.2	112.3	138.9	104.0	125.4	106.4	133.6	135.3	122.1	109.9	123.8
Feb.	118.7	113.6	124.5	134.2	112.4	139.3	105.0	125.6	106.1	134.4	135.5	122.6	110.0	124.0
Mar.	118.9	113.2	124.9	134.4	112.4	139.2	104.9	126.2	106.8	135.1	136.4	122.9	110.5	124.2
Apr.	119.3	113.8	125.2	134.5	112.4	138.1	105.1	126.4	106.5	135.5	136.9	123.3	111.8	124.2
May	119.6	114.6	125.3	134.7	112.3	135.4	104.2	127.3	106.5	135.3	137.3	123.4	111.4	124.3
June	120.2	116.2	125.5	135.0	112.3	135.3	104.6	127.6	106.6	135.3	137.9	124.2	111.8	124.6
July	120.8	117.4	125.5	135.2	112.3	135.9	104.1	127.9	106.5	135.8	138.4	124.7	112.4	126.6
Aug.	121.0	117.9	125.7	135.4	113.3	135.7	103.9	128.0	106.6	135.9	138.6	124.9	112.6	126.7
Sept.	121.1	117.0	126.3	135.7	113.7	136.8	104.8	128.3	107.3	135.9	139.0	125.1	113.3	126.7
Oct.	121.1	116.4	126.6	136.0	113.8	137.6	104.8	128.7	107.7	135.8	139.7	126.2	113.4	126.8
Nov.	121.6	116.0	126.8	136.3	114.3	138.0	104.5	129.4	107.9	140.0	140.3	126.7	114.4	126.8
Dec.	121.6	116.1	127.0	136.7	114.3	138.3	104.9	129.6	107.6	138.9	140.8	127.0	114.6	126.8
1958—Jan.	122.3	118.2	127.1	136.8	115.7	138.4	104.2	129.7	106.9	138.7	141.7	127.8	116.6	127.0

NOTE.—Revised index, reflecting, beginning January 1953, the inclusion of new series (i.e. home purchases and used automobiles) and revised weights. Prior to January 1953, indexes are based on the "interim adjusted" and "old" indexes, converted to the base 1947–49=100.

WHOLESALE PRICES, BY GROUPS OF COMMODITIES

[Bureau of Labor Statistics index. 1947–49=100]

Year or month	All commodities	Farm products	Processed foods	Other commodities												
				Total	Textile products and apparel	Hides, skins, and leather products	Fuel, power, and lighting materials	Chemicals and allied products	Rubber and products	Lumber and wood products	Pulp, paper, and allied products	Metals and metal products	Machinery and motive products	Furniture and other household durables	Nonmetallic minerals—structural	Tobacco mfrs. and bottled beverages	Miscellaneous
1949	99.2	92.8	95.7	101.3	95.5	96.9	101.9	94.8	98.9	99.2	98.5	104.8	106.6	103.1	104.4	101.6	96.1
1950	103.1	97.5	99.8	105.0	99.2	104.6	103.0	96.3	120.5	113.9	100.9	110.3	108.6	105.3	106.9	102.4	96.6
1951	114.8	113.4	111.4	115.9	110.6	120.3	106.7	110.0	148.0	123.9	119.6	122.8	119.0	114.1	113.6	108.1	104.9
1952	111.6	107.0	108.8	113.2	99.8	97.2	106.6	104.5	134.0	120.3	116.5	123.0	121.5	112.0	113.6	110.6	108.3
1953	110.1	97.0	104.6	114.0	97.3	98.5	109.5	105.7	125.0	120.2	116.1	126.9	123.0	114.2	118.2	115.7	97.8
1954	110.3	95.6	105.3	114.5	95.2	94.2	108.1	107.0	126.9	118.0	116.3	128.0	124.6	115.4	120.9	120.6	102.5
1955	110.7	89.6	101.7	117.0	95.3	93.8	107.9	106.6	143.8	123.6	119.3	136.6	128.4	115.9	124.2	121.6	92.0
1956	114.3	88.4	101.7	122.2	95.3	99.3	111.2	107.2	145.8	125.4	127.2	148.4	137.8	119.1	129.6	122.3	91.0
1957																	
Jan.	116.9	89.3	104.3	125.2	95.8	98.4	116.3	108.7	145.0	121.3	128.6	152.2	143.9	121.9	132.0	124.0	93.2
Feb.	117.0	88.8	103.9	125.5	95.7	98.0	119.6	108.8	143.9	120.7	128.5	151.4	144.5	121.9	132.7	124.1	92.4
Mar.	116.9	88.8	103.7	125.4	95.4	98.4	119.2	108.8	144.3	120.1	128.7	151.0	144.8	121.9	133.2	124.1	92.0
Apr.	117.2	90.6	104.3	125.4	95.3	98.8	119.5	109.1	144.5	120.2	128.6	150.1	145.0	121.5	134.6	124.5	91.4
May	117.1	89.5	104.9	125.2	95.4	99.0	118.5	109.1	144.7	119.7	128.9	150.0	145.1	121.6	135.0	124.5	89.4
June	117.4	90.9	106.1	125.2	95.5	99.9	117.2	109.3	145.1	119.7	128.9	150.6	145.2	121.7	135.1	124.7	87.3
July	118.2	92.8	107.2	125.7	95.4	100.7	116.4	109.5	144.9	119.3	129.5	152.4	145.8	122.4	135.2	127.7	88.8
Aug.	118.4	93.0	106.8	126.0	95.4	100.5	116.3	109.8	146.9	118.6	129.9	153.2	146.2	122.6	135.3	127.7	90.1
Sept.	118.0	91.0	106.5	126.0	95.4	100.3	116.1	110.2	146.5	117.8	130.1	152.2	146.9	122.3	135.2	127.7	89.4
Oct.	117.8	91.5	105.5	125.8	95.1	100.4	115.8	110.4	146.2	117.3	130.9	150.8	147.7	122.6	135.3	127.7	87.7
Nov.	118.1	91.9	106.5	125.9	95.0	100.3	115.7	110.3	144.7	116.9	130.9	150.4	149.2	122.7	135.4	127.8	86.8
Dec.	r118.5	92.6	107.4	r126.1	94.9	r99.5	r116.2	r110.6	145.7	r116.3	131.0	r150.4	r149.4	r123.5	135.7	128.0	87.2
1958																	
Jan.	118.7	93.6	108.8	126.0	94.6	99.5	115.9	110.6	144.8	116.4	130.9	150.0	149.5	123.4	136.4	128.1	88.2

r Revised.

WHOLESALE PRICES, BY GROUPS OF COMMODITIES—Continued

[Bureau of Labor Statistics index, 1947–49=100]

Subgroup	1957 Jan.	1957 Nov.	1957 Dec.	1958 Jan.
Farm Products:				
Fresh and dried produce	100.7	106.3	108.3	121.6
Grains	89.5	80.9	80.5	79.1
Livestock and poultry	73.9	79.3	[r]82.6	86.5
Plant and animal fibers	102.9	104.7	103.7	103.0
Fluid milk	98.1	99.4	[r]99.0	97.9
Eggs	65.7	100.1	93.4	73.9
Hay and seeds	86.6	77.6	78.6	79.5
Other farm products	148.8	144.1	142.5	143.6
Processed Foods:				
Cereal and bakery products	115.8	117.6	118.3	118.0
Meats, poultry, and fish	84.8	93.6	95.5	100.5
Dairy products and ice cream	112.5	114.5	114.7	114.1
Canned, frozen fruits, and vegetables	105.6	103.8	104.6	105.0
Sugar and confectionery	113.1	114.4	114.3	114.2
Packaged beverage materials	196.3	172.9	[r]173.3	173.3
Other processed foods	95.0	96.6	96.3	95.4
Textile Products and Apparel:				
Cotton products	92.3	89.8	90.2	90.1
Wool products	109.1	107.4	105.8	105.2
Synthetic textiles	82.1	82.3	82.1	81.2
Silk products	122.8	119.6	119.5	119.4
Apparel	99.7	99.6	99.6	99.4
Other textile products	76.8	76.7	75.8	74.7
Hides, Skins, and Leather Products:				
Hides and skins	52.1	53.8	50.3	50.2
Leather	88.2	91.2	90.8	90.7
Footwear	120.8	122.6	[r]122.0	122.0
Other leather products	97.9	98.9	[r]98.6	98.8
Fuel, Power, and Lighting Materials:				
Coal	124.1	125.8	126.3	126.0
Coke	159.1	161.9	161.9	161.9
Gas	119.9	116.0	[r]120.7	120.7
Electricity	94.9	96.1	96.1	96.1
Petroleum and products	124.9	123.5	123.5	122.9
Chemicals and Allied Products:				
Industrial chemicals	123.5	123.6	123.9	123.9
Prepared paint	124.1	128.1	[r]128.4	128.4
Paint materials	99.0	101.6	101.7	103.6
Drugs, pharmaceuticals, cosmetics	92.6	93.4	93.5	93.5
Fats and oils, inedible	58.7	65.2	65.4	63.0
Mixed fertilizers	110.2	112.3	112.1	112.2
Fertilizer materials	105.9	107.7	107.8	110.5
Other chemicals and products	104.5	106.6	[r]106.9	106.9
Rubber and products:				
Crude rubber	145.4	131.6	135.7	133.7
Tires and tubes	148.8	153.5	153.5	152.0
Other rubber products	140.0	142.3	142.7	143.1
Lumber and Wood Products:				
Lumber	122.6	117.1	[r]116.4	116.6
Millwork	128.7	128.0	127.7	127.7
Plywood	97.1	96.4	95.6	95.6
Pulp, Paper, and Allied Products:				
Woodpulp	118.0	121.2	121.2	121.2
Wastepaper	77.3	88.5	88.5	83.5
Paper	139.2	143.3	143.2	143.2

Subgroup	1957 Jan.	1957 Nov.	1957 Dec.	1958 Jan.
Pulp, Paper, and Allied Products (Cont.):				
Paperboard	136.2	136.6	136.6	136.4
Converted paper and paperboard	125.6	127.0	[r]127.2	127.2
Building paper and board	141.1	141.7	141.7	141.7
Metals and Metal Products:				
Iron and steel	164.3	166.5	166.5	166.9
Nonferrous metals	148.7	130.8	130.6	128.6
Metal containers	147.5	153.1	153.1	152.7
Hardware	161.5	167.4	[r]168.1	168.4
Plumbing equipment	133.4	128.5	128.5	127.6
Heating equipment	122.3	122.1	121.5	121.8
Fabricated structural metal products	133.7	134.6	134.6	134.5
Fabricated nonstructural metal products	141.6	147.0	147.0	146.4
Machinery and Motive Products:				
Agricultural machinery and equipment	131.8	137.4	137.9	137.9
Construction machinery and equipment	156.2	165.2	[r]165.3	165.4
Metal working machinery	163.4	171.3	171.3	171.3
General purpose machinery and equipment	155.5	160.8	[r]160.8	160.7
Miscellaneous machinery	142.5	148.3	148.5	149.0
Electrical machinery and equipment	146.0	150.9	150.8	151.2
Motor vehicles	134.3	138.7	[r]139.1	139.1
Furniture and Other Household Durables:				
Household furniture	122.0	122.8	122.8	122.8
Commercial furniture	146.9	153.8	[r]154.1	154.1
Floor covering	135.1	132.5	[r]132.6	132.3
Household appliances	106.5	105.1	[r]105.4	105.1
Radio	91.1	93.4	93.3	93.3
Television	69.9	71.4	71.4	70.7
Other household durable goods	146.8	149.5	[r]153.1	153.9
Nonmetallic Minerals—Structural:				
Flat glass	135.7	135.7	135.7	135.7
Concrete ingredients	134.6	136.9	136.9	138.9
Concrete products	125.6	126.7	127.2	127.5
Structural clay products	150.6	155.1	155.1	155.3
Gypsum products	127.1	127.1	127.1	127.1
Prepared asphalt roofing	111.2	124.6	124.6	124.6
Other nonmetallic minerals	124.3	128.5	131.1	131.1
Tobacco Manufactures and Bottled Beverages:				
Cigarettes	124.0	134.8	134.8	134.8
Cigars	104.2	105.1	105.1	105.9
Other tobacco products	126.0	144.3	144.3	144.3
Alcoholic beverages	119.0	119.8	120.3	120.3
Nonalcoholic beverages	148.7	149.3	149.3	149.3
Miscellaneous:				
Toys, sporting goods, small arms	117.5	117.9	118.0	117.9
Manufactured animal feeds	74.4	61.4	62.1	64.1
Notions and accessories	96.7	97.8	[r]98.5	97.5
Jewelry, watches, photo equipment	107.5	107.7	107.7	107.1
Other miscellaneous	126.1	130.9	130.9	131.6

[r] Revised.

RELATION OF GROSS NATIONAL PRODUCT, NATIONAL INCOME, PERSONAL INCOME, AND SAVING

[Department of Commerce estimates. In billions of dollars]

Item	Annual totals									Seasonally adjusted annual rates by quarters				
	1929	1933	1941	1950	1953	1954	1955	1956	1957	1956	1957			
										4	1	2	3	4
Gross national product	**104.4**	**56.0**	**125.8**	**285.1**	**363.2**	**361.2**	**391.7**	**414.7**	**434.4**	**426.0**	**429.9**	**435.5**	**440.0**	**432.6**
Less: Capital consumption allowances	8.6	7.2	9.0	20.5	26.5	28.9	31.6	34.3	37.1	35.3	36.1	36.6	37.4	38.2
Indirect business tax and related liabilities	7.0	7.1	11.3	23.7	30.2	30.1	32.9	35.0	36.9	36.1	36.4	36.6	37.1	37.4
Business transfer payments	.6	.7	.5	.8	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Statistical discrepancy	.3	.9	.4	.2	2.6	1.7	2.1	1.6	n.a.	1.6	1.8	4.1	3.4	n.a.
Plus: Subsidies less current surplus of government enterprises	−.1	.0	.1	.2	−.4	−.2	.2	1.1	1.3	1.6	1.4	1.6	1.7	1.4
Equals: National income	**87.8**	**40.2**	**104.7**	**240.0**	**302.1**	**299.0**	**324.1**	**343.6**	**n.a.**	**353.3**	**355.6**	**358.5**	**362.6**	**n.a.**
Less: Corporate profits and inventory valuation adjustment	10.1	−2.0	14.5	35.1	36.0	33.1	40.7	40.4	n.a.	42.4	41.2	40.7	40.9	n.a.
Contributions for social insurance	.2	.3	2.8	6.9	8.7	9.7	11.0	12.4	14.4	12.8	14.2	14.3	14.6	14.5
Excess of wage accruals over disbursements	.0	.0	.0	.0	−.1	.0	.0	.0	.0	.0	.0	.0	.0	.0
Plus: Government transfer payments	.9	1.5	2.6	14.3	12.9	15.0	16.1	17.2	19.9	17.7	18.4	20.0	20.0	21.2
Net interest paid by government	1.0	1.2	1.3	4.7	5.0	5.2	5.2	5.7	6.0	5.9	6.0	6.0	6.0	6.1
Dividends	5.8	2.1	4.5	9.2	9.3	9.9	11.0	11.9	12.1	11.5	12.4	12.5	12.6	11.7
Business transfer payments	.6	.7	.5	.8	1.4	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
Equals: Personal income	**85.8**	**47.2**	**96.3**	**227.1**	**286.0**	**287.4**	**305.9**	**326.9**	**343.4**	**334.5**	**338.3**	**343.2**	**346.9**	**345.5**
Less: Personal tax and related payments	*2.6*	*1.5*	*3.3*	*20.9*	*35.8*	*33.0*	*35.8*	*39.7*	*42.8*	*40.5*	*42.2*	*42.9*	*43.6*	*43.4*
Federal	1.3	.5	2.0	18.2	32.4	29.2	31.5	35.1	37.8	35.8	37.4	38.0	38.6	38.3
State and local	1.4	1.0	1.3	2.7	3.4	3.8	4.2	4.6	5.0	4.7	4.9	4.9	5.0	5.1
Equals: Disposable personal income	**83.1**	**45.7**	**93.0**	**206.1**	**250.2**	**254.5**	**270.2**	**287.2**	**300.6**	**294.0**	**296.1**	**300.4**	**303.3**	**302.1**
Less: Personal consumption expenditures	79.0	46.4	81.9	194.0	230.5	236.6	254.4	267.2	280.4	272.3	276.7	278.9	283.6	282.4
Equals: Personal saving	**4.2**	**−.6**	**11.1**	**12.1**	**19.7**	**17.9**	**15.8**	**20.0**	**20.2**	**21.7**	**r19.5**	**r21.4**	**r19.7**	**19.8**

NATIONAL INCOME, BY DISTRIBUTIVE SHARES

[Department of Commerce estimates. In billions of dollars]

Item	Annual totals									Seasonally adjusted annual rates by quarters				
	1929	1933	1941	1950	1953	1954	1955	1956	1957	1956	1957			
										4	1	2	3	4
National income	**87.8**	**40.2**	**104.7**	**240.0**	**302.1**	**299.0**	**324.1**	**343.6**	**n.a.**	**353.3**	**355.6**	**358.5**	**362.6**	**n.a.**
Compensation of employees	**51.1**	**29.5**	**64.8**	**154.3**	**208.1**	**206.8**	**223.1**	**241.4**	**254.4**	**247.9**	**251.1**	**254.0**	**257.0**	**255.3**
Wages and salaries[1]	*50.4*	*29.0*	*62.1*	*146.5*	*197.3*	*195.5*	*210.3*	*227.2*	*238.8*	*233.3*	*235.9*	*238.6*	*241.3*	*239.5*
Private	45.5	23.9	51.9	124.3	163.5	161.2	174.4	189.4	199.0	194.7	196.8	199.1	200.9	199.1
Military	.3	.3	1.9	5.0	10.3	10.0	9.8	9.7	9.7	9.7	9.6	9.7	9.8	9.5
Government civilian	4.6	4.9	8.3	17.2	23.5	24.4	26.1	28.2	30.1	28.9	29.4	29.7	30.6	30.8
Supplements to wages and salaries	.7	.5	2.7	7.8	10.8	11.3	12.7	14.1	15.6	14.6	15.3	15.4	15.7	15.8
Proprietors' and rental income[2]	**20.2**	**7.6**	**20.9**	**44.6**	**49.3**	**49.1**	**49.4**	**49.9**	**51.2**	**50.7**	**50.9**	**51.2**	**51.7**	**51.3**
Business and professional	8.8	3.2	10.9	22.9	25.9	25.9	27.3	28.0	28.7	28.3	28.4	28.7	29.1	28.6
Farm	6.0	2.4	6.5	13.3	13.3	12.7	11.9	11.6	12.1	12.0	12.0	12.1	12.2	12.2
Rental income of persons	5.4	2.0	3.5	8.5	10.2	10.6	10.2	10.3	10.4	10.4	10.4	10.4	10.4	10.4
Corporate profits and inventory valuation adjustment	**10.1**	**−2.0**	**14.5**	**35.1**	**36.0**	**33.1**	**40.7**	**40.4**	**n.a.**	**42.4**	**41.2**	**40.7**	**40.9**	**n.a.**
Corporate profits before tax	*9.6*	*.2*	*17.0*	*40.0*	*37.0*	*33.5*	*42.5*	*43.0*	*n.a.*	*45.6*	*43.9*	*42.0*	*41.8*	*n.a.*
Corporate profits tax liability	1.4	.5	7.6	17.8	20.3	17.4	21.5	22.0	n.a.	23.3	22.4	21.4	21.3	n.a.
Corporate profits after tax	8.3	−.4	9.4	22.1	16.7	16.0	21.0	21.0	n.a.	22.3	21.5	20.5	20.4	n.a.
Inventory valuation adjustment	.5	−2.1	−2.5	−4.9	−1.0	−.3	−1.7	−2.6	−1.5	−3.2	−2.7	−1.3	−.9	−1.2
Net interest	**6.4**	**5.0**	**4.5**	**5.9**	**8.7**	**9.8**	**10.9**	**11.9**	**12.8**	**12.3**	**12.5**	**12.7**	**13.0**	**13.3**

n. a. Not available. r Revised.
[1] Includes employee contributions to social insurance funds.
[2] Includes noncorporate inventory valuation adjustment.

GROSS NATIONAL PRODUCT OR EXPENDITURE

[Department of Commerce estimates. In billions of dollars]

Item	Annual totals									Seasonally adjusted annual rates by quarters				
										1956	1957			
	1929	1933	1941	1950	1953	1954	1955	1956	1957	4	1	2	3	4
Gross national product	104.4	56.0	125.8	285.1	363.2	361.2	391.7	414.7	434.4	426.0	429.9	435.5	440.0	432.6
Personal consumption expenditures	79.0	46.4	81.9	194.0	230.5	236.6	254.4	267.2	280.4	272.3	276.7	278.9	283.6	282.4
Durable goods	9.2	3.5	9.7	28.6	29.8	29.4	35.6	33.9	35.1	34.8	35.9	35.0	35.0	34.4
Nondurable goods	37.7	22.3	43.2	100.4	119.1	120.6	126.0	133.3	139.9	135.3	137.3	139.1	142.5	140.8
Services	32.1	20.7	29.0	65.0	81.7	86.6	92.8	99.9	105.4	102.2	103.4	104.9	106.1	107.2
Gross private domestic investment	16.2	1.4	18.1	51.2	50.3	48.4	60.6	65.9	64.4	68.5	63.6	66.2	66.5	61.3
New construction[1]	*8.7*	*1.4*	*6.6*	*22.7*	*25.8*	*27.8*	*32.7*	*33.3*	33.2	*33.4*	*32.8*	*32.7*	*33.0*	34.0
Residential, nonfarm	3.6	.5	3.5	12.6	11.9	13.5	16.6	15.3	14.2	15.1	14.4	13.9	14.0	14.5
Other	5.1	1.0	3.1	10.1	13.8	14.3	16.1	18.0	19.0	18.4	18.5	18.9	19.0	19.5
Producers' durable equipment	5.9	1.6	6.9	21.1	24.3	22.5	23.7	28.1	30.4	29.9	30.7	30.5	30.5	30.0
Change in business inventories	1.7	−1.6	4.5	7.4	.3	−1.9	4.2	4.6	.8	5.1	.0	2.9	3.0	−2.7
Nonfarm only	1.8	−1.4	4.0	6.4	.9	−2.4	4.0	5.0	.2	5.7	−.3	2.2	2.3	−3.4
Net foreign investment	.8	.2	1.1	−2.2	−2.0	−.4	−.4	1.4	3.2	2.4	4.1	3.5	3.2	2.0
Government purchases of goods and services	8.5	8.0	24.8	42.0	84.4	76.6	77.1	80.2	86.4	82.8	85.6	86.9	86.7	87.0
Federal	*1.3*	*2.0*	*16.9*	*22.1*	*59.5*	*48.9*	*46.8*	*47.2*	50.4	*49.0*	*50.3*	*51.1*	*50.6*	49.7
National security	1.3	2.0	13.8	18.5	51.5	43.1	41.3	42.4	45.7	44.2	45.5	46.3	45.8	45.0
Other			3.2	3.9	8.4	6.2	5.9	5.2	5.2	5.1	5.2	5.2	5.2	5.0
Less: Government sales[2]	.0	.0	.0	.3	.4	.4	.4	.4	.4	.4	.4	.4	.4	.4
State and local	7.2	6.0	7.8	19.9	24.9	27.7	30.3	33.0	36.0	33.9	35.3	35.8	36.1	37.3

[1] Includes expenditures for crude petroleum and natural gas drilling.

[2] Consists of sales abroad and domestic sales of surplus consumption goods and materials.

PERSONAL INCOME

[Department of Commerce estimates. In billions of dollars]

Year or month[1]	Personal income	Wage and salary disbursements: Total	Commodity producing industries	Distributive industries	Service industries	Government	Other labor income[2]	Proprietors' and rental income[3]	Dividends and personal interest income	Transfer payments[4]	Less personal contributions for social insurance[5]	Nonagricultural income[6]
1929	85.8	50.4	21.5	15.6	8.4	4.9	.6	20.2	13.2	1.5	.1	77.7
1933	47.2	29.0	9.8	8.8	5.2	5.1	.4	7.6	8.3	2.1	.2	43.6
1941	96.3	62.1	27.5	16.3	8.1	10.2	.7	20.9	10.3	3.1	.8	88.0
1952	271.8	184.9	80.4	48.7	23.0	32.9	5.3	50.8	21.3	13.2	3.8	253.1
1953	286.0	197.4	87.7	51.3	24.5	33.9	6.0	49.3	23.0	14.3	3.9	269.2
1954	287.4	195.5	83.6	51.9	25.8	34.3	6.2	49.1	24.9	16.2	4.6	271.3
1955	305.9	210.3	90.9	55.4	28.2	35.9	6.9	49.4	27.1	17.4	5.2	290.6
1956	326.9	227.2	98.3	60.1	31.1	37.9	7.5	49.9	29.5	18.5	5.7	311.7
1957	343.4	238.8	102.0	63.7	33.3	39.8	7.9	51.2	31.0	21.2	6.8	327.5
1957—Feb.	338.5	235.9	102.0	62.4	32.4	39.1	7.8	51.0	30.8	19.7	6.7	322.7
Mar.	340.2	237.2	102.3	63.0	32.6	39.3	7.8	51.1	30.9	20.0	6.8	324.5
Apr.	341.1	237.1	102.4	62.7	32.9	39.1	7.8	51.1	31.0	20.8	6.7	325.3
May	343.2	238.3	102.4	63.4	33.0	39.5	7.8	51.1	31.2	21.6	6.8	327.5
June	345.1	240.1	103.3	63.8	33.2	39.8	7.9	51.2	31.2	21.5	6.8	329.3
July	346.3	240.9	103.0	64.5	33.4	40.0	7.9	51.7	31.4	21.3	6.9	330.5
Aug.	347.3	241.7	102.8	64.7	33.7	40.5	8.0	51.7	31.6	21.2	6.9	331.3
Sept.	347.2	241.5	102.2	64.8	33.9	40.6	8.0	51.7	31.6	21.2	6.8	331.3
Oct.	346.8	240.1	101.3	64.3	34.0	40.5	8.0	51.7	31.7	22.1	6.8	331.0
Nov.	346.2	239.5	100.9	64.2	34.1	40.3	8.0	51.2	31.7	22.6	6.8	330.3
Dec.	343.6	238.8	99.8	64.4	34.2	40.4	8.0	50.9	29.7	23.0	6.8	327.6
1958—Jan.	343.6	237.0	97.6	64.8	34.2	40.4	7.9	50.5	31.7	23.3	6.8	327.6
Feb.[p]	341.8	234.8	95.2	64.7	34.4	40.5	7.8	50.7	31.8	23.5	6.8	325.6

[p] Preliminary.

[1] Monthly data are seasonally adjusted totals at annual rates.

[2] Represents compensation for injuries, employer contributions to private pension and welfare funds, and other payments.

[3] Represents business and professional income, farm income, and rental income of unincorporated enterprise; also a noncorporate inventory valuation adjustment.

[4] Represents government social insurance benefits, direct relief, mustering-out pay, veterans' readjustment allowances and other payments, as well as consumer bad debts and other business transfers.

[5] Prior to 1952 includes employee contributions only; beginning January 1952, includes also contributions to the old-age and survivors' insurance program of the self-employed to whom coverage was extended under the Social Security Act Amendments of 1950. Personal contributions are not included in personal income.

[6] Represents personal income exclusive of net income of unincorporated farm enterprise, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

Financial Statistics

★ International ★

Tables on the following pages include the principal available statistics of current significance relating to international capital transactions of the United States, foreign gold reserves and dollar holdings, and foreign central banks. Figures on international capital transactions of the United States are collected by the Federal Reserve Banks from banks, bankers, brokers, and dealers in the United States in accordance with the Treasury Regulation of November 12, 1934. Other data are compiled largely from regularly published sources such as central bank statements and official statistical bulletins. Back figures for 1941 and prior years, together with descriptive text, may be obtained from the Board's publication, *Banking and Monetary Statistics.*

TABLE 1. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRIES[1]

[Amounts outstanding, in millions of dollars]

Date	International institutions[2]	Total foreign countries		France	Germany, Fed. Rep. of	Italy	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	All other
		Official and private	Official[3]											
1954—Dec. 31	1,770	11,149	6,770	715	1,373	579	672	640	1,642	5,621	1,536	1,906	1,821	265
1955—Dec. 31	1,881	11,720	6,953	1,081	1,454	785	757	550	1,519	6,147	1,032	2,000	2,181	360
1956—Dec. 31	1,452	13,487	8,045	626	1,835	930	836	1,012	1,627	6,865	1,516	2,346	2,415	346
1957—Jan. 31	1,809	r13,208	r7,760	538	1,790	905	800	867	1,676	6,575	1,531	r2,383	2,382	337
Feb. 28	1,681	13,090	7,551	490	1,764	885	775	869	1,735	6,518	1,564	2,309	2,323	375
Mar. 31	1,558	13,002	r7,549	423	1,764	886	774	929	1,754	6,530	1,496	2,345	2,243	388
Apr. 30	1,358	r13,093	r7,808	420	1,728	909	742	903	1,804	6,507	1,521	r2,509	2,160	396
May 31	1,700	r13,121	7,810	367	1,732	937	775	926	1,764	6,502	1,619	r2,549	2,053	398
June 30	1,573	r13,282	r7,941	403	1,690	959	r809	969	1,793	r6,623	1,591	r2,687	1,990	391
July 31	1,545	r13,265	r7,808	514	1,559	979	778	1,008	1,725	6,563	1,659	r2,673	1,986	384
Aug. 31	1,635	13,267	7,627	450	1,577	1,009	769	944	1,754	6,502	1,724	2,683	1,981	377
Sept. 30	1,512	13,336	7,644	411	1,664	1,029	802	807	1,855	6,569	1,655	2,723	2,015	373
Oct. 31p	1,517	13,747	7,910	394	1,573	1,057	857	1,161	1,946	6,987	1,739	2,671	1,975	374
Nov. 30p	1,538	13,610	7,795	352	1,567	1,032	865	1,200	1,964	6,980	1,735	2,596	1,937	362
Dec. 31p	1,517	13,611	7,893	355	1,557	1,079	965	1,275	1,910	7,141	1,623	2,556	1,940	351
1958—Jan. 31p	1,619	13,684	7,998	331	1,520	1,083	940	1,330	2,036	7,240	1,597	2,516	1,950	382

Table 1a. Other Europe

Date	Other Europe	Austria	Belgium	Denmark	Finland	Greece	Netherlands	Norway	Portugal	Rumania	Spain	Sweden	Turkey	Yugoslavia	All other
1954—Dec. 31	1,642	273	100	71	41	113	249	103	91	8	71	141	8	9	363
1955—Dec. 31	1,519	261	108	60	49	176	164	82	132	8	104	153	9	13	201
1956—Dec. 31	1,627	296	117	65	53	177	134	67	137	1	43	217	20	17	281
1957—Jan. 31	1,676	294	125	64	54	181	117	69	138	1	42	230	16	14	332
Feb. 28	1,735	297	135	76	61	184	122	67	134	1	40	229	22	17	350
Mar. 31	1,754	296	141	76	59	178	120	76	123	1	32	228	14	14	396
Apr. 30	1,804	298	142	71	60	181	110	73	117	1	28	245	20	11	446
May 31	1,764	298	120	65	59	175	111	75	120	1	25	253	12	12	439
June 30	1,793	302	119	61	59	166	110	87	120	1	25	268	14	11	449
July 31	1,725	315	120	97	61	156	98	85	115	1	25	278	12	9	351
Aug. 31	1,754	328	123	101	55	143	115	87	116	1	24	272	16	11	362
Sept. 30	1,855	337	132	102	62	139	172	94	124	1	24	273	12	12	371
Oct. 31p	1,946	345	137	97	68	144	186	97	129	1	30	255	19	9	429
Nov. 30p	1,964	347	131	100	66	146	215	95	127	1	26	265	16	11	418
Dec. 31p	1,910	349	130	112	65	154	203	93	142	1	25	259	18	11	348
1958—Jan. 31p	2,036	372	113	126	64	154	240	117	137	1	22	264	16	7	403

Table 1b. Latin America

Date	Latin America	Argentina	Bolivia	Brazil	Chile	Colombia	Cuba	Dominican Republic	Guatemala	Mexico	Netherlands West Indies and Surinam	Panama, Republic of	Peru	El Salvador	Uruguay	Venezuela	Other Latin America
1954—Dec. 31	1,906	160	29	120	70	222	237	60	35	329	49	74	83	30	90	194	124
1955—Dec. 31	2,000	138	26	143	95	131	253	65	45	414	47	86	92	24	65	265	112
1956—Dec. 31	2,346	146	29	225	91	153	211	68	64	433	69	109	84	25	73	455	111
1957—Jan. 31	r2,383	140	27	241	86	186	217	67	66	421	r67	109	81	37	76	448	114
Feb. 28	2,309	142	27	240	86	175	220	76	69	413	r68	112	82	39	76	363	120
Mar. 31	2,345	138	25	232	91	193	218	78	74	409	66	117	82	41	74	374	133
Apr. 30	r2,509	211	26	216	86	203	226	85	77	393	r68	116	75	39	70	479	139
May 31	r2,549	185	25	184	79	206	241	82	72	375	r68	118	77	43	66	588	139
June 30	r2,687	164	24	143	88	205	257	87	70	339	r64	135	75	50	65	781	138
July 31	r2,673	142	27	127	73	213	274	94	67	352	74	129	73	46	60	r788	133
Aug. 31	2,683	135	28	133	78	195	285	67	65	393	71	132	72	39	56	798	136
Sept. 30	2,723	147	28	133	77	186	280	59	60	371	75	129	61	34	60	896	129
Oct. 31p	2,671	160	24	145	76	202	235	57	60	367	75	140	64	26	55	858	126
Nov. 30p	2,596	151	24	149	76	175	235	58	62	360	72	133	62	22	55	835	127
Dec. 31p	2,556	137	26	132	75	153	235	54	65	375	73	136	60	27	55	829	124
1958—Jan. 31p	2,516	138	23	120	78	148	240	51	68	386	71	123	56	32	72	773	136

p Preliminary. r Revised. For other notes see following page.

TABLE 1. SHORT-TERM LIABILITIES TO FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRIES[1]—Continued

[Amounts outstanding, in millions of dollars]

Table 1c. Asia and All Other

Date	Asia												All other					
	Total	Hong Kong	India	Indonesia	Iran	Israel	Japan	Korea, Republic of	Philippines	Taiwan	Thailand	Other	Total	Australia	Belgian Congo	Egypt	Union of South Africa	Other
1954—Dec. 31	1,821	61	87	100	31	41	721	96	257	34	123	270	265	48	44	47	33	94
1955—Dec. 31	2,181	55	73	174	37	53	893	88	252	39	138	380	360	75	42	72	53	119
1956—Dec. 31	2,415	66	76	186	20	45	1,017	99	272	61	148	425	346	84	44	50	53	114
1957—Jan. 31	2,382	64	75	179	21	37	994	101	269	63	158	421	337	64	42	52	58	121
Feb. 28	2,323	61	76	166	31	38	937	102	254	65	161	432	375	68	44	69	63	132
Mar. 31	2,243	56	77	145	40	35	875	104	244	68	167	433	388	80	42	60	60	147
Apr. 30	2,160	58	77	129	33	30	835	106	227	75	165	425	396	85	42	61	56	152
May 31	2,053	56	78	126	29	40	728	106	218	75	166	432	398	88	41	59	58	153
June 30	1,990	59	76	128	35	36	626	107	217	79	167	461	391	75	40	58	60	158
July 31	1,986	65	79	139	31	46	605	106	206	79	167	463	384	80	42	57	51	153
Aug. 31	1,981	66	78	167	30	41	586	106	217	78	170	443	377	78	41	53	49	156
Sept. 30	2,015	72	82	179	49	53	570	106	215	76	163	450	373	81	39	54	47	152
Oct. 31p	1,975	72	88	190	43	47	564	110	195	83	162	420	374	85	41	50	45	153
Nov. 30p	1,937	71	89	187	42	46	555	112	174	85	159	417	362	84	42	45	39	151
Dec. 31p	1,940	70	82	151	55	52	580	117	175	86	157	416	351	85	39	40	38	149
1958—Jan. 31p	1,950	65	78	138	55	49	594	118	184	87	156	426	382	82	41	42	59	157

Table 1d. Supplementary Areas and Countries[5]

Area or country	End of year			
	1953	1954	1955	1956
Other Europe:				
Albania	.2	.2	.4	n.a.
British dependencies	.4	.6	.4	.4
Bulgaria	.6	.6	.7	.2
Czechoslovakia[6]	.6	.7	.7	.5
Eastern Germany	n.a.	1.2	1.3	1.2
Estonia	1.9	1.9	1.8	n.a.
Hungary	1.0	1.0	1.0	.8
Iceland	7.5	8.9	4.8	3.1
Ireland, Republic of	14.1	14.3	13.7	9.1
Latvia	1.3	1.0	1.0	.6
Lithuania	.4	.5	.3	.4
Luxembourg	4.0	4.5	3.1	13.2
Monaco	3.0	5.3	5.6	4.3
Poland[6]	2.2	2.1	2.5	3.3
Trieste	2.5	2.2	1.4	1.4
U. S. S. R.[6]	2.0	1.8	.7	.8
Other Latin America:				
British dependencies	18.0	19.0	16.6	24.1
Costa Rica	13.4	15.3	17.6	14.6
Ecuador	17.7	21.2	14.9	18.0
French West Indies and French Guiana	.6	.4	.6	1.0
Haiti	9.3	12.7	12.1	8.9
Honduras	18.7	17.3	9.7	10.2
Nicaragua	16.0	10.3	12.8	11.8
Paraguay	6.0	3.6	3.6	4.0
Other Asia:				
Afghanistan	2.7	5.1	4.1	5.3
Bahrein Islands	.6	.6	.5	n.a.
Other Asia (Cont.):				
British dependencies	9.1	9.8	9.8	8.8
Burma	23.0	29.7	19.1	7.0
Cambodia	n.a.	.2	13.1	17.2
Ceylon	17.1	18.8	32.9	41.2
China Mainland[6]	36.4	35.7	36.2	35.5
Iraq	13.8	10.0	14.7	16.9
Jordan	.9	.8	1.2	2.0
Kuwait	10.1	10.7	3.5	5.3
Laos	n.a.	.1	23.1	n.a.
Lebanon	23.9	16.5	18.0	22.3
Pakistan	9.7	3.8	5.7	20.2
Portuguese dependencies	5.3	1.8	2.0	2.7
Ryukyu Islands	n.a.	26.9	34.0	n.a.
Saudi Arabia	18.5	61.5	79.5	n.a.
Syria	20.5	21.5	13.1	17.1
Viet-Nam	n.a.	8.1	62.3	50.1
All other:				
British dependencies	1.6	1.4	2.4	3.8
Ethiopia and Eritrea	9.1	18.0	23.7	24.2
French dependencies	5.7	8.7	8.0	10.5
Liberia	11.8	5.6	13.1	23.7
Libya	3.0	1.7	9.9	3.7
Morocco	15.9	7.6	14.8	13.6
New Zealand	2.1	2.3	1.9	2.2
Portuguese dependencies	5.0	8.3	5.3	2.8
Spanish dependencies	.2	.5	.7	.3
Sudan	n.a.	n.a.	n.a.	.4
Tangier	36.1	35.7	33.5	22.4
Tunisia	.6	.4	.7	.5

p Preliminary. n.a. Not available.

[1] Short-term liabilities reported in these statistics represent principally deposits and U. S. Govt. obligations maturing in not more than one year from their date of issue, held by banking institutions in the United States; small amounts of bankers' acceptances and commercial paper and of liabilities payable in foreign currencies are also included.

[2] Includes International Bank for Reconstruction and Development, International Monetary Fund, and United Nations and other international organizations. Excludes Bank for International Settlements, reported under Other Europe.

[3] Represents funds held with banks and bankers in the United States (and in accounts with the U.S. Treasury) by foreign central banks and by foreign central governments and their agencies (including official purchasing missions, trade and shipping missions, diplomatic and consular establishments, etc.).

[4] Beginning Apr. 30, data include certain accounts previously classified as "private."

[5] These data are based on reports by banks in the Second (New York) Federal Reserve District and include funds held in an account with the U. S. Treasury. They represent a partial breakdown of the amounts shown in the "other" categories in tables 1a-1c.

[6] Based on reports by banks in all Federal Reserve districts.

NOTE.—Statistics on international capital transactions of the United States are based on reports by banks, bankers, brokers, and dealers. Beginning with the BULLETIN for June 1954 (as explained on p. 591 of that issue), tables reflect changes in reporting forms and instructions made as of Mar. 31, 1954, as well as changes in content, selection, and arrangement of material published. For discontinued tables and data reported under previous instructions, see BULLETIN for May 1954, pp. 540–45.

TABLE 2. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRIES[1]

[Amounts outstanding, in millions of dollars]

Date	Total	France	Germany, Fed. Rep. of	Italy	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	All other
1954—Dec. 31	1,387	14	70	20	16	173	109	402	76	728	143	37
1955—Dec. 31	1,549	12	88	30	26	109	158	423	144	706	233	43
1956—Dec. 31	1,946	18	157	43	29	104	216	568	157	840	337	43
1957—Jan. 31	2,038	23	168	50	30	109	213	593	171	867	360	48
Feb. 28	2,060	18	176	55	33	127	211	621	157	861	375	46
Mar. 31	2,150	26	177	59	26	160	219	667	161	898	375	49
Apr. 30	2,141	60	177	58	27	151	208	680	108	919	392	41
May 31	2,174	72	174	61	27	176	188	699	114	889	426	46
June 30	2,202	82	159	60	28	159	197	686	125	894	451	46
July 31	2,135	96	150	59	31	123	189	646	125	896	421	46
Aug. 31	2,160	113	149	55	33	115	192	657	120	935	396	52
Sept. 30	2,161	113	150	54	32	110	209	668	111	941	389	52
Oct. 31p	2,254	106	139	54	36	124	203	663	177	959	407	48
Nov. 30p	2,204	105	137	54	37	111	207	651	149	970	385	49
Dec. 31p	2,244	114	140	57	37	109	218	675	150	984	386	50

Table 2a. Other Europe

Date	Other Europe	Austria	Belgium	Denmark	Finland	Greece	Netherlands	Norway	Portugal	Spain	Sweden	Turkey	Yugoslavia	All other
1954—Dec. 31	109	(2)	20	10	3	3	16	2	(2)	4	4	41	1	5
1955—Dec. 31	158	2	16	13	3	4	11	9	2	5	7	78	2	7
1956—Dec. 31	216	7	28	12	4	4	21	23	2	8	13	88	(2)	7
1957—Jan. 31	213	6	30	13	4	4	20	23	2	9	13	85	(2)	6
Feb. 28	211	7	29	10	3	4	21	17	1	7	14	86	2	8
Mar. 31	219	8	34	11	3	5	20	18	2	11	14	83	2	8
Apr. 30	208	8	29	9	3	5	23	17	2	10	14	79	(2)	9
May 31	188	6	28	8	4	4	19	16	1	11	14	67	(2)	10
June 30	197	5	25	8	3	4	23	16	2	12	14	75	1	9
July 31	189	4	23	7	4	6	27	17	1	12	13	63	2	9
Aug. 31	192	6	25	7	4	6	21	17	1	19	9	68	2	9
Sept. 30	209	7	25	6	3	7	24	18	1	24	9	72	2	11
Oct. 31p	203	7	24	9	4	7	22	16	1	10	9	81	2	13
Nov. 30p	207	6	25	9	5	6	24	19	1	11	10	77	2	11
Dec. 31p	218	6	33	11	4	6	24	23	2	11	10	76	(2)	10

Table 2b. Latin America

Date	Latin America	Argentina	Bolivia	Brazil	Chile	Colombia	Cuba	Dominican Republic	Guatemala	Mexico	Netherlands West Indies and Surinam	Panama, Republic of	Peru	El Salvador	Uruguay	Venezuela	Other Latin America
1954—Dec. 31	728	6	3	273	14	107	71	3	4	116	1	9	16	10	7	63	27
1955—Dec. 31	706	7	4	69	14	143	92	5	5	154	3	17	29	8	18	105	34
1956—Dec. 31	840	15	4	72	16	145	90	7	7	213	5	12	35	11	15	144	49
1957—Jan. 31	867	15	5	77	22	145	99	13	8	216	4	13	34	8	12	145	52
Feb. 28	861	25	4	72	20	148	90	13	7	219	3	10	32	8	11	144	54
Mar. 31	898	37	5	76	22	158	89	10	8	216	3	13	37	8	12	152	51
Apr. 30	919	42	5	78	25	151	92	11	8	213	4	15	36	9	12	163	56
May 31	889	43	5	73	26	144	93	9	7	207	3	13	35	8	13	154	58
June 30	894	48	5	77	35	123	93	9	7	208	3	12	32	8	18	159	56
July 31	896	47	4	94	33	98	91	15	8	212	2	13	36	8	24	158	53
Aug. 31	935	35	5	115	40	91	91	19	8	246	3	13	34	7	30	151	49
Sept. 30	941	29	5	123	28	101	85	17	8	246	3	16	33	6	39	152	50
Oct. 31p	959	27	9	108	36	126	73	20	8	246	4	16	34	8	38	154	52
Nov. 30p	970	28	4	96	40	119	106	22	9	231	3	17	35	9	40	157	54
Dec. 31p	984	28	3	100	36	107	113	19	8	239	2	17	36	8	42	175	51

p Preliminary.

[1] Short-term claims reported in these statistics represent principally the following items payable on demand or with a contractual maturity of not more than one year: loans made to and acceptances made for foreigners; drafts drawn against foreigners that are being collected by banking institutions on behalf of their customers in the United States; and foreign currency balances held abroad by banking institutions and their customers in the United States. Claims on foreigners with a contractual maturity of more than one year reported by U. S. banking institutions (excluded from these statistics) amounted to $1,096 million on Dec. 31, 1957. The term foreigner is used to designate foreign governments, central banks, and other official institutions as well as banks, organizations, and individuals domiciled outside the United States, including U. S. citizens domiciled abroad and the foreign subsidiaries and offices of U. S. banks and commercial firms.

[2] Less than $500,000.

[3] Includes transactions of international institutions.

TABLE 2. SHORT-TERM CLAIMS ON FOREIGNERS REPORTED BY BANKS IN THE UNITED STATES, BY COUNTRIES[1]—Continued

[Amounts outstanding, in millions of dollars]

Table 2c. Asia and All Other

Date	Asia											All other					
	Total	Hong Kong	India	Indonesia	Iran	Israel	Japan	Philippines	Taiwan	Thailand	Other	Total	Australia	Belgian Congo	Egypt	Union of South Africa	Other
1954—Dec. 31	143	3	5	1	16	11	50	7	5	6	39	37	14	6	1	6	10
1955—Dec. 31	233	3	5	1	18	10	103	19	6	8	59	43	11	5	1	8	17
1956—Dec. 31	337	4	6	(2)	20	16	170	16	6	9	91	43	11	6	2	8	17
1957—Jan. 31	360	5	7	(2)	22	23	186	17	5	10	83	48	11	5	2	8	21
Feb. 28	375	6	7	(2)	22	24	192	18	6	10	89	46	11	5	2	7	22
Mar. 31	375	6	9	(2)	23	24	193	18	5	10	86	49	13	5	1	7	22
Apr. 30	392	7	10	(2)	24	22	210	19	5	10	86	41	10	5	1	8	17
May 31	426	7	11	(2)	23	25	244	24	5	13	74	46	13	6	1	8	18
June 30	451	7	11	(2)	22	24	258	30	5	12	81	46	12	5	1	11	17
July 31	423	7	11	(2)	24	22	250	28	6	11	63	46	12	6	1	12	15
Aug. 31	396	9	9	(2)	24	24	216	40	6	12	58	52	11	6	1	12	21
Sept. 30	389	9	9	(2)	24	23	188	51	6	8	71	52	11	5	1	11	24
Oct. 31^p	407	7	8	(2)	24	26	174	51	6	11	99	48	11	4	1	12	20
Nov. 30^p	385	8	7	(2)	24	25	148	56	6	12	99	49	10	5	1	14	19
Dec. 31^p	386	7	6	(2)	22	24	145	53	6	14	110	50	13	5	1	12	19

TABLE 3. PURCHASES AND SALES BY FOREIGNERS OF LONG-TERM SECURITIES, BY TYPES[3]

[In millions of dollars]

Year or month	U. S. Govt. bonds & notes			U. S. corporate securities			Foreign bonds			Foreign stocks		
	Purchases	Sales	Net purchases, or sales (−)	Purchases	Sales	Net purchases, or sales (−)	Purchases	Sales	Net purchases, or sales (−)	Purchases	Sales	Net purchases, or sales (−)
1954	801	793	8	1,405	1,264	141	792	841	−49	393	645	−252
1955	1,341	812	529	1,886	1,730	156	693	509	184	664	878	−214
1956	883	1,018	−135	1,907	1,615	291	607	992	−385	749	875	−126
1957^p	665	701	−36	1,620	1,421	199	695	1,383	−688	591	620	−29
1956—Dec.	13	39	−26	145	108	37	25	77	−52	45	38	7
1957—Jan.	44	28	16	163	107	57	49	172	−123	54	53	(2)
Feb.	134	42	91	146	91	55	34	133	−99	43	42	1
Mar.	68	^{r}48	^{r}20	117	104	13	43	67	−24	44	51	−7
Apr.	53	8	44	134	113	21	69	215	−146	54	59	−5
May	102	157	−55	179	160	19	57	193	−136	59	81	−21
June	57	^{r}31	^{r}26	170	135	35	45	^{r}43	^{r}2	76	90	−14
July	29	122	−93	161	153	8	130	191	−61	69	60	9
Aug.	18	175	−157	135	119	16	23	36	−13	46	44	2
Sept.	16	10	6	92	103	−11	49	80	−31	41	46	−6
Oct.^{p}	33	19	15	108	142	−34	123	106	18	43	42	1
Nov.^{p}	38	21	18	113	94	19	38	92	−54	35	28	7
Dec.^{p}	73	40	33	101	101	1	34	55	−21	29	25	4

TABLE 4. NET PURCHASES BY FOREIGNERS OF LONG-TERM UNITED STATES SECURITIES, BY COUNTRIES

[Net sales, (−). In millions of dollars]

Year or month	International institutions	Total foreign countries	France	Germany, Federal Republic of	Italy	Switzerland	United Kingdom	Other Europe	Total Europe	Canada	Latin America	Asia	All other
1954	78	72	17	(2)	−1	73	70	−20	139	−187	113	3	3
1955	−21	706	−2	9	−7	147	96	85	329	265	76	29	7
1956	82	75	−121	7	(2)	234	8	33	161	−124	34	−1	4
1957^p	−157	320	9	3	1	98	82	114	308	−8	11	4	4
1956—Dec.	1	10	2	(2)	(2)	19	−14	−3	3	−3	8	1	1
1957—Jan.	2	70	2	(2)	(2)	27	7	19	56	4	6	3	1
Feb.	1	145	2	(2)	1	24	41	17	86	54	5	1	(2)
Mar.	1	^{r}33	1	(2)	(2)	11	21	^{r}3	^{r}36	−4	1	(2)	(2)
Apr.	1	65	(2)	(2)	(2)	9	21	10	42	21	(2)	(2)	1
May	−25	−11	2	(2)	(2)	7	7	11	27	−34	−5	(2)	(2)
June	1	^{r}61	2	(2)	(2)	5	^{r}50	^{r}−6	^{r}51	5	4	−1	(2)
July	(2)	−85	−1	(2)	(2)	7	−78	13	−59	−27	1	(2)	(2)
Aug.	−141	1	1	(2)	(2)	17	−1	−2	15	−17	2	1	(2)
Sept.	1	−6	1	(2)	(2)	−2	−5	4	−2	−5	(2)	1	(2)
Oct.^{p}	1	−21	−1	1	(2)	−21	2	10	−9	−14	3	−2	1
Nov.^{p}	(2)	36	1	(2)	(2)	11	1	10	22	9	4	1	(2)
Dec.^{p}	1	33	(2)	(2)	(2)	3	15	25	43	1	−11	(2)	(2)

^{p} Preliminary. ^{r} Revised. For other notes see opposite page.

TABLE 5. NET PURCHASES BY FOREIGNERS OF LONG-TERM FOREIGN SECURITIES OWNED IN THE UNITED STATES, BY AREAS

[Net sales, (−). In millions of dollars]

Year or month	International institutions	Total foreign countries	Europe	Canada	Latin America	Asia	All other
1954	−164	−137	−9	−133	33	−34	7
1955	−27	−4	−46	74	24	−49	−7
1956	−33	−478	8	−447	17	−40	−16
1957[p]	−384	−334	235	−551	15	−45	13
1956—Dec.	−3	−41	13	−47	(1)	−8	(1)
1957—Jan.	−71	−52	16	−72	2	−9	11
Feb.	9	−107	−7	−97	2	−6	1
Mar.	−1	−31	1	−14	(1)	−2	−16
Apr.	−5	−146	10	−153	−1	−2	(1)
May	−81	−76	1	−84	10	−4	1
June	−1	[r]−11	−12	[r]−11	2	−3	14
July	−101	49	117	−70	2	−1	1
Aug.	−6	−5	15	−21	2	−2	1
Sept.	2	−39	−9	−30	2	−1	−1
Oct.[p]	−77	96	85	13	1	−4	(1)
Nov.[p]	−53	6	9	5	−4	−5	(1)
Dec.[p]	(1)	−18	10	−18	−3	−7	1

[p] Preliminary. [r] Revised.
[1] Less than $500,000.

TABLE 6. DEPOSITS AND OTHER DOLLAR ASSETS HELD AT FEDERAL RESERVE BANKS FOR FOREIGN CORRESPONDENTS[1]

[In millions of dollars]

Date	Deposits	Assets in custody: U. S. Govt. securities[2]	Assets in custody: Miscellaneous[3]
1956—Dec. 31	322	3,856	139
1957—Feb. 28	327	3,671	156
Mar. 31	311	3,744	158
Apr. 30	316	3,727	165
May 31	360	3,600	164
June 30	449	3,685	164
July 31	364	3,730	278
Aug. 31	342	3,523	280
Sept. 30	337	3,421	278
Oct. 31	378	3,774	349
Nov. 30	283	3,787	344
Dec. 31	356	3,729	353
1958—Jan. 31	249	3,755	405
Feb. 28	265	3,552	428
1958—Feb. 5	284	3,646	416
Feb. 12	297	3,654	419
Feb. 19	291	3,732	420
Feb. 26	274	3,619	429

[1] Excludes assets held for Intl. Bank and Monetary Fund and earmarked gold. See note 4 at bottom of following page for total gold under earmark at Federal Reserve Banks for foreign and international accounts.
[2] U. S. Treasury bills, certificates of indebtedness, notes and/or bonds.
[3] Consists of bankers' acceptances, commercial paper, and foreign and international bonds.

NOTE.—For explanation of table and for back figures see BULLETIN for May 1953, p. 474.

GOLD PRODUCTION

[In millions of dollars at $35 per fine troy ounce]

Year or month	Estimated world production (excl. U.S.S.R.)	Total	Africa: South Africa	Africa: Rhodesia	Africa: Ghana	Africa: Belgian Congo	N. and S. America: United States	N. and S. America: Canada	N. and S. America: Mexico	N. and S. America: Colombia	N. and S. America: Chile	N. and S. America: Nicaragua[1]	Other: Australia	Other: India
1949	840.0	753.2	409.7	18.5	23.1	12.9	67.3	144.2	14.2	12.6	6.3	7.7	31.3	5.7
1950	864.5	777.1	408.2	17.9	24.1	12.0	80.1	155.4	14.3	13.3	6.7	8.0	30.4	6.7
1951	840.0	758.3	403.1	17.0	22.9	12.3	66.3	153.7	13.8	15.1	6.1	8.8	31.3	7.9
1952	868.0	780.9	413.7	17.4	23.8	12.9	67.4	156.5	16.1	14.8	6.2	8.9	34.3	8.9
1953	864.5	776.5	417.9	17.5	25.4	13.0	69.0	142.4	16.9	15.3	4.6	9.1	37.7	7.8
1954	913.5	826.2	462.4	18.8	27.5	12.8	65.1	152.8	13.5	13.2	4.4	8.2	39.1	8.4
1955	959.0	873.8	510.7	18.4	23.8	13.0	65.7	159.1	13.4	13.3	4.3	8.1	36.7	7.4
1956	994.0	910.6	556.2	18.8	21.9	13.1	65.3	153.4	12.3	15.3	3.3	7.6	36.1	7.3
1956—Dec.	....	73.6	45.8	1.5	2.2	1.0	4.6	12.7	.7	.7	.3	.6	2.9	.6
1957—Jan.	....	77.5	48.3	1.6	2.3	.9	5.0	12.6	1.0	1.5	.4	.6	3.0	.5
Feb.	....	73.7	46.3	1.5	2.3	1.1	4.4	12.0	.8	1.2	.2	.5	2.8	.5
Mar.	....	[2]78.3	49.2	1.5	2.2	1.5	5.1	13.2	....	1.0	.3	.6	3.1	.5
Apr.	....	[2]77.2	49.1	1.6	2.2	1.1	4.7	12.9	....	.7	.5	.6	3.2	.6
May	....	[2]78.8	50.6	1.5	2.2	1.0	5.0	13.1	....	.9	.3	.6	3.1	.5
June	....	[2]77.7	50.1	1.6	2.2	.9	4.9	12.6	....	.7	.2	.6	3.4	.5
July	....	....	51.4	1.5	2.3	1.2	5.8	12.8	....	.9	....	.6	3.7	.5
Aug.	....	....	51.1	1.5	2.4	1.1	5.8	12.6	....	.8	....	.6	3.0	....
Sept.	....	....	50.3	1.6	2.4	1.2	5.7	13.1	....	.9	....	.6	3.1	....
Oct.	....	....	50.9	1.6	2.4	1.1	6.5	13.9	....	.8	....	.6	....	....
Nov.	....	....	49.8	....	2.4	1.0	5.1	13.1	....	1.1	....	.6	....	....
Dec.	....	....	49.0	....	2.4	.9	5.5	12.9	....	....	....	.5	....	....

[1] Gold exports, representing about 90 per cent of total production.
[2] Excluding Mexico.

Sources.—World production: estimates of U. S. Bureau of Mines. Production reported monthly; reports from individual countries except Ghana and Belgian Congo, data for which are from American Bureau of Metal Statistics. For the United States, annual figures are from the U. S. Bureau of the Mint and monthly figures are from American Bureau of Metal Statistics.

NET GOLD PURCHASES BY THE UNITED STATES, BY COUNTRIES

[In millions of dollars at $35 per fine troy ounce. Negative figures indicate net sales by the United States]

Area and country	Annual totals								Quarterly totals				
									1956	1957			
	1950	1951	1952	1953	1954	1955	1956	1957	Oct.-Dec.	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.
Continental Western Europe:													
Belgium	[1] −58.0	[1] −18.3	[1] −5.8	[1] −94.8	......	......	3.4	3.4	3.4	3.4	......	......	......
France	−84.8	−20.0	......	......	......	−67.5	−33.8	......	......	......	......	......	......
Germany (Fed. Rep. of)	......	......	−10.0	−130.0	−225.6	−10.0	......	......	......	......	......	......	......
Netherlands	−79.8	−4.5	−100.0	−65.0	......	......	......	25.0	......	20.0	5.0	......	......
Portugal	−15.0	−34.9	−5.0	−59.9	−54.9	−5.0	......	......	......	......	......	......	......
Sweden	−22.9	−32.0	......	−20.0	−15.0	......	15.2	......	15.2	......	......	......	......
Switzerland	−38.0	−15.0	22.5	−65.0	−15.5	......	−8.0	......	......	......	......	......	......
Bank for Intl. Settlements	−65.3	−30.4	(2)	−94.3	−20.0	......	......	......	......	......	......	......	......
Other	−16.4	−29.7	−17.3	−17.5	2.6	5.0	4.0	[3] 39.3	......	7.0	1.0	......	[3] 31.3
Total	−380.2	−184.8	−115.6	−546.4	−328.3	−77.5	−19.2	67.7	18.6	30.4	6.0	......	31.3
Sterling Area:													
United Kingdom	−1,020.0	469.9	440.0	−480.0	−50.0	......	100.3	......	100.3	......	......	......	......
Union of South Africa	13.1	52.1	11.5	......	......	......	......	......	......	......	......	......	......
Other	3.5	3.6	−.3	−.5	−.5	−.1	......	......	......	......	......	......	......
Total	−1,003.4	525.6	451.2	−480.5	−50.5	−.1	100.3	......	100.3	......	......	......	......
Canada	−100.0	−10.0	7.2	......	......	......	14.6	5.2	14.6	5.2	......	......	......
Latin America:													
Argentina	......	−49.9	−20.0	−84.8	......	......	115.3	75.4	40.1	10.0	10.1	15.0	40.2
Colombia	−10.0	17.5	−22.8	−3.5	......	......	28.1	......	......	......	......	......	......
Cuba	28.2	−20.0	......	......	......	......	......	......	......	......	......	......	......
Mexico	−118.2	−60.2	87.7	−28.1	80.3	......	......	......	......	......	......	......	......
Uruguay	−64.8	22.2	14.9	−15.0	−5.0	11.0	29.1	3.1	27.1	......	......	......	3.1
Venezuela	......	−.9	......	......	−30.0	......	−200.0	......	−200.0	......	......	......	......
Other	−7.2	−34.7	−2.4	−.3	17.2	3.0	−.7	2.4	−.2	−3.6	2.8	......	3.3
Total	−172.0	−126.0	57.5	−131.8	62.5	14.0	−28.3	80.9	−133.0	6.5	12.9	15.0	46.6
Asia	[4] −38.9	[4] −53.7	−6.7	−5.7	−9.9	−4.9	−.2	18.0	−.2	−.4	−.5	4.0	14.9
Eastern Europe	13.7	......	......	......	......	......	13.1	......	......	......	......	......	......
All other	[5] −44.2	[5] −76.0	......	(2)	−.4	......	[6] 200.0	[6] 600.0	[6] 25.0	[6] 300.0	[6] 300.0	−.1	(2)
Grand total	−1,725.2	75.2	393.6	−1,164.3	−326.6	−68.5	280.2	771.6	25.2	341.5	318.4	18.9	92.8

[1] Includes sales of gold to Belgian Congo as follows (in millions): 1950, $3.0; 1951, $8.0; 1952, $2.0; and 1953, $9.9.
[2] Less than $50,000.
[3] Includes purchase of $31.5 million of gold from Spain.
[4] Includes sales of gold to Indonesia as follows: 1950, $29.9 million; and 1951, $45.0 million.
[5] Includes sales of gold to Egypt as follows: 1950, $44.8 million; and 1951, $76.0 million.
[6] Represents purchase of gold from International Monetary Fund.

ANALYSIS OF CHANGES IN GOLD STOCK OF THE UNITED STATES

[In millions of dollars]

Year	Gold stock (end of year)		Increase in total gold stock	Net gold import, or export (−)	Ear-marked gold: decrease, or increase (−)	Domestic gold production	Month	Gold stock (end of month)		Increase in total gold stock	Net gold import, or export (−)	Ear-marked gold: decrease, or increase (−)	Domestic gold production
	Treasury	Total[1]						Treasury	Total[1]				
1945	20,065	20,083	−547.8	−106.3	−356.7	32.0	1957—Feb.	22,304	22,396	18.6	−29.8	28.0	4.4
1946	20,529	20,706	623.1	311.5	465.4	51.2	Mar.	22,306	22,406	10.2	−8.8	16.0	5.1
1947	22,754	22,868	[2] 2,162.1	1,866.3	210.0	75.8	Apr.	22,318	22,424	17.4	20.8	−5.8	4.7
1948	24,244	24,399	1,530.4	1,680.4	−159.2	70.9	May	22,620	22,726	302.6	20.0	285.4	5.0
1949	24,427	24,563	164.6	686.5	−495.7	67.3	June	22,623	22,732	5.5	10.0	−6.0	4.9
1950	22,706	22,820	−1,743.3	−371.3	−1,352.4	80.1	July	22,627	22,735	3.8	2.7	−.8	5.8
							Aug.	22,626	22,735	−.5	28.6	−11.4	5.8
1951	22,695	22,873	52.7	−549.0	617.6	66.3	Sept.	22,635	22,759	24.1	18.9	−9.0	5.7
1952	23,187	23,252	379.8	684.1	−304.8	67.4	Oct.	22,691	22,835	75.4	42.8	36.9	6.5
1953	22,030	22,091	−1,161.9	2.0	−1,170.8	69.0	Nov.	22,763	22,837	2.4	26.7	−31.2	5.1
1954	21,713	21,793	−297.2	16.1	−325.2	65.1	Dec.	22,781	22,857	20.2	18.8	2.0	5.5
1955	21,690	21,753	−40.9	97.3	−132.4	65.7							
1956	21,949	22,058	305.9	106.1	318.5	65.3	1958—Jan.	22,784	22,860	2.3	52.6	−37.3	4.4
1957	22,781	22,857	798.8	96.7	600.1	63.6	Feb.	[p] 22,686	[p] 22,735	[p] −124.2	(3)	[4] −167.6	(3)

[p] Preliminary.
[1] See note 2 on following page.
[2] Net after payment of $687.5 million in gold as United States gold subscription to the International Monetary Fund.
[3] Not yet available.
[4] Gold held under earmark at the Federal Reserve Banks for foreign and international accounts amounted to $6,227.5 million on Feb. 28, 1958. Gold under earmark is not included in the gold stock of the United States.

REPORTED GOLD RESERVES OF CENTRAL BANKS AND GOVERNMENTS

[In millions of dollars]

End of month	Estimated total world[1]	United States		Argentina	Australia	Belgium	Brazil	Canada	Chile	Colombia	Cuba	Denmark	Egypt
		Treasury	Total[2]										
1951—Dec.	r35,660	22,695	22,873	268	112	621	317	850	45	48	311	31	174
1952—Dec.	r35,970	23,187	23,252	....	112	706	317	896	42	76	214	31	174
1953—Dec.	r36,390	22,030	22,091	371	117	776	321	996	42	86	186	31	174
1954—Dec.	r37,060	21,713	21,793	371	138	778	322	1,080	42	86	186	31	174
1955—Dec.	r37,720	21,690	21,753	371	144	929	323	1,141	44	86	136	31	174
1956—Dec.	r38,210	21,949	22,058	....	107	928	324	1,113	46	57	136	31	188
1957—Jan.	....	22,252	22,377	....	109	877	324	1,116	43	57	136	31	188
Feb.	....	22,304	22,396	....	113	864	324	1,110	46	57	136	31	188
Mar.	r38,520	22,306	22,406	....	113	848	324	1,112	46	57	136	31	188
Apr.	....	22,318	22,424	182	113	849	324	1,114	46	57	136	31	174
May	....	22,620	22,726	181	116	849	324	1,116	46	57	136	31	183
June	r38,720	22,623	22,732	181	116	842	324	1,121	43	58	136	31	188
July	....	22,627	22,735	181	116	846	324	1,120	43	58	136	31	188
Aug.	....	22,626	22,735	181	116	882	324	1,135	40	58	136	31	188
Sept.	r38,800	22,635	22,759	166	116	874	324	1,136	40	....	136	31	188
Oct.	....	22,691	22,835	127	119	876	324	1,136	40	....	136	31	188
Nov.	....	22,763	22,837	126	123	875	324	1,127	40	....	136	31	188
Dec.	p38,930	22,781	22,857	....	126	913	324	1,115	40	....	136	31	188
1958—Jan.	....	22,784	22,860	....	....	946	324	1,116	40	....	136	31	188

End of month	Finland	France[3]	Germany, Federal Republic of	Guatemala	India	Indonesia	Iran	Italy	Mexico	Netherlands	Norway	Pakistan	Peru
1951—Dec.	26	548	28	27	247	280	138	333	208	316	50	27	46
1952—Dec.	26	573	140	27	247	235	138	346	144	544	50	38	46
1953—Dec.	26	576	326	27	247	145	137	346	158	737	52	38	36
1954—Dec.	31	576	626	27	247	81	138	346	62	796	45	38	35
1955—Dec.	35	861	920	27	247	81	138	352	142	865	45	48	35
1956—Dec.	35	861	1,494	27	247	45	138	338	167	844	50	49	35
1957—Jan.	35	861	1,566	27	247	44	138	325	167	834	45	49	35
Feb.	35	861	1,661	27	247	44	138	350	167	819	45	49	35
Mar.	35	861	1,756	27	247	43	138	364	166	814	45	49	35
Apr.	35	861	1,834	27	247	42	138	359	166	809	48	49	35
May	35	861	1,923	27	247	41	138	359	165	806	47	49	35
June	35	575	2,029	27	247	40	138	364	165	806	46	49	35
July	35	575	2,124	27	247	40	138	390	164	793	45	49	35
Aug.	35	575	2,261	27	247	41	138	422	163	747	45	49	35
Sept.	35	575	2,399	27	247	41	138	428	182	700	45	49	35
Oct.	35	575	2,548	27	247	41	138	443	182	700	45	49	28
Nov.	35	575	2,557	....	247	41	138	....	....	700	46	49	28
Dec.	35	575	2,542	....	247	39	138	....	....	744	45	49	28
1958—Jan.	35	575	2,501	....	....	39	138	....	....	792	45	49	....

End of month	Portugal	El Salvador	South Africa	Spain	Sweden	Switzerland	Thailand	Turkey	United Kingdom[4]	Uruguay	Venezuela	Intl. Monetary Fund	Bank for Intl. Settlements
1951—Dec.	265	26	190	51	152	1,452	113	151	2,335	221	373	1,530	115
1952—Dec.	286	29	170	51	184	1,411	113	143	1,846	207	373	1,692	196
1953—Dec.	361	29	176	54	218	1,459	113	143	2,518	227	373	1,702	193
1954—Dec.	429	29	199	56	265	1,513	113	144	2,762	227	403	1,740	196
1955—Dec.	428	28	212	56	276	1,597	112	144	2,120	216	403	1,808	217
1956—Dec.	448	28	224	56	266	1,676	112	144	2,133	186	603	1,692	179
1957—Jan.	452	28	226	56	256	1,667	112	144	2,084	186	603	1,420	202
Feb.	461	32	227	56	256	1,652	112	144	2,147	186	669	1,433	197
Mar.	461	32	233	56	252	1,636	112	144	2,209	183	669	1,438	168
Apr.	461	32	230	56	249	1,621	112	144	2,320	183	669	1,439	160
May	463	31	235	56	231	1,615	112	144	2,345	183	669	1,141	148
June	458	31	234	56	231	1,633	112	144	2,381	183	669	1,147	205
July	461	31	226	56	233	1,674	112	144	2,367	183	719	1,148	165
Aug.	466	31	226	56	241	1,694	112	144	2,142	183	719	1,157	184
Sept.	467	31	215	56	235	1,725	112	144	1,850	183	719	1,167	138
Oct.	464	31	215	56	226	1,733	112	144	2,093	183	719	1,177	130
Nov.	469	31	218	56	227	1,718	112	144	2,185	183	719	1,180	143
Dec.	461	31	217	56	219	r1,706	112	144	2,273	180	719	1,180	165
1958—Jan.	....	31	206	56	215	1,715	....	144	2,404	....	719	....	171

p Preliminary. r Revised.

[1] Excludes U.S.S.R. and other Eastern European countries.

Represents reported gold holdings of central banks and governments and international institutions, unpublished holdings of various central banks and governments, estimated holdings of British Exchange Equalization Account based on figures shown below under United Kingdom, and estimated official holdings of countries from which no reports are received.

[2] Includes gold in Exchange Stabilization Fund. Gold in active portion of this Fund is not included in regular statistics on gold stock (Treasury gold) used in the Federal Reserve statement "Member Bank Reserves, Reserve Bank Credit, and Related Items" or in the Treasury statement "United States Money, Outstanding and in Circulation, by Kinds."

[3] Represents holdings of Bank of France (holdings of French Exchange Stabilization Fund are not included).

[4] Exchange Equalization Account holdings of gold and of United States and Canadian dollars, as reported by British Government. (Gold reserves of Bank of England have remained unchanged at $1 million since 1939, when Bank's holdings were transferred to Exchange Equalization Account.)

ESTIMATED GOLD RESERVES AND DOLLAR HOLDINGS OF FOREIGN COUNTRIES AND INTERNATIONAL INSTITUTIONS

[In millions of dollars]

Area and country	Dec. 31, 1955		Dec. 31, 1956		Mar. 31, 1957		June 30, 1957		Sept. 30, 1957		Dec. 31, 1957p	
	Gold & short-term dollars	U. S. Govt. bonds & notes	Gold & short-term dollars	U. S. Govt. bonds & notes	Gold & short-term dollars	U. S. Govt. bonds & notes	Gold & short-term dollars	U. S. Govt. bonds & notes	Gold & short-term dollars	U. S. Govt. bonds & notes	Gold & short-term dollars	U. S. Govt. bonds & notes
Continental Western Europe:												
Austria	326	10	361	10	368	9	376	8	418	8	446	8
Belgium-Luxembourg (and Belgian Congo)	1,201	10	1,227	12	1,170	11	1,133	11	1,165	8	1,182	8
Denmark	91	7	96	6	107	6	92	6	133	6	143	6
Finland	84	5	88	5	94	5	94	5	97	5	100	5
France (and dependencies)[1]	1,957	151	1,505	7	1,302	8	[2]996	9	1,004	9	947	9
Germany (Federal Republic of)	2,374	8	3,329	14	3,520	14	3,719	14	4,063	14	4,099	14
Greece	187	(3)	187	(3)	189	(3)	177	(3)	152	(3)	167	(3)
Italy	1,137	2	1,268	2	1,250	2	1,323	2	1,457	2	[4]1,522	2
Netherlands (and Netherlands West Indies and Surinam)	1,100	44	1,071	9	1,024	10	r1,004	10	971	12	1,044	16
Norway	127	53	117	87	121	r93	133	r86	139	81	138	109
Portugal (and dependencies)	601	(3)	628	(3)	628	(3)	622	(3)	636	(3)	651	(3)
Spain (and dependencies)	221	3	160	3	148	3	142	3	140	3	115	3
Sweden	429	(3)	483	(3)	480	(3)	499	(3)	508	(3)	478	7
Switzerland	2,354	44	2,512	131	2,410	132	r2,442	132	2,527	134	2,671	128
Turkey	153	(3)	164	(3)	158	(3)	158	(3)	156	(3)	162	(3)
Other[5]	872	6	917	12	898	r15	1,188	12	873	12	850	15
Total	13,214	343	14,113	298	13,867	r308	r14,098	r298	14,439	294	14,715	330
Sterling Area:												
United Kingdom	2,600	282	2,812	203	2,854	238	2,894	r264	2,507	180	2,875	208
United Kingdom dependencies	84	4	103	4	93	4	96	4	109	4	104	4
Australia	219	(3)	191	(3)	193	(3)	191	(3)	197	(3)	211	(3)
India	320	1	323	1	324	1	323	1	329	1	329	1
Union of South Africa	265	1	277	1	293	1	294	1	262	1	255	1
Other	214	7	228	14	226	25	226	r29	227	30	224	30
Total	3,702	295	3,934	223	3,983	269	4,024	r299	3,631	216	3,998	244
Canada	2,173	437	2,629	367	2,608	438	2,712	457	2,791	443	2,738	456
Latin America:												
Argentina	509	(3)	360	(3)	332	(3)	345	(3)	313	(3)	263	(3)
Bolivia	26	(3)	29	(3)	25	(3)	24	(3)	28	(3)	26	(3)
Brazil	466	2	549	1	556	1	467	1	457	1	456	1
Chile	139	(3)	137	1	137	1	131	1	117	1	115	1
Colombia	217	(3)	210	(3)	250	(3)	263	(3)	244	(3)	211	(3)
Cuba	389	169	347	167	354	167	393	167	416	167	371	154
Dominican Republic	77	(3)	79	(3)	89	(3)	98	(3)	70	(3)	65	(3)
Guatemala	72	(3)	91	(3)	101	(3)	97	(3)	87	(3)	92	(3)
Mexico	556	4	600	4	575	4	504	4	553	3	[4]557	3
Panama, Republic of	86	1	109	1	117	1	135	1	129	1	136	1
Peru	127	(3)	119	(3)	117	(3)	110	(3)	96	(3)	88	(3)
El Salvador	52	(3)	53	(3)	73	(3)	81	(3)	65	(3)	58	(3)
Uruguay	281	1	259	1	257	2	248	1	243	1	235	1
Venezuela	668	3	1,058	3	1,043	2	1,450	2	1,615	2	1,548	2
Other	124	15	113	12	134	12	140	11	128	13	123	13
Total	3,789	195	4,113	190	4,160	190	4,486	188	4,561	189	4,344	176
Asia:												
Indonesia	255	15	231	(3)	188	(3)	168	(3)	220	(3)	190	(3)
Iran	175	(3)	158	(3)	178	(3)	173	(3)	187	(3)	193	(3)
Japan	1,021	4	1,145	4	1,003	4	754	2	698	2	708	2
Philippines	268	6	294	6	267	6	243	6	235	6	181	5
Thailand	250	1	260	1	279	1	279	1	275	1	269	1
Other	647	4	707	6	730	6	767	7	768	7	777	9
Total	2,616	30	2,795	17	2,645	17	2,384	16	2,383	16	2,318	17
All other:												
Egypt	246	(3)	238	(3)	248	(3)	246	(3)	242	(3)	228	(3)
Other[6]	r135	r8	r129	r8	r163	r8	r175	r7	166	7	162	7
Total[6]	r381	r8	r367	r8	r411	r8	r421	r7	408	7	390	7
Total foreign countries[6]	r25,875	1,308	r27,951	1,103	r27,674	r1,230	r28,125	r1,265	28,213	1,165	28,503	1,230
International[7]	3,689	321	3,144	391	2,996	391	2,720	366	2,679	222	2,697	222
Grand total[6]	r29,564	1,629	r31,095	1,494	r30,670	r1,621	r30,845	r1,631	30,892	1,387	31,200	1,452

p Preliminary. r Revised.
[1] Excludes gold holdings of French Exchange Stabilization Fund.
[2] Does not include $286 million of gold loaned by Bank of France to the French Exchange Stabilization Fund on June 26, 1957.
[3] Less than $500,000.
[4] Includes latest reported figure (Oct. 31) for gold reserves.
[5] Includes Yugoslavia, Bank for International Settlements (both for its own and European Payments Union account), gold to be distributed by the Tripartite Commission for Restitution of Monetary Gold, and unpublished gold reserves of certain Western European countries.
[6] Excludes gold reserves of the U. S. S. R. and other Eastern European countries.
[7] Represents International Bank for Reconstruction and Development, International Monetary Fund, and United Nations and other international organizations.

NOTE.—Gold and short-term dollars include reported and estimated official gold reserves, and total dollar holdings as shown in Short-term Liabilities to Foreigners Reported by Banks in the United States, by Countries (Tables 1 and 1a-1d of the preceding section). U. S. Govt. bonds and notes represent estimated holdings of such securities with original maturities of more than one year; these estimates are based on a survey of selected U. S. banks and on monthly reports of security transactions. For back figures see BULLETIN for March 1956, pp. 304–05.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[End-of-month figures. In millions of dollars]

Item	1957 Dec.	1957 Sept.	1957 June	1957 Mar.	1956 Dec.
Dollar deposits and U. S. securities	602	524	484	430	365
Other currencies and securities[1]	813	858	873	901	931
Effective loans[2]	2,606	2,549	2,437	2,378	2,238
Other assets[3]	75	76	72	54	41
IBRD bonds outstanding	1,269	1,141	1,034	948	848
Undisbursed loans	620	676	670	676	609
Other liabilities	21	20	19	20	11
Reserves	319	303	289	266	254
Capital[3]	1,867	1,867	1,854	1,853	1,853

Area and member country[4]	Loans by country, Jan. 31, 1958: Principal	Disbursed	Repaid	Outstanding: Total	Outstanding: Sold to others[5]
Continental W. Europe, total	1,197	1,044	197	847	73
Belgium and Luxembourg	173	121	13	108	25
France	267	267	18	249	14
Italy	163	102	......	101	7
Netherlands	236	236	143	93	21
Other	358	318	23	295	6
Sterling area, total	1,142	803	84	719	87
Australia	318	285	14	272	26
India	356	218	25	193	14
Pakistan	112	55	9	46	4
Union of S. Africa	160	135	26	109	20
United Kingdom	146	82	4	79	24
Other	49	27	7	20	......
Latin America, total	744	581	66	515	26
Brazil	182	167	17	150	1
Colombia	111	90	19	71	3
Mexico	152	142	10	132	10
Other	298	182	20	161	13
Asia (excl. Sterling area), total	320	161	6	155	14
Thailand	107	37	4	33	2
Other	213	124	2	121	12
Africa (excl. Sterling area)	24	8	1	7	1
Total	[6]3,426	2,597	354	2,243	[7]202

INTERNATIONAL MONETARY FUND

[End-of-month figures. In millions of dollars]

Item	1957 Oct.	1957 July	1957 Apr.	1957 Jan.	1956 Oct.
Gold	1,177	1,148	1,439	1,420	1,687
Investments[8]	200	200	200	200	200
Currencies: United States[1]	811	992	977	1,423	1,697
Other[1]	5,948	5,777	5,489	5,051	4,387
Unpaid member subscriptions	874	818	817	824	942
Other assets	8	6	5	3	2
Member subscriptions	9,016	8,941	8,932	8,929	8,929
Accumulated net income	......	−2	−6	−10	−14
Reserves and liabilities	2	2	2	2	......

Country[9]	Quota: Total	Quota: Paid in gold	Cumulative net drawings on the Fund: 1957 Dec.	1957 Nov.	1956 Dec.
Argentina	150	38	75	75	....
Belgium	225	56	50	50	....
Brazil	150	38	75	75	38
Chile	50	9	31	25	13
Colombia	50	13	25	25	25
Cuba	50	13	25	25	13
Denmark	68	6	34	34	....
Egypt	60	10	30	30	15
France	525	108	263	263	....
India	400	28	200	200	....
Indonesia	110	16	55	55	55
Iran	35	9	25	25	25
Japan	250	63	125	125	....
Netherlands	275	69	69	69	....
United Kingdom	1,300	236	562	562	562
United States	2,750	688	[10]−1,936	[10]−1,926	[10]−969

Notes to tables on international institutions:

[1] Currencies include demand obligations held in lieu of deposits.
[2] Represents principal of authorized loans, less loans not yet effective, repayments, the net amount outstanding on loans sold or agreed to be sold to others, and exchange adjustment.
[3] Excludes uncalled portions of capital subscriptions.
[4] Loans to dependencies are included with member.
[5] Includes also effective loans agreed to be sold but not yet disbursed.
[6] Includes $200 million in loans not yet effective.
[7] Includes $181 million not guaranteed by the Bank.
[8] U. S. Treasury bills purchased with proceeds of sales of gold.
[9] Countries shown are those with cumulative net drawings of $25 million or more on the latest date.
[10] Represents sales of U. S. dollars by the Fund to member countries for local currencies, less repurchases of such currencies with dollars.

PRINCIPAL ASSETS AND LIABILITIES OF CENTRAL BANKS

Bank of England (millions of pounds sterling)

Date	Assets of issue department: Gold	Assets of issue department: Other assets (fiduciary issue)	Assets of banking department: Coin	Notes	Discounts and advances	Securities	Note circulation[1]	Liabilities of banking department: Deposits: Bankers'	Public	ECA	Other	Capital and surplus
1953—Dec. 30	.4	1,675.0	2.4	55.4	4.9	338.1	1,619.9	290.2	14.9	7.2	70.4	18.2
1954—Dec. 29	.4	1,775.0	2.4	23.7	8.9	350.7	1,751.7	276.1	15.4	9.6	66.3	18.1
1955—Dec. 28	.4	1,900.0	2.3	10.7	37.7	299.6	1,889.6	245.2	12.0	3.2	71.7	18.1
1956—Dec. 26	.4	2,025.0	1.9	27.7	11.0	267.7	1,997.7	203.6	11.6	....	74.9	18.1
1957—Feb. 27	.4	1,925.0	2.0	52.0	15.8	261.0	1,873.4	225.2	13.5	....	73.7	18.5
Mar. 27	.4	1,925.0	2.3	22.5	18.6	290.3	1,902.8	228.9	13.7	....	72.5	18.5
Apr. 24	.4	1,975.0	2.4	23.1	21.5	259.2	1,952.2	202.4	11.5	....	74.5	17.8
May 29	.4	1,975.0	2.4	21.7	40.5	243.2	1,953.7	204.4	10.1	....	75.3	18.0
June 26	.4	2,000.0	2.4	14.9	32.6	268.4	1,985.5	216.3	12.2	....	71.8	18.1
July 31	.4	2,075.0	2.4	15.9	29.9	262.4	2,059.5	205.0	13.4	....	73.9	18.3
Aug. 28	.4	2,025.0	2.4	29.9	17.6	253.5	1,995.5	199.3	11.6	....	74.2	18.5
Sept. 25	.4	2,000.0	2.5	32.9	15.1	271.0	1,967.5	216.8	13.0	....	73.1	18.5
Oct. 30	.4	2,000.0	2.5	33.4	13.7	288.7	1,967.0	234.6	10.1	....	75.7	17.8
Nov. 27	.4	2,050.0	2.4	48.9	19.8	260.3	2,001.4	226.9	10.1	....	76.4	18.0
Dec. 25	.4	2,150.0	2.4	22.4	21.0	263.6	2,128.0	199.5	9.8	....	81.9	18.1
1958—Jan. 29	.4	2,000.0	2.4	43.2	25.3	239.4	1,957.2	205.1	12.2	....	74.6	18.3

For notes see opposite page.

PRINCIPAL ASSETS AND LIABILITIES OF CENTRAL BANKS—Continued

Date	Bank of Canada (millions of Canadian dollars)								
	Assets[2]				Liabilities				
	Sterling and United States dollars	Dominion and provincial govt. securities		Other assets	Note circulation	Deposits			Other liabilities and capital
		Short-term	Other			Chartered banks	Dominion govt.	Other	
1953—Dec. 31	54.9	1,376.6	893.7	112.0	1,599.1	623.9	51.5	29.5	133.1
1954—Dec. 31	54.2	1,361.5	871.1	114.1	1,623.5	529.6	56.3	30.5	161.0
1955—Dec. 31	57.4	1,283.8	1,093.7	185.2	1,738.5	551.0	89.2	34.0	207.5
1956—Dec. 31	60.8	1,025.0	1,392.0	69.9	1,868.7	511.5	38.8	31.2	97.5
1957—Feb. 28	60.8	1,052.7	1,189.4	118.6	1,717.9	497.5	52.7	27.2	126.3
Mar. 30	53.7	1,105.2	1,176.3	213.5	1,724.6	519.5	78.3	25.1	201.2
Apr. 30	50.3	1,158.0	1,190.2	119.2	1,756.3	546.9	62.9	22.5	129.2
May 31	52.3	1,165.9	1,185.1	188.7	1,751.5	526.3	43.9	32.0	238.3
June 29	57.3	1,213.3	1,194.3	210.3	1,784.3	545.5	44.4	28.9	272.1
July 31	63.1	1,197.7	1,202.3	100.7	1,817.7	490.5	54.2	26.9	174.5
Aug. 31	62.4	1,251.8	1,208.4	203.9	1,815.5	542.8	64.0	33.3	270.9
Sept. 30	55.3	1,208.4	1,204.2	110.9	1,819.1	480.8	66.9	28.7	183.3
Oct. 31	56.6	1,297.5	1,192.1	163.5	1,824.0	623.7	40.1	25.8	196.0
Nov. 30	56.2	1,321.5	1,152.0	252.8	1,828.0	543.4	64.3	30.7	316.1
Dec. 31	63.5	1,246.2	1,217.5	131.5	1,903.7	517.6	35.4	31.2	170.8
1958—Jan. 31	63.0	1,265.5	1,105.0	182.2	1,776.5	533.8	57.3	23.3	224.8

Date	Bank of France (billions of francs)											
	Assets								Liabilities			
	Gold	Foreign exchange	Domestic bills			Advances to Government		Other assets	Note circulation	Deposits		Other liabilities and capital
			Open market	Special	Other	Current	Other			Government	Other[4]	
1953—Dec. 31	201.3	15.4	292.5	61.1	891.6	200.0	679.8	170.0	2,310.5	(5)	144.9	56.3
1954—Dec. 30	201.3	57.3	236.8	48.9	1,130.2	195.0	617.6	277.2	2,538.5	.1	157.8	67.9
1955—Dec. 29	301.2	200.2	226.7	45.2	1,194.7	190.0	539.8	336.8	2,820.0	(5)	142.9	71.8
1956—Dec. 27	301.2	49.6	289.2	30.5	1,753.7	179.0	479.8	236.4	3,046.9	(5)	173.8	98.8
1957—Feb. 28	301.2	32.9	317.4	25.0	1,735.7	171.3	479.8	245.7	3,065.8	(5)	161.1	82.2
Mar. 28	301.2	23.1	310.3	27.6	1,836.8	175.0	479.8	192.6	3,051.6	.1	214.3	80.6
Apr. 25	301.2	12.2	325.2	24.9	1,871.9	158.3	479.8	196.9	3,044.1	.1	222.7	103.6
May 29	301.2	12.0	322.9	20.2	1,948.1	175.0	479.8	192.4	3,106.9	.1	263.1	81.6
June 27	201.2	12.0	274.9	16.1	2,014.1	175.0	594.1	267.0	3,130.0	.1	330.9	93.6
July 25	201.2	11.9	273.6	7.3	2,027.1	175.0	752.1	306.6	3,238.3	.1	397.7	118.9
Aug. 29	201.2	11.9	307.2	6.2	1,931.4	175.0	789.8	271.1	3,219.7	.1	376.6	97.4
Sept. 26	201.2	11.9	322.7	18.3	1,886.7	175.0	804.8	266.2	3,214.4	(5)	359.5	112.9
Oct. 31	201.2	12.0	315.2	44.0	1,914.9	175.0	829.8	341.1	3,292.5	(5)	417.0	123.6
Nov. 28	201.2	12.0	282.0	44.6	1,893.9	175.0	820.1	296.2	3,139.9	(5)	467.1	118.0
Dec. 26	201.2	11.9	290.2	52.3	1,951.2	175.0	796.4	295.0	3,174.9	.1	475.3	122.9
1958—Jan. 30	[3]201.2	11.9	260.3	53.4	1,868.9	175.0	949.4	[3]268.8	3,191.7	.1	469.0	128.1

Central bank, monetary unit, and item	1958	1957		
	Jan.	Dec.	Nov.	Jan.
Central Bank of the Argentine Republic (millions of pesos):[6]				
Gold and foreign exchange (net)		618		
Net claim on Intl. Fund[7]		−675		
Advances to Government		2,581		
Government securities		32,230		
Loans and discounts		69,939		
Other assets		3,963		
Currency in circulation		50,450		
Deposits—Government		1,346		
Banks		5,601		
Other		257		
Other liabilities and capital		51,001		

Central bank, monetary unit, and item	1958	1957		
	Jan.	Dec.	Nov.	Jan.
Commonwealth Bank of Australia (millions of pounds):				
Gold and foreign exchange	470	475	469	349
Checks and bills of other banks	4	5	3	6
Securities (incl. Govt. and Treasury bills)	473	519	497	520
Other assets	46	24	22	58
Note circulation	391	425	389	385
Deposits of Trading Banks:				
Special	340	340	340	279
Other	21	22	25	43
Other liabilities and capital	241	235	237	227

Notes to central bank table on this and opposite page:

1 Notes issued, less amounts held in banking department.

2 Gold was transferred on May 1, 1940, to Foreign Exchange Control Board in return for short-term Govt. securities (see BULLETIN for July 1940, pp. 677–78).

3 Other assets include 100.0 billion francs of gold loaned to Stabilization Fund.

4 Includes Economic Cooperation Administration.

5 Less than 50 million francs.

6 Under the banking reform, effective Dec. 2, 1957, the Central Bank has been reorganized. The balance sheet has been substantially modified, and figures are not comparable with those shown previously.

7 This figure represents the amount of the country's subscription to the Fund less the bank's local currency liability to the Fund.

NOTE.—All figures, including gold and foreign exchange, are compiled from official reports of individual banks and are as of the last report date of the month. For details relating to individual items, see BULLETIN for April 1955, p. 443.

PRINCIPAL ASSETS AND LIABILITIES OF CENTRAL BANKS—Continued

Central bank, monetary unit, and item	1958 Jan.	1957 Dec.	1957 Nov.	1957 Jan.
Austrian National Bank (millions of schillings):				
Gold	2,653	2,647	2,660	1,967
Foreign exchange (net)	10,375	10,334	10,409	8,400
Loans and discounts	5,908	6,358	5,879	6,479
Claim against Government	1,342	1,532	1,342	1,426
Other assets	826	821	823	609
Note circulation	14,846	15,403	15,031	13,758
Deposits—Banks	2,240	2,392	2,060	1,296
Other	926	937	1,044	915
Blocked	1,122	1,055	1,040	1,196
Other liabilities and capital	1,970	1,906	1,938	1,717
National Bank of Belgium (millions of (francs):				
Gold	47,321	45,664	43,758	43,852
Foreign claims and balances (net)	9,919	10,740	9,192	10,707
Loans and discounts	11,938	10,528	11,820	10,764
Consolidated Govt. debt	34,397	34,456	34,456	34,605
Govt. securities	6,033	8,035	9,430	7,491
Other assets	6,269	7,492	7,738	5,594
Note circulation	108,904	110,302	109,388	109,773
Deposits—Demand	2,416	1,490	1,970	1,792
ECA	20	20	20	20
Other liabilities and capital	4,538	5,102	5,016	1,429
Central Bank of Bolivia—Monetary dept. (millions of bolivianos):				
Gold at home and abroad	....	....	7,714	668
Foreign exchange (net)	....	....	54,421	12,369
Loans and discounts	....	....	298,010	196,069
Govt. securities	....	....	7,918	6,540
Other assets	....	....	13,324	6,551
Note circulation	....	....	180,960	159,457
Deposits	....	....	27,670	26,164
Other liabilities and capital	....	....	172,757	36,576
Central Bank of Ceylon (millions of rupees):				
Foreign exchange	593	591	591	736
Advances to Govt	13	33	56	....
Govt securities	60	53	48	10
Other assets	7	11	13	7
Currency in circulation	461	475	463	444
Deposits—Government	3	6	8	61
Banks	88	90	116	159
Other liabilities and capital	120	116	120	89
Central Bank of Chile (millions of pesos):				
Gold	5,463	5,765	4,371	7,069
Foreign exchange (net)	523	707	765	1,301
Net claim on Intl. Fund[1]	−2,044	−2,044	−1,356	19
Discounts for member banks	13,902	15,621	15,914	6,866
Loans to Government	30,864	26,077	26,077	18,370
Other loans and discounts	56,896	57,986	55,741	41,832
Other assets	40,161	31,849	24,682	28,501
Note circulation	77,292	80,529	70,532	61,443
Deposits—Bank	8,466	8,911	6,481	6,984
Other	4,444	5,110	3,070	4,639
Other liabilities and capital	55,562	41,410	46,110	30,893
Bank of the Republic of Colombia (millions of pesos):				
Gold and foreign exchange	310	358	319	343
Net claim on Intl. Fund[1]	52	52	52	52
Loans and discounts	1,524	1,491	1,399	593
Govt. loans and securities	629	630	626	637
Other assets	298	328	299	231
Note circulation	1,008	1,203	983	812
Deposits	1,016	864	905	730
Other liabilities and capital	789	792	806	315
Central Bank of Costa Rica (millions of colones):				
Gold	12	12	12	12
Foreign exchange	71	54	47	70
Net claim on Intl. Fund[1]	7	7	7	7
Loans and discounts	150	168	155	110
Securities	15	15	15	18
Other assets	34	30	33	28
Note circulation	179	182	163	153
Demand deposits	52	48	48	56
Other liabilities and capital	57	56	58	36
National Bank of Cuba (millions of pesos):				
Gold	136	136	136	136
National Bank of Cuba—Cont.				
Foreign exchange (net)	99	142	146	150
Foreign exchange (Stabilization Fund)	148	148	163	162
Net claim on Intl. Fund[1]	−13	−13	−13	....
Loans and discounts	81	72	69	53
Credits to Government	183	170	154	106
Other assets	72	71	75	74
Note circulation	442	468	435	429
Deposits	231	226	256	228
Other liabilities and capital	33	32	37	24
National Bank of Czechoslovakia[2]				
National Bank of Denmark (millions of kroner):				
Gold	68	68	68	68
Foreign exchange	959	975	828	669
Loans and discounts	229	252	156	205
Securities	419	491	485	495
Govt. compensation account	2,981	2,982	3,002	3,050
Other assets	754	708	827	882
Note circulation	2,302	2,432	2,276	2,238
Deposits—Government	1,448	1,461	1,473	1,477
Other	1,374	1,308	1,346	1,378
Other liabilities and capital	286	276	271	277
Central Bank of the Dominican Republic (thousands of pesos):				
Gold	11,405	11,405	11,405	11,396
Foreign exchange (net)	10,562	13,052	13,831	10,463
Net claim on Intl. Fund[1]	2,500	2,500	2,500	2,500
Loans and discounts	8,990	10,508	4,921	6,888
Govt. securities	7,500	7,830	7,830	8,030
Other assets	26,096	26,073	25,759	19,551
Note circulation	53,127	55,149	50,412	48,375
Demand deposits	10,489	12,323	11,919	7,379
Other liabilities and capital	3,436	3,897	3,914	3,074
Central Bank of Ecuador (millions of sucres):				
Gold	....	325	325	325
Foreign exchange (net)	....	79	82	47
Net claim on Intl. Fund[1]	....	−37	−37	38
Credits—Government	....	472	466	489
Other	....	376	349	254
Other assets	....	238	269	240
Note circulation	....	769	745	694
Demand deposits—Private banks	....	247	222	232
Other	....	184	170	170
Other liabilities and capital	....	253	317	296
National Bank of Egypt (millions of pounds):				
Gold	66	66	66	66
Foreign assets	80	81	89	106
Egyptian Govt. securities	190	190	190	155
Clearing and other accounts (net)	−39	−40	−48	−7
Loans and discounts	40	42	42	41
Other assets	2	4	3	2
Note circulation	198	207	213	222
Deposits—Egyptian Government	15	12	10	11
Other	107	102	100	[3]114
Other liabilities and capital	19	20	20	16
Central Reserve Bank of El Salvador (thousands of colones):				
Gold	78,559	78,568	78,578	70,214
Foreign exchange (net)	28,729	16,383	18,141	51,259
Net claim on Intl. Fund[1]	4,689	4,688	4,688	−4,676
Loans and discounts	94,854	102,078	92,276	87,429
Govt. debt and securities	12,406	10,157	9,323	18,097
Other assets	7,583	7,365	9,087	7,364
Note circulation	106,909	109,296	99,587	114,683
Deposits	107,093	97,077	99,358	102,726
Other liabilities and capital	12,818	12,866	13,148	12,278
Bank of Finland (millions of markkaa):				
Gold	7,850	7,850	7,850	7,849
Foreign assets and liabilities (net)	32,858	29,878	30,098	20,178
Loans and discounts	30,581	38,440	31,683	39,094
Securities—Government	11,250	13,750	16,250	17,500
Other	1,247	1,258	1,451	1,755
Other assets	17,138	17,909	16,697	10,515
Note circulation	52,837	60,640	57,477	54,160
Deposits	9,954	8,111	7,069	7,952
Other liabilities and capital	38,132	40,333	39,481	34,779

r Revised.

1 This figure represents the amount of the country's subscription to the Fund less the bank's local currency liability to the Fund.

2 For last available reports for Czechoslovakia and Hungary (March and February 1950, respectively), see BULLETIN for September 1950, pp. 1262–63.

3 Includes figure for Sudan Government.

NOTE.—All figures, including gold and foreign exchange, are compiled from official reports of individual banks and are as of the last report date of the month.

PRINCIPAL ASSETS AND LIABILITIES OF CENTRAL BANKS—Continued

Central bank, monetary unit, and item	1958	1957		
	Jan.	Dec.	Nov.	Jan.
German Federal Bank4 (millions of German marks):				
Gold	10,430	10,602	10,691	6,531
Foreign exchange	12,990	13,239	13,436	11,808
Loans and discounts	1,033	1,573	839	1,770
Loans to Government	3,433	4,813	3,475	4,037
Other assets	1,414	1,305	1,070	1,128
Note circulation	16,077	16,133	16,402	14,173
Deposits—Government	4,631	4,616	4,428	5,227
Banks	5,453	7,109	5,397	3,542
Other	515	481	526	210
Other liabilities and capital	2,622	3,193	2,757	2,121
Bank of Greece (millions of drachmae):				
Gold and foreign exchange (net)	......	......	5,479	5,901
Loans and discounts	......	......	212	184
Advances—Government	......	......	4,949	7,238
Other	......	......	5,749	4,621
Other assets	......	......	2,600	2,111
Note circulation	......	......	6,601	5,578
Deposits—Government	......	......	1,158	867
Reconstruction and relief accts	......	......	3,680	7,187
Other	......	......	5,860	4,400
Other liabilities and capital	......	......	1,689	2,023
Bank of Guatemala (thousands of quetzales):				
Gold	......	......	27,276	27,238
Foreign exchange (net)	......	......	37,438	40,370
Gold contribution to Intl. Fund	......	......	1,250	1,250
Rediscounts and advances	......	......	16,908	10,202
Other assets	......	......	42,252	41,161
Circulation—Notes	......	......	62,082	57,810
Coin	......	......	4,434	4,144
Deposits—Government	......	......	9,704	5,952
Banks	......	......	23,401	25,357
Other liabilities and capital	......	......	25,502	26,956
National Bank of Hungary2				
Reserve Bank of India (millions of rupees):				
Issue department:				
Gold at home and abroad	1,178	1,178	1,178	1,178
Foreign securities	2,455	2,752	2,802	4,274
Indian Govt. securities	10,568	9,973	9,823	8,401
Rupee coin	1,318	1,331	1,351	1,238
Note circulation	15,312	15,068	14,787	14,855
Banking department:				
Notes of issue department	207	165	367	236
Balances abroad	378	224	293	832
Bills discounted	12	27	11	11
Loans to Government	360	350	290	75
Other assets	3,372	3,215	3,281	1,665
Deposits	2,744	2,509	2,816	1,292
Other liabilities and capital	1,585	1,472	1,426	1,526
Bank Indonesia (millions of rupiahs):				
Gold and foreign exchange (net)	258	247	532	734
Loans and discounts	1,170	843	792	1,077
Advances to Government	19,287	18,919	17,217	10,970
Other assets	810	801	1,209	510
Note circulation	13,898	13,815	12,876	9,135
Deposits—ECA	171	185	185	282
Other	4,199	3,722	3,735	2,330
Other liabilities and capital	3,257	3,087	2,954	1,544
Bank Melli Iran (millions of rials):				
Gold	4,533	4,533	4,533	4,242
Foreign exchange	1,040	1,040	1,115	522
Gold contribution to Intl. Fund	663	663	663	282
Govt.-secured debt	7,923	7,923	7,923	7,623
Govt. loans and discounts	12,208	12,956	12,515	12,480
Other loans and discounts	7,938	7,455	7,409	6,343
Other assets5	18,441	15,513	16,213	r4,613
Note circulation	12,334	12,412	12,416	10,994
Deposits—Government	8,034	6,066	6,562	5,047
Banks	1,616	1,580	1,613	1,394
Other	19,455	18,983	18,842	15,291
Special Account—Profits of revaluation	7,110	7,110	7,110	....
Other liabilities and capital	4,198	3,932	3,827	3,378
Central Bank of Ireland (thousands of pounds):				
Gold	2,646	2,646	2,646	2,646
Sterling funds	73,188	77,530	75,115	69,461
Note circulation	75,834	80,176	77,761	72,107

Central bank, monetary unit, and item	1958	1957		
	Jan.	Dec.	Nov.	Jan.
Bank of Israel (millions of pounds):				
Gold	6	6	6	11
Foreign exchange	98	88	88	89
Clearing accounts (net)	−11	−12	−12	−7
Loans and discounts	43	52	48	33
Advances to Government	88	78	72	118
Other Govt. accounts	130	131	136	65
Govt. securities	149	149	149	152
Other assets	6	7	13	9
Notes and coin in circulation	249	243	250	239
Deposits—Government	25	24	29	30
Other	210	206	189	189
Other liabilities and capital	26	25	32	13
Bank of Italy (billions of lire):				
Gold	4	4	4	4
Foreign exchange	71	71	71	71
Advances to Treasury	567	567	567	567
Loans and discounts	445	486	455	475
Govt. securities	416	417	415	406
Other assets	1,282	1,289	1,188	r997
Note circulation	1,751	1,914	1,716	1,654
Deposits—Government	11	9	10	11
Demand	127	166	140	102
Other	726	548	652	600
Other liabilities and capital	169	197	181	r152
Bank of Japan (billions of yen):				
Bullion	(6)	(6)	(6)	(6)
Loans and discounts	504	552	537	169
Govt. securities	295	387	257	452
Other assets	150	145	146	232
Note circulation	693	837	684	676
Deposits—Government	41	46	48	48
Other	84	76	83	35
Other liabilities	131	126	127	93
Bank of Mexico (millions of pesos):				
Monetary reserve7	......	......	1,874	1,939
"Authorized" holdings of securities, etc	......	......	4,958	5,513
Bills and discounts	......	......	856	824
Other assets	......	......	555	263
Note circulation	......	......	5,403	5,203
Demand liabilities	......	......	2,092	2,553
Other liabilities and capital	......	......	748	783
Netherlands Bank (millions of guilders):				
Gold	2,995	2,812	2,649	3,154
Silver (including subsidiary coin)	11	10	11	6
Foreign assets (net)	985	996	949	705
Loans and discounts	76	208	178	175
Govt. debt and securities	628	685	660	694
Other assets	360	375	387	378
Note circulation	3,967	4,203	3,994	3,892
Deposits—Government	501	292	145	....
ECA	17	17	17	368
Other	331	351	462	613
Other liabilities and capital	238	223	216	239
Reserve Bank of New Zealand (thousands of pounds):				
Gold	6,162	6,162	6,162	6,162
Foreign exchange reserve	12,798	11,467	20,126	27,298
Loans and discounts	42,222	36,960	35,088	31,068
Advances to State or State undertakings	58,229	57,147	56,139	50,880
Investments	41,958	53,142	38,124	53,173
Other assets	2,078	1,580	1,384	1,398
Note circulation	75,159	86,831	78,277	71,959
Demand deposits	77,891	69,392	68,827	87,187
Other liabilities and capital	10,397	10,235	9,919	10,834
Bank of Norway (millions of kroner):				
Gold	206	206	210	209
Foreign assets (net)	177	268	203	216
Clearing accounts (net)	−31	−33	−14	−63
Loans and discounts	76	84	84	110
Securities	99	100	104	106
Occupation account (net)	5,545	5,545	5,545	5,546
Other assets	178	182	134	106
Note circulation	3,236	3,469	3,273	3,258
Deposits—Government	1,262	1,068	1,451	1,349
Banks	522	638	327	631
FOA	1	1	1	26
Other liabilities and capital	1,230	1,176	1,215	967

4 On Aug. 1, 1957, the Land Central Banks and the Berlin Central Bank were merged with the Bank of German States (Bank deutscher Länder) and the latter became the German Federal Bank (Deutsche Bundesbank).

5 Includes (1) gold and foreign exchange in banking department and (2) in May 1957, the profit resulting from revaluation of gold from .0275557 to .0117316 grams of fine gold per rial.

6 Holdings in each month were 448 million yen.

7 Includes gold, silver, and foreign exchange forming required reserve (25 per cent) against notes and other demand liabilities.

For other notes see opposite page.

PRINCIPAL ASSETS AND LIABILITIES OF CENTRAL BANKS—Continued

Central bank, monetary unit, and item	1958 Jan.	1957 Dec.	1957 Nov.	1957 Jan.
State Bank of Pakistan (millions of rupees):				
Issue department:				
Gold at home and abroad	116	115	115	115
Foreign exchange—Approved	752	666	663	1,067
Other	57	57	57	57
Pakistan Govt. securities	2,138	2,124	2,046	1,683
India currency	430	430	430	430
Rupee coin	45	45	49	r50
Notes in circulation	3,442	3,368	3,248	3,288
Banking department:				
Notes of issue department	95	70	113	115
Bills discounted	......	1	1	1
Loans to Government	138	119	61	1
Other assets	885	957	998	778
Deposits	971	1,012	1,032	725
Other liabilities and capital	148	136	141	169
Central Bank of Paraguay (millions of guaranies):				
Gold	......	13	......	11
Foreign exchange (net)	......	627	......	503
Net claim on Intl. Fund[1]	......	83	......	53
Loans and discounts	......	1,630	......	1,605
Govt. loans and securities	......	730	......	563
Other assets	......	313	......	221
Note and coin issue	......	1,346	......	1,143
Deposits—Government	......	423	......	351
Other	......	291	......	284
Other liabilities and capital	......	1,334	......	1,177
Central Reserve Bank of Peru (millions of soles):				
Gold and foreign exchange	......	225	195	744
Net claim on Intl. Fund[1]	......	67	67	67
Loans and discounts to banks	......	1,253	1,215	753
Loans to Government	......	1,801	1,735	1,393
Other assets	......	122	164	135
Note circulation	......	2,505	2,433	2,210
Deposits	......	723	670	667
Other liabilities and capital	......	240	273	214
Central Bank of the Philippines (millions of pesos):				
Gold	13	11	40	45
Foreign exchange	194	175	173	356
Loans	117	116	64	85
Domestic securities	786	785	754	456
Other assets	171	168	168	155
Circulation—Notes	708	745	711	672
Coin	87	87	87	85
Demand deposits	306	241	228	246
Other liabilities and capital	179	182	173	92
Bank of Portugal (millions of escudos):				
Gold	......	5,961	5,993	5,929
Foreign exchange (net)	......	13,505	13,500	13,970
Loans and discounts	......	1,811	1,785	1,248
Advances to Government	......	1,365	1,365	1,370
Other assets	......	2,333	2,384	1,864
Note circulation	......	12,206	11,785	11,277
Demand deposits—Government	......	1,686	1,922	1,769
ECA	......	19	19	90
Other	......	7,517	7,749	8,222
Other liabilities and capital	......	3,547	3,552	3,024
South African Reserve Bank (millions of pounds):				
Gold	73	77	77	80
Foreign bills	28	25	25	54
Other bills and loans	62	40	30	24
Other assets	60	56	54	46
Note circulation	113	120	116	110
Deposits	79	56	53	78
Other liabilities and capital	31	22	18	16
Bank of Spain (millions of pesetas):				
Gold	618	618	618	617
Silver	319	318	323	323
Govt. loans and securities	14,940	14,006	14,572	15,785
Other loans and discounts	59,424	61,639	59,437	48,538
Other assets	69,271	69,771	65,586	57,322
Note circulation	63,837	66,653	62,570	53,642
Deposits—Government	3,624	2,384	4,107	3,840
Other	13,123	12,366	14,611	13,701
Other liabilities and capital	63,988	64,948	59,248	51,403

Central bank, monetary unit, and item	1958 Jan.	1957 Dec.	1957 Nov.	1957 Jan.
Bank of Sweden (millions of kronor):				
Gold	474	483	500	564
Foreign assets	1,213	1,227	1,184	1,080
Net claim on Intl. Fund[1]	129	129	129	129
Swedish Govt. securities and advances to National Debt Office[2]	4,761	5,050	4,477	4,140
Other domestic bills and advances	11	89	172	20
Other assets	922	960	921	1,020
Note circulation	5,547	5,840	5,542	5,334
Demand deposits—Government	277	273	49	291
Other	41	141	64	179
Other liabilities and capital	1,646	1,683	1,727	1,149
Swiss National Bank (millions of francs):				
Gold	7,422	7,384	7,283	7,062
Foreign exchange	589	781	561	553
Loans and discounts	165	278	180	229
Other assets	87	116	94	106
Note circulation	5,494	5,931	5,709	5,394
Sight liabilities	2,542	2,393	2,169	2,335
Other liabilities and capital	227	234	240	220
Central Bank of the Republic of Turkey (millions of pounds):				
Gold	403	403	402	402
Foreign exchange and foreign clearings	485	480	461	229
Loans and discounts	5,001	5,052	5,153	4,084
Securities	33	33	33	30
Other assets	255	272	264	241
Note circulation	3,125	3,199	3,345	2,459
Deposits—Gold	156	156	156	155
Other	2,100	2,103	2,027	1,733
Other liabilities and capital	797	783	786	639
Bank of the Republic of Uruguay (millions of pesos):			(July)*	
Gold	......	......	278	283
Silver	......	......	9	10
Advances to State and Govt. bodies	......	......	264	285
Other loans and discounts	......	......	615	558
Other assets	......	......	797	743
Note circulation	......	......	559	550
Deposits—Government	......	......	203	190
Other	......	......	371	362
Other liabilities and capital	......	......	829	777
Central Bank of Venezuela (millions of bolivares):				
Gold	1,999	1,999	1,999	1,744
Foreign exchange (net)	2,025	2,247	2,055	1,003
Other assets	188	202	180	188
Note circulation	1,510	1,591	1,484	1,223
Deposits	526	632	450	427
Other liabilities and capital	2,176	2,225	2,300	1,284
National Bank of Federal People's Republic of Yugoslavia (billions of dinars):				
Gold	......	4	4	5
Gold contribution to Intl. Fund	......	2	2	2
Foreign assets	......	20	41	37
Loans (short-term)	......	788	775	728
Govt. debt (net)	......	110	146	31
Other assets	......	68	54	39
Notes and coin in circulation	......	126	128	90
Demand deposits	......	385	400	290
Foreign liabilities	......	70	84	80
Long-term liabilities (net)	......	280	275	272
Other liabilities and capital	......	132	135	111
Bank for International Settlements (millions of Swiss gold francs):				
Gold in bars	525	505	438	618
Cash on hand and with banks	51	59	52	65
Rediscountable bills and acceptances (at cost)	586	496	637	559
Time funds at interest	197	165	151	57
Sundry bills and investments	552	596	601	539
Funds invested in Germany	297	297	297	297
Other assets	1	1	1	2
Demand deposits—Gold	509	553	547	611
Other	1,152	1,018	1,084	994
Long-term deposits: Special	229	229	229	229
Other liabilities and capital	319	317	316	304

r Revised. * Latest month available.
[1] This figure represents the amount of the country's subscription to the Fund less the bank's local currency liability to the Fund.
[2] Includes small amount of nongovernment bonds.

NOTE.—All figures, including gold and foreign exchange, are compiled from official reports of individual banks and are as of the last report date of the month.

CENTRAL BANK RATES FOR DISCOUNTS AND ADVANCES TO COMMERCIAL BANKS[1]

[Per cent per annum]

Month effective	Central banks with new rates since June 1956															
	Belgium	France	Germany	Netherlands	Spain	Sweden	Switzerland	United Kingdom	Canada	India	Japan[2]	Philippines	Argentina[2]	Chile[2]	Cuba[2]	El Salvador[2]
In effect June 30, 1956	3.0	3.0	5.5	3.00	3.75	3.75	1.5	5.5	3.00	3.25	8.03	1.5	3.5	4.5	3.5	3.0
1956—Aug.				3.25					3.25							
Sept.			5.0		4.25											
Oct.				3.75					3.50							
Nov.						4.00			[3]3.77	3.50						
Dec.	3.5								3.92						4.5	
1957—Jan.			4.5						3.95							
Feb.								5.0	4.01					6.0		
Mar.									3.95		8.40					
Apr.		4.0							4.00			2.0				4.0
May							2.5		4.01	[4]4.00	9.13					
June									4.06							
July	4.5			4.25	5.00	5.00			4.05							
Aug.		5.0		5.00					4.28							
Sept.			4.0					7.0	4.05			4.5				
Oct.									4.05							
Nov.									3.83							
Dec.									3.87				6.0		5.5	
1958—Jan.			3.5	4.50					3.50							
Feb.									3.11							
In effect Feb. 28, 1958	4.5	5.0	3.5	4.50	5.00	5.00	2.5	7.0	3.11	4.00	9.13	4.5	6.0	6.0	5.5	4.0

Other selected central banks—rates in effect on Feb. 28, 1958

Area and country	Rate	Month effective	Area and country	Rate	Month effective	Area and country	Rate	Month effective	Area and country	Rate	Month effective
Europe:			*Europe—Cont.:*			*Asia—Cont.:*			*Latin America—Cont.:*		
Austria	5.0	Nov. 1955	Turkey	6.0	June 1956	Thailand	7.0	Feb. 1945	Venezuela	2.0	May 1947
Denmark	5.5	May 1955	*Asia*			*Latin America:*			*All other:*		
Greece	10.0	May 1956	Burma	3.0	Feb. 1948	Costa Rica[2]	3.0	Apr. 1939	New Zealand	7.0	Oct. 1955
Italy	4.0	Apr. 1950	Ceylon	2.5	June 1954	Mexico	4.5	June 1942	South Africa	4.5	Sept. 1955
Norway	3.5	Feb. 1955	Indonesia[2]	3.0	Apr. 1946	Peru[2]	6.0	Nov. 1947			
Portugal	2.5	Jan. 1944	Pakistan	3.0	July 1948						

[1] Rates shown represent mainly those at which the Central bank either discounts or makes advances against eligible commercial paper and/or government 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 the largest proportion of central bank credit operations is understood to be transacted. In certain cases other rates for these countries are given in the following note.

[2] Discounts or advances at other rates include: *Japan*—various rates depending on type of paper or transaction and extent of borrowing from central bank, including 8.40 per cent for discount of paper related to domestic commercial transactions (rate shown is for advances on commercial paper and miscellaneous collateral); *Argentina*—3 and 5 per cent for certain rural and industrial paper, depending on type of transaction; *Chile*—rates in excess of 6 per cent are applied to rediscounts in excess of 50 per cent of the rediscounting bank's capital and reserves; *Cuba*—4.5 per cent for sugar loans and 4 per cent for loans secured by national public securities; *El Salvador*—3 per cent for agricultural and industrial paper; *Indonesia*—various rates depending on type of paper, collateral, commodity involved, etc.; *Costa Rica*—5 per cent for paper related to commercial transactions (rate shown is for agricultural and industrial paper); and *Peru*—4 per cent for industrial paper and mining paper, and 3 per cent for most agricultural paper.

[3] Since Nov. 1, the discount rate is set each week at ¼ per cent above the latest average tender rate for Treasury bills.

[4] Since May 16, this rate applies to advances against commercial paper as well as against government securities and other eligible paper.

OPEN MARKET RATES

[Per cent per annum]

Month	Canada		United Kingdom				France	Netherlands		Sweden	Switzerland
	Treasury bills 3 months[1]	Day-to-day money[2]	Bankers' acceptances 3 months	Treasury bills 3 months	Day-to-day money	Bankers' allowance on deposits	Day-to-day money[3]	Treasury bills 3 months	Day-to-day money	Loans up to 3 months	Private discount rate
1955—Dec.	2.59	2.42	4.22	4.08	3.10	2.50	2.99	1.06	.62	4¼–6½	1.50
1956—Dec.	3.61	3.18	5.07	4.94	4.15	3.50	3.55	3.48	3.23	4½–6¾	1.50
1957—Feb.	3.76	3.48	4.44	4.30	3.66	3.10	3.52	3.47	2.85	4½–6¾	1.75
Mar.	3.71	3.65	4.25	4.07	3.55	3.00	4.10	3.61	3.50	4½–6¾	1.75
Apr.	3.72	3.69	4.18	4.01	3.59	3.00	4.61	3.63	3.50	4½–6¾	1.75
May	3.77	3.71	4.04	3.84	3.48	3.00	5.19	3.59	2.88	4½–6¾	1.75
June	3.80	3.80	4.08	3.87	3.45	3.00	5.78	3.60	2.70	4½–6¾	2.50
July	3.81	3.72	4.06	3.85	3.45	3.00	7.82	3.81	3.08	5¾–8	2.50
Aug.	4.02	3.88	4.17	3.97	3.60	3.00	7.94	4.45	3.51	5¾–8	2.50
Sept.	3.94	2.96	5.40	5.42	4.33	3.80	5.77	4.86	3.64	5¾–8	2.50
Oct.	3.84	3.57	6.81	6.60	5.53	5.00	4.94	4.87	3.75	5¾–8	2.50
Nov.	3.66	3.52	6.78	6.54	5.63	5.00	4.87	4.66	3.35	5¾–8	2.50
Dec.	3.65	3.60	6.67	6.43	5.67	5.00	5.72	4.64	3.33	5¾–8	2.50
1958—Jan.	3.54	3.34	6.51	6.27	5.56	5.00	5.17	4.43	3.50	5¾–8	2.50

[1] Based on average yield of weekly tenders during the month.

[2] Based on weekly averages of daily closing rates.

[3] Beginning January 1957, rate shown is on private securities. Previous figures are averages of rates on government and private securities.

FOREIGN EXCHANGE RATES

[Average of certified noon buying rates in New York for cable transfers. In cents per unit of foreign currency]

Year or month	Argentina (peso)			Australia (pound)	Austria (schilling)	Belgium (franc)	Canada (dollar)	Ceylon (rupee)	Denmark (krone)
	Basic	Preferential	Free						
1952	20.000	13.333	7.163	222.63	....	1.9878	102.149	20.903	14.492
1953	20.000	13.333	7.198	224.12	3.8580	2.0009	101.650	21.046	....
1954	20.000	13.333	7.198	223.80	3.8580	1.9975	102.724	21.017	....
1955	20.000	13.333	7.183	222.41	3.8580	1.9905	101.401	20.894	....
1956	[1]5.556		[2]2.835	222.76	3.8580	2.0030	101.600	20.946	....
1957	5.556		2.506	222.57	3.8539	1.9906	104.291	20.913	....
1957—Feb.	5.556		2.681	222.96	3.8536	1.9900	104.334	20.960	....
Mar.	5.556		2.586	222.55	3.8536	1.9900	104.577	20.921	....
Apr.	5.556		2.478	222.22	3.8536	1.9887	104.184	20.890	....
May	5.556		2.564	222.39	3.8536	1.9862	104.638	20.895	....
June	5.556		2.477	222.33	3.8536	1.9875	104.891	20.898	....
July	5.556		2.365	222.14	3.8536	1.9908	105.150	20.890	....
Aug.	5.556		2.303	221.73	3.8536	1.9865	105.470	20.862	....
Sept.	5.556		2.216	221.92	3.8536	1.9874	104.241	20.867	....
Oct.	5.556		2.487	223.09	3.8536	1.9929	103.636	20.928	....
Nov.	5.556		2.595	223.32	3.8536	1.9983	103.921	20.935	....
Dec.	5.556		2.707	223.57	3.8536	1.9991	102.304	20.969	....
1958—Jan.	5.556		2.696	224.16	3.8536	1.9986	101.535	21.045	....
Feb.	5.556		2.656	224.36	3.8536	2.0024	101.934	21.078	....

Year or month	Finland (markka)	France (franc)		Germany (deutsche mark)	India (rupee)	Ireland (pound)	Japan (yen)	Malaysia (dollar)	Mexico (peso)
1952	.4354	.2856	....	23.838	20.922	279.68	....	32.601	11.588
1953	.4354	.2856	....	....	21.049	281.27	....	32.595	11.607
1954	.4354	.2856	....	23.838	21.020	280.87	....	32.641	9.052
1955	.4354	.2856	....	23.765	20.894	279.13	....	32.624	8.006
1956	.4354	.2855	....	23.786	20.934	279.57	.2779	32.582	8.006
1957	[3].3995	[4].2856	[4].2376	23.798	20.910	279.32	.2779	32.527	8.006
1957—Feb.	.4354	.2855	....	23.797	20.947	279.81	.2779	32.561	8.006
Mar.	.4354	.2855	....	23.793	20.913	279.30	.2779	32.532	8.006
Apr.	.4354	.2855	....	23.790	20.890	278.89	.2779	32.512	8.006
May	.4354	.2856	....	23.796	20.896	279.10	.2779	32.526	8.006
June	.4354	.2855	....	23.798	20.896	279.02	.2779	32.523	8.006
July	.4354	.2856	....	23.800	20.884	278.78	.2779	32.495	8.006
Aug.	.4354	[4].2857	[4].2376	23.800	20.844	278.27	.2779	32.431	8.006
Sept.	[3].3674	.2858	.2375	23.800	20.858	278.51	.2779	32.448	8.006
Oct.	.3118	.2858	.2375	23.800	20.940	279.98	.2779	32.556	8.006
Nov.	.3118	.2858	.2375	23.800	20.951	280.26	.2779	32.580	8.006
Dec.	.3118	.2858	.2376	23.799	20.975	280.58	.2779	32.644	8.006
1958—Jan.	.3118	.2858	.2376	23.795	21.050	281.32	.2779	32.769	8.006
Feb.	.3118	.2858	.2375	23.795	21.099	281.57	.2779	32.818	8.006

Year or month	Netherlands (guilder)	New Zealand (pound)	Norway (krone)	Philippine Republic (peso)	Portugal (escudo)	South Africa (pound)	Spain (peseta)	Sweden (krona)	Switzerland (franc)	United Kingdom (pound)
1952	26.315	276.49	14.015	49.675	3.4853	278.20	....	19.326	23.148	279.26
1953	26.340	278.48	14.015	49.676	3.4887	280.21	....	19.323	23.316	281.27
1954	26.381	278.09	14.008	49.677	3.4900	279.82	....	19.333	23.322	280.87
1955	26.230	276.36	14.008	49.677	3.4900	278.09	....	19.333	23.331	279.13
1956	26.113	276.80	14.008	49.676	3.4900	278.52	....	19.333	23.334	279.57
1957	26.170	276.56	14.008	49.693	3.4900	278.28	....	19.331	23.330	279.32
1957—Feb.	26.111	277.04	14.008	49.687	3.4900	278.76	....	19.333	23.308	279.81
Mar.	26.119	276.54	14.008	49.695	3.4900	278.26	....	19.333	23.318	279.30
Apr.	26.137	276.12	14.008	49.695	3.4900	277.84	....	19.333	23.329	278.89
May	26.134	276.33	14.008	49.695	3.4900	278.05	....	19.333	23.335	279.10
June	26.106	276.26	14.008	49.695	3.4900	277.98	....	19.333	23.335	279.02
July	26.121	276.02	14.008	49.695	3.4900	277.74	....	19.333	23.332	278.78
Aug.	26.103	275.52	14.008	49.695	3.4900	277.23	....	19.329	23.335	278.27
Sept.	26.102	275.75	14.008	49.695	3.4900	277.47	....	19.328	23.335	278.51
Oct.	26.287	277.21	14.008	49.695	3.4900	278.94	....	19.328	23.335	279.98
Nov.	26.363	277.49	14.008	49.695	3.4900	279.21	....	19.328	23.335	280.26
Dec.	26.367	277.80	14.008	49.695	3.4900	279.53	....	19.328	23.335	280.58
1958—Jan.	26.373	278.54	14.008	49.695	3.4900	280.27	[5]2.3810	19.328	23.334	281.32
Feb.	26.367	278.78	14.008	49.695	3.4900	280.52	2.3810	19.328	23.335	281.57

[1] Official rate. The basic and preferential rates were discontinued and the new official rate of 18 pesos per U. S. dollar became effective Oct. 28, 1955.

[2] New free market rate became effective Oct. 28, 1955.

[3] Effective Sept. 16, 1957, the Finnish markka was devalued from 230 to 320 markkaa per U. S. dollar.

[4] On Aug. 12, 1957, the French authorities established an effective rate of 420 francs per U. S. dollar applicable to most foreign exchange transactions. Since Oct. 28, 1957, this rate has applied to all foreign exchange transactions. The official rate remains at 350 francs per U. S. dollar.

[5] Based on quotations beginning Jan. 2, 1958.

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CONSUMER INSTALMENT CREDIT—Six books (Parts I-IV) giving the results of an intensive study of consumer instalment credit, undertaken by the Board on request of the Council of Economic Advisers by direction of the President, are being distributed through the Superintendent of Documents.

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REPRINTS

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THE MONETARY SYSTEM OF THE UNITED STATES. February 1953. 16 pages.

INFLUENCE OF CREDIT AND MONETARY MEASURES ON ECONOMIC STABILITY. March 1953. 16 pages.

FEDERAL FINANCIAL MEASURES FOR ECONOMIC STABILITY. May 1953. 7 pages.

* DETAILED DESCRIPTION OF SOURCES AND METHODS USED IN REVISION OF SHORT- AND INTERMEDIATE-TERM CONSUMER CREDIT STATISTICS. April 1953. 25 pages.

DEPARTMENT STORE SALES AND STOCKS, BY MAJOR DEPARTMENTS (Revised Indexes). November 1953. 65 pages.

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SURVEY OF BANK LOANS FOR COMMERCIAL AND INDUSTRIAL PURPOSES. Business Loans of Member Banks. April 1956. 14 pages. Credit Lines and Minimum Balance Requirements. June 1956. 7 pages. (Reprints on a similar Survey are available from March, May, June, July, and August 1947 BULLETINS.)

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☆ THE FEDERAL RESERVE SYSTEM ☆

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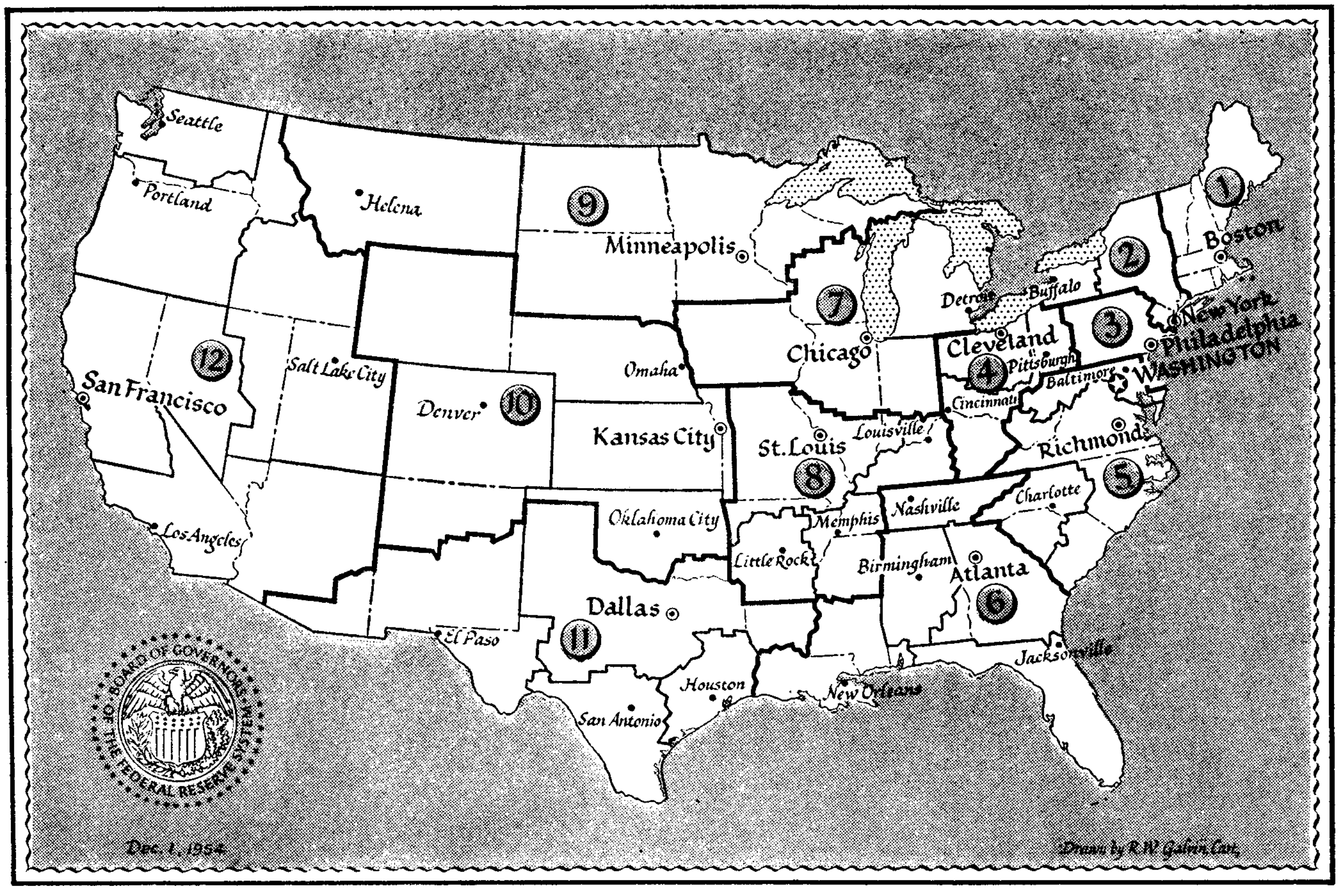

Legend

▬ Boundaries of Federal Reserve Districts —— Boundaries of Federal Reserve Branch Territories

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