

# MONTHLY REPORT OF THE DEUTSCHE BUNDESBANK

JULY 1961

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*Unless otherwise indicated, the data given in this Report relate, up to end-December 1959, to the area of the Federal Republic not including the Saarland, but including Berlin (West), and, as from January 1960, to the area of the Federal Republic including the Saarland and Berlin (West)*

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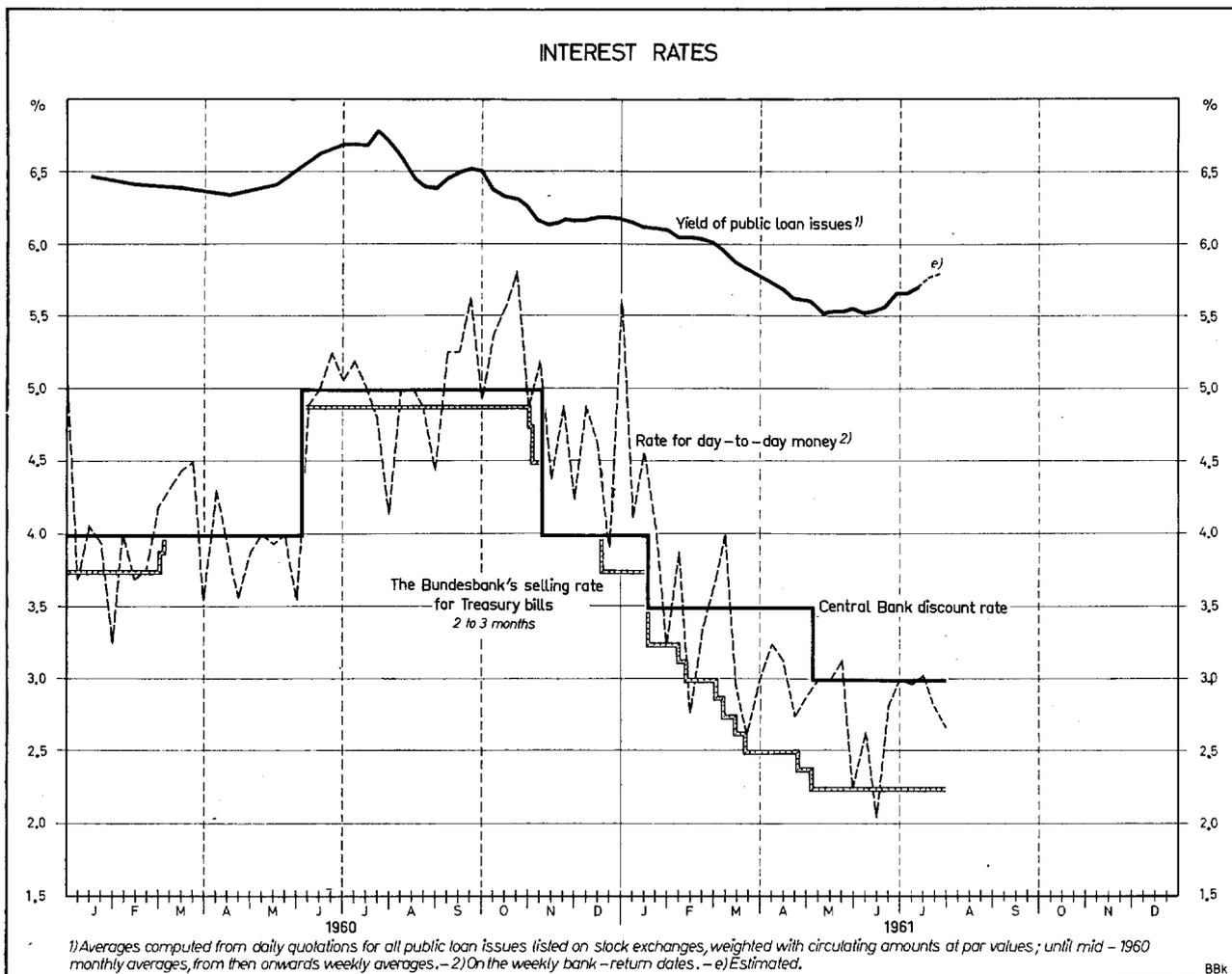
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# The Economic Situation in the Federal Republic of Germany in the Summer of 1961

## Money and Credit

The monetary trends of recent months differ from those of the spring chiefly inasmuch as they were less characterised by tendencies to higher liquidity and lower interest rates. On the capital market there was for a time even a slight reversal in the interest rate trend. This was doubtless due to world political tensions, which greatly reduced foreigners' willingness to acquire German securities, and of late even contributed towards causing their sales to outweigh their purchases. Besides this the money market during recent months has on the whole tended rather to tightness than to liquidity, countributing causes being not only the central public authorities' persistently great cash surpluses as well as seasonal factors but, above all,

large money exports by the banks and the above-indicated decrease — entirely to be welcomed on balance-of-payments grounds — in the afflux of capital from abroad. Still, the repeated reductions of minimum reserve requirements perceptibly counteracted the tendencies to tightness. Credit expansion by the banks remained considerable. In large part however it was evidently due to the withdrawal of funds induced by the authorities' cash surpluses, and possibly also to the gradual reduction of borrowing abroad, in which rate-fixing considerations are still an important factor. The "volume of money" has, therefore, not grown nearly so much as could be expected in the light of the credit expansion, especially since monetary capital formation



at the banks was considerable because of the great rise in time deposits and in the monies and loans obtained, more particularly, from public sources. It further looks as though the velocity of circulation of money has no longer been increasing of late, this being due to the recently apparent tendency to calmer cyclical conditions.

#### Money Market and Bank Liquidity

The fact that during recent months the money market has in general no longer been so liquid as during the spring is clearly shown by the course of rates for money. From May onwards the rate for day-to-day loans, which from February to April had mostly been below the Central Bank discount rate, was much closer to that rate (after this had been lowered on 5 May from  $3\frac{1}{2}$  0/0 to 3 0/0), so that in retrospect the discount rate reduction appears rather as adjustment to the previous greater lowering of money-market rates than as renewed downward pressure on the level of these. Only in the first half of June was the rate for short-term bank monies under appreciable pressure which lasted for a somewhat longer period, this being because at the end of the previous month — by way of divergence from the recurring movement usual in the meeting of the monthly reserve requirement (which has to be met only on the daily average for the month) — the banks had had exceptionally large reserve balances, so that at the start of the new month the supply of money was greater than the demand for it. In the second half of July such influences were again a factor, mainly because the lowering of minimum reserves for that month was ordered only half-way through it, and consequently during its second half the banks had greater free reserves than they would otherwise have had. These brief periods of relative ease in the market should not however distract attention from the fact that on balance during recent months the factors influencing the market lay rather in the direction of slight tightening than of further increase of liquidity. Apart from the course of money rates this is especially evident in the circumstance that the Bundesbank's open-market operations showed an amount of maturities and repurchases approximately equal to the sales to the market, and that at least in July there was relatively considerable recourse to it through rediscounting by the banks.

Among the tightening factors the first to mention are the strains to which the banks were subjected by the continuing *outflow of funds to the central authorities' accounts at the Bundesbank*. It is true that at a total of some DM 5 billion at the end of July the

balances kept by the Federal Government, the Länder and the Equalisation of Burdens Fund on such accounts (excluding the special accounts carried in connection with the development aid loan and the partial denationalisation of the Volkswagen Works) were not materially greater than on the last comparable quarterly date at the end of April. Here however it must be borne in mind that during recent months the Federal Government has made on a particularly large scale payments which did not go into internal circulation, and hence from the liquidity point of view did not offset the Federal Government's current cash receipts. Apart from the usual foreign payments there was, in particular, during the period under report an amount of DM 503 million, by which the Federal Government has already discharged the first repayment instalment — not due, according to the normal redemption scheme, before 1963 — on account of the claims acquired by the Bundesbank from foreign creditors in respect of post-war economic aid to the Federal Republic<sup>1</sup>). If these and some smaller similar payments "not affecting liquidity" are added to the movement in central authorities' balances one finds, for the period from the end of April to the end of July, that the ordinary cash transactions of such authorities took some DM 1.2 billion of funds away from the banks.

In this connection allowance also has to be made for the further payment of subscriptions to the Federal Government's *development aid loan* from industry, and for the issue of shares in connection with the *partial denationalisation of the Volkswagen Works*. In the months from May to July payments on these accounts (recently of course only small) reached over DM 200 million for the development aid loan and DM 136 million for Volkswagen shares. Of these amounts also nothing has gone back into internal circulation. In point of fact, of the total paid in for these transactions (up to 31 July DM 1,176 million on the development aid loan and DM 993 million on Volkswagen shares) DM 518 million remained on special accounts of the Federal Government; DM 475 million (from subscriptions to Volkswagen shares) were transferred to an account of the ERP Special Fund at the Bundesbank, to be administered on trust for the still uncreated "Volkswagen Works Fund"; the Reconstruction Loan Corporation, as transmitting agency for the development aid monies, invested DM 831 million (pending their final employment) in U.S. Treasury bills from the Bundesbank's holding; DM 200 million were

<sup>1</sup>) As to this see pages 24/25 and also the special study "Prepayments on German Liabilities in respect of Post-War Economic Aid" in the Monthly Report of the Deutsche Bundesbank for April 1961, pages 51/52.

*Accrual and Utilisation of Funds under the Federal Government's Development Aid Loan  
from Industry and in respect of the Partial Denationalisation of the Volkswagen Works  
in millions of DM*

Month	In-payments			Utilisation					
	Total	Development aid loan	Partial denationalisation of Volkswagen Works	Development aid loan			Proceeds from the partial denationalisation of Volkswagen Works		
				Redemption of anticipatory credits granted by Reconstruction Loan Corporation	Provisional investment in U.S. Treasury bills	Transfer in respect of development aid credits	On Federal Government special account at the Bundesbank <sup>1)</sup>	On Federal Government special account at the Bundesbank	On account of the E.R.P. Special Fund <sup>2)</sup>
1961	Position at end of month								
January	795	795	—	145	588	—	62	—	—
February	828	828	—	145	673	—	10	—	—
March	858	858	—	145	705	—	8	—	—
April	1,826	969	857	145	766	—	58	857	—
May	2,026	1,169	857	145	910	100	14	857	—
June	2,149	1,173	976	145	828	200	—	501	475
July	2,169	1,176	993	145	831	200	—	518	475
	Increase (+) or decrease (—)								
January	+ 795	+ 795	—	+ 145	+ 588	—	+ 62	—	—
February	+ 33	+ 33	—	—	+ 85	—	— 52	—	—
March	+ 30	+ 30	—	—	+ 32	—	— 2	—	—
April	+ 968	+ 111	+ 857	—	+ 61	—	+ 50	+ 857	—
May	+ 200	+ 200	—	—	+ 144	+ 100	— 44	—	—
June	+ 123	+ 4	+ 119	—	— 82	+ 100	— 14	— 356	+ 475
July	+ 20	+ 3	+ 17	—	+ 3	—	—	+ 17	—

<sup>1)</sup> Amounts still in course of settlement. — <sup>2)</sup> For administration on trust.

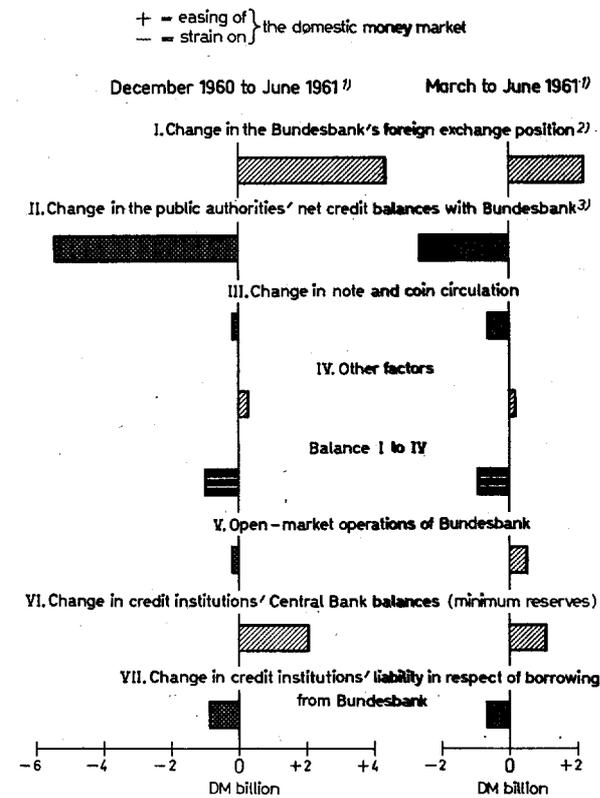
already transferred for development assistance purposes; and DM 145 million were retained by the Reconstruction Loan Corporation in repayment of advances it had previously granted for financing development loans. This repayment had however been made as early as January; and hence during recent months, as stated, the current in-payments in connection with these two major financial operations had against them no reflux of monies to German banks.

The banks' liquidity was further subjected to appreciable strain during recent months through the (seasonal) increase of the note and coin circulation. The rise was especially marked in July, when the requirement of notes and coin for holiday travel usually reaches its seasonal peak. At a daily average of DM 21.9 billion the amount of notes and coin circulating during that month was greater by roughly DM 700 million than in the previous month; it was above the average for April by some-DM 980 million, and above that for July 1960 by DM 1.95 billion. This clearly shows the relatively great importance which still attaches to the underlying trend of growing need for notes and coin, at least on a longer view. In periods when the structural upward trend is materially accentuated by seasonal factors, as it is for instance at

the close of the year and also now, in the main travel season, that trend may however also be a material short-run factor tending to depress liquidity.

Among the factors tending to ease bank liquidity and the money market the *foreign exchange influx* has continued of late to be prominent. For recent months however the liquidity-increasing effect of exchange movements has been even less apparent than usual from the movement in the Bundesbank's exchange position. Since the end of April indeed the Bundesbank's net gold and exchange holding has on balance risen only slightly, whereas it had grown by DM 1.2 billion (excluding the decrease due to re-valuing on the basis of the altered DM parity) in the first quarter, and declined by DM 2.6 billion in April. In any consideration of liquidity it must however be borne in mind that the accruals of foreign exchange at the Bundesbank are almost regularly reduced through exchange payments, which depress the other banks' liquidity either not at all or not directly. Usually this applies to the Federal Government's foreign payments, because these are made from its Bundesbank accounts, and the effects produced on liquidity by movements in those accounts are regularly recorded in our discussion of liquidity under the head of "public authorities' cash trans-

## FACTORS DETERMINING MONEY MARKET DEVELOPMENTS



<sup>1)</sup>From averages of the four weekly bank-return dates of the respective months.  
<sup>2)</sup>Including foreign exchange sales (or purchases) by Bundesbank due to the other banks' money export (or repatriation of investments abroad), but disregarding all other transactions which do not immediately affect bank liquidity (such as foreign payments of Federal Government to the debit of its Bundesbank accounts, etc.).  
<sup>3)</sup>Excluding foreign payments by the authorities concerned.

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actions". In April there was the further fact that on acquiring a large part of the claims in respect of post-war economic aid to the Federal Republic of Germany the Bundesbank made to foreigners for its own account some DM 3.1 billion of exchange payments, which likewise produced no direct effect on the liquidity of the banks and the money market. Finally it must be borne in mind that for some time the banks have themselves been absorbing substantial amounts of foreign-currency claims and not passing these on to the Bundesbank. Thus to an appreciable extent the exchange accruing to the Federal Republic has appeared not at the Bundesbank but at the other banks, since these have substantially enlarged their short-term foreign balances and other assets. If allowance is made for this, and if moreover no account is taken of the downward tendency produced in the Bundesbank's monetary reserves by the Federal Government's foreign payments, by the Bank's acquisition of claims arising from post-war economic aid to Germany, and finally by the sale of U.S. Treasury bills from the Bank's

holding to the Reconstruction Loan Corporation (a special form of "money export" by banks), it is at all events clear that in the months from May to July payment transactions with foreign countries still caused an estimated DM 2<sup>1</sup>/<sub>2</sub> billion of additional funds to accrue to the banks.

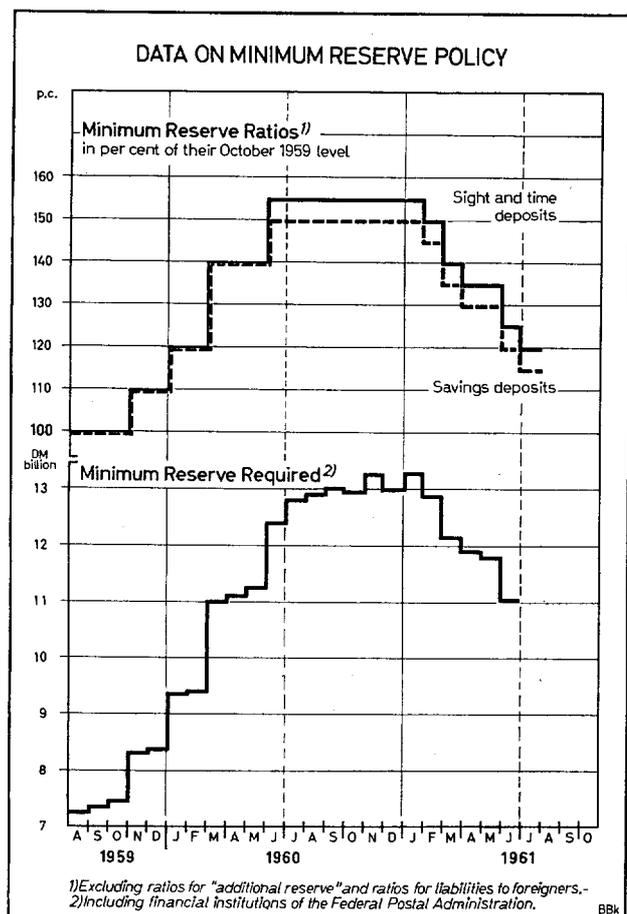
During the period in question however the internal money market (as contrasted with the banks' overall liquidity) benefited only relatively little from these accruals because — as already mentioned — a large part of the total foreign exchange received by the banks was not used to strengthen their domestic liquidity reserves, and consequently was lost to the German money market. In the months of April, May and June such money exports amounted to nearly DM 550, 390 and 590 million, that is altogether over DM 1.5 billion, if the above-mentioned sale of U.S. Treasury bills to the Reconstruction Loan Corporation is not included; in July, according to existing evidence, they would again seem to have reached a very large amount. The reason for this is largely that since the end of April the addition to the banks' short-term foreign balances and other assets has been favoured not only through the fact that the Bundesbank has continued to fix the rate for these without charging any forward discount, but also through the fact that, under the revision — described in our April Report — of the rules governing minimum reserves for foreign liabilities, the liabilities to non-residents which in themselves are subject to the minimum reserve obligation may be offset against short-term claims on foreigners, which means that they may be exempted from the reserve requirement. Obviously, moreover, the temporary downward pressure on internal money rates has encouraged exports of money. Especially during the last days of July this would appear to have been so to a considerable extent, while indeed the marked narrowing of the gap between rates for short-term money has greatly contributed towards causing the banks no longer to leave the holding of monetary reserves exclusively to the Bundesbank. On the other hand there is no mistaking the fact that to the extent of such money exports by the banks the exchange accruals have no longer increased the domestic money market's liquidity, and that in so far these money exports have of late been a material factor among the influences tending to keep the money market tight.

So as to offset this factor and to prevent it from possibly producing, in conjunction with the other tendencies to strain, in the money market definite tightness (which would of course soon have stopped the money exports and caused their replacement by

renewed repatriation and increased borrowing abroad), the Bundesbank continued during the period under report to lower the *minimum reserve requirements*, and in this way created a perceptible influence counteracting the tendencies to tightness. For February, March and April the minimum reserve ratios applying to domestic liabilities had already been brought down in several stages by altogether 20 per cent of their level in October 1959 (the start of the minimum reserve increases during the 1959/60 restriction period). For June a reduction by a further 10 per cent was ordered; and for July, as already mentioned, a reduction by another 5 per cent took effect. Thus the reserve ratios were brought down in the case of sight and time deposits to 120 per cent, and in that of savings deposits to 115 per cent, of what they had been in October 1959, this comparing with levels of 155 and 150 per cent respectively in the period from June 1960 to January 1961. The reduction of the required minimum reserve due to this lowering of the reserve ratios can be put for the April–June period at something over DM 1 billion. The minimum reserve requirements were further relaxed by the above-mentioned amendment of the rules governing reserves in respect of liabilities to foreigners,

since the saving of minimum reserves through the now permissible “offsetting” of reserve-carrying foreign liabilities by the maintenance of certain short-term foreign balances and other foreign assets was appreciably greater than the increase of the requirement produced by the raising, to the highest level permitted by law, of the reserve ratios in respect of the foreign liabilities remaining subject to the reserve obligation. The extent to which this reduced the required minimum reserve can indeed not be precisely ascertained. Still, the amount of the reserve-carrying foreign liabilities fell from about DM 3.6 billion in April (the last month before the introduction of the new rules) to not quite DM 2 billion in May and DM 1.6 billion in June; in July it probably also declined. At the same time the total amount of the banks’ liabilities to foreigners rose further during the last few months from the above-mentioned DM 3.6 billion in April to nearly DM 3.9 billion in May and DM 4.1 billion in June this year; the July figure is not yet known. Consequently in the months following May the “releasing” of foreign liabilities through availment of the “offsetting privilege” again exceeded the fresh addition to such liabilities, so that at least on the whole (considerable differences as between individual institutions are found) the required reserve continued to be reduced through the movements in the banks’ foreign position. On the other hand however the decrease of the required reserve through the lowering of reserve ratios and through the above-described “offsetting” was counteracted by the further growth (relatively great during recent months) of reserve-carrying liabilities to residents, so that the required reserve declined by less than could have been expected in the light of the relaxations permitted by the Bundesbank. In June the required reserve, including that required of the Federal Postal Cheque and Postal Savings Bank Offices, amounted to not quite DM 11.1 billion as against DM 11.9 billion in April and DM 13.3 billion in January. In July it would appear to have fallen by some further hundreds of millions of DM.

A further tendency to an increase in the supply of money was for a time produced by the *open-market transactions with the Bundesbank*, although in accordance with the nature of the Bundesbank’s open-market operations the initiative in these — unlike the minimum reserve reductions — came mainly from the market and not from the Bundesbank, the more so as the rates at which the latter deals in money-market paper have not been further reduced since the last lowering of its discount rate. The circulation of mobilisation paper declined from about DM 6.0 billion towards the end



of April to around DM 5.4 billion in the last days of June, this being mainly because of substantial resales by the Federal Postal Administration and — to some extent — by the social insurance institutions, which during the winter months had employed a large part of their liquid resources in mobilisation paper. At the beginning of May moreover a considerable amount of "other" money-market paper (mostly Storage Agency bills) was put into the Bundesbank, without the extent of such borrowing being reduced in the subsequent weeks. During May and June the Bundesbank's holding of "other" money-market paper therefore stood almost continuously at DM 200 million, whereas in the course of April it had fallen to some DM 20 million, that is to a level even lower than in February. In July however the situation changed. First, under the influence of replenishment of the Federal Postal Administration's holdings the circulation of mobilisation paper rose in that month to nearly DM 5.9 billion, that is almost to the end-of-April level. Besides this the Bundesbank's holding of "other" money-market paper contracted, because such paper matured on a large scale in July. Thus at the end of the three-month period described both the circulation of mobilisation paper and the Bundesbank's holding of "other" money-market paper were almost as great as when that period began; but still, changes in those items during the period under report did for a time cause funds to accrue to the market on a substantial scale. The further fact that at the end of July, despite the relative increase of the money market's liquidity about then, the Bundesbank's open-market commitment reached only about its end-of-April level indicates the relatively strained state of the market during that period; if indeed the market had been in a liquid state, the Bundesbank would doubtless have been a taker of money in connection with its open-market operations — despite the safety-valve which, with the relation between German and foreign interest rates as it now is, "money exports" afford in the event of any major addition to liquidity.

A final indication of the temporary tendencies to strain on the market lies in the *accommodation extended to banks by the Bundesbank*. In May and June such accommodation had been roughly at the level to which it had fallen in April owing to the addition to the banks' liquidity. In July however on the average of the first three bank-return dates it was greater by about DM 420 million than a month before, although by the end of the month this difference appears to have narrowed. In this connection rediscounting of foreign bills for rate-fixing purposes continued to be a factor; but it was not decisive by comparison with the fact that

the strain affecting domestic bank liquidity in the first two ten-day periods of July caused greater recourse to the Central Bank.

#### Banks' Lendings and Investments

Expansion of the banks' lendings and investments continued at a faster rate in the second quarter of this year. During that period their total lendings to non-bank customers, including security holdings, rose by something over DM 6.5 billion, after having risen in the first three months of this year by not quite DM 5.5 billion and in the second quarter of 1960 by about DM 4.4 billion. The difference in relation to the periods taken for comparison is even greater if account is taken among the banks' investments of the increase in bank bonds held, because the acquisition of securities of this type (which in itself establishes only "interbank indebtedness", and hence cannot be counted part of the banks' credit commitment towards non-bank customers) has since the beginning of the year again formed a substantial part of the banks' total assets-side business. The increase of credit expansion however continued to apply mainly to short-term lendings, although of late the growth of medium and long-term lendings has also quickened, mainly no doubt under the influence of seasonal factors.

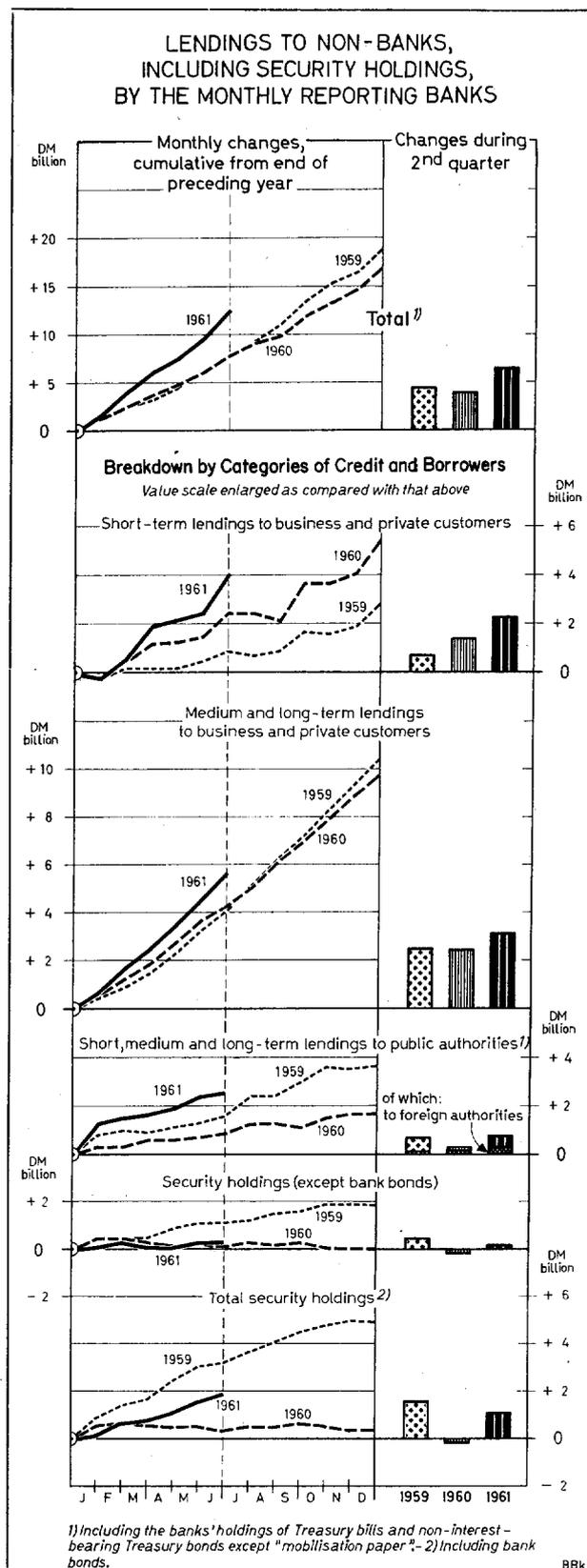
Between the end of March and end of June this year the *banks' short-term lendings to business and private customers* increased by upwards of DM 2.25 billion; this was more than in the previous quarter by over DM 0.4 billion, and more than in the corresponding period of last year by about DM 0.9 billion. The year-to-year difference was especially great in June. Thus trade and industry's demand for short-term bank credit, a demand which has been growing for some time, has been concentrated largely on the major tax month, in which this year the transfer of funds to the public authorities' Central Bank accounts was especially great. In part this represented a passing need, as indicated for instance by the fact that at the 480 banks rendering semi-monthly returns the short-term lendings to business and private customers declined in the first half of July, and did so by more than in the corresponding period of last year. Apart from the authorities' cash transactions, the increase in such short-term lendings appears to have been further affected by the business community's greater demand for rate-fixing; to all appearances indeed a factor in the granting of credit by domestic banks seems to have been foreign currency lendings, in respect of which the banks for their part then "covered" themselves abroad. The extent to which such transactions took place has, it is true, not been

statistically recorded. It is however noteworthy that the foreign currency loans which the banks obtained abroad, and which form the basis for such rate-fixing transactions, rose considerably; in fact between March — the month of the DM revaluation — and June they rose by over DM 450 million, of which DM 230 million fell in the second quarter. A final fact which seems in individual cases to have contributed to the expansion of short-term lendings to business and private customers is that the numerous non-bonded loans which were placed during recent months, in many cases through the banks' intermediary, were in some cases the subject of preliminary advances by the banks, at least in so far as the various lenders had promised to take participations in the loans in question but had not yet done so for the moment.

It may be because of this that the expansion of short-term lendings to business and private customers this year was effected to a much greater extent than last year by the commercial banks, and especially by the "big three". Monthly statistics for the individual groups of banks are now available only up till the end of May; according to these, in the first five months of the year the expansion of the commercial banks' short-term lendings to business and private customers was several times as much as a year before (at DM 1.47 billion as against DM 364 million in 1960), in which connection the "big three" predominated with an increase by about DM 880 million as against DM 77 million in 1960. In the case of the savings banks and credit cooperatives on the other hand the increase of short-term lendings to business and private customers, at about DM 890 million, was only a little greater than a year before; and at the other groups of institutions the increase was on the whole actually a good deal smaller than then.

Probably large loans to individual industrial enterprises also were a material factor in causing the bank lendings to business and private customers at medium term (that is running for between 6 months and a maximum of 4 years) to continue to increase faster than in earlier periods. The rise amounted in the second quarter of this year to about DM 900 million, against some DM 350 million in the previous quarter and roughly DM 500 million in the second quarter of last year. Thus the growth of such lending, quite substantial since the summer of last year, became quicker still during recent months.

Instalment credits and small personal loans, which rank in most cases as medium-term but in some (namely when they are granted on a bill basis) as short-



term lendings to business and private customers, shared in the expansion of recent months only to a modest extent. At the end of May this year (no relevant data

for June are yet to hand) the outstanding total of such credits and loans was greater by about DM 190 million than at the end of March, and greater by nearly DM 300 million than at the end of December 1960. The comparable figures for the corresponding periods a year earlier were about DM 340 and 470 million respectively. So far this year instalment credits and small loans have accordingly grown much less rapidly than in the comparable period of 1960, although the total increase of short and medium-term lendings to business and private customers was much greater than a year before. In the first five months of this year therefore the share of such credits and loans in the growth of short and medium-term lendings to business and private customers was down to not quite 9 per cent, against roughly 23 per cent in the corresponding period of last year.

The *long-term loans to business and private customers*, which run for agreed periods of more than four years and are for the most part granted (on the basis of corresponding liabilities-side transactions) by institutions that specialise in long-term lending, rose during the period under report by about DM 2.25 billion. Their growth too was thus greater than in earlier comparable periods (having amounted in the first quarter of 1961 to not quite DM 2.2 billion, and in the second quarter of 1960 to about DM 2 billion); but the rise remained within considerably more modest limits than that in the short and medium-term lendings previously mentioned. Here however allowance should be made for the fact, repeatedly indicated in this connection in earlier Reports, that the amount of public authorities' loans granted for specified capital purposes in the private sector usually varies a great deal as between the individual periods taken for comparison. Thus in the second quarter of this year the long-term lendings to business and private customers by credit institutions with special functions, which lendings are based in large part on the "transmitting" of such loans, rose by only about DM 60 million (or something over half the amount for the comparable period of last year), whereas in the first three months of the year they had accounted for some DM 300 million of the total expansion in long-term lendings to business and private customers. The flow of other long-term loans to business and private customers thus became faster during the quarter under report, especially in June, when — unlike last year — repayments predominated at the credit institutions with special functions, and the long-term loans granted to the economy by the mass of remaining institutions increased by about DM 175 million more than a year earlier.

The credit extended at short, medium and long term to public authorities by the banks rendering monthly returns rose between the end of March and the end of June this year by altogether about DM 850 million, as against roughly DM 1 billion in the first quarter of this year and say DM 700 million in the second quarter of 1960. A large part of such lendings — some DM 300 million — went to foreign borrowers, since the Reconstruction Loan Corporation continued on a greater scale its granting of loans to foreign Governments in connection with development assistance. On the other hand bank lendings to German public authorities grew in the quarter under report by only about DM 550 million, that is by roughly a quarter of a billion DM less than in the previous quarter, and only a little more than from April to June 1960. At the same time the short-term lendings were a somewhat larger factor than before, mainly because the banks' holdings of money-market paper issued by German public authorities (other than mobilisation paper) somewhat increased on balance, whereas in the comparable periods they had declined. Further details on this point can be found in the table on page 11. The banks' medium and long-term lendings to public authorities — excluding the above-mentioned loans to foreigners — increased in the quarter under report by about DM 400 million; in comparison with the rise during the previous quarter this represents slowing by about DM 350 million, and in comparison with that during the second quarter of 1960 by some DM 100 million.

*Holdings of securities and syndicate participations* were shown by the banks at the end of June at a total higher by nearly DM 1.1 billion than at the end of March, while in the first three months of this year they had already risen by about DM 840 million. In the second quarter of 1960, on the other hand, the banks had sold securities to a net extent of about DM 160 million; and again in the two succeeding quarters there had been a fall in their security holdings as reckoned from the beginning to the end of the period. During the quarter under report, as usual, the greatest increase was in the holdings of bank bonds, including medium-term notes (Kassenobligationen) issued by banks; such holdings rose by DM 865 million, as against DM 725 million in the first quarter of this year and a merely slight rise in the corresponding period of last. Also remarkable was the addition of about DM 100 million to syndicate participations, and that of DM 94 million to stock exchange dividend-bearing securities. In the absence of major issues, on the other hand, the addition to bonds and medium-term notes issued by public authorities was small at roughly DM 40 million. For

The Credit Institutions' Business on the Assets and Liabilities Sides \*)

in millions of DM

Items	1960				1961					Position at end of month
	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr. <sup>P)</sup>	April	May	June <sup>P)</sup>	
<b>Lendings to Non-Banks and Security Holdings</b>	Increase (+) or decrease (—)									
Short-term lendings to										
Business and private customers	+1,168	+1,370	+1,188	+1,758 <sup>4)</sup>	+1,853	+2,279	+ 354	+ 294	+1,631	45,134
Public authorities	+ 214	+ 37	— 114	— 56 <sup>4)</sup>	+ 228	+ 127	— 3	— 25	+ 155	763
Medium and long-term lendings to										
Business and private customers	+1,850	+2,494 <sup>4)</sup>	+2,681	+2,796 <sup>4)</sup>	+2,517	+3,168	+ 992	+1,105	+1,071	81,806
Public authorities	+ 580	+ 681 <sup>4)</sup>	+ 613	+ 706 <sup>4)</sup>	+ 944	+ 703	+ 190	+ 258	+ 255	22,075
Treasury bills and non-interest-bearing Treasury bonds										
of German issuers	+ 563	+ 221	+ 511	— 170	+ 660	— 689	— 152	— 224	— 313	5,594
incl.: Mobilisation paper <sup>1)</sup>	(+ 306)	(+ 242)	(+ 698)	(— 58)	(+ 836)	(— 711)	(— 121)	(— 314)	(— 276)	( 4,253)
of foreign issuers	— 479	— 413	— 26	+ 65	+ 734	— 20	+ 21	+ 137	— 178	1,093
Securities and syndicate participations <sup>2)</sup>	+ 603	— 160	+ 258	— 342	+ 839	+1,093	+ 211	+ 554	+ 328	20,637
including: Bank bonds <sup>2)</sup>	(+ 278)	(+ 5)	(+ 172)	(— 122)	(+ 725)	(+ 865)	(+ 215)	(+ 352)	(+ 298)	(13,069)
<b>Bank Deposits and other Liabilities</b>										
Sight deposits of										
Business and private customers	—1,336	+ 832	— 132	+2,304	—2,033	+1,908	+ 720	+ 893	+ 295	27,300
Public authorities	— 117	+ 46	— 127	+ 698	— 553	+ 221	— 159	+ 385	— 5	3,487
Time deposits of										
Business and private customers	+ 604	— 213	+ 183	+ 77	+ 603	— 255	+ 401	— 10	— 646	11,840
Public authorities	+ 57	+ 55	+ 30	+ 189	+ 344	+ 952	+ 201	+ 641	+ 110	9,498
Savings deposits of										
Business and private customers	+1,958	+1,180	+1,413	+2,748	+2,228	+1,069	+ 206	+ 452	+ 411	52,559
Public authorities	+ 180	+ 199	+ 101	+ 296	+ 225	+ 102	+ 8	+ 69	+ 25	4,179
Monies and loans taken from non-banks	+ 93	+ 910 <sup>4)</sup>	+1,048 <sup>4)</sup>	+ 800 <sup>4)</sup>	+1,565 <sup>4)</sup>	+1,037	+ 408	+ 365	+ 264	35,842
including: at notice or fixed period of 6 months and over	(+ 88)	(+ 863) <sup>4)</sup>	(+1,038) <sup>4)</sup>	(+ 760) <sup>4)</sup>	(+1,503) <sup>4)</sup>	(+1,082)	(+ 394)	(+ 394)	(+ 294)	(35,238)
Circulation of bank bonds <sup>2)</sup> <sup>3)</sup>	+ 994	+ 594	+1,078	+ 777	+1,888	+1,515	+ 451	+ 525	+ 539	32,695

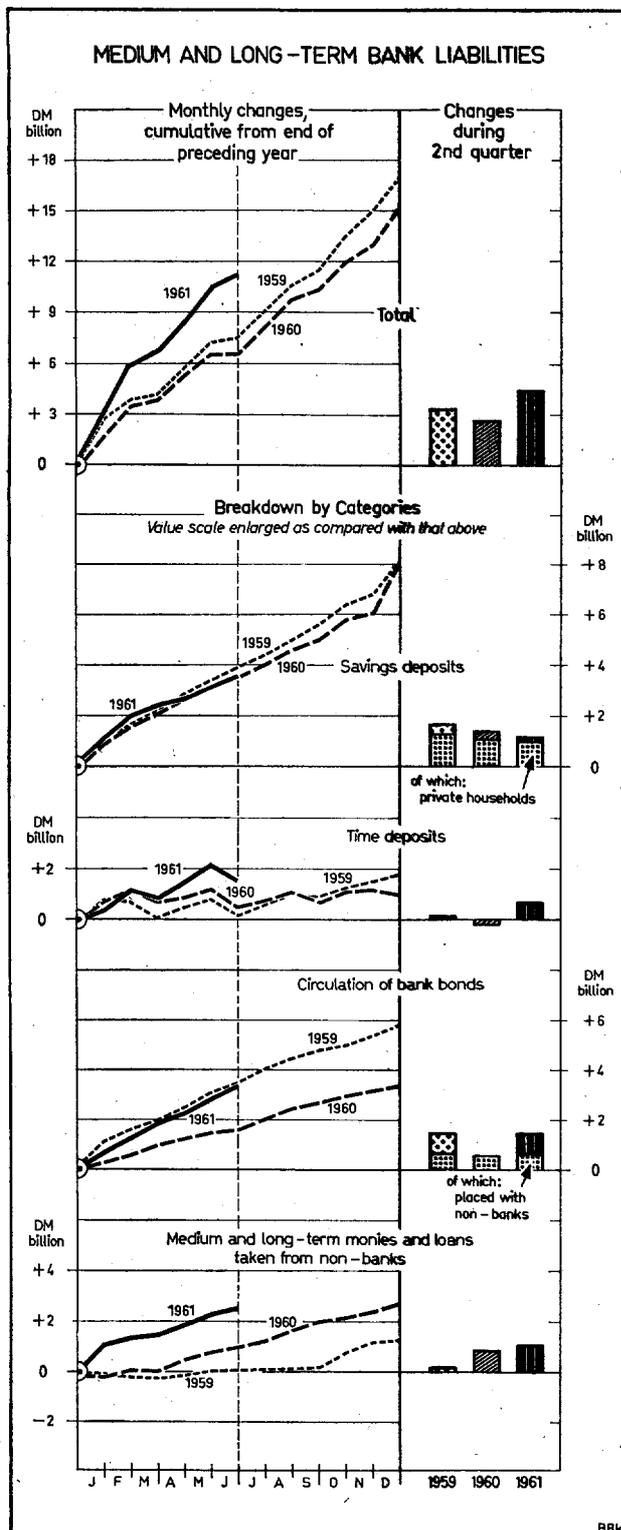
\*) According to the credit institutions' monthly balance-sheet statistics. The data include claims and liabilities in respect of German and foreign non-banks. —  
<sup>1)</sup> I. e., Federal Treasury bills and non-interest-bearing Treasury bonds resulting from exchange for a corresponding partial amount of the Bundesbank's equalisation claim, the taking over of which paper by the banks does not involve any additional granting of credit to non-banks. — <sup>2)</sup> Including medium-term notes (Kassensobligationen). — <sup>3)</sup> Excluding bonds of own issues held by credit institutions. — <sup>4)</sup> Statistically adjusted. — <sup>P)</sup> Provisional.

the first time in a lengthy period however the banks' holdings of foreign securities increased during the last three months, by altogether about DM 30 million, after having almost continuously declined during the previous months.

#### The Banks' Liabilities-side Business

The chief feature of the banks' liabilities-side business in the period under report was a sharp renewed rise in *sight deposits*, by over DM 2.1 billion, whereas such deposits had declined in the first three months of this year more than seasonally, falling by almost DM 2.6 billion net. The increase, mainly concentrated in May (by DM 1.25 billion), was almost two and a half times as great as in the corresponding period of last year. The vigorous increase of sight deposits in the second quarter of the year corresponds to the seasonal tendency. The fact that the rise was especially great this year is in part a reaction to the above-mentioned

more than seasonal decline of such balances in its first quarter, while the fact that these comparisons are based on the level of the relevant balances at the ends of quarters further accentuates the difference. At the end of March, which this time coincided with Good Friday, the note and coin circulation was exceptionally high, partly at the cost of sight deposits. Since then the note and coin circulation has risen further, it is true, but at DM 586 million the increase between the end of March and the end of June was smaller than that of DM 816 million between the end of December and the end of March. The rise in the Central Bank deposits of public authorities during the second quarter of this year also remained within narrower limits than during the first. Finally the amount of the social insurance institutions' monies employed in Bundesbank mobilisation paper became less significant after the turn of the year, actually falling to some extent, on balance, in the second quarter; this increased the formation of deposits



at the other banks, although rather that of time than that of sight deposits. On the whole at all events the much-discussed loss of deposits during the first months of this year has given place to a vigorous revival in the growth of deposits at the banks.

The movement of *time deposits* too was in fact characterised in the quarter under report by a consider-

able increase (by almost DM 700 million, against nearly DM 950 million in the first quarter, and a decrease by about DM 160 million in the second quarter of 1960), which however showed great differentiation — due to public authorities' cash movements — as between the main depositor groups. Thus, while the time deposits of business and private customers declined in the period under report by a quarter of a billion DM net (in June alone by almost DM 650 million under the influence of the major tax maturities), the time deposits of public authorities rose in the second quarter by some DM 950 million. Apart from the fact that the local authorities in some measure further enlarged their time deposits, this was mainly because — as already indicated — the social insurance institutions were putting more monies on time accounts at banks instead of employing them in Bundesbank mobilisation paper as they had done during the three previous quarters. In the second quarter of this year the mobilisation paper held by social insurance institutions actually decreased on balance by DM 80 million, whereas it had risen by about DM 135 million in the first quarter of this year and by over DM 800 million in the second half of 1960.

Between the end of March and the end of June this year the addition to *savings deposits* reached a total of about DM 1.17 billion. It was thus for seasonal reasons appreciably smaller than in the first quarter of this year, when it had amounted to almost DM 2½ billion; but it also fell somewhat short of the addition by DM 1.38 billion in the second quarter of 1960. In part the decline as compared with the result for the corresponding period of last year is due to the fact that, at about DM 100 million, the growth in public authorities' savings deposits was only about half as great as a year before. Still, between the end of March and the end of June the savings balances of private households grew by only some DM 1.05 billion, that is by nearly DM 100 million less than in the corresponding period a year earlier. The reason lies in the temporary sharp fall of net in-payments to savings accounts in April this year, when the general public's subscriptions to Volkswagen shares were due, with the result that substantial amounts of capital were diverted into this form of saving. In that month the addition to savings balances of private households reached only DM 193 million, against more than DM 400 million in April 1960; in the two following months, however, it was again up to the level of the corresponding months last year. If the comparison is extended to the first half-year, therefore, despite the slackening in April the savings deposits of private households rose by nearly a quarter of a billion

DM more than in 1960, namely by DM 3.23 billion as against about DM 3.0 billion.

The proceeds from the sale of bank bonds amounted in the second quarter of 1961 to something over DM 1 1/2 billion; thus, just as in nearly all previous years, they did not again equal the large amount received in the first quarter (almost DM 1.9 billion). Still, the amount in the quarter under report was more than two and a half times as great as in the corresponding period of last year. On the whole the placings of bank bonds have remained during recent months at the high level to which they had risen, after the turn of the year, in consequence of renewed buying by banks. As already indicated, the share of credit institutions in the amount of such securities placed during these months continued to be substantial.

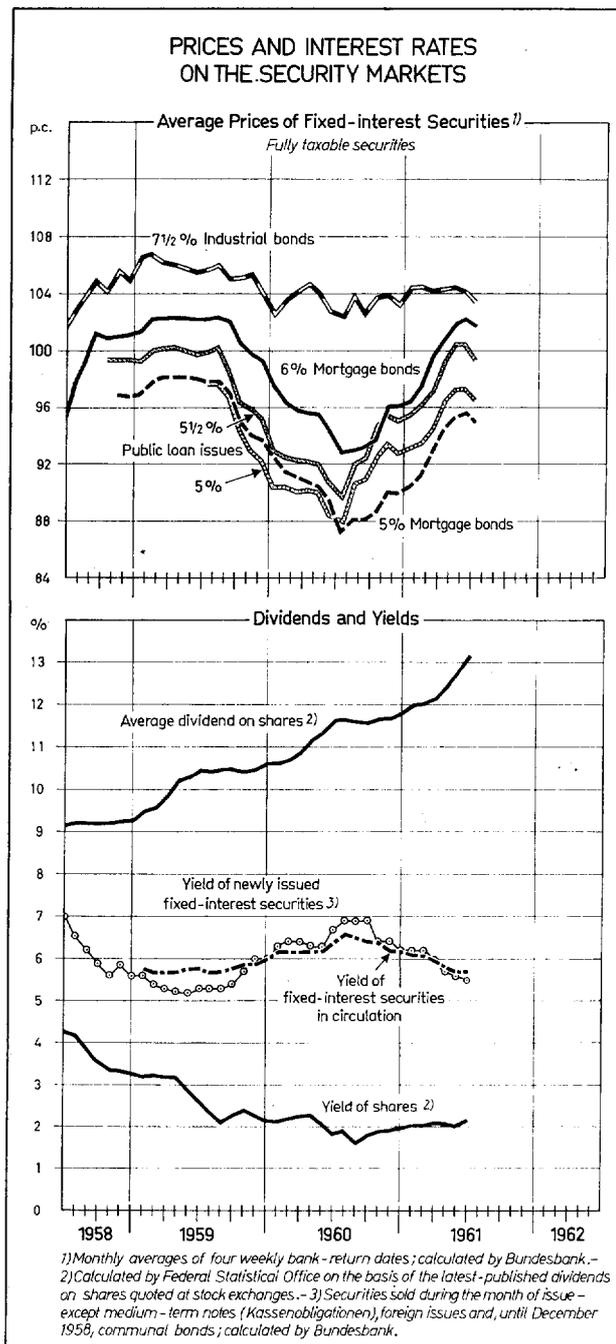
The amount of monies and loans taken from non-banks was again very great during the last few months, after having already gone beyond the usual extent in the first quarter. Between the end of March and the end of June this year the amount so taken was about DM 1.0 billion, against almost DM 1.6 billion in the previous quarter and upwards of DM 0.9 billion in the second quarter of 1960. Just as in the first quarter of this year, when the greater part of the proceeds of the development aid loan had been transferred to the Reconstruction Loan Corporation in the form of a loan from the Federal Government, monies and loans for purposes of development assistance again contributed materially towards increasing the liabilities in question. Mention may first be made of the part of the proceeds of the development aid loan, originating from later subscription payments, which was transferred to the Reconstruction Loan Corporation only after March this year; in addition up till the middle of the year some Länder were transferring to the Reconstruction Loan Corporation portions of the budgetary funds made available for development aid. Consequently there were reflected to a greater extent than previously in the "monies and loans taken from non-banks" by the banks rendering monthly returns (which include the Reconstruction Loan Corporation) monies which are not intended for transmission to German borrowers, but will later go abroad.

### Security Markets

#### Bond Market

In the period under report, after very rapid relaxation lasting until May, the bond market came during recent weeks increasingly under pressure. Consequently the tendency prevailing until then for interest rates to fall

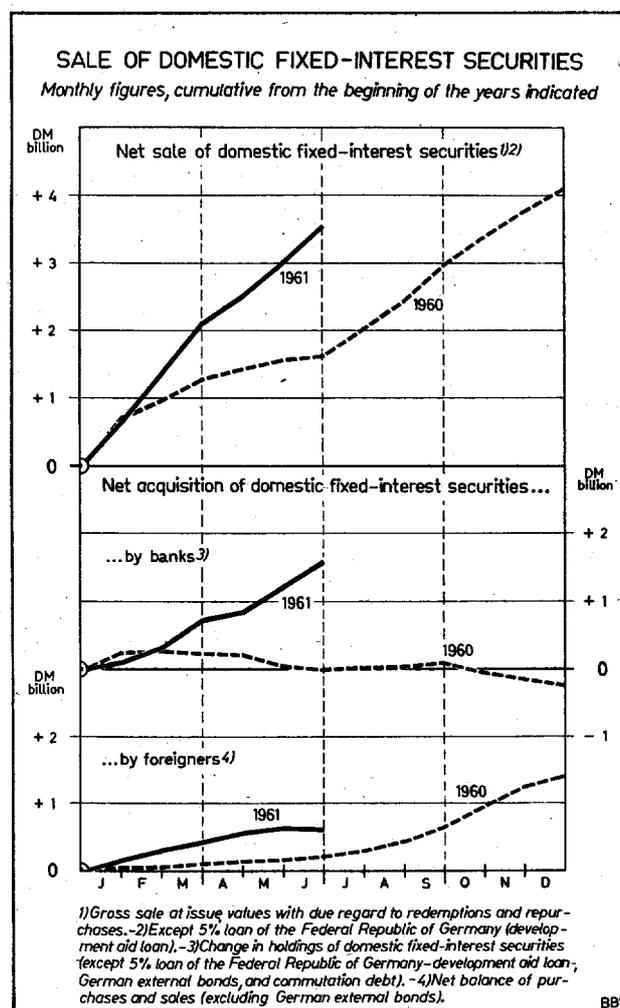
has for a time been interrupted, and even replaced by a slight reversal, which first appeared on the market for mortgage and communal bonds but gradually also affected the other markets. Securities of the 5% type, which three months ago seemed to be on the point of gradually replacing those bearing 5 1/2% after these had established themselves at a notable pace during the first months of this year, accordingly receded for a time into the background. They continue to be sold by real-estate credit institutions, it is true, but only at net prices which are at present below par by 6 1/2 or even 7 points per cent. The attempt to introduce 5%



securities into the other markets has not succeeded either. A business enterprise's 5% bonded loan, offered in the second half of June, is indeed said to have been fully subscribed on the first day; but immediately thereafter it was offered in dealings between banks at a discount on its issue price of 98. In the case of the Federal Railways' DM 250 million loan, offered on like terms at the beginning of July, it did not even prove possible to place the whole amount of the loan during the contemplated subscription period, so that the underwriting banks themselves had to take a part of it for a time. Here again, moreover, bonds of the loan were offered in subsequent telephone dealings at a discount of 1½ to 1¾ points on the issue price, so that their quotation was roughly equivalent to that to which the Federal Railways' 5% loan issued in 1959 had fallen shortly before the issue of the new bonds. In these circumstances the real-estate credit institutions have also more and more abandoned their attempts to procure money by means of 5% securities. In July, according to statements by the Federal Ministry for Economic Affairs, of the mortgage and communal bonds totalling DM 675 million for which issue permits were given only about 25 per cent were 5% securities, whereas these had accounted for 48 per cent of the issues approved in June. The reason why applications were still made for permission to issue 5% bonds at all was that certain institutional buyers had some time previously assumed liabilities to take such securities, or that they had reached agreements with the issuers about lendings on corresponding terms to specified borrowers.

In connection with the above-described market deterioration the older issues in circulation, the quotations for many of which about the end of May and beginning of June had reattained their 1959 peaks or in isolated cases had even risen above them, also lost a part of the price gains achieved up till that time. On the average the price falls in the case of the securities listed on the stock exchange reached 2 to 3 points, or even more in some cases. For the loans issued by the Federal Government and its Special Funds the drop in prices kept within somewhat narrower limits, largely because of price supporting by the issuers.

One of the causes which led to this reversal on the bond market is the fact that *foreigners* on balance not only ceased to buy German fixed-interest securities, but actually realised them. In the second half of 1960 foreigners had acquired German fixed-interest securities amounting to DM 1.18 billion net, namely DM 445 million in the third quarter and DM 733 million in the fourth. Thus of the total net sales of such securi-



ties (reckoned at sale values) foreigners absorbed about 48 per cent, which had of course effectively primed the relaxation of the bond market; and this clearly showed how strongly the interest rate differential had, for months before the easing of the Bundesbank's credit policy, tended to reduce the German rate of interest on capital. In the first months of 1961 also foreigners' purchases of German bonds were still quite considerable in net amount; in the first quarter they amounted to DM 433 million, and in April to DM 136 million (with simultaneous purchases of shares to the extent of DM 269 and 192 million respectively). In May however they declined to DM 58 million; in June, for the first time since the autumn of 1959, sales at DM 21 million actually predominated (a reversal probably all concentrated in the second half of the month); and in July there seems to have been a further increase of net sales<sup>1)</sup>. Obviously so rapid a change, with the orders of magnitude as they are, could not fail to affect the

<sup>1)</sup> Cf. the Table "Private Security Transactions with Foreign Countries" on page 50 of this Report.

market. It appears that the political tensions on account of the Berlin problem had been a major factor in this connection. It is further possible that after the great price rises between mid-1960 and the spring of this year foreigners no longer assessed the further prospects of gain on quotations as very high, and therefore (regardless of the interest differential still existing in this category) refrained from further buying, or in some measure actually proceeded to realise.

But on the part of some *German investors* too the readiness to buy securities has visibly decreased. To the banks however, which have again been of very great importance as security buyers since the start of the year, that applies only subject to qualification. Despite the temporary strain, already reported, on their liquidity the banks at least up till June this year were considerably expanding their holding of German fixed-interest securities, including medium-term notes, although possibly in some cases they did so under compulsion of circumstances and not of their own free will. In April they took a further DM 106 million net into their own holdings, in May about DM 370 million and in June roughly DM 380 million; this was altogether nearly as much as in the first quarter. In the second half of 1960 they had on the other hand reduced their holdings of German fixed-interest securities by about DM 230 million net. In recent months however the other German security buyers, namely institutional investors, business enterprises and private purchasers, took much less of fixed-interest securities than before. If from the overall figures for net placing of such securities<sup>1)</sup> one deducts in each case the net purchases by foreigners and the banks, there remain for the second quarter only about DM 400 million as against some DM 900 million in the first; the decline in purchases by non-banks is accordingly evident.

A fact of importance here may have been that during recent months the resources of some institutional investors, especially of insurance institutions, were evidently used to a continuously great extent for *non-bonded loans* (against borrowers' notes) — which of course also led to a notable cut in the issues of bonds (other than mortgage and communal bonds), especially to a drop in the offering of new industrial bonds. The non-bonded loans taken by major industrial enterprises alone seem in the second quarter to have reached an amount of some DM 300 million. This was partly because the Securities Tax virtually causes discrimination against the issue of industrial bonds as compared with the taking of non-bonded loans. It is true that since

<sup>1)</sup> Reckoned at sale values; excluding the Federal Government's development aid loan.

1959 such loans have also been subject to the Securities Tax, so far as they are divided into individual denominations; but this can in practice be easily evaded. In the case of non-bonded loans moreover many other costs connected with the issue of securities can be avoided, so that in certain circumstances such loans are not dearer than the procurement of capital through the issue of securities even when the nominal terms of interest are higher. At the moment however non-bonded loans are also favoured by the fact that many lenders likewise prefer this form of investment to securities. In fact, within Germany too the further course of quotations for fixed-interest securities is no longer regarded with the same confidence as it still was during the spring, so that a certain wait-and-see attitude to investment has spread. The world political tensions may also be a factor here. There is the further fact that after so great and rapid a rise in quotations as that since mid-1960 the public tends to turn pessimistic with regard to the future movement of security prices, the more so as the decline of interest rates in the spring of this year had brought these roughly to the point at which the reversal had begun in 1959; in these circumstances the foreign selling of course exerted an appreciable influence on the market's mood. Besides this the fact that during recent months the money market was in general no longer so liquid as during the spring, and indeed at times experienced quite heavy strains, visibly impaired the climate of bond markets — especially since at the same time some uncertainty was felt as to the further course of the Bundesbank's interest-rate policy. In May and June, as mentioned, the banks were still acquiring fixed-interest securities on a relatively large scale, but these purchases were effected only at declining prices.

Apart from this the renewed caution of security buyers affected the market all the more because, with the decline in hopes of rapid further falls in interest rates, the previous wait-and-see attitude of borrowers rather began to give place to an inclination to procure capital at a faster pace. This change made itself especially felt on the *mortgage market*. Real-estate credit institutions during recent months received an increasing flow of requests for mortgage loans, which they largely met. In the first quarter of this year the mortgage loans promised by such institutions for house-building had reached a monthly average of about DM 300 million; in April they rose to DM 345 million, in May to nearly DM 400 million and in June to about DM 475 million; thus at a total of DM 1.22 billion in the second quarter they were above the 1960 quarterly average by more than DM 500 million. Since at the same time the payments to borrowers for a time rose

only slightly, the real-estate credit institutions' unfulfilled promises of mortgage loans consequently reached on 30 June this year an amount which — at DM 3.63 billion — exceeded by more than DM 1.3 billion that for the corresponding date of last year. The said institutions could not of course countenance such an increase of their commitments without trying to procure greater resources, especially since the incipient

uncertainty about the further course of interest rates made it seem unadvisable to leave largely to the future, in reliance on the slower rate of out-payments to borrowers, the finding of funds to finance their assurances of loans. Thus the mortgage borrowers' increased demand, which many of the institutions evidently met quite generously, obliged the real-estate credit institutions to make efforts — regardless of the decline in the

Placing of Securities <sup>1)</sup>

in millions of DM

Period	Bonds of German issuers						Loans of foreign issuers	Fixed-interest-bearing securities total	Shares	Fixed-interest-bearing securities and shares total
	Mortgage bonds	Communal bonds	Bonds of specialised credit institutions	Industrial bonds	Public loan issues	Other bonds				
	Gross placing									
1959 1st qtr.	838.0	806.8	194.5	283.8	640.2	0.0	124.6	2,887.9	279.3	3,167.2
2nd qtr.	615.0	652.0	152.6	425.8	834.3	—	220.0	2,899.7	110.9	3,010.6
Saarland <sup>2)</sup>										
1948 to mid-1959	106.2	77.6	—	—	—	—	—	183.8	125.8	309.6
3rd qtr.	756.9	416.6	299.8	127.8	462.4	0.0	—	2,063.5	552.0	2,615.5
4th qtr.	733.9	410.7	183.2	81.3	603.3	0.8	—	2,013.2	315.0	2,328.2
1960 1st qtr.	625.5	258.8	257.6	27.5	572.3	—	44.8	1,786.5	645.4	2,431.9
2nd qtr.	452.6	194.1	109.4	—	33.3	—	—	789.4	560.9	1,350.3
3rd qtr.	718.2	405.8	63.9	—	341.8	3.0	—	1,532.7	407.2	1,939.9
4th qtr.	547.1	261.2	70.2	—	385.2	—	—	1,263.7	291.0	1,554.7
1961 1st qtr.	878.6	737.2	304.4	119.6	1,333.8 <sup>3)</sup>	—	—	3,373.6 <sup>3)</sup>	687.4	4,061.0
2nd qtr.	905.9	686.2	253.4	50.0	310.3 <sup>3)</sup>	25.3	—	2,231.1 <sup>3)</sup>	421.5	2,652.6
April	265.6	210.0	89.2	—	110.7 <sup>3)</sup>	—	—	675.5 <sup>3)</sup>	94.0	769.5
May	239.2	225.2	91.8	—	195.6 <sup>3)</sup>	11.0	—	762.8 <sup>3)</sup>	138.6	901.4
June	401.1	251.0	72.4	50.0	4.0 <sup>3)</sup>	14.3	—	792.8 <sup>3)</sup>	188.9	981.7
	Redemption									
1959 1st qtr.	39.1	57.8	55.8	34.7	29.9	—	—	217.3	—	217.3
2nd qtr.	53.3	72.1	9.1	57.3	413.1	—	—	604.9	—	604.9
Saarland <sup>2)</sup>										
1948 to mid-1959	—	—	—	—	—	—	—	—	—	—
3rd qtr.	49.0	44.5	1.6	78.9	113.3	0.1	—	287.4	—	287.4
4th qtr.	90.1	48.8	42.9	134.9	46.9	3.7	—	367.3	—	367.3
1960 1st qtr.	33.2	42.3	47.9	142.3	57.0	—	—	322.7	—	322.7
2nd qtr.	19.6	41.8	20.5	208.9	60.8	0.1	—	351.7	—	351.7
3rd qtr.	31.3	30.8	24.7	21.9	14.7	0.0	—	123.4	—	123.4
4th qtr.	31.9	61.6	42.9	30.8	17.9	3.5	—	188.6	—	188.6
1961 1st qtr.	30.7	104.6	86.3	115.2	38.4	—	—	375.2	—	375.2
2nd qtr.	89.8	189.9	114.0	31.0	7.1	0.1	—	431.9	—	431.9
April	21.5	35.2	87.9	6.0	3.3	—	—	153.9	—	153.9
May	11.0	28.5	4.3	23.0	2.0	—	—	68.8	—	68.8
June	57.3	126.2	21.8	2.0	1.8	0.1	—	209.2	—	209.2
	Net placing <sup>4)</sup>									
1959 1st qtr.	798.9	749.0	138.7	249.1	610.3	0.0	124.6	2,670.6	279.3	2,949.9
2nd qtr.	561.7	579.9	143.5	368.5	421.2	—	220.0	2,294.8	110.9	2,405.7
Saarland <sup>2)</sup>										
1948 to mid-1959	106.2	77.6	—	—	—	—	—	183.8	125.8	309.6
3rd qtr.	707.9	372.1	298.2	48.9	349.1	— 0.1	—	1,776.1	552.0	2,328.1
4th qtr.	643.8	361.9	140.3	— 53.6	556.4	— 2.9	—	1,645.9	315.0	1,960.9
1960 1st qtr.	592.3	216.5	209.7	— 114.8	515.3	—	44.8	1,463.8	645.4	2,109.2
2nd qtr.	433.0	152.3	88.9	— 208.9	— 27.5	— 0.1	—	437.7	560.9	998.6
3rd qtr.	686.9	375.0	39.2	— 21.9	327.1	3.0	—	1,409.3	407.2	1,816.5
4th qtr.	515.2	199.6	27.3	— 30.8	367.3	— 3.5	—	1,075.1	291.0	1,366.1
1961 1st qtr.	847.9	632.6	218.1	4.4	1,295.4	—	—	2,298.4	687.4	3,685.8
2nd qtr.	816.1	496.3	139.4	19.0	303.2	25.2	—	1,799.2	421.5	2,220.7
April	244.1	174.8	1.3	— 6.0	107.4	—	—	521.6	94.0	615.6
May	228.2	196.7	87.5	— 23.0	193.6	11.0	—	694.0	138.6	832.6
June	343.8	124.8	50.6	48.0	2.2	14.2	—	583.6	188.9	772.5

<sup>1)</sup> From third quarter 1959 onwards including the Saarland. — <sup>2)</sup> Amounts in French francs converted at the rate of ffrs 100 = DM 0.8507. — <sup>3)</sup> Including 5 % loan of the Federal Republic of Germany (Development Aid) in the following amounts: DM 794.9 million in January 1961; DM 33.0 million in February 1961; DM 30.0 million in March 1961; DM 857.9 million in the first quarter of 1961; DM 110.7 million in April 1961; DM 195.6 million in May 1961; DM 4.0 million in June 1961; DM 310.3 million in the second quarter of 1961. — <sup>4)</sup> I. e., gross placing less redemption; the minus sign indicates an excess of redemption over the amount newly placed during the period indicated.

market's absorptive power — considerably to expand their liabilities-side business. Hence the *issues of new mortgage and communal bonds* rose from DM 1.5 billion in the first quarter to DM 1.8 billion in the second; at this level they were above that for the corresponding quarter of last year by DM 1.12 billion. In point of fact the institutions also succeeded, contrary to the seasonal tendency, in keeping their placings relatively high. These amounted to nearly DM 1.6 billion gross in the period from April to June, thus falling only a little short of the DM 1.62 billion for the first quarter, although the amount in the second quarter is as a rule a good deal lower than in the first, when strong investment demand following the heavy interest payment due at the turn of the year makes itself much felt; in June especially the placings were relatively high at DM 652 million as against DM 464 and 476 million respectively in the two preceding months. As already mentioned, however, this success entailed appreciable price reductions.

In view of this forced selling of relatively large amounts of real-estate credit institutions' bonds the fact that the remaining issuers resorted only slightly to the market during recent months produced practically no relaxation. These other issuers placed securities during the second quarter to the extent of only about DM 330 million against DM 900 million in the first. It is true that the figure does not include the payment of subscriptions, made in the second quarter to a total extent of DM 310 million, to industry's development aid loan to the Federal Government; with these included however the difference from the first quarter would actually be even greater because that loan — originally agreed at DM 1.5 billion — already produced in the first quarter just on DM 860 million, that is more than the first tranche, actually laid down for the payment date in that quarter, of 50 per cent of the contemplated total amount. Of the above-mentioned sales amounting to DM 330 million (for issues other than those of mortgage and communal bonds) loans issued by specialised credit institutions accounted for about DM 255 million, bonds of industrial enterprises for DM 50 million and other bonds for DM 25 million. No public authorities' bonds were offered on the market during the second quarter; but at the close of it the market was already under the influence of the Federal Railways' DM 250 million loan issued in the first half of July. The vacuum left on the issue market during recent months by other issuers was however largely filled by the mortgage bond institutions, as already stated, so that they prevented the market during this critical phase from obtaining corresponding relief on the side of demand. True, the

restraint which business enterprises in particular have of late displayed on the issue market can be regarded only subject to qualification as relief because, as shown above, it was largely accompanied by continued considerable taking of non-bonded loans, and these doubtless deprived the market of funds which would otherwise have been available for investment in securities.

The fact that despite the above-described unfavourable conditions, as to which attention may again be specially drawn to the contraction and then the complete cessation of foreign demand, fixed-interest securities to a total gross extent of DM 1.92 billion (excluding the development aid loan) were placed in the second quarter is on the other hand a significant indication that the basic state of the market remains good. At about DM 550 million (issue value) in June the net domestic placings of fixed-interest securities were, after all, two and a half times as great as the monthly average for the second half of 1960; even on the monthly average for the first quarter of the present year this amount was only slightly exceeded if, as was done with the figures for the second quarter, the payments of subscriptions for the development aid loan are eliminated. So far therefore the market's deterioration has been mainly reflected in a decline of quotations, but less in a contraction of placings that is cyclical in the sense of exceeding the second quarter's seasonal decline — at least so far as the said placings were due to German buying. In fact the persistently high and even rising formation of savings affords a good basis for the further progress of the market, the more so since savings formation is also growing in those sectors whose resources are most readily invested in securities, such as social insurance institutions and private households with higher incomes. On a longer view moreover the gradually beginning return of investment demand to normal, as reported in the chapter on Production and Markets, will perhaps tend to produce an improvement of market conditions from the side of demand. The fact that during recent months there has been a certain setback is at all events mainly due to the disappearance — entirely welcome from the balance-of-payments angle — of foreign buying, without full compensation through buying by residents. Both were largely due to psychological factors; in particular the caution shown by certain groups of German buyers is no doubt largely if not entirely due to a certain nervousness in their assessment of the further course of quotations. These inhibitions may however disappear if the foreign-policy tensions slacken, and if the tendencies to monetary liquidity again become stronger, as would be in accordance with the continuing large surpluses on current items of the balance of pay-

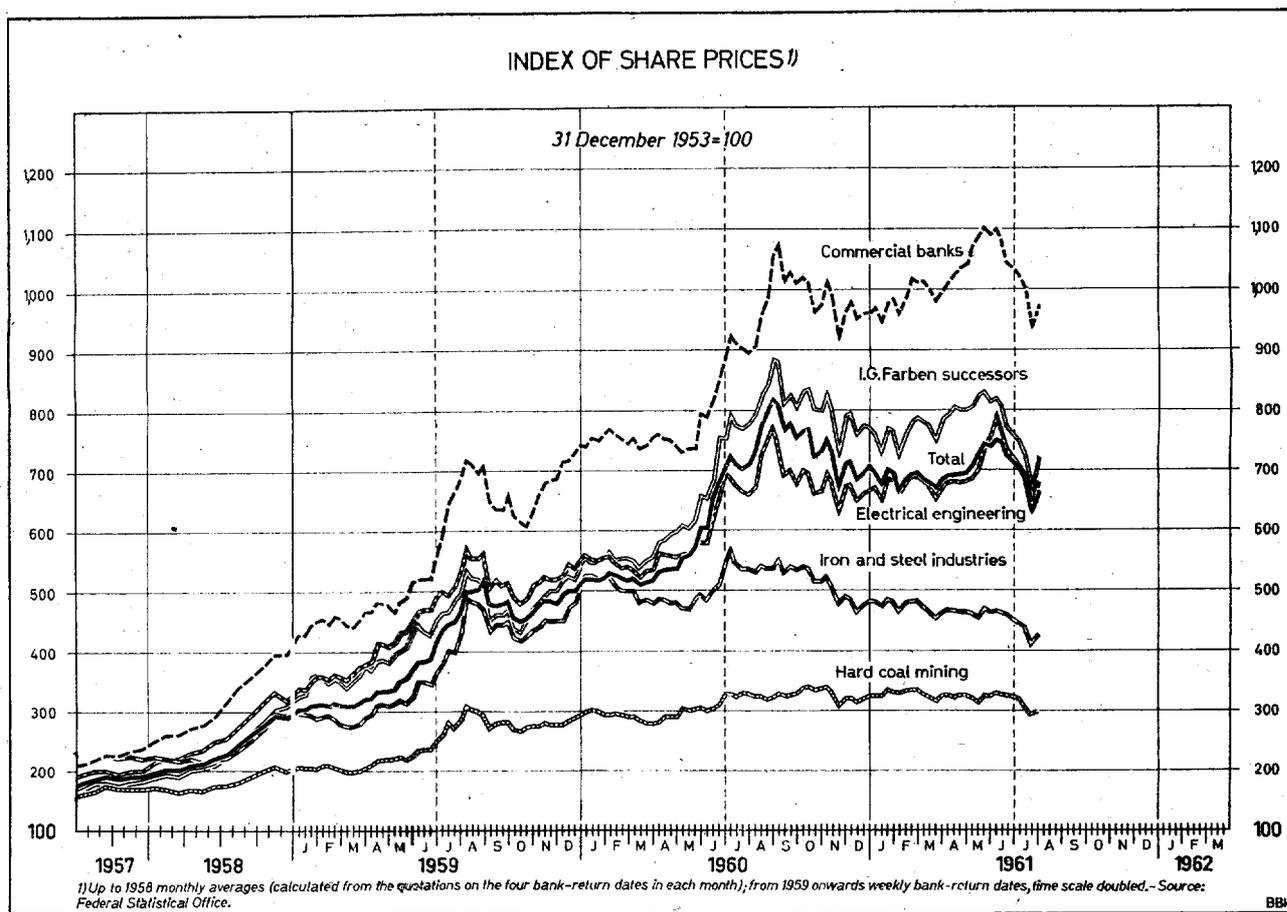
ments and the interest differential which still persists as against some foreign countries.

### Share Market

The share market was subject in the period under report to very wide price fluctuations. Up till the beginning of June it was still marked by the boom which had begun at the end of March. Then however there was a fall which brought down the *index of quotations* calculated by the Federal Statistical Office (31 Dec. 1953 = 100) from 754 on 7 June to 639 on 21 July, which was even below this year's previous low point for that index, namely 668 on 7 February. It is not yet possible to see whether the price rises apparent in some quarters during the last ten days of July (the share price index again rose to 665 by 31 July) represent more than merely short-term interim recovery. The fall in June and July most affected electrical engineering and vehicle building shares, which during the previous rising phase had likewise achieved the greatest gains (at the peak of the rise electrical engineering — like bank — shares had actually risen above their previous highs reached in the summer of 1960). Relatively small price falls were on the other hand

suffered by coal and steel shares, which had hardly shared in the preceding rise.

The impulse causing the last two months' price falls, some of them very sharp, seems to have come primarily from the intensifying of world political conflicts after the Vienna summit meeting. *Foreigners* in particular then began to sell, while on most foreign stock exchanges notable downward pressure was felt after that meeting. The foreign selling affected the market all the more because the rise in April and May had likewise been much affected by foreign influences. In those two months, according to our statistics, foreigners had acquired German shares amounting at net sale value to over DM 190 million and nearly DM 170 million respectively; in June however the purchases by foreigners declined to DM 45 million net, and in July, for which no figures are yet to hand, the sales appear to have exceeded the purchases. The price falls thereby induced understandably also caused German selling, in some cases quite considerable. Besides this the more recent course of the business cycle is now in all probability increasingly taking the wind out of the share market's sails. In most industries, especially the basic and capital goods industries (which in this connection are especially important), the excess demand is gradu-



ally declining; competition, not least by foreigners, is becoming keener; and it is therefore growing more difficult to pass on in prices further large cost increases, such in particular as are to be expected from the still impending wage rounds. Consequently profit margins are under pressure; and it is only natural that, so long as no new factors emerge, this should also affect share quotations.

A further pointer to the deterioration in the climate of the market during recent months, apart from the fall in prices of old shares, was the decline in investors' readiness to take new shares resulting from capital increases. Whereas during the period of rising quotations dealings always took place at the calculated parity or even higher in the subscription rights reaching the market, and as late as the beginning of June the market readily took a share issue so large as that of a major chemical industry company amounting, at issue value, to DM 300 million (the largest issue on the German share market since the war), the subscription rights were thereafter almost regularly quoted below par. It is true that during this period the demands made on the market were also particularly great. Thus in June the *placings of new shares*, at issue value, reached the substantial amount of DM 430 million against DM 167 and 187 million respectively in the two previous months. Altogether the shares placed in the second quarter amounted to over DM 420 million nominal, with an issue value of DM 785 million. The result of placings was thus again substantial, even though it did not equal that for the previous quarter (DM 687 million nominal and DM 1,063 million at issue value).

In consequence of the many dividend increases announced during the period under report the average dividend on quoted shares rose by a further large margin, from 12.15 % at the end of March to 13.20 % at the end of June. Since the average quotations rose only relatively little during that period, the average *yield on shares* improved in the same space of time from 2.11 % to 2.19 %. In July, in view of the sharp fall in the level of prices, it is likely to have risen to an estimated 2.4 %.

#### Monetary Analysis

To sum up and supplement the preceding remarks let us finally continue the "Monetary Analysis", in which we describe — for somewhat longer periods at a time — the movement of the domestic "volume of money" and of its most important determinants. The analysis is based on the "Consolidated Condition Statement for the Credit Institutions including the Deutsche Bundesbank" (see Table I/1 in the Statistical Section of the Monthly Report), while the statements

on the banks' assets and liabilities-side business relate to the "other banks", that is the banks rendering monthly returns, to the exclusion of the Bundesbank. A further special feature of the data used in this analysis lies in the limitation of the individual data for lending, for monetary capital formation and for the "volume of money" to the relations of the domestic banking system to its *German* customers, whereas the statistically recorded assets and liabilities-side transactions with foreign countries have here been lumped together into an overall figure for "net claims on other countries". Apart from this, attention is drawn to the footnotes to the table on page 20, in which the most important statistical data for this analysis are collated.

Much the strongest expansive influence on the course of the money supply was so far this year produced, as usual, by the enlargement of the *volume of credit*. In the first half of 1961 the total increase of short, medium and long-term lendings to domestic non-banks (including the rise in the banks' commitment on securities of such customers) amounted to around DM 11.75 billion, being thus once again much greater than in the corresponding period of the two preceding years, when it had reached about DM 8.3 billion in 1960 and something over DM 7.4 billion in 1959. As already indicated elsewhere, this substantial rise was due to the great expansion of short-term lendings. So far as the Bundesbank shared in that rise (as is shown by the table mentioned, it did so in the first half of 1961 to the net extent of over a quarter of a billion DM), it was a matter solely of special credits granted to the Federal Government to permit fulfilment of liabilities to international organisations (in accordance with Article 20, paragraph 1, item 2 of the Bundesbank Law), which credits were used for corresponding foreign payments and did not — at least not directly — expand the internal monetary circulation. The relevant special credits actually increased by over half a billion DM in the first half of 1961; to the extent of about one-half however their increase was offset by the reduction in the Bundesbank's holding — as usual somewhat greater at the end of the year — of German public issuers' money-market paper, as well as in the cash advance taken at that time by the Federal Government.

The greater expansion of credit was however accompanied by much greater *monetary capital formation* at the banks from domestic sources. If the time deposits at shorter term (that is fixed for up to six months) are included in monetary capital formation, this amounted in the first half-year to over DM 10.7 billion as against DM 7.1 billion in the corresponding period of 1960 and DM 6.1 billion in that of 1959; without the shorter-term time deposits (which declined

Money Supply \*)

Increase (+) or decrease (-) in millions of DM

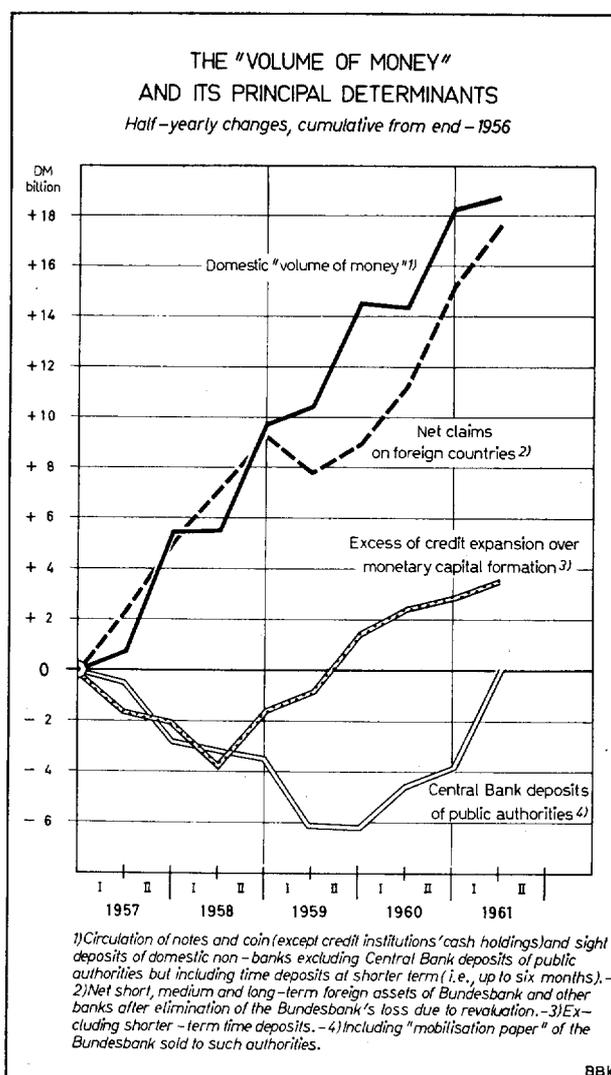
Items	Yearly figures			Year	Quarterly figures				January to June
	1958	1959	1960		1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	
<b>I. Bank lendings to German non-banks, total</b>	+12,542	+18,096	+17,307	1959 +2,682	+4,761	+5,500	+5,153	+7,443	
				1960 +4,068	+4,260	+3,998	+4,981	+8,328	
				1961 +5,242	+6,522 P)			+11,764 P)	
(1) Short-term lendings (including holdings of domestic Treasury bills and non-interest-bearing Treasury bonds but excluding "mobilisation paper" 1)), total	+ 301	+ 3,003	+ 5,512	1959 - 171	+1,243	+ 994	+ 937	+ 1,072	
				1960 +1,462	+1,387	+ 850	+1,813	+ 2,849	
				1961 +1,817	+2,751 P)			+ 4,568 P)	
of which:				1959 + 12	+ 498	+1,173	+ 633	+ 510	
Credit institutions (except Bundesbank)	+ 91	+ 2,316	+ 5,447	1960 +1,577	+1,432	+ 871	+1,567	+ 3,009	
				1961 +1,893	+2,399 P)			+ 4,292 P)	
Bundesbank 2)	+ 210	+ 687	+ 65	1959 - 183	+ 745	- 179	+ 304	+ 562	
				1960 - 115	- 45	- 21	+ 246	- 160	
				1961 - 76	+ 352			+ 276	
including:				1959 ( - )	( - )	(+ 514)	(+ 35)	( - )	
Special credits to Fed. Govt. for meeting its obligations to I.M.F., L.B.R.D. and European Fund 3)	(+ 271)	(+ 549)	(+ 177)	1960 (+ 37)	(+ 89)	(+ 4)	(+ 47)	(+ 126)	
				1961 (+ 181)	(+ 362)			(+ 543)	
(2) Medium and long-term lendings to German non-banks	+10,544	+13,479	+11,743	1959 +2,374	+3,069	+4,026	+4,010	+ 5,443	
				1960 +2,307	+2,973	+3,075	+3,388	+ 5,280	
				1961 +3,275	+3,574 P)			+ 6,849 P)	
(3) Holdings of German securities and syndicate participations (except bank bonds 4))	+ 1,697	+ 1,614	+ 52	1959 + 479	+ 449	+ 480	+ 206	+ 928	
				1960 + 299	- 100	+ 73	- 220	+ 199	
				1961 + 150	+ 197 P)			+ 347 P)	
<b>II. Formation of monetary capital at credit institutions out of domestic sources, total</b>	+11,598	+15,187	+16,170	1959 +3,378	+2,728	+3,486	+5,595	+ 6,106	
				1960 +3,928	+3,172	+3,916	+5,154	+7,100	
				1961 +6,526	+4,200 P)			+10,726 P)	
(1) Residents' savings deposits 5)	+ 6,737	+ 8,146	+ 7,960	1959 +2,223	+1,650	+1,661	+2,612	+ 3,873	
				1960 +2,115	+1,359	+1,456	+3,030	+ 3,474	
				1961 +2,422	+1,139 P)			+ 3,561 P)	
(2) Residents' time deposits, total	+ 1,013	+ 1,678	+ 1,040	1959 + 119	+ 32	+ 641	+ 886	+ 151	
				1960 + 628	- 188	+ 352	+ 248	+ 440	
				1961 + 994	+ 693 P)			+ 1,687 P)	
including:				1959 (+ 336)	(+ 404)	(+ 237)	(+ 572)	(+ 740)	
at notice or fixed period of 6 months or more	(+ 1,494)	(+ 1,549)	(+ 794)	1960 (+ 364)	(+ 370)	(+ 211)	(- 151)	(+ 734)	
				1961 (+1,026)	(+ 996 P)			(+ 2,022 P)	
(3) German bank bonds in circulation (except those held by credit institutions 6))	+ 1,057	+ 2,744	+ 3,118	1959 + 846	+ 506	+ 637	+ 755	+ 1,352	
				1960 + 710	+ 600	+ 907	+ 901	+ 1,310	
				1961 +1,154	+ 649 P)			+ 1,803 P)	
(4) Monies and loans taken from German non-banks at longer term	+ 1,667	+ 1,246	+ 2,636	1959 - 174	+ 159	+ 218	+1,043	- 15	
				1960 + 84	+ 854	+ 996	+ 702	+ 938	
				1961 +1,489	+1,091 P)			+ 2,580 P)	
(5) Capital and reserves according to Art. 11, German Banking Law	+ 1,124	+ 1,373	+ 1,416	1959 + 364	+ 381	+ 329	+ 299	+ 745	
				1960 + 391	+ 547	+ 205	+ 273	+ 938	
				1961 + 467	+ 628 P)			+ 1,095 P)	
<b>III. Net claims on foreign countries 7) (Bundesbank and other banks)</b>	+ 4,218	- 261	+ 6,269	1959 -1,527	+ 157	+ 8	+1,101	- 1,370	
				1960 + 313	+1,992	+2,466	+1,498	+ 2,305	
				1961 +3,240 11)	- 816 P) 12)			+ 2,424 P)	
note: Influx of funds (+) into the economy due to foreign exchange transactions 8)	(+ 6,816)	(+ 5,699)	(+ 9,541)	1959 (+1,202)	(+1,142)	(+1,528)	(+1,827)	(+ 2,344)	
				1960 (+1,612)	(+2,698)	(+2,713)	(+2,518)	(+ 4,310)	
				1961 (+3,936)	(+3,175 P)			(+ 7,111 P)	
<b>IV. Note and coin circulation 9) and sight deposits of German non-banks (except German public authorities' Central Bank deposits)</b>	+ 4,771	+ 4,685	+ 3,408	1959 - 405	+1,705	+1,319	+2,066	+ 1,300	
				1960 -1,272	+1,349	+ 639	+2,692	+ 77	
				1961 -1,625	+2,495 P)			+ 870 P)	
of which:				1959 + 87	+ 406	+ 554	+ 382	+ 493	
Note and coin circulation 9)	+ 1,479	+ 1,429	+ 1,428	1960 + 121	+ 506	+ 975	- 174	+ 627	
				1961 + 809	+ 484 P)			+ 1,293 P)	
Sight deposits	+ 3,292	+ 3,256	+ 1,980	1959 - 492	+1,299	+ 765	+1,684	+ 807	
				1960 -1,393	+ 843	- 336	+2,866	- 550	
				1961 -2,434	+2,011 P)			- 423 P)	
<b>V. Central Bank deposits of German public authorities 10) as well as mobilisation paper sold to such authorities</b>	- 671	- 2,686	+ 2,304	1959 -2,237	- 370	- 14	- 65	- 2,607	
				1960 + 839	+ 745	+1,025	- 305	+ 1,584	
				1961 +2,718	+1,133 13)			+ 3,851 13)	
<b>VI. Residents' time deposits at notice or fixed period of less than 6 months</b>	- 481	+ 129	+ 246	1959 - 217	- 372	+ 404	+ 314	- 589	
				1960 + 264	- 558	+ 141	+ 399	- 294	
				1961 - 32	- 303 P)			- 335 P)	

\*) The data in this survey relate to the area of the Federal Republic (up to December 1959 not including the Saarland) including Berlin (West). They are based on the "Consolidated Condition Statement for the Credit Institutions including the Deutsche Bundesbank" (see Table I 1 of the Statistical Section). Apart from the "consolidation" of the figures for the credit institutions and those for the Bundesbank, one peculiarity for the purpose of this table lies in the fact that assets and liabilities in respect of foreign countries - except for DM notes and coins and bank bonds held by foreigners, which cannot be ascertained - have been summed up in one overall net total and are, therefore, not contained in any of the other items. - 1) I. e., Federal Treasury bills and non-interest-bearing Treasury bonds deriving from exchange for a corresponding partial amount of the Bundesbank's equalisation claim, the taking of which paper by the banks does not represent any additional granting of credit to non-banks. - 2) Apart from the special credits to the Federal Government listed below, this item mainly contains the cash advances granted as book credits by the Bundesbank to public authorities, and the credits granted by the taking into the Bundesbank's portfolio of Treasury bills and non-interest-bearing Treasury bonds (other than mobilisation paper). - 3) These credits granted in accordance with Art. 20 par. (1) item 2 of the Bundesbank Law involve the taking of foreign exchange from the Bundesbank and in so far do not directly affect the domestic circulation of money. - 4) Banks' holdings of other banks' bonds do not represent any immediate granting of credit to non-banks but form part of inter-bank indebtedness. - 5) Amounts credited as currency conversion compensation for expelled persons or as compensation for holders of old savings are taken into account only in so far as covering claims on the Equalisation of Burdens Fund were redeemed. - 6) Set off against the credit institutions' holdings of their own and other banks' bonds; bonds issued under the compensation scheme for holders of old savings are taken into account only in so far as covering claims on the Equalisation of Burdens Fund were redeemed. - 7) Including I.B.R.D. bonds taken by Bundesbank. - 8) Change in banks' net claims on foreign countries after elimination of public authorities' net foreign payments (only actual payments out of credit balances and borrowing, excluding guarantees granted and credits opened), as well as the Bundesbank's interest income on its foreign investments. - 9) Excluding the credit institutions' cash holdings, but including DM notes and coins held abroad. - 10) Including, until end-1958, deposits of agencies of the former occupying powers. - 11) After elimination of the Bundesbank's loss resulting from revaluation. - 12) The decline in net claims on foreign countries is exclusively due to the Bundesbank's acquisition of roughly DM 3.1 billion of claims on the Federal Government in respect of post-war economic aid. - 13) Including also those proceeds from the partial denationalisation of the Volkswagen Works which were passed on to the account of the E.R.P. Special Fund. - P) Partly estimated. - P) Provisional.

in all the periods considered) it amounted indeed to nearly DM 11.1 billion (against about DM 7.4 and 6.7 billion respectively in the comparable periods of the two preceding years). Apart from an increase in the addition to savings deposits and in the sales of bank bonds it was especially the vigorous rise of domestic time deposits (the causes of which have been described elsewhere) that increased monetary capital formation at the banks; this rise was confined, as already stated, to the longer-term time deposits (that is deposits running for agreed periods, or at agreed notice, of six months or more), which increased in the first half of 1961 by over DM 2 billion against not quite DM 750 million in the corresponding period of each of the two preceding years.

Of even greater importance in this connection was the increase of borrowing by banks from German non-banks. This is primarily explained, as shown in another connection, by the transfer of monies for development assistance to the banking system (or, more precisely, to the Reconstruction Loan Corporation, which is one of the credit institutions rendering monthly returns). At about DM 1.3 billion these special additions corresponded to roughly half the total monies and loans accruing. Of late therefore the monetary capital formation at the banks has contained, to no small extent, amounts which are being or will be used not in the banks' domestic lendings but in their credit business abroad. In future also the official capital exports channelled through the banking system are likely to be a relatively important factor in the formation of monetary capital at the banks. In the immediate future there is in particular to be expected the addition of the monies arising from the partial denationalisation of the Volkswagen Works and earmarked for development aid, which monies have so far been on accounts at the Bundesbank and hitherto have produced only a negative effect on the "monetary capital formation at banks", because their accrual was in part undoubtedly at the cost of other forms of monetary capital formation at banks, especially of savings deposits.

For these reasons the formation of monetary capital in the first half of 1961 can again be compared only subject to reservations with the simultaneous expansion of credit. Even so the available figures show that the excess of "domestic" credit expansion over domestic monetary capital formation in the first six months of this year was smaller than in the corresponding periods of the last two years. If the shorter-term time deposits are included in monetary capital formation, the excess credit expansion in the period under report amounted to over DM 1 billion, against DM 1.23 billion in the first half of 1960 and DM 1.34 bil-



lion in the first half of 1959; if such deposits are excluded, the corresponding figures are DM 0.70, 0.93 and 0.75 billion respectively. While these figures merely sketch orders of magnitude, since more precise recording is impossible owing to difficulties of definition and allocation, it may nevertheless be taken as certain that the monies reaching domestic customers as a result of lending by the German banking system have had against them saving processes at the banks to a greater extent than in the preceding years. With the inclusion of the amounts (about DM 980 million up to the end of June) which were used to acquire Volkswagen shares, but have not yet appeared in monetary capital formation at banks, the "domestic" credit expansion would actually have been "covered" in full by domestic monetary capital formation, even though in the first half of the year the volume of credit has never before risen by so much as this year.

On the other hand the growth produced by external influences in money holdings remained substantial. That however is reflected only incompletely in the in-

crease of the total "net claims by the Bundesbank and other banks on foreign countries", which increase amounted in the first half of 1961 to over DM 2.4 billion<sup>1)</sup> (as compared with an increase by DM 2.3 billion in the first half of 1960, and a decrease by nearly DM 1.4 billion in the corresponding period of 1959), because this balance was depressed to a particularly great extent during the period in question by transactions which for the time being were "neutral" in their effect on the internal money circulation. Apart from foreign payments by public authorities (principally the Federal Government) out of their Central Bank balances, this was mainly true of the premature repayment of German post-war debts<sup>2)</sup>, through which the Bundesbank's exchange reserves were reduced by DM 3.1 billion without domestic money holdings being consequently diminished. Hence the growth of net foreign assets in the entire banking system as a result of net exchange sales by the "economy" was a good deal greater than the figures above indicate. It amounted in the first half of 1961 to about DM 7.1 billion, against roughly DM 5.25 billion in the second and DM 4.3 billion in the first half of 1960; in the first and second halves of 1959 it had amounted to DM 2.3 and 3.4 billion respectively. Thus as a result of net foreign exchange sales to the banking system the liquidity margin of the "economy" (with the addition of those public authorities which are not obliged to keep their liquid funds entirely or at least mainly at the Bundesbank) increased by much more in the first half of 1961 than before. To this it may however be added that nearly three-quarters of the total fell in the first four months of the present year (that is a time when monetary and credit conditions were in some cases the opposite of what they now are), whereas the addition to the "economy's" liquidity as the result of exchange accruals in May and June was noticeably smaller than in any of the four previous months, even though the "economy's" increased efforts to fix exchange rates after revaluation of the DM visibly promoted borrowing abroad.

Despite the considerable predominance of the factors tending on the whole to expand the money supply, however, the expansion of the "volume of money" so far this year has been relatively small if — apart from the increase in the note and coin circulation (less the banks' cash holdings) — one takes into account only the rise in domestic sight deposits excluding the Central Bank deposits of public authorities. On this definition

<sup>1)</sup> With the change in the valuing of the Bundesbank's monetary reserves due to the DM revaluation eliminated.

<sup>2)</sup> As to this see the special study, already mentioned elsewhere, on pages 51 and 52 of the Monthly Report for April 1961.

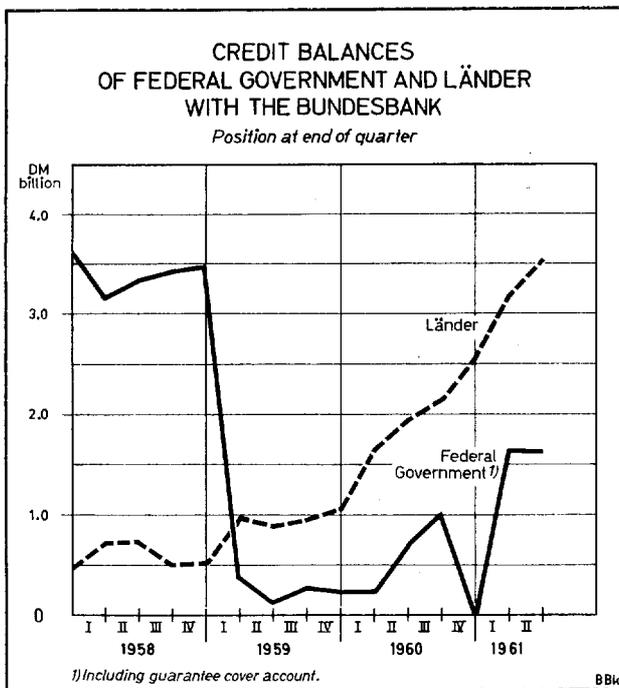
— mainly based on the private sector's liquid claims — of the "volume of money" (public deposits are included in it, on this definition, only in so far as they are kept at banks other than the Bundesbank), its expansion in the first half of the current year amounted to not quite DM 0.9 billion against some DM 0.1 billion in the first half of 1960 and DM 1.3 billion in the corresponding period of 1959. If one also includes the — declining — shorter-term time deposits, one finds for the period under report only an increase by something over half a billion DM, as compared with a decrease by about a quarter of a billion DM in the first half of 1960 and a rise by nearly three-quarters of a billion DM in that period of 1959.

On the other hand the *Central Bank deposits of German public authorities* have risen all the more during recent months, namely (if the monies transferred to an account of the ERP Special Fund as a result of partial transfer of the Volkswagen Works into private ownership are included) by over DM 3.8 billion, which corresponds to nearly two and a half times the addition of DM 1.55 billion for the corresponding period of the previous year; in the first half of 1959 on the other hand, as a result of the clearance of the "Julius Tower" at that time, such deposits had declined by DM 2.6 billion. If one adds to the Central Bank deposits of public authorities the mobilisation paper sold to such authorities, then as shown by the table (see item V) the rise was somewhat greater both this year and last. At the same time the monies which accrued in connection with the development aid loan and the partial denationalisation of the Volkswagen Works, and which were at the outset all collected on accounts of the Federal Government at the Bundesbank, contributed to the extent of only just on DM 1 billion net towards increasing such deposits, because by the end of June this year the greater part of the monies in question had already been paid away in the manner described. Thus a very large part of the liquidity accruing to the domestic economy has been absorbed this year through the considerable concentration of funds on the public authorities' Central Bank accounts, in which connection the question is of course justified whether the expansive factors (in particular the borrowing by the "economy") would have been so great without the persistent sterilisation of money on public accounts. Since moreover a substantial part of the payments made to the debit of public authorities' Central Bank balances went abroad, the contraction of the domestic money circulation through public authorities' cash transactions was even greater than can be seen from the mere rise in deposits at the Bundesbank.

## Public Finances

### The Central Public Authorities

In the second quarter of 1961 the central public authorities — the Federal Government, the Länder and the Equalisation of Burdens Fund — showed cash surpluses, although these were much smaller, as a whole, than in the first quarter. Accordingly these authorities' total balances at the Bundesbank have grown less rapidly in the last few months than before; still, at the end of June they amounted to nearly DM 5.4 billion, against over DM 5.0 billion at the end of March this year and not quite DM 2.7 billion at the end of December 1960. At the end of July they stood at roughly DM 5.0 billion; here it must be borne in mind that in that month a decrease is the rule because none of the said authorities has a large amount of taxes or levies falling due in July. Of the total on 31 July the Federal Government accounted for about DM 1.3 billion (excluding the earmarked proceeds of denationalising the Volkswagen Works), and the Länder for some DM 3.6 billion.



The fact that surplus formation by the Federal Government and the Länder in recent months was slower than in the first quarter is exclusively due to the course of expenditure. In the case of the Federal Government especially, the outgoings were substantially greater than during the first quarter. In part this is explained by the change of the financial year (previously 1 April until 31 March) to the calendar year. This year,

as always in the first quarter of any financial year, the expenditure in the months from January to March had in consequence been relatively low, while during the subsequent months the rise usual in the second quarter of the financial year occurred. A further important factor — mainly in the case of the Federal Government — was certain items of extraordinary expenditure such as repayment of liabilities to the Bundesbank and payment of contributions by the Länder towards development assistance; together these and similar outgoings amounted to about DM 1 billion. In addition however current expenditure during the second quarter was higher than in the first, mainly because of the increase in employees' and workers' remuneration with effect from 1 April this year.

From the monetary point of view it is however noteworthy that a part of the expenditure increases favoured the growth neither of domestic incomes nor of liquidity, and pro tanto the restrictive effects produced by the movement in the central authorities' cash on incomes and liquidity have not weakened so much as the figures showing the decrease in the total surpluses might suggest. On the contrary, the "internally effective" surpluses remained considerably greater than the surpluses as a whole, even though in their case also a change has appeared.

### Tax Revenues of the Federal Government and Länder

The reason why the course of the public finances was still very favourable continued to be the rise in receipts, especially in the tax revenues of the Federal Government and Länder. Altogether these produced in the second quarter something over DM 15.9 billion as against nearly DM 13.5 billion in the second quarter of 1960. It is true that at 18.1 per cent the year-to-year rate of growth was somewhat lower than those of 19.8 per cent in the first quarter of 1961 and 20.7 per cent in the fourth quarter of 1960, but it was much greater than in almost any other quarter since the start of the cyclical upswing in the spring of 1959. Among the Income Taxes, the total proceeds of which were above those for the corresponding period of last year by 27.2 per cent (against 29.6 per cent in the first quarter), the movement in the Wages Tax is of special interest. In its case the annual rate of growth declined from about 41 per cent in April to 28 per cent in May and 27 per cent in June. This left it lower in June than in any other month since the beginning of 1960. No doubt this was partly due to the fact that since April it has no longer been possible to increase the number of

persons employed so much as a year previously, because the number was already very high in the first quarter, showing little seasonal reduction. The proceeds of the Turnover Tax, higher than a year earlier by 10.3 per cent in the second quarter as against 12.3 per cent in the previous quarter and 14.4 per cent in the second quarter of 1960, have also slowed down their expansion. The same applies to the total proceeds of Excise, although movements have greatly diverged as between individual duties.

On comparing the actual yield of the Federal and Länder taxes with the latest official estimates (made in May this year) for 1961, one finds that out of the additional receipts estimated to amount for the whole year to DM 10.1 billion precisely one-half, namely 5.05 billion, was received in the first half-year. Although it accords with the seasonal tendency for tax revenues (and hence for the additional receipts by comparison with a year before) to be smaller in the first half of the year than in the second, one cannot immediately conclude from this that the total for the whole year will be greater than estimated. For cyclical reasons indeed, as already mentioned, the year-to-year rate of growth in tax revenues has for some time been falling; and it may be assumed that in view of the prospective further slowing in the rise of incomes and turnovers this fall will continue. Besides this the recently enacted tax measures — the Tax Amendment Law 1961 and the 11th Law to Amend the Turnover Tax Law — will this

year already cause certain shortfalls, even though these be only slight. As the preceding table shows, they have been calculated for the Federal Government and for the Länder at about DM 340 million each. So far as they are due to the 1961 Tax Amendment Law, they have already been largely allowed for in the official estimate; this on the other hand does not apply to the DM 330 million shortfall on Turnover Tax. If the shortfall does occur in full, therefore, the official estimate will hardly be attained in that case. This should not however appreciably affect the total additional receipts for the Federal Government and Länder, estimated as already mentioned at about DM 10 billion. As a whole of course the tax reductions, primarily designed to benefit small traders and craftsmen, are of small importance from the point of view of the yield. For the coming year, it is true, at about DM 1.2 billion (without counting the DM 400 million by which the local authorities' Trade Tax is down) the shortfalls in the case of the Federal Government and Länder are estimated considerably higher than for 1961; but on this basis they will form only a relatively small fraction of the total yield to be expected for 1962 with tax rates otherwise unchanged.

#### The Federal Finances

The above-described great change in the cash position of the central authorities was largely confined to the Federal budget, which had shown in the first quarter a surplus of DM 1.63 billion and in the second a deficit of DM 332 million. With cash receipts practically unaltered the deterioration was caused by the very large rise in expenditure. In the second quarter this reached about DM 10.8 billion, being thus greater by about DM 2 billion than in the previous quarter and by some DM 1.6 billion than in the second quarter of 1960. Here it must be borne in mind that both quarters used for comparison were a financial year's first quarter, in which — as already mentioned — the expenditure is as a rule relatively low. If with a view to eliminating so far as possible fluctuations due to the recurring trend of the financial year one bases the comparison on the second quarter (July to September) of the 1960 financial year, one finds that at about DM 1 billion the difference was a good deal smaller. It is almost completely explained by the fact that the Federal Government made some large payments occurring only once, or not regularly recurring in similar amount. The first to mention is an amount of DM 503 million for repayment by the Federal Government of part of the liabilities to the Bundesbank connected with the foreign claims acquired by the Bank in April and May this year

#### Shortfalls in the Tax Receipts of Federal Government and Länder <sup>1)</sup>

in millions of DM

	1961			1962		
	Total	Fed. Gov't	Länder	Total	Fed. Gov't	Länder
(1) Tax Amendment Law 1961						
Assessed						
Income Tax	13	4	9	460	157	303
Corporation Tax	10	3	7	25	9	16
Property Tax	323	—	323	407	—	407
Total	346	7	339	892	166	726
(2) 11th Law to Amend the Turnover Tax Law	330	330	—	310	310	—
Overall total (1 + 2)	676	337	339	1,202	476	726
Note:	1961			1962		
Shortfalls in local authorities' receipts from Trade Tax	100			400		

Source: Federal Ministry of Finance. — <sup>1)</sup> Net shortfalls (net of the additional receipts to be expected from tax amendments).

*Federal Finances, on a Cash Basis \*)*  
in millions of DM

	1960				1961				
	Jan./Mar.	April/June	July/Sep.	Oct./Dec.	Jan./Mar.	April/June	April	May	June
<b>I. Cash Transactions</b>									
(1) Income	8,931	9,558	10,021	10,782	10,426	10,440	3,203	3,199	4,038
(2) Outgo	9,896	9,117	9,722	12,093	8,793	10,772	3,480	3,223	4,069
(3) Surplus (+) or deficit (—)	— 965	+ 441	+ 299	— 1,311	+ 1,633	— 332	— 277	— 24	— 31
<b>II. Financing</b>									
(1) Increase (+) or decrease (—) in cash resources	+ 18	+ 449	+ 323	— 995	+ 1,598	+ 60	+ 58	+ 125	— 123
(a) at the Bundesbank	+ 18	+ 449	+ 323	— 995	+ 1,598	— 2	— 4	+ 125	— 123
(b) other	—	—	—	—	—	+ 62	+ 62	—	—
(2) Borrowing (—) or credit repayment (+)	— 952	+ 2	— 14	— 253	+ 36	— 367	— 305	— 120	+ 58
(a) the Bundesbank's special credit for payments to international institutions	— 37	— 89	— 4	— 47	— 182 <sup>2)</sup>	— 363	— 243	— 120	—
(b) other borrowing, total	— 915	+ 91	— 10	— 206	+ 218	— 4	— 62	—	+ 58
(i) cash advances of Bundesbank and Equalisation of Burdens Fund	+ 66	+ 179	—	— 78	+ 78	—	—	—	—
(ii) money-market paper	— 482	— 57	+ 14	— 60	+ 140	+ 57	—	—	+ 57
(iii) loan issues and medium-term notes (Kassenobligationen)	— 499	— 31	— 24	— 68	— <sup>4)</sup>	+ 1 <sup>4)</sup>	— <sup>4)</sup>	— <sup>4)</sup>	+ 1 <sup>4)</sup>
(iv) bank lendings	—	—	—	—	—	— 62	— 62	—	—
(3) Amounts credited in respect of coinage(—)	— 23	— 15	— 17	— 38	— 24	— 18	— 7	— 7	— 4
(4) Balance of clearing transactions with Equalisation of Burdens Fund <sup>3)</sup>	— 8	+ 5	+ 7	— 25	+ 23	— 7	— 23	— 22	+ 38
Total 1 to 4	— 965	+ 441	+ 299	— 1,311	+ 1,633	— 332	— 277	— 24	— 31
<b>III. Note:</b>									
(1) Receipts from internal circulation	8,909	9,499	9,987	10,718	10,414	10,416	3,195	3,196	4,025
(2) Out-payments to domestic recipients <sup>2)</sup>	8,370	8,141	8,970	10,809	7,947	9,186	2,964	2,875	3,347
(3) Surplus (+) or deficit (—)	+ 539	+ 1,358	+ 1,017	— 91	+ 2,467	+ 1,230	+ 231	+ 321	+ 678

<sup>1)</sup> The cash transactions recorded in this table concern in-payments on, and out-payments from, the Federal accounts at the Deutsche Bundesbank (excluding Special Funds). Cash income and outgo deviate from the results of the Federal Government's financial statistics primarily because they are recorded not at the time they are entered in the budgetary accounts but at the time of the actual receipt or out-payment, and because the incurring of debt is eliminated from the income, and the expenditure on debt redemption (including repurchase of bonds) from the outgo. — <sup>2)</sup> Resulting from the transfer of Equalisation of Burdens levies received on the account of the Federal Chief Cash Office (Bundesbaupktasse). — <sup>3)</sup> Total expenditure after deduction of foreign payments, of funds transferred to NATO powers but not spent during the same period, and of other funds not flowed back into internal circulation. — <sup>4)</sup> Disregarding decrease of DM 73 million resulting from re-valuing due to the DM revaluation. — <sup>5)</sup> Excluding Development Aid Loan.

in respect of post-war economic aid<sup>1)</sup>. The agreement made between the Federal Government and the Bundesbank in that connection provided that the former should repay to the latter in six annual instalments running from 1963 to 1968, unless the Government's financial position permitted earlier repayment, the claims totalling over DM 3 billion which the Bank had acquired from the three "post-war economic aid creditors", namely the United States, United Kingdom and France. In view of its favourable cash position the Federal Government found occasion to pay at an earlier date the redemption instalment contemplated for 1963. The payment was made on 23 June. The Federal Government applied a further DM 80 million as an addition to the amounts planned for financing stockpiling in West Berlin; and finally as a result of other countries' DM drawings the payments to the Inter-

<sup>1)</sup> See the Monthly Report of the Bundesbank for April 1961, pages 51 and 52.

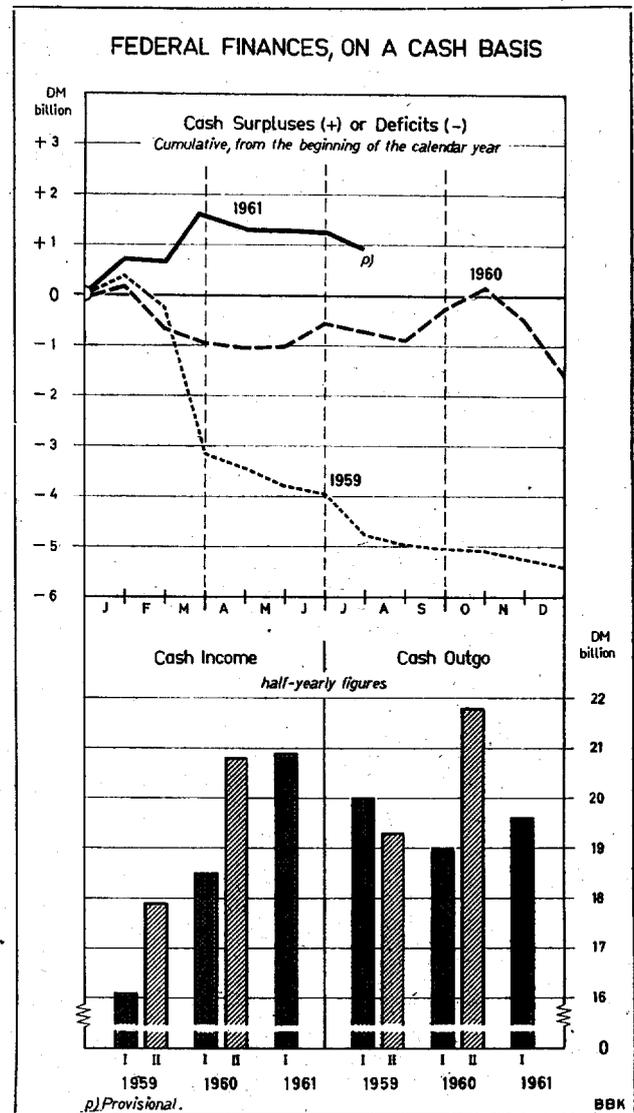
national Monetary Fund, for financing which the Federal Government could draw on the credit line provided for that purpose at the Bundesbank, were relatively large in the second quarter at a total of DM 363 million; in the two preceding quarters they had amounted to only DM 47 and 182 million respectively. Apart from these exceptional payments the Federal Government's cash outgoings were roughly at the same level as in the second quarter of the 1960 financial year. As already indicated, a great part of the special payments represent outgoings which — like the current foreign payments contained in the normal expenditure — affect the "internal" circulation either not at all or not directly. Consequently the "internally effective" cash expenditure in the months from April to June fell short by about DM 1.2 billion of the cash receipts from inside the country. True, this amount is only half as great as that in the previous quarter, but it is greater

by some DM 750 million than the average for the third and fourth quarters of 1960.

Despite the deficits of altogether roughly DM 330 million for April, May and June the first half of the current (1961) financial year showed, on the Federal finances, a cash surplus of approximately DM 1.3 billion. In July, in accordance with the normal trend of receipts and expenditure, that amount was down by about DM 340 million; but nevertheless the result so far has been highly satisfactory, especially if account is taken of the special payments mentioned. The reason is that so far the course of Federal revenues has been appreciably better than was expected when the budget estimates were drawn up in February this year.

For the rest of the financial year, indeed, substantial deterioration in the relation between the Federal Government's cash receipts and cash expenditure must be expected. On the expenditure side new charges will arise from certain laws passed at the end of the Bundestag's term. The most important of these is the "Children's Allowance Fund Law", in virtue of which children's allowance is now also paid for the second child with effect from 1 April this year if the family's income does not exceed DM 600 per month. The costs entailed by this Law are to be borne exclusively by the Federal Government; their monthly amount is estimated at over DM 50 million. It is contemplated that the payments in respect of the months April to October this year shall be made in one total, out-payment to start in the course of August. The monies to be provided for this purpose will amount to roughly DM 350 million. Further charges will arise in and after October from the reform of the laws concerning officials, which will in the first place improve the retirement pensions for the lower groups of officials; for the rest of the year the additional expenditure has been estimated at about DM 1.25 million. Besides this the expenditure generally rises in the second half of the financial year, especially in its last two months, since the end-of-year payments are mostly considerable. On the receipts side the shortfalls due to the recently passed 11th Law to Amend the Turnover Tax Law, in particular, will make themselves felt in the coming months. Most of the reliefs accorded by this Law apply with effect from 1 January this year; the shortfalls expected from that cause by the end of this year have been put at DM 330 million. In addition, as already indicated, the growth of tax revenues may also slacken on cyclical grounds.

It is highly probable that as a result of the factors described the Federal Government's cash holding (about DM 1.3 billion on 31 July) will fall considerably by the end of the financial year, especially in its last quarter.



Borrowing, estimated in the budget at about DM 1.25 billion net, is however not to be expected. The Federal Government will on the contrary be able further to reduce its money-market indebtedness, mostly incurred in the 1959/60 financial year. At the end of June this year such indebtedness amounted to DM 684 million against roughly DM 880 million at the end of last December. In the course of July a further DM 75 million of two-year non-interest-bearing Treasury bonds, issued on the economic reincorporation of the Saarland, were repaid according to plan; and by the end of the year there fall due money-market debts, amounting to some DM 190 million, which will probably not be renewed either.

As regards reduction of cash resources it is remarkable from the monetary point of view that in all probability the monies used will not go into "internal" circulation. Internal receipts in the period up to the

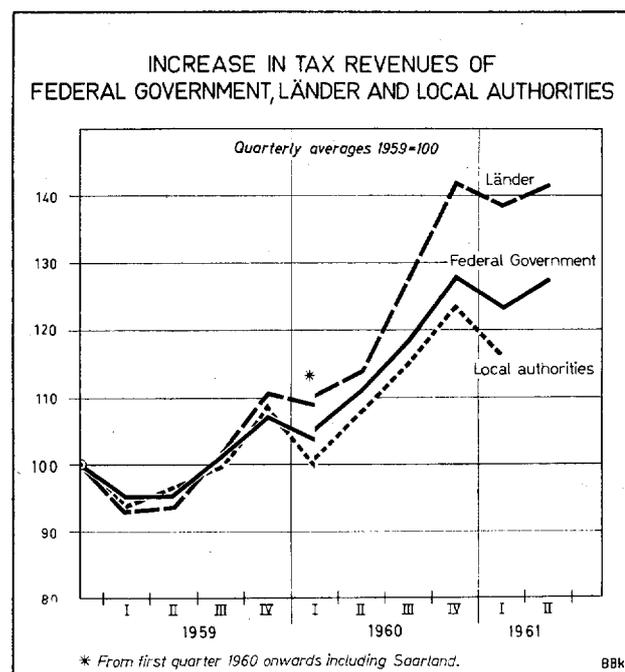
end of December are on the whole likely if anything to remain greater than internal expenditure. Still, the "internal" surpluses will be a good deal smaller than in the first half of this year, when they reached nearly DM 3.7 billion. As already mentioned therefore there will in the next few months be considerable weakening of the restrictive influences which the finances of the Federal Government, like those of the Länder, have hitherto produced on incomes and liquidity.

#### *Finances of the Länder*

The cash position of the Länder, too, was not so favourable in the second quarter as in the first; but the Länder, unlike the Federal Government, did still show in the second quarter cash surpluses which must together have been of the order of DM 500 million. In the first half of the financial year there would accordingly seem to have been surpluses totalling DM 1.2 billion as against about DM 0.9 billion in the corresponding period of the previous year. This rise fell far short, however, of the great increase in tax revenues, the addition to which by comparison with 1960 was DM 1.16 billion in the first quarter and DM 1.14 billion in the second, making a total of DM 2.3 billion. Probably therefore the expansion of the Länder's expenditure was very great, especially in the second quarter, although no precise figures are yet available. What is certain is that because of the 8 % increase with effect from 1 January in officials' salaries and pensions, plus the even somewhat greater increase of employees' and workers' remuneration as from 1 April, there has been a considerable rise in the expenditure on personnel. On a purely arithmetical basis the additional charge on these accounts amounts for the first half-year to DM 370 million; in fact however, because of rises in the ranking and increases in the number of posts, the growth was probably greater still. A large increase in payments to local authorities can moreover be assumed, especially since such payments, so far as the local authorities' share in the proceeds of Income Taxes and to some extent also in those of the Motor Vehicle Tax is concerned, automatically rise with the receipts from those taxes. Besides this certain Länder at the start of the present financial year increased their payments to local authorities under the financial adjustment scheme; and at the end of June the first portions (altogether DM 130 million) of the contribution towards development assistance promised by the Länder to the total extent of DM 500 million were transferred to the Reconstruction Loan Corporation. On the whole however the discernible expansion of current and non-recurrent expenditure items has so far this year continued to fall

considerably short of the additional receipts obtained, so that the great increase of the Länder's total expenditure may be largely explained by the growth of their spending on capital account. In part this would seem to be because of the shift in the recurring trend of expenditure — already mentioned in the case of the Federal Government—due to the change of the financial year. A further significant fact was that some Länder transmitted part of the budgetary funds allocated for financing private investment (especially house-building), before the due date, to the banks and other institutions which have been brought into such programmes.

The balances kept at the Bundesbank by the Länder grew in the second quarter by only something over DM 360 million, whereas they had risen in the first quarter by some DM 620 million. At the end of June they accordingly totalled DM 3.55 billion against DM 1.96 and 0.90 billion on the corresponding date in 1960 and 1959 respectively. The Länder's indebtedness was reduced by about DM 130 million in the second quarter after having risen slightly in the first quarter, when the Land of Hamburg had issued a loan. Apart from the uneven distribution of debts on the one hand and credit balances on the other the reason why overall indebtedness does not fall faster, despite the large cash holdings, is that it consists largely of relatively long-term liabilities — bonded and unbonded loans and borrowing from banks — of which only small amounts have recently matured. On the other hand the money-market indebtedness in the form of non-interest-bearing



Treasury bonds and tax credit certificates is falling faster; it amounted at the end of June this year to only around DM 230 million against roughly DM 340 million at the corresponding date last year. This was only about 5 per cent of the Länder's total market indebtedness amounting to DM 4.25 billion.

#### *Equalisation of Burdens Fund*

In the second quarter the Equalisation of Burdens Fund showed a small cash deficit, of DM 17 million, which was financed out of the cash reserves. Since there had also been only a relatively small deficit in the months from January to March, the expenditure not financed out of ordinary receipts remained within relatively narrow limits at DM 44 million in the first half of the current financial year, for which a total cash deficit of about DM 360 million was estimated. At the same time the Fund's receipts were smaller than last year because, in particular, the yield of the Equalisation of Burdens levies decreased further in accordance with its longer-term trend; in each of the first two quarters of 1961 it was about DM 500 million, as against roughly DM 540 and 520 million respectively in the first and second quarters of 1960. The fall in receipts was however not confined to the current levies, the yield of which is continuously reduced through advance composition payments and the gradual expiry of the Levy on Mortgage Profits; besides this there has been a fall in the advance composition payments, even though the difference between the 8% discount allowed in the case of such payments and the market rate has become somewhat greater than a year before. The grants by the Federal Government and the Länder have also not been quite so great as a year previously, since the Federal Government last December had made an advance payment of DM 100 million which was offset during the first five months against its current liabilities for grants.

The Fund's expenditure has also been at a lower level than in 1960. In the second quarter it reached about DM 900 million, being thus some DM 60 million smaller than a year before. By comparison with the first quarter it was practically unchanged, although a half-yearly payment of DM 75 million to compensate holders of old savings fell due in June. A retarding effect was in particular produced by the sharp fall in Household Equipment Compensation, as well as the gradual decrease of Integration Assistance payments; these factors have so far outweighed the growth of expenditure on Basic Compensation. In the further course of the year however a renewed rise of out-payments may be expected to result from the budget appropria-

tions and the usual recurring trend of payments so that, with the receipts largely constant, the cash deficits are likely to increase. Cash resources to finance them are at present still available. They amounted at the end of June to DM 200 million as compared with DM 80 million at the end of December last year. The increase is due to the fact that so far this year the Fund's borrowing — especially the DM 150 million loan issued last March — has been greater than the simultaneous need of additional funds for financing purposes.

#### **Other Public Authorities**

##### *Local Finances*

The growth of the local authorities' tax revenues has greatly quickened since the start of the financial year, whereas in the previous year it had been relatively slight, falling far short of the increase in receipts from other taxes. In the first quarter the taxes of the local authorities (excluding Berlin, Bremen and Hamburg) produced about DM 2.22 billion, this being more than in the corresponding period of 1960 by about DM 310 million or 16.1 per cent. The annual rate of growth was thus approximately the same as in the tax revenues of the Federal Government, although still much lower than in those of the Länder. In the second quarter (for which no figures are yet to hand) the rise seems also to have been considerable, if conclusions are drawn for the Trade Tax from the yield of the Assessed Income Tax and the Corporation Tax. At the same time the financial allocations by the Länder to the local authorities were greater than before, as already mentioned, so that there must have been substantial improvement in these authorities' revenue position. In the longer run however the prospects for the local authorities' receipts are less favourable because the reduction of Trade Tax ordered in the 1961 Tax Amendment Law will lead to shortfalls (of about DM 100 million this year and roughly DM 400 million next), especially in the case of the smaller local authorities, which were already of relatively low tax capacity; and it is not yet clear to what extent the Länder will make good such shortfalls.

The local authorities' expenditure, like their receipts, has been rising faster since the beginning of the year. The additional charge due to the raising of pay and pensions with effect from 1 January and 1 April this year respectively may be estimated for a full year at nearly DM 700 million; in the first half-year it already amounted to over DM 200 million. The capital expenditure, largely relating to local authorities' own buildings, also tends for the present to increase. It is true that at DM 1.25 billion in the first quarter of 1961 it was smaller than in the previous quarter by DM 460

Public Indebtedness\*)

in millions of DM

	End-of-month position								
	1959			1960				1961	
	June	Sep.	Dec.	March	June	Sep.	Dec.	March	June <sup>pe</sup>
<b>I. Borrowers</b>									
(1) Public budgets in the narrower sense, total	15,414	17,000	17,707	19,149	19,417	19,680	20,438	21,634	22,452
(a) Federal Government									
(i) For overall budget	536	1,253	1,512	2,427	2,337	2,346	2,553	2,335	2,339
(ii) Special credits for payments to international institutions <sup>1)</sup>	662	1,175	1,211	1,248	1,336	1,340	1,387	1,495 <sup>11)</sup>	1,858
(iii) Development Aid Loan	—	—	—	—	—	—	—	858	1,168
(b) Equalisation of Burdens Fund	1,202	1,296	1,313	1,357	1,353	1,403	1,490	1,638	1,640
(c) Länder	4,614	4,576	4,521	4,467	4,441	4,371	4,348	4,378	4,247
(d) Local authorities	8,400	8,700	9,150	9,650 <sup>9)</sup>	9,950	10,220	10,660	10,930	11,200
(2) Federal Railways and Federal Postal Administration, total	8,227	8,326	8,745	8,984	9,289	9,528	9,878	10,571	10,952
(a) Federal Railways	4,465	4,506	4,767	4,831	5,085 <sup>10)</sup>	5,185	5,292	5,777	5,916
(b) Federal Postal Administration	3,762	3,820	3,978	4,153	4,204	4,343	4,586	4,794	5,036
<b>Total (1 + 2)</b>	<b>23,641</b>	<b>25,326</b>	<b>26,452</b>	<b>28,133</b>	<b>28,706</b>	<b>29,208</b>	<b>30,316</b>	<b>32,205</b>	<b>33,404</b>
<b>II. Categories of Debt</b>									
(1) Book credits of Bundesbank									
(a) Taken under general credit ceilings	552	61	245	149	—	—	78	—	—
(b) Special credits to Fed. Gov't for payments to international institutions <sup>1)</sup>	662	1,175	1,211	1,248	1,336	1,340	1,387	1,495 <sup>11)</sup>	1,858
(2) Direct lendings of credit institutions <sup>2)</sup>	11,803	12,824	13,370	14,028	14,524	14,720	15,169	15,829	16,250
(3) Money-market paper <sup>3)</sup>	2,013	2,248	2,144	2,512	2,606	2,377	2,388	2,082	2,062
(4) Medium-term notes (Kassenobligationen)	445	698	1,002	1,005	1,037	1,068	1,305	1,327	1,327
(5) Bonded loans <sup>4)</sup>	4,977	5,031	5,242	5,747	5,686	6,002	6,153	7,439	7,751
including: Development Aid Loan	( — )	( — )	( — )	( — )	( — )	( — )	( — )	( 858)	(1,168)
(6) All other debt <sup>5)</sup>	3,189	3,289	3,238	3,444	3,517	3,701	3,836	4,033	4,156
including: Cash assistance granted to Federal Government by Equalisation of Burdens Fund	( — )	( 110)	( — )	( 30)	( — )	( — )	( — )	( — )	( — )
<b>Total (1 to 6)</b>	<b>23,641</b>	<b>25,326</b>	<b>26,452</b>	<b>28,133</b>	<b>28,706</b>	<b>29,208</b>	<b>30,316</b>	<b>32,205</b>	<b>33,404</b>
<b>III. Ownership distribution</b>									
(1) Bundesbank <sup>6)</sup>	1,410	1,366	1,536	1,452	1,377	1,355	1,601	1,525	1,877
(2) Credit institutions, total	16,813	18,395	18,881	19,808	20,058	19,940	19,987	20,602	21,091
(a) Direct lendings <sup>2)</sup>	11,803	12,824	13,370	14,028	14,524	14,720	15,169	15,829	16,250
(b) Holdings of money-market paper	1,495	1,840	1,548	1,815	1,794	1,607	1,495	1,319	1,341
(c) Holdings of medium-term notes <sup>7)</sup>	402	621	936	884	787	724	611	563	600
(d) Holdings of bonded loans and interest-bearing Treasury bonds <sup>7)</sup>	3,113	3,110	3,027	3,081	2,953	2,889	2,712	2,891	2,900
(3) Non-banks <sup>8)</sup>	5,418	5,565	6,035	6,873	7,271	7,913	8,728	10,078	10,436
<b>Total (1 to 3)</b>	<b>23,641</b>	<b>25,326</b>	<b>26,452</b>	<b>28,133</b>	<b>28,706</b>	<b>29,208</b>	<b>30,316</b>	<b>32,205</b>	<b>33,404</b>

\*) The data relate to post-currency-reform indebtedness inside the country and do not take account of mutual indebtedness between the authorities mentioned, except for the Equalisation Fund's cash assistance to the Federal Government (cf. footnote 6)). — <sup>1)</sup> International Monetary Fund, International Bank for Reconstruction and Development and European Fund. — <sup>2)</sup> Except lendings by the Equalisation of Burdens Bank to the Equalisation of Burdens Fund resulting from the passing-on of loans granted under Art. 7 (f), Income Tax Law, and of the proceeds of bonded loans and medium-term notes issued by that Bank (comprised in items II 6 or 4 and 5); also excluding loans granted to local authorities out of public funds (amount estimated); this, as well as the elimination of credits granted to other German and foreign public authorities, explains the deviations from the figures shown in Table III A 1 of the Statistical Section. — <sup>3)</sup> Treasury bills, non-interest-bearing Treasury bonds, tax credit certificates and trade bills of the Federal Railways; excluding paper deriving from the conversion of equalisation claims. — <sup>4)</sup> Including interest-bearing Treasury bonds; less bonds in the issuers' own portfolios. — <sup>5)</sup> Chiefly loans of private institutional investors. — <sup>6)</sup> Book credits and Bundesbank's holdings of money-market paper and bonded loans, as well as cash assistance granted to the Federal Government by the Equalisation of Burdens Fund out of the Fund's credit balances with the Bundesbank (and still counted by the Fund among its cash resources). — <sup>7)</sup> Including holdings of loans and medium-term notes of the Equalisation of Burdens Bank (amounts estimated); this explains the deviations from the figures shown in Table III A 2 of the Statistical Section. — <sup>8)</sup> Public authorities, private parties and foreign countries (ascertained as difference). — <sup>9)</sup> Including DM 120 million due to inclusion of the Saarland. — <sup>10)</sup> From June 1960 onwards including the Saarland. — <sup>11)</sup> Allowance having been made for decrease of DM 73 million due to the DM revaluation. — <sup>pe</sup>) Partly estimated.

million, and greater than in the first quarter of 1960 by only DM 70 million; but this seems to be mainly due to accounting influences consequent on the shifting of the close of the accounting year to 31 December instead of 31 March. If the fourth quarter is in each case taken together with the first quarter of the following year, one finds between 1959/60 and 1960/61 a rise by about DM 300 million, or over 10 per cent. Figures for the movement in the second quarter are not yet available; but here again, just as in the case of the Länder, there seems to have been if anything a further increase of expenditure. At all events there have in general during the past months been no financial obstacles to expansion of the local authorities' investment because, apart from their undiminished large surpluses on current account, those authorities have remained able to borrow. It is true that, as the foregoing table shows, in both the second and the first quarters their indebtedness was no longer growing so fast as in the previous quarters; but in many cases local authorities still had a large holding of liquid or easily liquidable reserves, arising in great part from earlier borrowings. Apart from deliberately premature borrowing, delays in the carrying out of capital projects may have been an important factor in the originating of such reserves.

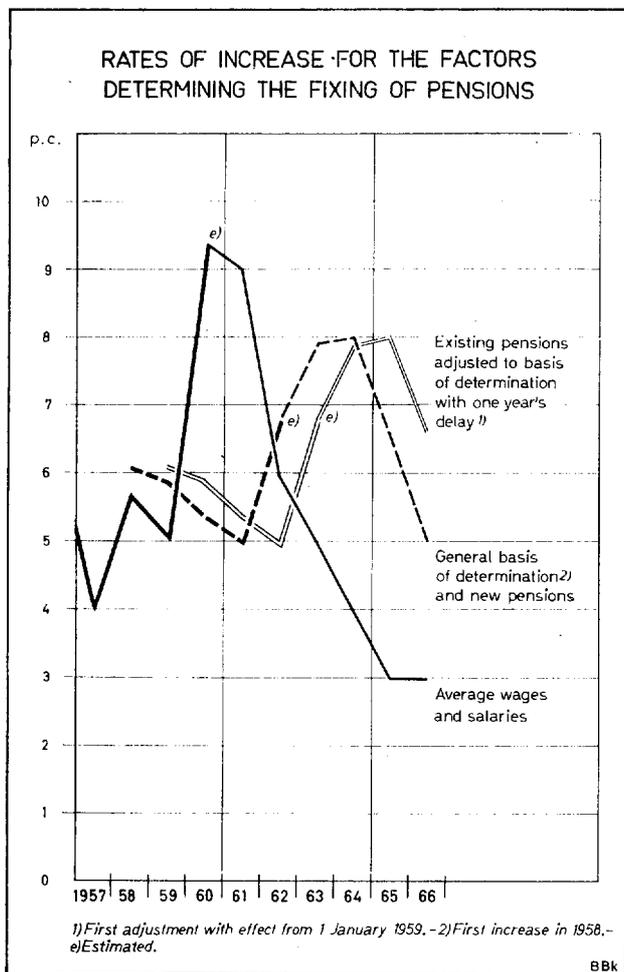
#### *Pension and Unemployment Insurance*

The finances of social pension and unemployment insurance remained during recent months under the influence of rapidly growing contribution incomes; with expenditure expanding much more slowly the surpluses correspondingly rose. While in the case of the Pension Insurance Funds this accords with the legal provisions, and indeed in view of the existing cover regulations the addition to assets must if anything be regarded as too small if it be assumed that pensioners are to share in the general growth of incomes, the assets of the Unemployment Insurance Fund have by now reached a level which — in the view of the legislative bodies — does not suggest further growth to be advisable if due regard is taken of the functions of this branch of insurance. For the period from August of this year to January of next the Federal Government will therefore avail itself of its power to suspend for a time the levying of contributions, so that for the present the Unemployment Insurance Fund's reserves will somewhat decline.

The contribution incomes of the social *Pension Insurance Funds* (other than the Miners') rose in the second quarter to about DM 3.65 billion, thereby exceeding their level of a year earlier by DM 480 million

or 15 per cent. Pension payments by the insurance institutions also rose considerably, although at DM 290 million or 8 per cent the rise in them was not nearly so great as that in the contributions received. Consequently at an estimated DM 350 million the Pension Insurance Funds' surpluses in the second quarter were substantially greater than those of about DM 200 million a year before. For the first half of this year the surplus is accordingly about DM 700 million as against some DM 400 million in the corresponding period of last year.

This relatively favourable position is largely explained by the fact that, in accordance with the adjusting mechanism embodied in the 1957 pension reform laws, the pension expenditure follows with a certain delay the movement in wage and salary incomes and therefore in the contributions received. The pensions newly arising in the course of the year conform to the general basis of determination laid down for that year; this corresponds to the average gross wages and salaries for the three years preceding the year before the event causing the insurance to operate. The existing pensions have moreover so far invariably been adjusted to the basis of determination for the preceding year in each case. At the moment this creates a quite marked discrepancy between current wage and salary incomes and the incoming contributions based on them, on the one hand, and on the other hand the expenditure on pensions, because the rise of average remuneration in the years 1957 to 1959, on which the general basis of determination for 1961 rests, was relatively small by comparison with the present growth of such remuneration. As shown by the following graph, the basis of determination for 1961 is higher than a year earlier by only about 5 per cent; and last year too it had risen only by the comparatively small margin of 5.4 per cent. The increase of average remuneration on the other hand would seem to amount to about 9 per cent in 1961, after having been 9.4 per cent in the previous year. The discrepancy between the rise in contribution income and that in pension expenditure is at present made still greater by the fact that, because the number of employed persons is still rising, the number of contributing insured persons grows more quickly than that of pensioners. At all events in 1960 the contribution income of the Workers' and Employees' Insurance Funds was up by 12 per cent in comparison with the previous year; and this year again it is likely to grow by more than 10 per cent altogether, whereas the expenditure on pensions increased in 1960 by only 7 per cent and may rise by little more in 1961. At present therefore, because of the legal provisions

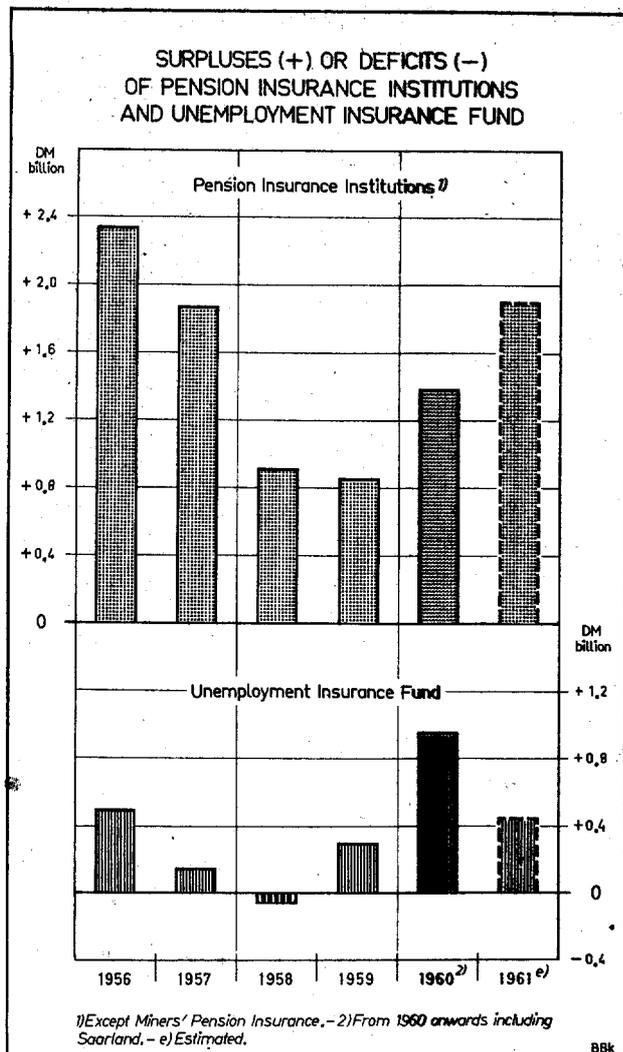


and the practice in the adjustment of existing pensions, the financial position of the Pension Insurance Funds is influenced by a time-lag, operating to its advantage, between the movement in contribution incomes and that in pension expenditure; this fact enables the institutions at the moment to form larger surpluses than it was possible to foresee before the considerable raising of wages and salaries last year and this.

In all probability however this will alter from as early as next year onwards. The basis of determination for 1962 will probably be 6.8 per cent higher than for this year. On the other hand it is doubtful whether the rate of growth in average remuneration will maintain its present level of 9 per cent; to bring it into better harmony with the rise of productivity, and thereby to reduce the great increase of costs entailed by the present raising of nominal wages and salaries, some reduction would at all events be desirable. It may be assumed that in subsequent years the relation between current wages and salaries (and hence contribution incomes) on the one hand, and the basis of determination (and hence possibly the pension expenditure as well) on the other, will further change in favour of the basis of

determination, because owing to the steep rise of wages and salaries in 1960 and 1961 this basis will for a time rise even faster than in 1962, whereas if cyclical conditions continue to return towards normal the rise in wages and salaries may further slow down. In that event the expenditure of the Pension Insurance Funds will rise quicker than their receipts, and their financial position will correspondingly deteriorate. One fact to be borne in mind in this connection is that, according to the latest calculations, when the present "phase" ends at the close of 1966 the reserve laid down in the pension laws will hardly — unless additional receipts are obtained — reach the level required by law (namely the amount of expenditure borne by the insurance institutions in the last year of the phase), if the pensions are currently adjusted to the appropriate basis of determination (even if for adjustment of existing pensions the hitherto usual delay of a year persists) and if average wages and salaries (and hence contributions) are not further distended by inflationary tendencies. The present favourable state of the Pension Insurance Funds' finances must therefore not distract attention from the fact that, if the pensions continue to be adjusted to the basis of determination (and important reasons of social policy can certainly be quoted in support of this), the question of a further raising of the institutions' incomes may already become acute in the course of the current phase, if the reserve at the end of that phase is not to fall short of the level laid down.

In the case of the *Unemployment Insurance Fund* the contribution income in the second quarter was greater by about 15 per cent than in the corresponding period of last year. Since benefit payments further declined because of the continuing fall in unemployment which in any event is now only insignificant, the Fund achieved in the months from April to June this year a surplus of some DM 340 million which, like that in the first quarter, was above the level of a year earlier by almost DM 100 million. Consequently by the end of June the Fund's assets had risen to about DM 5.7 billion, that is to a size far greater than the amount which could in present circumstances be regarded as an appropriate reserve. In July the assets rose further. In the coming months they will of course be somewhat reduced by the suspension of contributions already mentioned. It may be pointed out that the Unemployment Insurance Fund's total expenditure in the corresponding period a year earlier (August 1960 to January 1961) was DM 444 million; against this there were receipts of DM 157 million from sources other than contributions. In that period therefore the expenditure exceeded by about DM 300 million the re-



ceipts not originating from contributions. This permits the conclusion that, with employment at its present level, the decrease of reserves due to the suspension of contributions will remain within relatively narrow limits during the impending contribution-free period.

As compared with the position at the end of December 1960, reported in these columns in April, fresh figures for investment of the assets of the Pension and Unemployment Insurance Funds are available only as regards the money-market investments and not the much greater investments elsewhere. The money-market investments declined during the second quarter by the small margin of DM 80 million, whereas they had been increased by about DM 1 billion, between mid-1960 and the end of January 1961, to roughly DM 1.2 billion. Hence especially in the case of the Unemployment Insurance Fund, which is adjusting itself to the "contributionless" period, but evidently also in that of the Pension Insurance Funds, the current surpluses have been largely employed in time deposits at

banks. At all events there was a particularly large rise during the past quarter in public authorities' total time deposits, the amount of which has for years been largely determined by the way in which the social insurance institutions employ their assets.

#### Federal Railways and Federal Postal Administration

The market indebtedness of the Federal Railways and Federal Postal Administration rose in the second quarter by altogether about DM 380 million, this rise being appreciably slower than that by DM 693 million in the first quarter of this year. The reason lay in the smallness of the *Federal Railways'* market borrowing, amounting in the period under report to only DM 139 million as against DM 485 million in the previous three months. This decrease in the need for borrowing seems however to have been largely temporary, and in part purely seasonal. First, for seasonal reasons the operating receipts in the months from April to June were substantially greater than in preceding months. In addition, during the second quarter the Railways received from the Federal Government considerably more grants (about DM 240 million as compared with some DM 80 million in the first quarter), this being because the Federal budget was passed only in the spring and until then the relevant budget appropriations were released only to a limited extent. A part of the additional receipts was however absorbed by the further rise in expenditure on personnel as a result of the raising of wages and salaries from 1 April onwards. On the other hand the capital expenditure in the second quarter reached its seasonal low point because in that quarter, unlike the first, no final payments in respect of the previous financial year had to be made, while as a rule only comparatively few invoices in respect of the current year's building programme are received. The relatively modest increase of indebtedness does not therefore indicate that the Federal Railways' investment activity decreased in the period under report. On the contrary, in their Economic Plan for this year the Railways put their net investment in fixed assets higher than last year by about DM 320 million or 28 per cent. It may accordingly be assumed that the amounts thus additionally appropriated will be reflected during the coming months in a greater need for out-payments, and hence in a growing demand for credit on the part of the Railways.

The above-mentioned increase of market indebtedness by DM 139 million was largely of a short-term nature, being due to the fact that the issue of a DM 250 million loan originally planned for June was put off.

**Public Finances**  
in millions of DM

	1959		1960				1961					
	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.	March <sup>1)</sup>	April	May	June <sup>10)</sup>
<b>Deposits of Public Budgets with the Bundesbank<sup>2)</sup></b>												
<b>Total</b>	1,505	1,419	2,019	2,725	3,265	2,739	5,061	5,406	5,061	4,948	4,943	5,406
Federal Government <sup>4)</sup>	281	243	261	710	1,033	39	1,637	1,635	1,637	1,632	1,793	1,635
Equalisation of Burdens Fund	229	63	75	26	46	80	203	181	203	72	355	181
NATO Powers <sup>5)</sup>	2	0	0	0	0	0	12	—	12	—	—	—
Länder	963	1,070	1,654	1,956	2,159	2,565	3,187	3,551	3,187	3,219	2,791	3,551
Local authorities and social insurance institutions	30	43	29	33	27	55	22	39	22	25	24	39
<b>Deposits of Public Authorities with Credit Institutions<sup>3)</sup></b>												
<b>Total</b>	12,825	13,768	14,386	14,687	14,690	15,873	15,889	17,165	15,889	15,939	17,034	17,165
Sight deposits	2,884	3,224	3,202	3,249	3,121	3,819	3,266	3,488	3,266	3,107	3,491	3,488
Time deposits	7,256	7,651	7,928	7,983	8,013	8,202	8,546	9,498	8,546	8,747	9,388	9,498
Savings deposits	2,685	2,893	3,256	3,455	3,556	3,852	4,077	4,179	4,077	4,085	4,155	4,179
<b>Indebtedness of Public Budgets<sup>6)</sup></b>												
<b>Domestic credit-market indebtedness<sup>4)</sup></b>												
<b>Total</b>	17,000	17,707	19,149	19,417	19,680	20,438	21,634	22,452 <sup>P)</sup>	21,634	.	.	22,452 <sup>P)</sup>
Federal Government	2,428	2,723	3,675	3,673	3,686	3,940	4,688	5,365	4,688	5,103	5,419	5,365
Equalisation of Burdens Fund	1,296	1,313	1,357	1,353	1,403	1,490	1,638	1,640	1,638	1,640	1,641	1,640
Länder <sup>7)</sup>	4,576	4,521	4,467	4,441	4,371	4,348	4,378	4,247 <sup>P)</sup>	4,378	.	.	4,247 <sup>P)</sup>
Local authorities <sup>8)</sup>	8,700	9,150	9,650	9,950	10,220	10,660	10,930	11,200 <sup>P)</sup>	10,930	.	.	11,200 <sup>P)</sup>
<b>Equalisation claims</b>												
<b>Total</b>	20,616	20,560	20,608	20,564	20,620	20,552	20,563	20,499	20,563	20,563	20,563	20,499
Federal Government	11,057	11,061	11,109	11,116	11,172	11,164	11,175	11,167	11,175	11,175	11,175	11,167
Länder	9,559	9,499	9,499	9,448	9,448	9,388	9,388	9,332	9,388	9,388	9,388	9,332
<b>Covering claims (Equalisation of Burdens Fund)</b>	.	.	2,231	.	.	2,163	.	.	.	.	.	.
<b>External indebtedness</b>												
Federal Government	6,717	6,695	6,660	6,624	6,826	6,856	6,535	...	6,535	.	.	...
Länder	165	165	162	162	161	164	...	...	...	.	.	...
<b>Indebtedness of Public Enterprises<sup>9)</sup></b>												
<b>Domestic credit-market indebtedness<sup>4)</sup></b>												
Federal Railways <sup>8)</sup>	4,506	4,767	4,831	5,085	5,185	5,292	5,777	5,916	5,777	5,783	5,822	5,916
Federal Postal Administration	3,820	3,978	4,153	4,204	4,343	4,586	4,794	5,036	4,794	4,823	4,907	5,036
<b>Receipts from Taxes and Levies</b>												
<b>Tax receipts of Federal Government and Länder<sup>7)</sup></b>												
<b>Total</b>	12,186	13,055	12,895	13,477	14,653	15,966	15,448	15,919 <sup>P)</sup>	6,542	4,292	4,334 <sup>P)</sup>	7,293 <sup>P)</sup>
including:												
Income Taxes <sup>8)</sup>	4,891	5,418	5,326	5,567	6,388	7,140	6,904	7,082	3,918	1,403	1,316	4,363
Turnover Tax	3,589	3,856	3,846	3,947	4,019	4,336	4,320	4,356	1,254	1,501	1,397	1,458
Excise and Customs Duties	2,648	2,704	2,599	2,856	3,077	3,253	2,962	3,209	1,012	1,042	1,056	1,111
Equalisation of Burdens levies	521	589	542	517	414	551	505	505	53	76	379	50
Local Taxes <sup>7)</sup>	2,143	2,346	2,171	2,325	2,479	2,662	2,506	...	.	.	.	.
<b>Federal Budget</b>												
Cash income	8,771	9,081	8,931	9,558	10,021	10,782	10,426	10,440	4,164	3,203	3,199	4,038
Cash outgo	9,901	9,431	9,896	9,117	9,722	12,093	8,793	10,772	3,231	3,480	3,223	4,069
Cash surplus (+) or deficit (—)	-1,130	-350	-965	+ 441	+ 299	-1,311	+1,633	-332	+ 933	-277	-24	-31
<b>Equalisation of Burdens Fund</b>												
Cash income <sup>8)</sup>	869	1,000	872	869	829	1,094	839	858	149	151	550	157
Cash outgo <sup>8)</sup>	1,056	1,303	865	939	874	1,125	866	875	330	261	266	348
Cash surplus (+) or deficit (—)	-187	-303	+ 7	-70	-45	-31	-27	-17	-181	-110	+284	-191
<b>Workers' and Employees' Pension Insurance Funds<sup>7)</sup></b>												
Contribution receipts	3,014	3,164	3,146	3,172	3,481	3,654	3,563	3,653	1,188	1,163	1,222	1,268
Pension payments	3,292	3,318	3,516	3,522	3,543	3,597	3,783	3,815	1,373	1,266	1,271	1,278
<b>Unemployment Insurance Fund</b>												
Contribution receipts	396	410	399	425	469	477	435	487	148	155	163	169
Benefit payments	77	96	365	77	47	64	264	69	65	29	22	18

For data for previous months and for explanatory remarks see Tables under VI (Public Finances) in the Statistical Section of this and previous Monthly Reports.

<sup>1)</sup> Position at end of quarter or month. — <sup>2)</sup> Including the guarantee cover account, which in the Return of the Deutsche Bundesbank is shown under "Liabilities in respect of foreign business". — <sup>3)</sup> In so far only as fed from Federal resources. — <sup>4)</sup> Besides the deposits of the above-mentioned budgets also comprising the deposits of the Federal Railways and the Federal Postal Administration, of other public enterprises (in so far as they have no legal personality of their own), and of Allied agencies. — <sup>5)</sup> Post-currency-reform indebtedness; excluding own bonds in portfolio. — <sup>6)</sup> Partly estimated. — <sup>7)</sup> From June 1960 onwards including Saarland. — <sup>8)</sup> By contrast with the figures previously published, from 1960 onwards including Saarland. — <sup>9)</sup> Wages tax, assessed income tax, corporation tax and capital yield tax. — <sup>10)</sup> Credits and debits to the account kept by the Federal Equalisation of Burdens Office with the Bundesbank, less transactions involving changes in indebtedness. — <sup>P)</sup> Months with comparable tax maturities. — <sup>P)</sup> Provisional.

More than two-thirds of the increase, in fact DM 99 million, represented the taking of cash advances at the Deutsche Verkehrs-Kredit-Bank. The money-market indebtedness rose by DM 15 million, the circulation of Treasury bills rising by DM 71 million and that of non-interest-bearing Treasury bonds falling by DM 56 million. The remainder, amounting to some DM 25 million, was mostly obtained from banks. In July the Railways were able to issue the loan previously mentioned; its proceeds were in large measure used to repay short-term borrowings.

The *Federal Postal Administration's* market indebtedness rose in the second quarter by DM 242 million, that is — by way of contrast with the Railways — somewhat more than in the preceding quarter. Consequently the Postal Administration has already borrowed about DM 450 million during the first half of the year as against roughly DM 225 million in the

corresponding period of 1960. That increase in its need for credit is in some degree due to deterioration on the operating account, where because of the wage and salary increases the expenditure has risen by more than the receipts, which have also greatly increased. If this process continues, then during the current year the Postal Administration will have less resources of its own available than last year to finance capital expenditure. If only for that reason, the need for credit will grow; there is the further fact that, according to this year's Economic Plan, the amount of capital investment is also to be enlarged.

Of the second quarter's borrowing the greater part, namely DM 190 million, represented bank loans. A further DM 45 million was procured by increasing the circulation of non-interest-bearing Treasury bonds, and the rest by borrowing from private institutional investors.

## Production and Markets

In the general cyclical situation tendencies to relaxation have of late been apparent, inasmuch as the flow of orders reaching industry has fallen off. Since in spite of the existing obstacles production continued to increase, although appreciably more slowly than last year, order backlogs have in general not continued to grow but have in many cases somewhat contracted; in some structurally handicapped industries allowance has indeed already had to be made for this in production programmes. This has created important preconditions for a gradual removal of the excess demand which has marked the trend of economic activity during the last two years. It is unmistakable that the revaluation of the DM has a share in this. The export boom has flagged, and above all in wide sections of the economy increased competition from abroad is making itself felt.

Despite these trends, however, the cyclical position is at present still marked by great strain. On the labour market a definite shortage of workers continues to prevail, even though first signs of relief are here and there appearing. On the building market, which experience shows to be of great importance for the course of business activity in general, there is still little trace of any weakening of demand; on the contrary, under the influence more particularly of the great official building activity, which is only now to be reduced as the result of self-imposed restrictions by at least some of those ordering building, the amounts of building planned have continued to increase. The course of wages and salaries is also still definitely in a boom

phase; so far there is little likelihood that the rise of nominal incomes this year will fall short of that for last year. Naturally this is not conducive to stabilisation of the price level. Quite apart from the fact that with the persistently steep rise of incomes consumer demand also grows, wage and salary increases which appreciably exceed the advance in productivity inevitably entail upward price tendencies. For the time being demand would also seem to be still great enough to allow at least some room for tendencies of this kind. If the present slackening of demand affecting entrepreneurs continues, however, it will become more and more difficult to pass cost increases on in prices. Cost increases will then reduce profits even more than of late, and so weaken the propensity to invest; but no doubt they will also cause greater resistance to rises in wages which exceed the advance in productivity by anything like as much as this year and last. The danger that this might possibly even give rise to recession tendencies, as some people fear, is small indeed because appreciable (in reality structural) expansive factors must be expected in future also. The "rates of growth" however are likely to diminish in the near future — not only because the previously existing production reserves are no longer available, but perhaps also because the pull of demand will slacken. But a decline in the pull of demand would at the same time cause the hectic traits, which have so far been a feature of the upswing and which were rather high a price to pay for the past two years' rates of expansion, to disappear.

## Demand

On the average of the months May and June 1961 the orders reaching industry amounted to 203 (1954 sales = 100) against monthly averages of 206 in March/April and 210 in November/December 1960<sup>1</sup>). This decline exceeded the seasonal extent. On eliminating the seasonal movement — for this the Bundesbank has worked out in the course of recent years a widely recognised method — one finds that on the average of the months May/June 1961 the incoming orders were smaller than at the end of 1960; and thus fell clearly short of the peak reached in July/August of that year. This slackening was accompanied by gradual adjustment of the incoming orders to industry's current deliveries. It is true that in each of the last few months the orders coming in were greater by between 2 and 3 per cent than the simultaneous sales, but with allowance for cancellations they in nearly all cases equalled the deliveries. In general, therefore, order backlogs have no longer increased since March. In relation to the simultaneously rising output they have even somewhat declined; according to the Ifo Institute's trend check a decreasing percentage of enterprises themselves described their order backlogs as relatively high, and an increasing percentage (which however still formed by far the minority) as too low.

### *Flagging of Foreign Demand*

Among the factors which tended to diminish the inflow of orders one was the decrease of foreign demand. As will be more precisely shown in a subsequent chapter, actual exports in the second quarter of this year were in fact greater than in the corresponding period of the previous year by about 11 per cent, against 7 per cent in the first quarter; but this means relatively little as regards current demand. First, after seasonal variations are eliminated the actual exports since the turn of the year have also slightly declined. Above all however the actual export figures for recent periods still rest largely on orders given some months before, while current demand is determined by the orders currently coming in. But for some time the inflow of orders from abroad has been slackening. A certain decrease was already evident during the winter months; after the revaluation of the D-mark it continued at a faster rate. In the period from March to June this year export orders were greater by 4 per cent in value, and 6 per cent in volume, than in the corresponding period of last year. No doubt revaluation was an important factor in this, because for foreign buyers it meant as a rule a slight price rise, for exporters

<sup>1</sup>) The figures are combined for pairs of months because this largely eliminates the effect of the differing number of working days per month.

on the other hand a decline in their sale proceeds, since they mostly had to make certain price concessions. There is the further fact that since revaluation it has become increasingly difficult to conclude export bargains on a DM basis, so that exporters incur relatively high rate-fixing charges, which are also likely somewhat to check their desire to sell abroad.

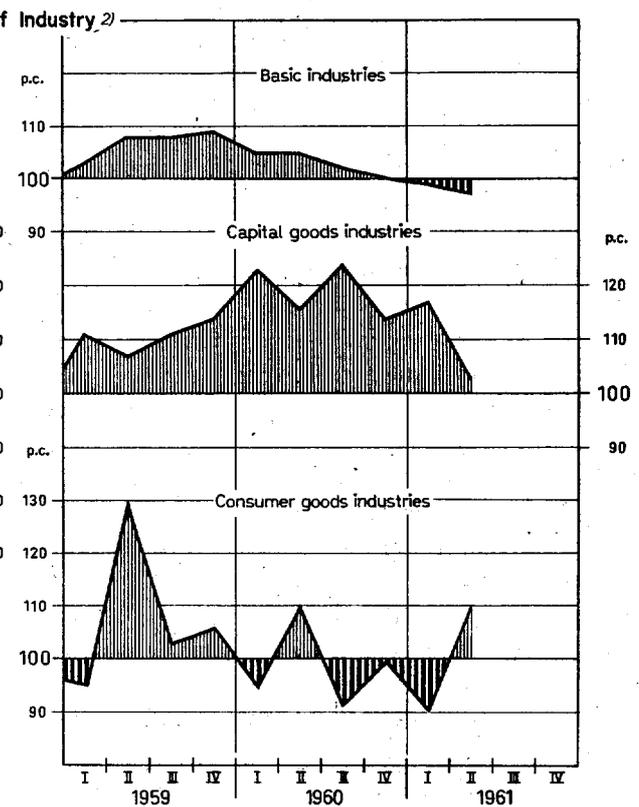
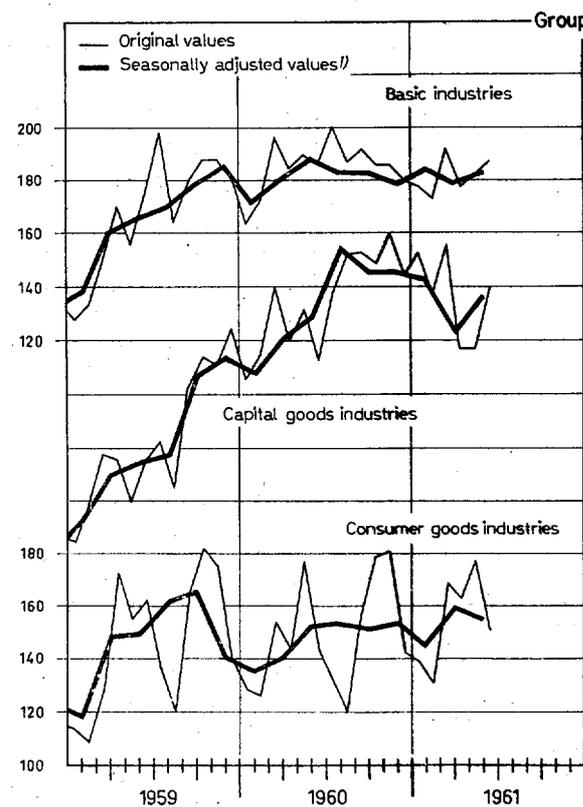
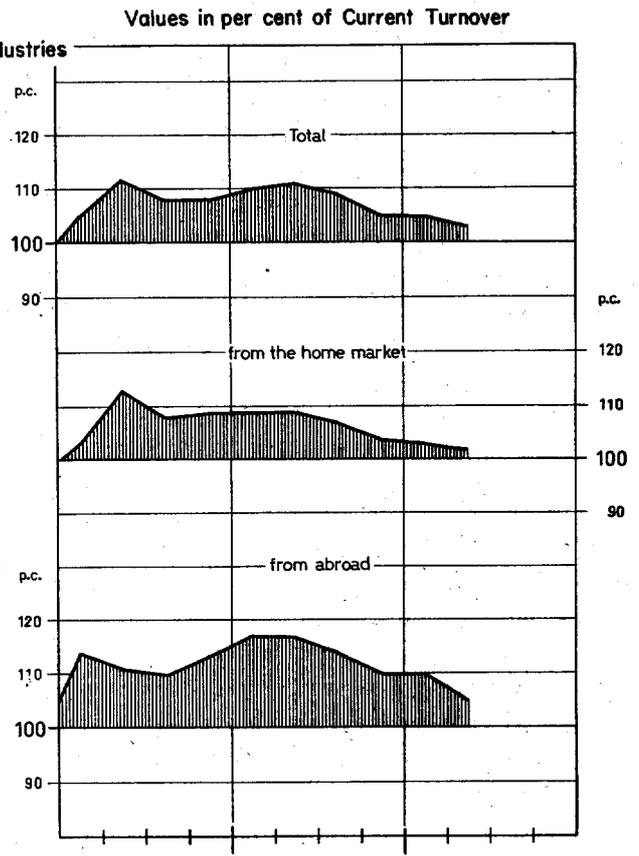
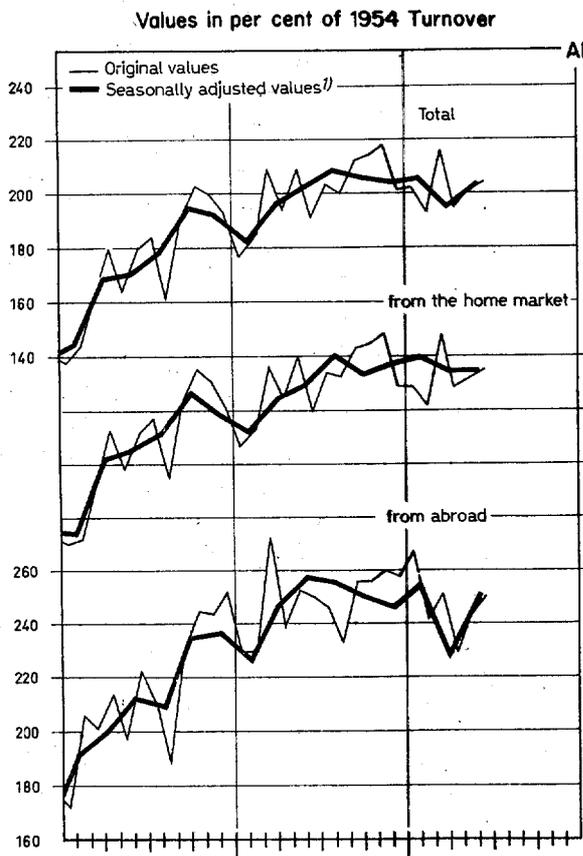
The movement in the level of costs in the Federal Republic has also of late somewhat altered the conditions on which the last few years' export boom was based. As will be shown later, the wage increases have in the recent past materially exceeded the rise in productivity, so that wage costs per unit of production have considerably risen. By reason of the strong internal demand it is in many cases easier to pass on the cost increases in domestic than in export prices, so that many producers now find the home market more attractive than foreign business. A material fact in this connection is that on the world market the competition of the chief industrial countries has become much stronger. The United States in particular are trying to expand their exports with a view to achieving fuller employment of their internal production capacities; and this, with world trade as a whole expanding only moderately, cannot fail to affect other countries' exports, especially since exporters to the United States find that the competitiveness of that country's industries has also risen.

The slackening of foreign demand has made itself felt during recent months in all export industries, although in varying degrees. One relatively hard hit industry is shipbuilding, which has received only a few fresh orders since revaluation. In other industries too, such as chemicals, precision and optical goods and to a large extent also the steel industry, incoming orders have fallen short of deliveries; and hence the stocks of export orders have fallen, although not nearly so much as in shipbuilding. On the other hand the orders reaching other industries such as mechanical and electrical engineering, and up till April vehicle building as well, have even recently still exceeded the deliveries, although here too the growth in export orders on hand has more or less ceased.

### *Slackening of Domestic Demand for Capital Goods*

The demand for industrial products has also been reduced through a slight decrease in domestic orders for capital goods. After seasonal adjustment the orders reaching the capital goods industries from the home market were appreciably smaller, on the monthly average for May and June, than on that for January and February. In May, for the first time in nearly two

# INFLOW OF ORDERS IN INDUSTRY



<sup>1)</sup>Original values for two consecutive months added up and adjusted for seasonal variation. -<sup>2)</sup>Orders from the home market and from abroad.

and a half years, they were below the deliveries for the same period; and even in June, when they slightly increased, they exceeded deliveries by only 5 per cent against 17 per cent in the first quarter of this year. Up to a point this decline represents a reaction, as had to be expected sooner or later, to the investment boom which lasted more than two years. Certain special circumstances at least increased this slackening, if they did not cause it; one in particular was the tendency to deterioration in the ability to compete on the world market, while another was localised difficulties of selling on the home market, as will be described later. Apart from these considerations affecting future sales the course of enterprises' profits is also likely to have influenced in the same direction entrepreneurs' intentions regarding investment. As was shown in the study published in our last Monthly Report with regard to Wealth Formation and its Financing, in 1960 the increase in enterprises' undistributed profits was already smaller in percentage terms than that in their total financial requirement, so that the proportion of financing from outside sources rose. This movement, quite surprising in the phase of high activity, seems in the meantime to have become even more marked. Thus in the first half of this year too, as is shown in more detail elsewhere, the wage increases considerably exceeded the rise in productivity; and thereby they raised production costs per unit, without enterprises having yet been able to pass on these cost increases wholly or for the most part in prices. Besides this, profits were no doubt increasingly reduced of late by the direct taxes payable by enterprises. In many cases this has weakened the propensity to invest, just as it is doubtless significant that with the contraction of profit margins the opportunities for self-financing have become smaller, and its replacement by financing on credit does not in all cases seem desirable.

Actual capital expenditure has indeed still risen during recent months, as is shown by the figures for the capital goods industries' home-market sales; on the average of the first six months this year such sales were greater than in the corresponding period of last year by about 17 per cent. Despite the decline of incoming orders the large order backlogs in fact make it possible to raise deliveries in conformity with the growth of output. In view of the large reserve of orders in the most important capital goods industries it is for the moment still impossible to foresee when the downward tendency of incoming orders, if it persists, will perceptibly affect deliveries. But the mere fact that order backlogs are no longer continuing to grow represents an important sign of relaxation.

### *Smaller Stocks of Goods*

A further fact of importance for the course of demand among enterprises is that in many industries efforts are again being made to keep inventories down. This applies especially to stocks of basic materials. From the statistical angle this is chiefly apparent in the fact that orders reaching the basic industries from the home market have shown a slight cyclical decline since the summer of 1960, although the output of the manufacturing industries and hence also their consumption of raw materials are steadily rising. In the rolled-steel industry for instance, despite growing steel consumption and little increase of imports, incoming home-market orders have since the autumn of 1960 been on the average 10 per cent below their level of a year earlier; and moreover considerable amounts of old orders are cancelled month by month. At present the deliveries to steel users, in part still based on the large orders of a year ago, exceed current consumption; and hence the stocks held by the chief users of steel have increased until recent months, having by now attained a size which seems if anything too great in view of the steady shortening of delivery periods. Steel users are therefore cutting down the placing of new orders, and are also cancelling old orders where they can. In the case of some other basic materials an actual reduction of the stocks held by manufacturers and other users seems to have been already achieved. This applies especially to stocks of coal, which in industry, public utilities and transport declined during the months from January to May 1961 by the much greater than seasonal margin of 820,000 tons, causing a corresponding shortfall in the mines' sales and a renewed rise in pithead stocks. Traders' actions regarding stocks are at present uncertain. Their orders, mostly reaching the consumer goods industries, seem as yet to be given with great caution despite a certain increase in ultimate sales. As a result of substantial orders given in the past the goods reaching traders have so far been much greater in amount than those going out, so that there has been a fairly large increase of inventories. It therefore seems not impossible that here the pendulum of orders for stock may also sooner or later reverse its swing.

### *Partial Saturation of the Market*

Another fact of appreciable significance for the easing of cyclical conditions in recent months is that decreases (and in some cases stoppages) have occurred in sales of durable consumer goods, which until lately had been rapidly growing. Especially in regard to some electric household appliances that are greatly characteristic of the higher standard of living, such as refrigerators,

**Production, Turnover and Employment**  
Area of the Federal Republic except Berlin (West)

	1960						1961					Change 2nd qtr. 1961 against 2nd qtr. 1960 in p. c. <sup>P)</sup>
	April	May	June	2nd qtr.	3rd qtr.	4th qtr.	April	May	June <sup>P)</sup>	1st qtr.	2nd qtr. <sup>P)</sup>	
										Monthly averages		
<b>Index of Industrial Production<sup>1)</sup></b> (per working day, 1950 = 100)												
Total	247	254	257	253	242	268	262	269	273	257	268	+ 6.0
Building	247	254	273	258	242	223	251	274	265	193	264	+ 2.2
Basic materials and producers' goods	261	271	274	268	264	267	279	284	289	268	284	+ 5.8
Capital goods	333	347	356	345	321	367	366	377	391	364	378	+ 9.4
including:												
Machine building	275	284	302	287	271	307	308	317	334	299	320	+ 11.3
Vehicle building	551	585	573	570	474	562	578	616	630	591	608	+ 6.8
Consumer goods	214	217	203	211	201	228	222	224	218	219	221	+ 4.9
including:												
Textiles	174	179	164	172	163	181	176	176	179	180	177	+ 2.7
<b>Hard Coal Mining ('000 tons)</b>												
Output per day worked in mining	544.0	536.2	527.1	535.8	516.1	548.5	549.4	541.5	534.5	557.4	541.8	+ 1.1
Pithead stocks (hard coal and coke) <sup>2)</sup>	16,268	15,912	15,385	15,385	13,803	11,481	11,471	12,113	12,440	11,343	12,440	- 19.1
Hard coal imports (excluding coke) <sup>2)</sup>	549	553	688	597	617	665	627	519	548	516	565	- 5.4
<b>Iron and Steel Industry ('000 tons)</b>												
Output of pig iron per calendar day	68.8	71.0	68.6	69.5	72.3	69.3	69.9	70.1	71.4	72.3	70.5	+ 1.4
Output of raw steel per production day	102.3	104.2	101.2	102.6	103.9	104.0	104.6	103.8	106.0	105.2	104.8	+ 2.1
Finished rolling mill products <sup>3)</sup>												
Deliveries	1,768	1,874	1,720	1,787	1,929	1,829	1,806	1,824	1,839	1,899	1,823	+ 2.0
New orders booked	1,943	1,876	1,790	1,870	1,852	1,844	1,672	1,797	1,674	1,857	1,714	- 8.3
Orders on hand <sup>2)</sup>	6,437	6,351	6,356	6,356	5,920	5,788	5,156	5,044	4,842	5,364	4,842	- 23.8
<b>New Orders booked in Industries<sup>2)</sup></b> (Values per calendar month in per cent of 1954 turnover)												
Total	194	209	191	198	205	211	195	201	204	204	200	+ 1.0
Basic materials	185	190	186	187	193	184	178	182	187	181	182	- 3.7
Capital goods	240	252	233	242	268	271	237	237	260	269	245	+ 1.2
including:												
Machine building	252	263	263	259	272	274	238	246	275	268	253	- 2.3
Vehicle building	237	260	201	233	252	257	272	260	273	288	268	+ 15.0
Consumer goods	144	177	143	155	136	167	163	177	151	146	164	+ 5.8
including:												
Textiles	130	151	118	133	117	140	139	142	123	131	135	+ 1.5
<b>Building</b>												
Hours worked (millions) <sup>6)</sup>												
Total	223.4	238.3	237.4	233.0	237.6	209.7	220.5	240.1	233.9	178.9	231.5	- 0.6
Residential buildings	96.1	102.2	102.0	100.1	99.9	86.8	92.2	99.9	...	73.4	96.1 <sup>X)</sup>	- 3.1 <sup>X)</sup>
Buildings for public and transport purposes	72.4	76.9	76.6	75.3	78.0	69.9	73.0	80.8	...	57.7	76.9 <sup>X)</sup>	+ 2.9 <sup>X)</sup>
Buildings for trade and industry	46.5	49.2	48.9	48.2	50.9	46.6	47.9	50.8	...	43.3	49.4 <sup>X)</sup>	+ 3.1 <sup>X)</sup>
Planned building expenditure for approved buildings (millions of DM)												
Total	2,032.7	2,303.6	2,289.1	2,208.4	2,502.0	2,488.3	2,853.5	2,660.8	...	2,129.3	2,757.2 <sup>X)</sup>	+ 27.2 <sup>X)</sup>
Dwelling houses	1,314.3	1,473.9	1,479.4	1,422.5	1,587.6	1,506.0	1,711.2	1,666.7	...	1,275.4	1,689.0 <sup>X)</sup>	+ 21.2 <sup>X)</sup>
Other buildings	718.4	829.7	809.7	785.9	914.4	982.3	1,142.3	994.1	...	853.9	1,068.2 <sup>X)</sup>	+ 38.0 <sup>X)</sup>
Housing mortgage loans by institutional investors (millions of DM) <sup>5)</sup>												
Amounts promised per month	802.0	833.6	726.8	787.5	847.0	782.2	924.9	1,023.2	1,032.4	892.5	993.5	+ 26.2
Out-payments per month	582.0	625.4	641.5	616.3	748.9	815.4	654.3	667.5	753.5	599.0	691.8	+ 12.3
<b>Retail Turnover (1954 = 100)<sup>4)</sup></b> Values												
Total	161	154	145	153	149	196	161	169	160	152	163	+ 6.5
of which:												
Food, beverages and tobacco	159	146	147	151	147	167	155	163	158	148	159	+ 5.3
Clothing, linen, underwear, footwear	159	155	134	149	133	210	156	162	146	142	155	+ 4.0
Household equipment and furniture	160	164	151	158	176	232	168	178	169	165	172	+ 8.9
Other	171	166	155	164	164	208	175	183	179	172	179	+ 9.1
<b>Labour Market (thousands)</b>												
Unemployed <sup>2)</sup>												
Total	188.8	153.2	134.4	134.4	111.6	271.6	131.2	111.5	99.2	163.2	99.2	- 26.2
Men	107.7	85.1	75.3	75.3	64.6	187.2	75.0	64.7	58.4	99.9	58.4	- 22.4
Women	81.1	68.1	59.1	59.1	47.0	84.4	56.2	46.8	40.8	63.3	40.8	- 31.0
Employed wage and salary earners <sup>2)</sup>			20,270.6	20,270.6	20,376.8	20,261.1			20,760.4	20,419.4	20,760.4	+ 2.4

For data for previous months and for explanatory remarks see Tables under VIII (Production and Markets) in the Statistical Section of this Report. — <sup>1)</sup> Excluding Saarland figures. — <sup>2)</sup> Position at end of month or quarter. — <sup>3)</sup> Including semi-finished goods for tube works, products for further processing and fine steel, but excluding other semi-finished goods and broad strip. — <sup>4)</sup> 1960 excluding, 1961 including, Saarland figures. — <sup>5)</sup> Not including life assurance companies. — <sup>6)</sup> Building industry proper, total. — <sup>7)</sup> Including Berlin (West). — <sup>P)</sup> Provisional. — <sup>X)</sup> April/May.

radio and television sets and washing machines, the generally much accelerated production has at least at times run into sales difficulties, which among traders and producers temporarily led to involuntary stock formation, in some cases of very substantial extent. Consequently the so-called fixing of traders' prices (which had until then been at least formally maintained) was abandoned by important enterprises, the production of certain appliances was cut down, and by certain firms was even entirely stopped. The fact that ultimate sales no longer quite corresponded to producers' very optimistic expectations was due in particular to the circumstance that, in some important products, a relatively high degree of saturation has already been reached. Current sales have become increasingly dependent on replacement buying, which at the moment is still not very considerable because the "age" of most of the appliances in use is still relatively short. A good example is afforded by the recent course of the refrigerator trade. Of the 1960 total output of about 2.2 million units (1.7 million being intended for the home market) a considerable part were at the beginning of this year's season held in stock by producers and traders. Since roughly two-fifths of all private households have refrigerators (and in view of the large number of so-called single-member households and other, for instance rural, households which are less likely to buy, that is a fairly high percentage), it will probably be difficult this year to sell an output as big as last year's besides reducing stocks. Some restriction of output, like that of which there were already signs in May, will therefore be unavoidable. The sale of radio sets has already for some time been subject to similar influences. The marked fall in the sale of larger sets will, it is true, be largely offset in terms of numbers by the rising sale of small receivers as second sets; but the original value of production is no longer being attained. From the autumn of 1960 to the early summer of this year the sale of television sets was also quite small; but in their case an increase seems to be occurring since the introduction of the second programme, although this may lead in the first place to a reduction of the excessive stocks held by traders and producers, and less to a rise in output. Although in the case of television sets — and similarly in that of washing machines — the extent to which purchases have been effected in the Federal Republic is still a good deal lower than in other industrial countries, the latest fluctuations in these trades do give the impression that the approach to the situation abroad will probably not proceed so fast as was expected in many quarters in the light of the initial upsurge.

Finally there are at work in the vehicle trade tendencies towards structural changes, which are continually facing certain branches of it with fresh difficulties. This applies primarily to small vehicles, such as bicycles and motorcycles, but is also true of the smaller passenger cars. At the same time the licensings of new passenger cars in April and May show that — unlike last year — increased buying of larger cars cannot necessarily be relied on to outweigh the shortfalls in the smaller ones, since on the average of those two months the total new passenger car licensings were lower by 5 per cent than in the corresponding period a year before. The question must of course be left open how far the latest trend is due to the fact that some presumable buyers are waiting for the motor show in the autumn, and that after this a major revival will perhaps occur in new licensings.

#### *Continuing Strong Demand for Building*

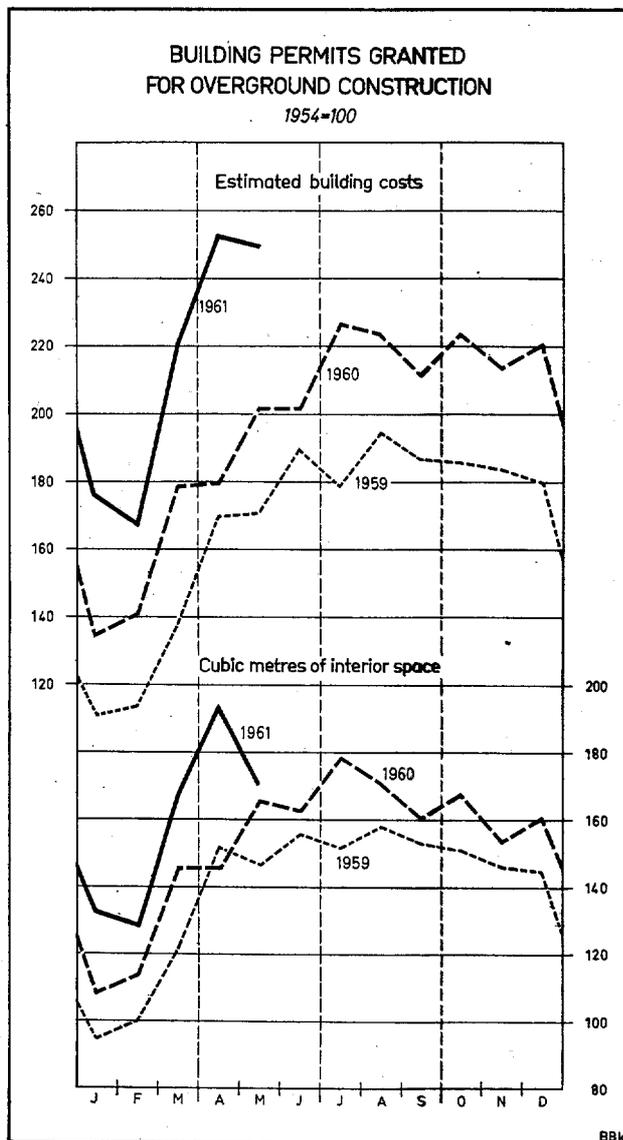
On the building market, by contrast with the sectors hitherto discussed, the position has so far shown little relaxation. It is true that here also certain tendencies towards a better balance in the market have been evident; but in view of the large order backlogs, and the fact that the elasticity of output is on the whole not particularly great, this has as yet not produced its effect. A fact to be favourably assessed is that the output of the building trade proper rose in the second quarter by roughly the usual seasonal amount, being above the level of a year earlier by over 2 per cent. One contributing cause may have been the rise, which continued until June, in the number of persons employed. Altogether the labour shortage, inhibiting though its effects remain, seems at least to have become no greater; in building trade proper indeed, according to market research reports, it appears to have become slightly less. As regards the finishing of buildings, however, the opposite is rather the case; there more than ever the shortage of skilled workers is the crucial bottleneck, this being reflected inter alia in the fact that after completion of the bare shells the finishing of the buildings — especially dwelling-houses — is taking longer and longer, while the carry-over of buildings in course of finishing continues to grow. The overstrain on the finishing trades (which still produce purely on a craft basis) also impairs the quality of the work done, and prices in these trades are rising particularly fast. For instance the prices for domestic installations rose according to the official index by 10 per cent between May 1960 and May 1961, while those for work on bare shells did so by only 3.1 per cent and those for site and foundation work by 0.4 per cent.

The tendencies of demand on the building market are at present especially hard to assess. On the average for April and May — the last months for which figures are to hand — the estimated expenditure on buildings for which the authorities granted permits, which expenditure is often regarded as representing the trend of demand, was greater than in the corresponding period a year previously by 27 per cent as against 24 per cent in the first quarter of this year. Here however it must be borne in mind that the April figures, which show an increase by 40 per cent on the year, were very much affected by the discussion about suspending the issue of building permits for a limited period. No doubt many permits were then obtained as a precaution, although they will not lead in the near future to any demand for building work. In May on the other hand there was a large decline (to 16 per cent) in the annual growth-rate of estimated expenditure on building, although it of course remains to be seen whether this represents a re-

action to what happened in April or means a more lasting fall.

As regards *house-building*, however, any limitation of demand is counteracted by vigorous governmental encouragement. Although in the first months of this year the number of authorisations given for publicly assisted dwellings was notably lower than a year before, this was largely due to the fact that the start of the new financial year, usually accompanied by initial difficulties, this year fell for the first time on 1 January, and that moreover in December of last year a large amount of building authorisations had been given in advance. But since May this year the authorisations have again been above the level of a year earlier, and various factors indicate that the official encouragement of house-building will grow further in the near future. First, it must be expected that in view of their good cash position the Länder will further increase the amount of their own monies provided for the general promotion of housing. It is further to be expected that, because of the growing influx of refugees, the Federal Government will have to provide more money to build dwellings for Soviet zone refugees. A growing part of the public monies will moreover be used not to grant loans, but to subsidise interest and repayments, so that the scope of the official assistance in financing will thereby be further widened. This is shown not only in the fact that recently the number of assisted dwellings has again risen; a further result is that the direct and indirect governmental assistance per dwelling tends to increase. At the moment moreover the possibilities of financing through institutional investors are very good, although the state of the capital market itself has of late somewhat deteriorated. At all events on the average for the second quarter of 1961 institutional investors gave assurances of housing mortgage loans greater by 26 per cent than in the corresponding period of last year, and did so at a rate of interest definitely lower than then. In view of the need to alleviate the strains on the building market, above all in the finishing trades, it would be a good thing if in the official encouragement of building the possibility (which results from market trends) of financing a growing part of the year's house construction without public assistance were taken into account. Further extension of the interest and repayment subsidies does not seem expedient here; it would on the contrary be consistent if, because of the falling trend of interest rates for capital market resources, those subsidies were cut down.

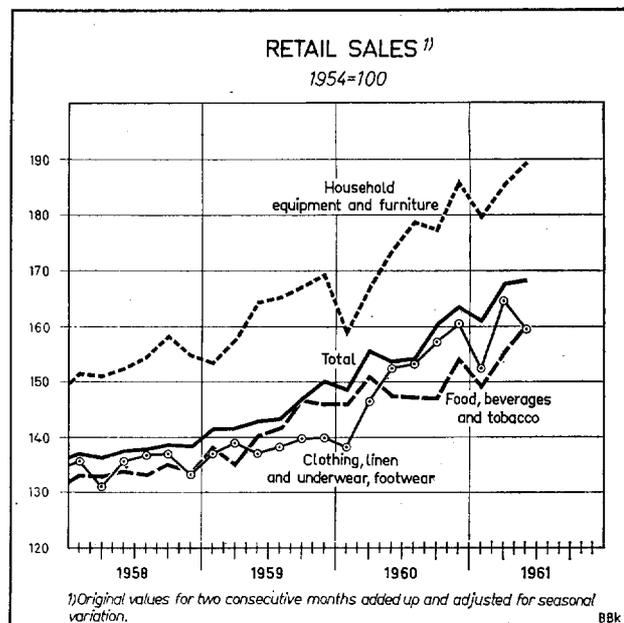
Apart from house construction the growth of plans for building, although it is known only in respect of building by trade and industry and by the public authorities, remained very great. Measured by the



estimated expenditure, in April and May the demand for commercial and industrial building projects was above its level of a year earlier by 26 per cent, while that for official building projects was above it by 67 per cent. The amount of permits granted for commercial and industrial buildings greatly decreased in May, however; in terms of the estimated expenditure they were greater by 6 per cent, but in terms of cubic content they were smaller by 8 per cent, than in the corresponding month of last year. It remains to be seen whether this represents a first step towards somewhat more cautious giving of orders for commercial and industrial buildings; according to the tendencies in connection with equipment investments this would at all events not be ruled out. Similarly it is still not possible to see whether the restricting regulations issued by the Federal Government and a number of Länder for the awarding of official orders for building will check the hitherto very keen desire of public authorities to build. The Federal Government and the Länder, which have so far been alone in adopting such measures, of course account for only a minor part of the total building by public authorities; the greater part represents orders by local authorities, whose good financial position permits further expansion.

#### Continuing Rise of Consumption

No signs of any general slackening of expansion can yet be discerned in the sphere of private consumption. At 10.0 per cent on the average of the months May and June the year-to-year growth-ratio of retail turnovers was actually somewhat greater than the 8.2 per cent average for the first four months of this year. The increase of demand was mainly concentrated on outerwear, jewellery, and of late also on television sets, while other durable consumer goods, as well as footwear, benefited little from the growth of consumer spending. The basis for the increase in consumption was formed by the further rise of mass incomes, which rise has probably become somewhat quicker than in 1960. In the first quarter of 1961 — for which more accurate figures are available — the total net income from wages, salaries and public income transfers was greater than a year previously by over 10 per cent, whereas in 1960 the growth-rate had been 9.2 per cent. In the second quarter of 1961 that rate seems to have further increased slightly, since public income transfers rose somewhat faster. It looks however as though of late a somewhat greater part of the addition to incomes had been saved; at all events in the first half of 1961, according to the data so far available, the saving ratio no longer declined but rose again.



Once again during recent months, however, the expansion of ultimate sales was reflected only relatively little in orders reaching the consumer goods industries. With price rises eliminated the incoming home-market orders in most industries, with the garment industry as the chief exception, were less than in the corresponding period of last year. That is due in some degree to the high level, already mentioned, of traders' inventories (which makes some reduction of these seem desirable), but is also due to the rise in imports. This has especially affected the textile industry, which for some time has had to contend with sales difficulties because of the steady growth in imports, not only of cotton and woollen fabrics which are processed by the German garment industry but also of finished textile products, such in particular as underwear and house linen from the so-called low-price countries.

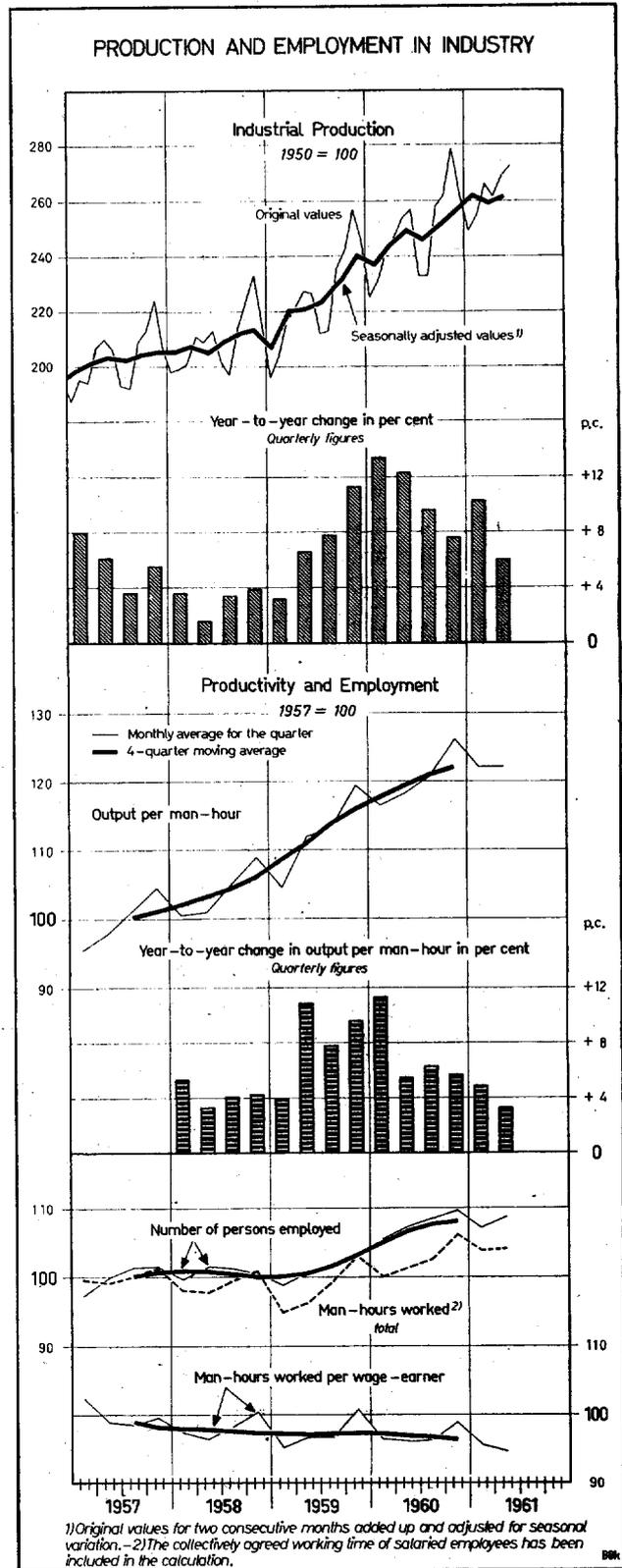
#### Supply

The expansion of supply has encountered much greater difficulties during recent months than in 1960 and at the beginning of 1961, when it was still possible to draw on certain "seasonal reserves". The latest difficulties are clearly reflected in the course of *industrial production*, which rose in the second quarter of 1961 by only 4 per cent as compared with the first quarter, whereas in the two preceding years the rises for the corresponding periods had been respectively 8 and 10 per cent. With seasonal fluctuations eliminated the output of industry from the turn of the year 1960/61 to the end of the second quarter of 1961 has actually shown little further rise, even though the rate of growth by comparison with the corresponding period

of the previous year still amounted in the second quarter to 6 per cent.

This year-to-year growth-ratio is however due only in small part to the raising of productivity. Special importance rather attached to the fact that, despite all difficulties, it proved possible further to enlarge the volume of employment. The number of persons employed in industry during the second quarter was once again higher by nearly 4 per cent than during the corresponding quarter of last year. The average time worked in industry seems however to have declined by about 1 per cent. Accordingly the output per man-hour worked in the second quarter of 1961 (with an estimated allowance for the number of man-hours worked by employees) was greater than in the corresponding period a year earlier by only some 3 per cent, as against about 4.9 per cent in the first quarter of 1961 and an average of 7.1 per cent for the year 1960.

Thus the advance in productivity has not raised total production so much as many people had expected it to do. It is true that the actual capital expenditure continued to increase rapidly in the first half of 1961 (by about 17 per cent, according to home-market sales of the capital goods industries, as compared with the first half of 1960), and the additions to fixed assets were thus greater recently than ever before; but the resultant effect on productivity was weakened by a number of factors. This year for instance, contrary to last, the extent to which capacities were employed has for some time been declining; this is due above all to the fact that, for technical and economic reasons, employment of capacities cannot continue unceasingly at a maximum. Similar signs of fatigue have also been apparent in the workers' efficiency. There it is especially the readiness to work overtime that has declined, so that, whereas the further reductions of working hours (from 45 to 44 or fewer per week) had previously in many cases taken only formal effect, they have more and more become actually effective. Finally it is important that in view of the great shortage of labour it has become necessary to resort even more than before to employing unskilled (and in some cases not fully employable) persons, so that some of the increase gained in technical productivity through new capital expenditure was offset by loss of efficiency in the sphere of labour. Hence if only for that reason rapid rises of production as a result of the recent heavy capital expenditure are hardly to be expected in the future either, quite apart from the fact that rises in productivity will not make good the declining rate of growth in total employment. As to the expectation entertained in some quarters that because of the great capital expenditure



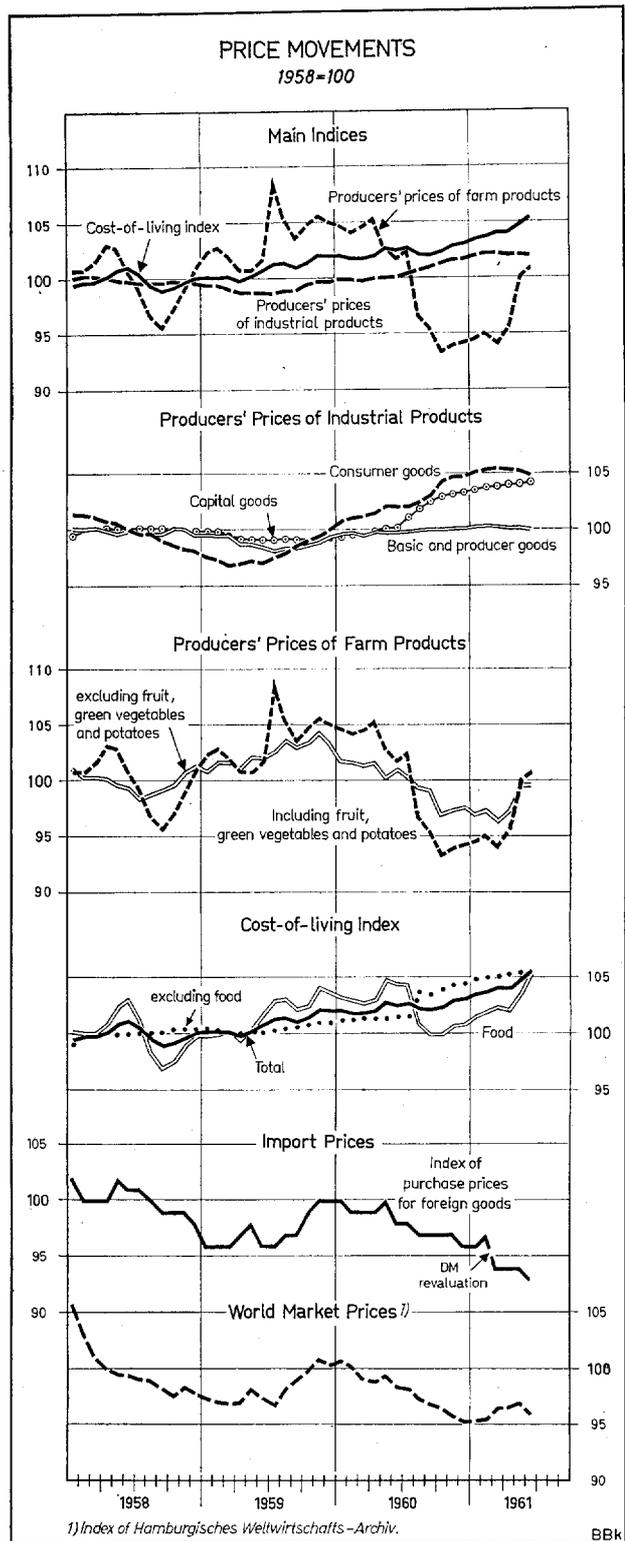
the existing tensions as between demand and supply may be resolved by growth of the latter it is further to be observed that, since 1959, the nominal income per employed person has regularly increased faster than productivity, and that in all probability this will again be so in 1961.

Favourable effects finally continued to be produced on supply during recent months by *imports*. This however was not generally the case. As is shown in detail in the chapter on Foreign Trade and the Balance of Payments, imports during recent months were only a little greater in value than a year before. If however one eliminates seasonal influences and the price falls — mainly induced by the DM revaluation — imports even of late have appreciably risen. This especially applies to industrial finished products, imports of which on the average of the months from March to June were greater by 18 per cent in volume than in the corresponding period of last year. In the case of the products here mainly in question — especially consumer goods — competition was strengthened by the increase of imports, which took place with prices falling all round.

### Prices

Prices in the Federal Republic were relatively steady in recent months apart from rises in those for some farm products. Producers' prices of industrial products declined in the second quarter by 0.2 per cent, whereas up till then they had slightly risen with little interruption for over two years. The price falls were especially marked in industrial basic materials of German and foreign origin; these prices declined in the second quarter by 0.7 per cent, after having already fallen in March by 0.3 per cent (when prices of imported raw materials fell by 3.7 per cent because of revaluation). Among prices for farm products on the other hand rises predominated in the second quarter, partly for seasonal reasons and partly because of the very damp weather; the index of producers' prices for farm products rose between March and June this year by 7.1 per cent, whereas in the corresponding period of last year it had fallen by 3 per cent. Mainly because of the rise in prices for foodstuffs the price rise at consumer level also continued. The overall cost-of-living index was 1.4 per cent higher in June than in March this year; at the same time food costs rose by 3.0 per cent, against 0.4 per cent for prices of the remaining goods and services. Although the latest rise was appreciably smaller than in the previous three quarters, when living costs excluding food had risen by between 0.9 and 2.0 per cent, it is noteworthy that at the consumer stage there has so far been no such definite stabilisation of the price level for industrial products as in the case of producers' prices. Thus for example producers' prices of the traditional consumer goods industries declined in the second quarter of 1961 by 0.5 per cent, while on the other hand consumer prices for household equipment and clothing rose by a further 0.3 per cent.

Perceptible though the downward pressure on industrial prices has been during recent months, it would nevertheless be premature to regard this as primarily a result of the above-described tendencies towards calming of cyclical conditions. On the contrary, the movement of prices during those months was mainly determined by the influences emanating from *revaluation*.



Price Movements <sup>1)</sup>

	1960	1961	June 1961 against June 1960 P) <sup>2)</sup>	Change against preceding month <sup>3)</sup>					
	June	June P)		Jan. 1961	Feb. 1961	Mar. 1961	April 1961	May 1961	June P) 1961
	1958 = 100			per cent					
<b>Home Market</b>									
Basic material prices, total <sup>4)</sup>	100	99	- 1.5	± 0	+ 0.1	- 1.0	- 0.2	+ 0.8	+ 0.1
of which: Industrial products	107	100	- 1.0	+ 0.2	+ 0.1	- 0.3	- 0.3	- 0.4	+ 0.0
including: Bricks	107	114	+ 6.2	± 0	± 0	± 0	+ 0.5	+ 0.3	+ 3.9
Copper (semi-finished goods)	120	106	-11.9	- 4.8	+ 1.2	+ 0.3	- 2.2	+ 2.3	- 3.4
Farm, forest and plantation products	130	126	- 2.0	- 0.2	+ 0.1	- 1.8	+ 0.2	+ 2.2	+ 0.2
including: Cotton	94	90	- 3.8	+ 1.3	+ 0.5	- 3.2	+ 0.3	- 0.7	- 1.6
Raw wool, foreign	107	100	- 6.6	- 0.2	+ 1.7	- 1.0	+ 3.0	+ 4.1	- 1.7
Timber (trunks), domestic	93	102	+10.1	+ 2.0	+ 1.2	- 0.5	- 1.7	- 1.2	± 0
Crude rubber	155	100	-35.7	- 2.6	- 3.5	+ 1.4	+ 2.1	+ 1.4	- 5.5
Potatoes	128	106	-17.6	+ 8.8	- 1.7	- 3.3	+ 2.5	+ 2.1	+ 8.3
Hogs	106	103	- 2.2	+ 1.5	- 0.8	- 5.7	- 3.7	+ 4.6	+ 0.4
Producers' prices of industrial products, total <sup>4)</sup>	100	102	+ 1.9	+ 0.3	+ 0.2	- 0.0	- 0.1	- 0.0	- 0.1
including: Basic materials and producer goods	100	100	+ 0.3	+ 0.1	+ 0.2	- 0.2	- 0.1	- 0.0	- 0.1
including: Iron and steel	99	99	- 0.4	+ 0.0	± 0	± 0	+ 0.0	- 0.6	± 0
Non-ferrous metals	115	105	- 8.7	- 1.9	+ 1.9	- 3.0	+ 0.8	+ 3.7	- 3.0
Paper production	95	98	+ 2.9	+ 0.9	+ 0.4	+ 0.3	+ 0.1	+ 0.0	- 0.1
Capital goods	100	104	+ 4.0	+ 0.3	+ 0.1	+ 0.1	+ 0.2	+ 0.1	+ 0.2
including: Machine building	101	106	+ 5.2	+ 0.3	+ 0.1	+ 0.1	+ 0.3	+ 0.1	+ 0.3
Vehicle building	100	101	+ 1.1	+ 1.1	+ 0.0	+ 0.0	+ 0.0	± 0	± 0
Consumer goods	102	105	+ 2.7	+ 0.4	+ 0.2	+ 0.1	- 0.1	- 0.0	- 0.3
including: Textiles	101	102	+ 1.0	+ 0.1	+ 0.3	- 0.2	- 0.5	- 0.3	- 1.0
Footwear	110	111	+ 0.4	- 0.2	+ 0.1	± 0	+ 0.7	+ 0.4	+ 0.4
Wood processing	101	107	+ 5.2	+ 0.5	+ 0.0	+ 0.1	+ 0.0	+ 0.3	+ 0.2
Producers' prices of farm products, total <sup>5)</sup>	102	101	- 1.1	+ 0.3	+ 0.5	- 1.0	+ 1.6	+ 4.7	+ 0.7
of which: Vegetable products	103	101	- 2.4	+ 4.1	+ 1.5	+ 0.4	+ 4.4	+11.4	+ 2.6
Animal products	101	101	- 0.2	- 1.4	+ 1.7	- 3.3	+ 0.2	+ 1.2	- 0.4
Retail prices, total <sup>4)</sup>	101	103	+ 1.9	+ 0.4	+ 0.3	+ 0.2	- 0.1	+ 0.3	+ 0.5
including: Foodstuffs	102	103	+ 0.3	+ 0.4	+ 0.4	+ 0.1	- 0.0	+ 0.6	+ 1.1
including: Vegetables	118	105	-10.9	+ 4.5	+ 2.8	+ 0.7	- 0.5	+ 4.4	+10.3
Textiles and footwear	100	103	+ 2.5	+ 0.4	+ 0.2	+ 0.2	+ 0.1	+ 0.2	+ 0.1
Household goods and furnishings	100	104	+ 4.4	+ 0.3	+ 0.3	+ 0.1	+ 0.1	+ 0.1	+ 0.1
including: Hardware	101	107	+ 5.6	+ 0.3	+ 0.5	+ 0.3	+ 0.1	+ 0.1	+ 0.1
Furniture	99	103	+ 4.2	+ 0.3	+ 0.1	+ 0.1	+ 0.0	+ 0.1	+ 0.0
Electric appliances (excluding radio sets)	100	102	+ 2.5	+ 0.2	+ 0.0	+ 0.1	+ 0.2	+ 0.1	+ 0.4
Cost-of-living index, total	102.6	105.6	+ 2.9	+ 0.5	+ 0.2	+ 0.3	+ 0.0	+ 0.6	+ 0.7
including: Foodstuffs	104.5	105.5	+ 1.0	+ 0.7	+ 0.3	+ 0.4	- 0.2	+ 0.4	+ 1.8
Heating and lighting	101.0	102.6	+ 1.5	+ 0.2	+ 0.1	- 0.1	- 1.0	+ 0.3	+ 0.2
Household equipment	97.8	100.6	+ 2.8	+ 0.5	+ 0.1	- 0.2	- 0.1	+ 0.3	+ 0.1
Clothing	101.4	103.9	+ 2.5	+ 0.5	+ 0.2	+ 0.3	+ 0.2	+ 0.1	+ 0.0
Cleaning and personal care	102.3	105.4	+ 3.0	+ 0.3	+ 0.3	+ 0.3	+ 0.1	+ 0.2	+ 0.1
Education, entertainment, recreation	104.2	108.5	+ 4.1	+ 0.3	+ 0.3	+ 0.7	+ 0.1	+ 1.0	+ 0.5
Transport and communications	102.5	106.0	+ 3.5	+ 0.2	+ 0.1	+ 0.1	- 0.2	- 0.1	+ 0.0
<b>World Market <sup>6)</sup></b>									
Price index of Hamburgisches Welt-Wirtschafts-Archiv									
Total	98	96	- 2.5	+ 0.1	+ 0.2	+ 1.0	+ 0.1	+ 0.3	- 1.0
of which: Basic food- and feedingstuffs	89	90	+ 0.8	+ 0.4	- 0.3	± 0	+ 0.6	+ 0.9	- 1.4
Industrial raw materials	102	98	- 3.9	± 0	- 0.1	+ 1.9	- 0.1	+ 0.2	- 0.9
Moody's index	95	93	- 2.1	+ 1.2	+ 0.8	+ 1.5	- 0.4	- 0.1	+ 0.5
Reuter's index	102	101	- 0.9	+ 0.4	+ 0.8	+ 0.5	+ 1.7	+ 0.9	- 1.5

<sup>1)</sup> For data for previous months and for explanatory remarks, see Tables VIII, 6 (Wholesale and Producers' Prices) and 7 (Consumer Prices and Wages) in the Statistical Section of this Report. — <sup>2)</sup> For the calculation, two decimal places of the indices have been taken into account. — <sup>3)</sup> Change in per cent calculated from the indices on the original basis with one decimal place. — <sup>4)</sup> Re-calculated from original basis 1950 = 100. — <sup>5)</sup> Re-calculated from original basis 1950/51 = 100. — <sup>6)</sup> Provisional.

These influences produced their greatest effect on basic materials in which dealings take place mainly on the basis of commodity exchange quotations; between February and June the price index for imported raw materials declined by 5.9 per cent. In the same period the index of buying prices for foreign goods, including semi-finished and finished products, declined less — namely by only 4.2 per cent, this being mainly due to price rises on foreign markets (for instance for fruit and vegetables). For the time being the reduced import prices had the effect of depressing prices in all cases where the proportion of imports is great, for example in the steel and textile industries; apart from this the cheapening of imported goods was important, although only for a time, as a counterweight to the rise in domestic production costs.

Clear as the signs of a steadying of the business cycle already are, it cannot be assumed that price trends will in the immediate future already show any major reactions to the easing of cyclical strains. According to experience during the last few business cycles it is at all events evident that there is a *time-lag* as between the course of the business cycle and that of prices. Thus for instance the price rise continued until towards the end of 1957, although clear signs of cyclical relaxation were in evidence as early as 1956. Apart from a general sluggishness in the movement of prices this time-lag is above all due to the fact that important cost increases continue for a greater or lesser length of time beyond the rising phase of the cycle, and that even when the

downward phase has already begun the elasticity of demand still suffices to permit the passing on of cost increases in prices. In this connection it is of particular importance that wages continue appreciably to rise even when the peak of the cycle is already past, because the labour market is usually affected only after some time by reductions in overall demand, especially where the cyclical upswing was accompanied by considerable excess demand.

At present also the *labour market*, notwithstanding the fall in the amount of orders reaching industry, still shows no easing of tension. By the middle of the year the number of unemployed, which had remained relatively small this year even in the winter months, had declined to 99,000 (or about 0.5 per cent of all employed wage and salary earners) as against 134,000 or 0.7 per cent a year before. Per contra the number of vacancies this year to date has been consistently higher than last year, even though it declined between the end of March and the end of June by 10,000, whereas in the corresponding period of last year it had risen by 50,000. At the same time the number of gainfully employable persons entering the labour market was by no means small. On the contrary, as a result of the increased inflow of refugees from the Soviet-occupied zone, of a continuing substantial influx of foreigners, and of the fact that the number of young persons leaving school was greater than a year before, the employment potential rose in the first half of this year by about 330,000 persons as against only 110,000 in the

Collectively Agreed Wage Increases in the Area of the Federal Republic <sup>1)</sup>

Period	Number of persons employed whose standard wages were raised <sup>2)</sup>		Extent of the various standard-wage increases <sup>2)</sup> in per cent			Standard-wage level <sup>4)</sup>			
	in thousands	in p. c. of employed covered by collective-agreement statistics <sup>3)</sup>	Hourly earnings	Wage adjustment for cut in working time	Weekly earnings	Hourly earnings		Weekly earnings	
						1958 = 100	Change against preceding year in p. c.	1958 = 100	Change against preceding year in p. c.
1957	12,030	75	8.8	3.6	5.2	93.4	.	95.1	.
1958	14,920	92	7.0	1.7	5.3	100.0	+ 7.1	100.0	+ 5.2
1959	12,490	76	6.5	1.3	5.2	104.8	+ 4.8	103.2	+ 3.2
1960	16,095	95	8.6	0.4	8.2	112.4	+ 7.3	110.0	+ 6.6
1959 1st qtr.	4,180	26	2.7	2.2	0.5	102.8	+ 5.6	101.5	+ 3.8
2nd qtr.	6,640	41	4.5	0.3	4.2	103.8	+ 4.2	102.3	+ 2.4
3rd qtr.	3,750	23	5.0	0.3	4.7	105.5	+ 4.4	103.8	+ 2.7
4th qtr.	3,660	22	6.0	1.4	4.6	107.0	+ 4.9	105.1	+ 3.7
1960 1st qtr.	3,945	23	6.6	0.5	6.1	108.7	+ 5.7	106.5	+ 5.0
2nd qtr.	8,080	48	5.9	0.4	5.5	110.6	+ 6.6	108.3	+ 5.9
3rd qtr.	5,625	33	8.9	0.2	8.7	114.1	+ 8.2	111.5	+ 7.5
4th qtr.	1,870	11	7.6	0.3	7.3	116.3	+ 8.6	113.6	+ 8.1
1961 <sup>P)</sup> 1st qtr.	5,695	33	5.2	0.1	5.1	118.0	+ 8.6	115.3	+ 8.2
2nd qtr.	4,810	28	9.5	0.1	9.4	120.3	+ 8.7	117.5	+ 8.5

<sup>1)</sup> Excluding Berlin (West); from 1960 onwards including Saarland. — The standard-wage increases are here counted as comprising also rises in the earnings of salaried employees and officials. In the case of a cut in the employees' and officials' working time with monthly earnings remaining unchanged, a corresponding rise in hourly earnings and a corresponding compensation in wages has been imputed. — <sup>2)</sup> Differences between the annual figures and the totals or the average of the quarterly values are due to the fact that in the case of several wage rises in the course of one year the persons employed are recorded only once, and the wage rises at their total annual amount, in the annual figures. — <sup>3)</sup> Altogether the collective agreements of about 85 per cent of all wage and salary earners are covered. — <sup>4)</sup> Yearly and quarterly results are computed as monthly average of the end-of-month figures. — <sup>P)</sup> Provisional.

corresponding period of last. While nevertheless the disequilibrium in the labour market has been greater than ever, this is largely because the average number of hours worked was reduced.

The workers' strong position on the labour market has led so far — and the position seems unlikely to change in the next few months in that respect — to a further rise in wage demands and in the wage increases stipulated on the conclusion of collective agreements. It is true that at an estimated 4.8 million the number of employed persons for whom collectively agreed wage increases came into force during the second quarter of 1961 was not so great as in the first quarter (5.7 million), or as in the second quarter of 1960 (8.1 million);

but this was exclusively because more collective agreements did not come up for renewal. On the other hand at 9.5 per cent the extent of the collective wage increases put into effect was greater than the 1960 yearly average of 8.6 per cent. At the same time actual wages evidently rose during the period even more, rising according to the industrial statistics by an estimated 11 per cent. As already mentioned, on the other hand, the increase of output per man-hour worked in industry amounted in the second quarter of 1961 to only 3 per cent by comparison with the corresponding period a year before, so that on an overall view only about one-third of the wage increases were offset by the simultaneous advance in productivity.

## Foreign Trade and the Balance of Payments

### The Monetary Reserves of the Deutsche Bundesbank

On payment transactions with foreign countries relatively small surpluses accrued during recent months as measured by the movement of the Bundesbank's net gold and exchange holding. On 30 April this year, that is shortly after prepayment of a large part of the German debts arising from the United States' post-war economic aid and repayment of all the debts still out-

standing in respect of the United Kingdom's (this being followed in May by repayment of the remaining debts to France), the Bundesbank's net holding of gold and exchange had amounted to DM 28.8 billion as against DM 31.6 billion at the end of last year; in May and June the holding rose by DM 235 and 486 million respectively, and in July it fell by DM 354 million. At the end of July the central monetary reserves thus

Factors Determining the Change in Central Monetary Reserves  
in millions of DM

Period	Increase (+) or decrease (-) in gold and foreign exchange holdings (net) of the Deutsche Bundesbank	of which, resulting from:													
		Special factors				Current movement									
		Total	Revaluation loss	Pre-payment of debt <sup>1)</sup>	U.S. Treasury bills out of Bundesbank holdings taken over by R.L.C. (increase: -) <sup>2)</sup>	Total	Change in foreign exchange position of banks other than Bundesbank (excl. investment by R.L.C.) <sup>3)</sup>			Other statistically ascertained capital transactions (net) (outflow: -)			Transactions in goods and services	Donations	Residual item of the balance of payments
							Net change (improvement: -)	Increase (-) or decrease (+) in foreign assets	Increase (+) or decrease (-) in foreign liabilities	Balance	Official	Private			
1960 1st qtr.	+ 353	—	—	—	+ 353	+ 120	+ 14	+ 106	-1,618	-1,192	- 426	+2,334	- 623	+ 140	
2nd qtr.	+3,458	—	—	—	+3,458	+1,610	+1,178	+ 432	+ 123	- 119	+ 242	+1,566	- 825	+ 984	
3rd qtr.	+2,633	—	—	—	+2,633	+ 315	+ 194	+ 121	+ 352	- 261	+ 613	+1,586	- 669	+1,049	
4th qtr.	+1,563	—	—	—	+1,563	+ 209	- 283	+ 492	+ 589	- 622	+1,211	+2,487	- 939	- 783	
1961 1st qtr.	- 207	-2,097	-1,420	—	- 677	+1,890	-1,221	-1,386	+ 165	+ 723	- 470	+1,193	+2,660	- 653	+ 381
2nd qtr.	-1,892	-3,246	—	-3,122	- 124	+1,354	- 510	-1,455	+ 945	- 77	- 686	+ 609	+2,078	- 834	+ 697
January	- 492	- 592	—	—	- 592	+ 100	-1,077	- 912	- 165	+ 71	- 211	+ 282	+ 613	- 210	+ 703
February	+ 290	- 85	—	—	+ 85	+ 375	- 631	- 360	- 271	+ 339	- 141	+ 480	+1,071	- 205	- 199
March	- 5	-1,420	-1,420	—	+ 0	+1,415	+ 487	- 114	+ 601	+ 313	- 118	+ 431	+ 976	- 238	- 123
April	-2,613	-3,163	—	-3,101	- 62	+ 550	- 177	- 503	+ 326	+ 6	- 379	+ 385	+ 951	- 412	+ 182
May	+ 235	- 166	—	- 21	+ 145	+ 401	- 193	- 360	+ 167	+ 51	- 176	+ 227	+ 450	- 204	+ 297
June P)	+ 486	+ 83	—	—	+ 83	+ 403	- 140	- 592	+ 452	- 134	- 131	- 3	+ 677	- 218	+ 218
July P)	- 354	- 4	—	—	- 4	- 350	...	...	...	...	...	...	...	...	...

<sup>1)</sup> Acquisition by Deutsche Bundesbank of claims resulting from post-war economic aid of United States, United Kingdom and France. — <sup>2)</sup> The purchase serves the temporary investment of part of the proceeds from the German industry's development aid loan (R.L.C. = Reconstruction Loan Corporation). By way of contrast to the figures given on pp. 4/5, the conversion into DM is based on the parity rate; the reduction due to the revaluation of the DM has not been eliminated. — <sup>3)</sup> Cf. footnote 2). — P) Provisional.

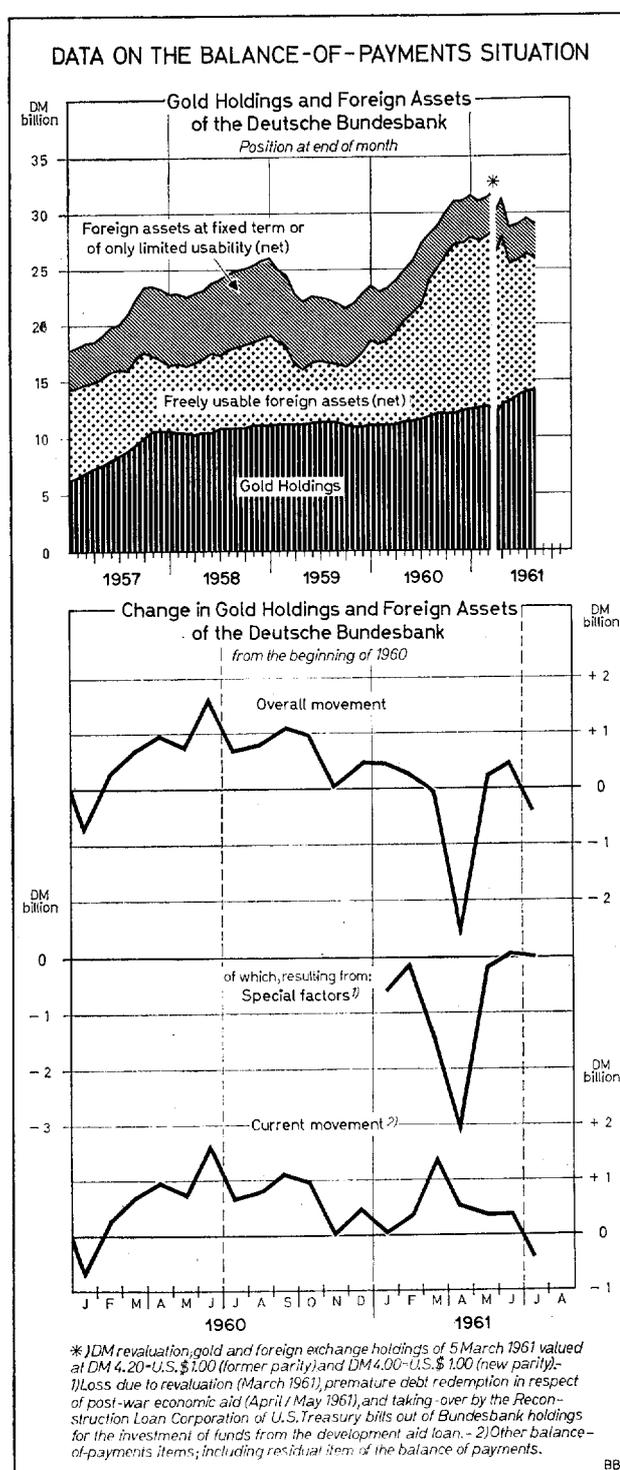
amounted to DM 29.2 billion net; they were accordingly smaller by fully DM 2.4 billion than on 31 December 1960.

In the movement of the reserves during the first four months of the year exceptional outgoings had been a material factor. As a result of the alteration of the D-mark parity on 6 March 1961 they had fallen in terms of DM by DM 1,420 million (the so-called revaluation loss)<sup>1)</sup>. The Bank's monetary reserves were further greatly reduced by the above-mentioned premature repayment of post-war debts, amounting to something over DM 3.1 billion, as described in a special study in the April issue of these Monthly Reports. Also to be regarded in some measure as a special factor is the sale of U.S. Treasury bills from the Bank's holding to the Reconstruction Loan Corporation (RLC) for temporary employment of a part of the proceeds of the development aid loan from industry. In January and February 1961 the Bank's exchange holding was reduced by DM 677 million through this transaction; and in April, when the second tranche of the development aid loan became due according to the original time programme, it was thus reduced by a further DM 62 million.

Thereafter the gold and exchange position was no longer determined by special factors of this kind. It is true that in May, when the rest of the development aid loan was received, a further DM 145 million of U.S. Treasury bills from the Bundesbank's holding were sold to the Reconstruction Loan Corporation; but in June the gradually commencing outflow of loan monies for development assistance purposes already caused resales amounting to DM 83 million, and although in July again a small amount was sold, the decrease produced in the Bundesbank's exchange holding since May this year through sales to the RLC in connection with these transactions has been only slight.

While the increase of the central monetary reserves nevertheless remained within relatively narrow limits, this was due to a continuance of money exports by the remaining credit institutions and to a gradual downward movement in the balance of other capital transactions, which outweighed the simultaneous upward movement in the surplus on goods and services and

<sup>1)</sup> Besides the DM 1,420 million balance-sheet loss due to the revaluing of the gold and exchange holdings there were some further book losses amounting to DM 55 million on internal accounting adjustments. The resulting total "compensation requirement" of DM 1,475 million in the Bundesbank's balance sheet was later covered to the extent of DM 210 million through liquidating of reserves held for special purposes, so that a residue of DM 1,265 million remained. To that extent the Federal Government recognised a "claim (of the Bundesbank) in respect of alteration of the currency parity", which claim — apart from other possible repayments — is to be reduced each year by the amount of the share due to the Federal Government in the Bank's profit.



thereby reduced the renewed rise in the Bundesbank's gold and exchange holdings.

### The Banks' "Money Exports"

The banks' money exports, that is their employment of funds with foreign banks and on foreign money markets, grew faster in the second quarter of 1961. They amounted to more than DM 1.5 billion without the RLC's above-mentioned investments, and were thus

greater than in the first quarter, when they had already reached DM 1.2 billion. In July, according to provisional partial data, they appear to have again grown considerably. The basis for this movement is the closing of the wide international gap which had existed between interest rates until towards the end of last year. In addition however the improvement in the exchange position was assisted by some special factors. In particular at the beginning of this year a fact of great importance was that the Bundesbank allowed a swap premium to the banks when selling dollars for employment of funds abroad for more than a specified minimum period. This premium, at first 1½ 0/0, was reduced by ½ 0/0 each on 20 January and at the beginning of February, and was completely abolished at mid-February; but even after its abolition the Bundesbank assisted the money exports inasmuch as it concluded forward contracts at spot rates, and thus saved the banks from having to pay the free-market price for fixing the rate. Besides this the money exports have been stimulated since the middle of May this year, when the banks' minimum reserve requirements were re-arranged through their liabilities to foreigners being released from the minimum reserve obligation in so far

as such liabilities have against them balances and money-market investments abroad, by the fact that the banks have been trying to increase their foreign assets. Under the influence of these factors the banks' foreign balances and money-market investments (excluding the RLC's funds employed in U.S. Treasury bills) had risen by 30 June 1961 to something over DM 4 billion, against DM 1.3 billion at the end of last year and DM 2.5 billion on 31 March 1961. As against this during the second quarter, unlike the first, the banks granted no further short-term credits to foreigners; on the contrary such credits, outstanding at the end of March this year to the extent of nearly DM 1.3 billion, were reduced by about DM 70 million. Even so the total short-term foreign assets (again excluding the RLC's investments) rose in the second quarter by DM 1.455 million, this being somewhat more than the DM 1,386 million rise in the first.

In the second quarter however the foreign liabilities also increased considerably, namely by DM 945 million against only DM 165 million in the first three months of the year. The increase is primarily due to the greater taking of foreign credits. The banks' indebtedness increased between April and June by DM 610 million.

Foreign Exchange Position of the Banks \*)  
in millions of DM

Items	Position on 31 Dec. 1958 (1) 2)	Changes during period indicated 3) 4)										Position on 30 June 1961 (1) 2)
		1959	1960	1961								
				1st qtr. 5)	2nd qtr.	Jan.	Feb.	March 6)	April	May	June	
<b>A. Short-term Foreign Assets</b>												
Credit balances with foreign banks, total	559	+ 537	- 361	+1,131	+1,663	+ 672	+ 266	+ 193	+ 589	+ 400	+ 674	3,730
of which: Monies payable on demand	( 431)	(+ 451)	(- 409)	(+ 154)	(+ 561)	(+ 164)	(+ 53)	(- 63)	(+ 246)	(+ 16)	(+ 299)	(1,245)
Time deposits	( 128)	(+ 86)	(+ 48)	(+ 977)	(+1,102)	(+ 508)	(+ 213)	(+ 256)	(+ 343)	(+ 384)	(+ 375)	(2,485)
Money-market investments	481	+ 718	- 867	+ 720	- 16	+ 756	+ 97	- 133	(+ 19)	+ 131	- 166	1,083
including: Reconstruction Loan Corporation 7)	( - )	( - )	( - )	(+ 677)	(+ 124)	(+ 592)	(+ 85)	(- 0)	(+ 62)	(+ 145)	(- 83)	( 801)
Short-term credit	879	+ 60	+ 125	+ 212	- 68	+ 76	+ 82	+ 54	- 43	- 26	+ 1	1,197
Total	1,919	+1,315	-1,103	+2,063	+1,579	+1,504	+ 445	+ 114	+ 565	+ 505	+ 509	6,010
<b>B. Short-term Foreign Liabilities</b>												
Foreigners' deposits	2,893	+ 535	+ 231	- 140	+ 335	- 407	- 85	+ 352	+ 143	+ 16	+ 176	3,836
of which: Banks	(1,702)	(+ 229)	(- 128)	(+ 32)	(+ 153)	(- 247)	(- 38)	(+ 317)	(+ 52)	(+ 52)	(+ 49)	(1,981)
Non-banks	(1,191)	(+ 306)	(+ 359)	(- 172)	(+ 182)	(- 160)	(- 47)	(+ 35)	(+ 91)	(- 36)	(+ 127)	(1,855)
Short-term credit	577	- 255	+ 920	+ 305	+ 610	+ 242	- 186	+ 249	+ 183	+ 151	+ 276	2,168
Total	3,470	+ 280	+1,151	+ 165	+ 945	- 165	- 271	+ 601	+ 326	+ 167	+ 452	6,004
<b>C. Balance of Short-term Foreign Assets and Liabilities (net foreign exchange position)</b>												
	-1,551	+1,035	-2,254	+1,898	+ 634	+1,669	+ 716	- 487	+ 239	+ 338	+ 57	+ 6

\*) Other than Bundesbank. — 1) For further breakdown and back figures, see Table VII 4 in the Statistical Section of this Report. — 2) Assets and liabilities in foreign currency are valued at the parity rate applying at the end of the period indicated. — 3) Increase in assets and liabilities: +, decrease: -; improvement in balance of assets and liabilities (net foreign exchange position): +, deterioration: -. — 4) Including changes in foreign-currency assets and liabilities due to the DM revaluation; other statistical increases and decreases have been eliminated. — 5) Cf. footnote 4). — 6) Only investment of funds deriving from the German industry's Development Aid Loan in U.S. Treasury bills out of the Bundesbank's holdings. Cf. in this connection footnote 7) to Table "Factors Determining the Change in Central Monetary Reserves" on page 46.

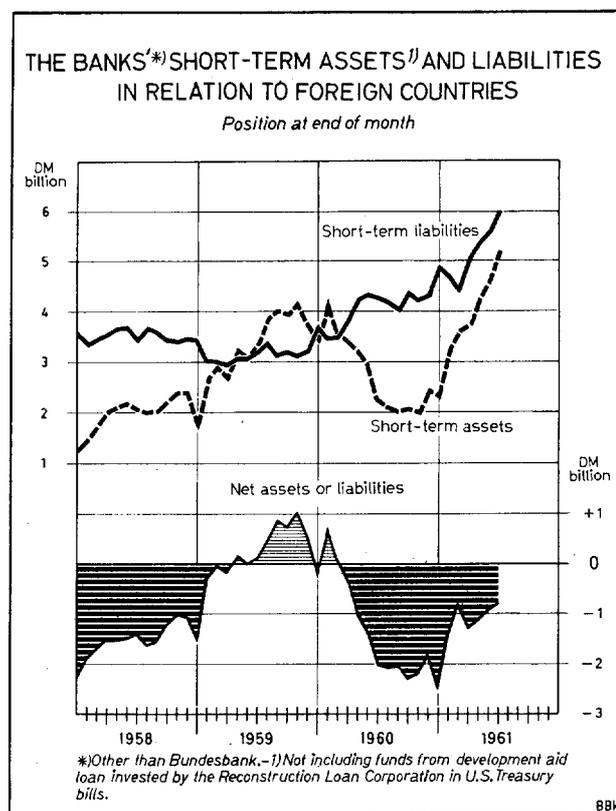
that is by twice as much as in the first quarter. One reason for the further increase lay in the fact that, just as during the first quarter, the banks borrowed considerably in foreign currency; this may have been because both for their own account and for that of their customers they incurred foreign exchange liabilities with a view to thereby covering the exchange risk on claims in such currencies. Presumably a further reason was that for some institutions the above-mentioned change in the minimum reserve requirements created a certain inducement to borrow abroad in cases where their holding of credit balances and money-market investments abroad was greater than their reserve-carrying liabilities to foreigners; in such circumstances the borrowing entails no higher minimum reserve requirements, and is hence relatively cheap.

A further important factor in the very large increase of total foreign liabilities by comparison with the first quarter was the reversal of the movement in foreigners' deposits. Whereas such deposits had declined by DM 140 million in the first quarter, they rose by DM 335 million in the second. Here indeed it must be borne in mind that for some time the movements in such deposits have been increasingly affected by payment of investment income items, which on certain dates — especially at the close of the year and to some extent also of the half-year — are transferred from internal circulation to foreigners' accounts kept at German banks, and only in the following month are in great part drawn off. Thus the decrease of deposits in the first quarter was due to the fact that in January a large part of the amounts credited in December flowed out, while the increase in the second quarter was connected with the crediting of amounts in June.

On striking the balance between assets and liabilities one finds for the second quarter, with the RLC excluded, an improvement in the banks' exchange position by DM 510 million. Because of the great increase in liabilities, however, this improvement was not nearly so great as that of about DM 1.2 billion in the first quarter. With assets of DM 5.2 billion (not including the RLC's investments), and liabilities of DM 6.0 billion, there remained on 30 June 1961 net foreign short-term indebtedness amounting to DM 0.8 billion only as against DM 2.5 billion at the end of December.

#### Slackening of the Capital Inflow

In the balance of capital movements not due to alterations in the banks' exchange position there have also been some substantial changes of late, inasmuch as the large surplus which until recently existed has been greatly reduced, and in June was even converted into a



deficit. This at least is so if one considers the statistically recorded capital movements, excluding alterations in the banks' exchange position and also excluding prepayment of debt. But this downward tendency, which evidently continued in July, was modified by the movement in the balance-of-payments residual item, in the changes of which the granting of credit and similar transactions are an important factor. In that connection there were in fact comparatively large surpluses in the second quarter of 1961.

The main reason for the changes in the balance of statistically recorded capital transactions lay in the course of *private security dealings with foreign countries*. Last year these had produced a net money inflow of DM 1.4 billion, since foreigners' purchases of German securities to the net extent of DM 2.1 billion had far exceeded the simultaneous German purchases abroad amounting to roughly DM 700 million net. At nearly DM 700 million in the first quarter of 1961 the inflows had also still been relatively large. In April they again reached as much as some DM 300 million. But in May they were already down to some DM 180 million; and in June, for the first time since the beginning of 1960, sales of foreign exchange in respect of security transactions were greater than the simultaneous receipts — a tendency which, in all probability, continued during July on a greater scale.

As can be seen in detail from the table below, this was mainly due to the *transactions in German fixed-interest securities*. Whereas on the monthly average for the last quarter of 1960 foreigners had acquired such securities to the net extent of about DM 240 million, from January onwards their net purchases declined at first slowly and then at increasing speed. In May they amounted to only DM 58 million net; and in June, the last month for which figures are available, the sales were actually greater by DM 21 million than the fresh investments. The deciding cause doubtless lies in the marked narrowing of the interest differential since last autumn, even though of late the world political tensions also have been a factor.

As against this there has been a certain revival on the other side of the account for security dealings, that is in the transactions in foreign securities. Whereas at only DM 5 million net the purchases of foreign securities by residents in the first quarter of 1961 were at their lowest level to date, they amounted in the second

quarter to DM 110 million net. The increase by comparison with the first months of the year was mainly due to greater buying of foreign dividend-bearing securities.

Further to be mentioned among the factors which contributed to the slackening of the net capital inflow are the increased long-term *capital payments by public authorities*. Such payments amounted in the second quarter to about DM 740 million against DM 425 million in the first<sup>1)</sup>. There was a relatively marked increase in the lendings to developing countries, these having risen to about DM 280 million as against DM 120 million in the period from January to March. Of the total for the second quarter India accounted for nearly DM 160 million, and Turkey for DM 100 mil-

<sup>1)</sup> In the table "Important Items of the Balance of Payments" on page 52 the long-term official capital payments are shown for the second quarter of 1961 at about DM 3,860 million. The difference of roughly DM 3,120 million by comparison with the figure mentioned above represents prepayment of debt on account of post-war economic aid. The liabilities in question were however not repaid by the Federal Government itself; the claims of the creditors concerned were acquired by the Bundesbank, which is ranked in the balance-of-payments statistics as belonging to the public sector. (Cf. pages 24/25 of this Report.)

*Private Security Transactions with Foreign Countries*  
in millions of DM

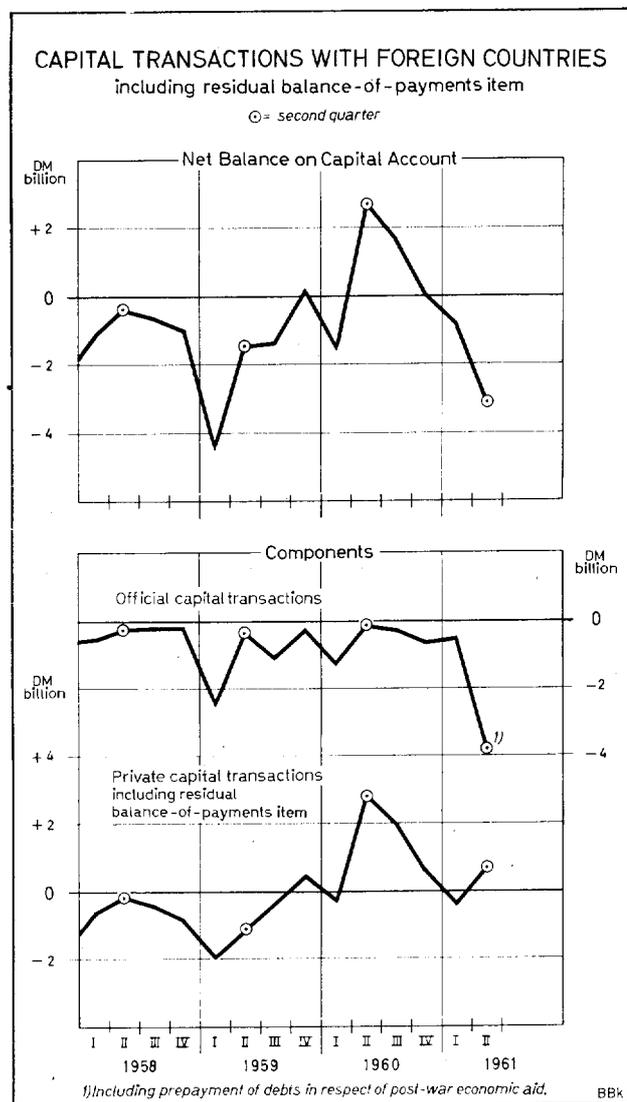
Items <sup>1)</sup>	1958	1959	1960					1961				
			Total	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.	April	May	June
<b>A. Transactions in Foreign Securities</b>												
(1) Foreign securities purchased by residents	383	2,032	1,717	561	341	500	315	326	323	111	100	112
of which: (a) Dividend-bearing	( 196)	( 1,409)	( 1,543)	( 488)	( 303)	( 472)	( 280)	( 297)	( 290)	( 94)	( 90)	( 106)
(b) Fixed-interest-bearing	( 187)	( 623)	( 174)	( 73)	( 38)	( 28)	( 35)	( 29)	( 33)	( 17)	( 10)	( 6)
(2) Foreign securities sold by residents	104	569	1,009	202	301	278	228	321	213	87	56	70
of which: (a) Dividend-bearing	( 46)	( 398)	( 811)	( 141)	( 240)	( 240)	( 190)	( 253)	( 188)	( 76)	( 51)	( 61)
(b) Fixed-interest-bearing	( 58)	( 171)	( 198)	( 61)	( 61)	( 38)	( 38)	( 68)	( 25)	( 11)	( 5)	( 9)
Net purchases (—) or sales (+) of foreign securities by residents	—279	—1,463	— 708	—359	— 40	—222	— 87	— 5	—110	— 24	— 44	— 42
of which: (a) Dividend-bearing	(—150)	(—1,011)	(— 732)	(—347)	(— 63)	(—232)	(— 90)	(— 44)	(—102)	(— 18)	(— 39)	(— 45)
(b) Fixed-interest-bearing	(—129)	(— 452)	(+ 24)	(— 12)	(+ 23)	(+ 10)	(+ 3)	(+ 39)	(— 8)	(— 6)	(— 5)	(+ 3)
<b>B. Transactions in Domestic Securities <sup>2)</sup></b>												
(1) Domestic securities purchased by foreigners	1,803	2,528	4,342	536	759	1,418	1,629	1,168	1,367	529	492	346
of which: (a) Dividend-bearing	( 796)	( 1,902)	( 2,483)	( 306)	( 572)	( 868)	( 737)	( 497)	( 861)	( 319)	( 325)	( 217)
(b) Fixed-interest-bearing	(1,007)	( 626)	( 1,859)	( 230)	( 187)	( 550)	( 892)	( 671)	( 506)	( 210)	( 167)	( 129)
(2) Domestic securities sold by foreigners	1,211	2,059	2,276	498	536	662	580	466	790	201	267	322
of which: (a) Dividend-bearing	( 587)	( 1,293)	( 1,790)	( 380)	( 432)	( 557)	( 421)	( 228)	( 457)	( 127)	( 158)	( 172)
(b) Fixed-interest-bearing	( 624)	( 766)	( 486)	( 118)	( 104)	( 105)	( 159)	( 238)	( 333)	( 74)	( 109)	( 150)
Net purchases (+) or sales (—) of domestic securities by foreigners	+592	+ 469	+2,066	+ 38	+223	+756	+1,049	+702	+577	+328	+225	+ 24
of which: (a) Dividend-bearing	(+209)	(+ 609)	(+ 693)	(— 74)	(+140)	(+311)	(+ 316)	(+269)	(+404)	(+192)	(+167)	(+ 45)
(b) Fixed-interest-bearing	(+383)	(— 140)	(+1,373)	(+112)	(+ 83)	(+445)	(+ 733)	(+433)	(+173)	(+136)	(+ 58)	(— 21)
<b>C. Net Balance (A + B)</b>												
of which: (a) Dividend-bearing	+313	— 994	+1,358	—321	+183	+534	+ 962	+697	+467	+304	+181	— 18
(b) Fixed-interest-bearing	(+ 59)	(— 402)	(— 39)	(—421)	(+ 77)	(+ 79)	(+ 226)	(+225)	(+302)	(+174)	(+128)	(+ 0)
	(+254)	(— 592)	(+1,397)	(+100)	(+106)	(+455)	(+ 736)	(+472)	(+165)	(+130)	(+ 53)	(— 18)

<sup>1)</sup> Dividend-bearing securities including investment fund certificates. — <sup>2)</sup> Including German external bonds.

lion. Besides the payments to developing countries — which payments will tend to rise further in the coming months because the financial basis for granting development aid has been greatly broadened through the Federal Government's recently adopted measures — the transfers to international organisations also increased. They amounted to about DM 410 million against some DM 280 million in the first quarter; they mainly comprised payments to the International Monetary Fund in respect of DM drawings by individual member countries. For this purpose a total of DM 363 million had to be provided. Thus from the time of its accession to the IMF up till now the Federal Republic has transferred to the Fund DM 1.9 billion, of which roughly DM 840 million had to be provided as cash subscriptions towards the German quota and approximately DM 1,030 million in respect of DM drawings.

In contrast to the long-term capital transactions the balance of capital movements at short term, excluding the above-mentioned alterations in the banks' exchange position, showed a substantial surplus in the second quarter. With only an insignificant surplus on official transactions, due to the decrease in the Federal Government's claims in respect of advance payment for armaments, this was explained by the *taking of short-term financial credit* by German business enterprises. The borrowings, which were effected direct (that is outside the banking system), amounted in the months from April to June to altogether about DM 500 million, against some DM 480 million in the first quarter and a quarterly average of around DM 180 million for last year. The large amount of such borrowing was doubtless due to the fact that, as already indicated elsewhere, the business community sought to incur foreign currency liabilities with a view to thereby safeguarding foreign currency assets against losses which might arise on any alteration of exchange rates.

Similar efforts doubtless also provide the reason why the *balance-of-payments residual item* has again shown a relatively large surplus since April this year, whereas in February and March it had shown deficits totalling over DM 300 million. As already mentioned, the changes in this section of the balance of payments are largely determined by statistically unrecorded credit transactions. These primarily comprise the granting and taking of periods for payment in foreign trade, that is the terms of payment. The movement of these latter in the Federal Republic's favour is presumably due to the fact that foreigners tried to build up DM assets through advance payments on future German exports, while German importers showed a certain restraint in settling their liabilities expressed in foreign currency.



To sum up, the recent course of capital transactions with foreign countries presents the following picture. As a result of large money exports by the banks, and increased foreign payments by the authorities, the borrowing by the banks and the rest of the economy — largely as a result of efforts to fix rates — was outweighed. This was the more readily possible because the exchange inflows in connection with securities, after having been relatively great until recently, completely disappeared towards the end of the second quarter. Altogether therefore the balance of statistically recorded capital transactions was in deficit even if the RLC's DM 800 million of money-market investments and the DM 3.1 billion of prepayments of debt are disregarded. On this basis the deficit on capital account in the second quarter was around DM 600 million against roughly DM 500 million in the first, whereas in 1960 from the spring onwards capital transactions had shown surpluses amounting to DM 3.2 billion for the

second, third and fourth quarters together. This picture is to some extent modified if the residual item of the balance of payments is also taken into account. Although in that case the capital transactions in the second quarter of 1961 continue to show a surplus — of

something over DM 100 million — the change by comparison with a year previously, when the statistically unrecorded capital inflows had been particularly great, is if anything even more marked. It remains of course to be seen whether the tendencies recently apparent in

Important Items of the Balance of Payments \*) +)  
in millions of DM

Period	I. Net movement of gold and exchange <sup>1)</sup>	II. Balance of transactions in goods, services, donations and capital											III. Residual item of the balance of payments (I less II) <sup>2)</sup>	
		Balance on current account					Balance on capital account (outflow: —, inflow: +)							
		Total	Net transactions in goods and services			Net donations	Total	At long term <sup>3)</sup>			At short term			Net balance of transactions in goods, services, donations and capital
			Total	Balance of trade <sup>4)</sup>	Net services <sup>5)</sup>			Total	Private	Official <sup>6)</sup>	Total	in-cluding: Foreign exchange position of banks other than Bundesbank <sup>7)</sup>		
1956	+5,014	+4,505	+5,696	+2,897	+2,799	-1,191	+ 48	- 629	+ 130	- 759	+ 677	+ 912	+4,553	+ 461
1957	+5,122	+5,968	+7,801	+4,083	+3,718	-1,833	-2,440	- 726	+ 133	- 859	-1,714	- 25	+3,528	+1,594
1958	+3,188	+6,288	+8,132	+4,954	+3,178	-1,844	-2,392	-1,877	- 518	-1,359	- 515	- 734	+3,896	- 708
1959	-2,204	+4,495	+7,401	+5,361	+2,040	-2,906	-6,243	-3,919	-1,147	-2,772	-2,324	-1,035	-1,748	- 456
1960	+8,007	+4,917	+7,973	+5,223	+2,750	-3,056	+1,700	+ 458	+ 982	-1,440	+2,158	+2,254	+6,617	+1,390
1959 1st qtr.	-2,942	+1,209	+1,905	+1,191	+ 714	- 696	-4,099	-1,342	- 449	- 893	-2,757	-1,335	-2,890	- 52
2nd qtr.	- 422	+1,051	+1,741	+1,295	+ 446	- 690	-1,180	- 998	- 452	- 546	- 182	- 353	- 129	- 297
3rd qtr.	- 797	+ 522	+1,412	+1,212	+ 200	- 890	-1,647	-1,213	- 170	-1,043	- 434	- 381	-1,125	+ 328
4th qtr.	+1,961	+1,713	+2,343	+1,663	+ 680	- 630	+ 683	- 366	- 76	- 290	+1,049	+1,034	+2,396	- 435
1960 1st qtr.	+ 353	+1,711	+2,334	+1,375	+ 959	- 623	-1,498	- 703	- 460	- 243	- 795	+ 120	+ 213	+ 140
2nd qtr.	+3,458	+ 741	+1,566	+ 874	+ 692	- 825	+1,733	- 346	+ 91	- 437	+2,079	+1,610	+2,474	+ 984
3rd qtr.	+2,633	+ 917	+1,586	+1,148	+ 438	- 669	+ 667	+ 34	+ 356	- 390	+ 701	+ 315	+1,584	+1,049
4th qtr.	+1,563	+1,548	+2,487	+1,826	+ 661	- 939	+ 798	+ 625	+ 995	- 370	+ 173	+ 209	+2,346	- 783
1961 1st qtr.	+1,213 <sup>8)</sup>	+2,007	+2,660	+1,918	+ 742	- 653	-1,175	+ 323	+ 748	- 425	-1,498	-1,898 <sup>9)</sup>	+ 832	+ 381
2nd qtr. <sup>10)</sup>	-1,892	+1,244	+2,078	+1,716	+ 362	- 834	-3,833	-3,705	+ 153	-3,858	- 128	- 634	-2,589	+ 697
1960 Jan.	- 656	+ 350	+ 547	+ 275	+ 272	- 197	-1,259	- 280	- 208	- 72	- 979	-1,006	- 909	+ 253
Feb.	+ 298	+ 515	+ 734	+ 396	+ 338	- 219	- 234	- 264	- 203	- 61	+ 30	+ 629	+ 281	+ 17
March	+ 711	+ 846	+1,053	+ 704	+ 349	- 207	- 5	- 159	- 49	+ 110	+ 154	+ 497	+ 841	- 130
April	+ 994	+ 118	+ 629	+ 310	+ 319	- 511	+ 597	- 161	+ 38	- 199	+ 758	+ 634	+ 715	+ 279
May	+ 791	+ 397	+ 566	+ 395	+ 171	- 169	+ 240	- 127	- 52	- 75	+ 367	+ 363	+ 637	+ 154
June	+1,673	+ 226	+ 371	+ 169	+ 202	- 145	+ 896	- 58	+ 105	- 163	+ 954	+ 613	+1,122	+ 551
July	+ 702	+ 263	+ 470	+ 435	+ 35	- 207	+ 232	- 42	+ 173	- 215	+ 274	+ 78	+ 495	+ 207
Aug.	+ 819	+ 126	+ 401	+ 204	+ 197	- 275	+ 132	+ 18	+ 137	- 119	+ 114	- 16	+ 258	+ 561
Sep.	+1,112	+ 528	+ 715	+ 509	+ 206	- 187	+ 303	- 10	+ 46	- 56	+ 313	+ 253	+ 831	+ 281
Oct.	+ 987	+ 518	+ 751	+ 413	+ 338	- 233	+ 369	+ 382	+ 381	+ 1	- 13	- 103	+ 887	+ 100
Nov.	+ 79	+ 691	+ 904	+ 572	+ 332	- 213	- 501	+ 91	+ 260	- 169	- 592	- 346	+ 190	- 111
Dec.	+ 497	+ 339	+ 832	+ 841	- 9	- 493	+ 930	+ 152	+ 354	- 202	+ 778	+ 658	+1,269	- 772
1961 Jan.	- 492	+ 403	+ 613	+ 418	+ 195	- 210	-1,598	+ 37	+ 188	- 151	-1,635	-1,669	-1,195	+ 703
Feb.	+ 290	+ 866	+1,071	+ 853	+ 218	- 205	- 377	+ 193	+ 371	- 178	- 570	- 716	+ 489	- 199
March	+1,415 <sup>11)</sup>	+ 738	+ 976	+ 647	+ 329	- 238	+ 800	+ 93	+ 189	- 96	+ 707	+ 487 <sup>12)</sup>	+1,538	- 123
April	-2,613	+ 539	+ 951	+ 726	+ 225	- 412	-3,334	-3,180	+ 237	-3,417	- 154	- 239	-2,795	+ 182
May	+ 235	+ 246	+ 450	+ 297	+ 153	- 204	- 308	- 252	+ 64	- 316	- 56	- 338	- 62	+ 297
June <sup>13)</sup>	+ 486	+ 459	+ 677	+ 693	- 16	- 218	- 191	- 273	- 148	- 125	+ 82	- 57	+ 268	+ 218
July <sup>14)</sup>	- 354	...	...	...	...	...	...	...	...	...	...	...	...	...

<sup>1)</sup> From the date of the economic incorporation of the Saarland (6 July 1959) including the Saarland's transactions with foreign countries. — <sup>2)</sup> Cf. Tables VII 2 to 5 in the Statistical Section of this Report. — <sup>3)</sup> Change in monetary reserves (net) of the Deutsche Bundesbank (increase: +); excluding I.B.R.D. bonds and those I.B.R.D. notes that are shown in the Bundesbank Return in the item "Securities" and in this tabulation under long-term official capital transactions. From January 1959 onwards including changes on letter-of-credit cover accounts (not taken into account until end-1958) and changes in the liabilities on "Deposits of foreign depositors". — <sup>4)</sup> Special trade according to the official foreign trade statistics; imports c.i.f., exports f.o.b.; in 1957 and 1958 including imports of the Federal Government subsequently reported and not recorded in the official foreign trade statistics for those years. — <sup>5)</sup> Excluding expenditure on freight and insurance costs contained in the c.i.f. import value, but including net balance of merchanting trade and other additions to trade in goods. — <sup>6)</sup> Including receipts from goods delivered and services rendered to foreign troops. — <sup>7)</sup> Capital transactions are classified as "Private" or "Official" according to the sector to which the German party engaged in the transaction belongs. — <sup>8)</sup> Cf. footnote <sup>1)</sup>. — <sup>9)</sup> Net balance of changes in short-term foreign assets and liabilities (increase in assets and decrease in liabilities: —). — <sup>10)</sup> Net errors and omissions: mainly due to changes in terms of payment. — <sup>11)</sup> Disregarding the decrease of DM 1,420 million in the Deutsche Bundesbank's monetary reserves due to the DM revaluation. — <sup>12)</sup> Including the statistical change of assets and liabilities in foreign currency due to the DM revaluation. — <sup>13)</sup> Provisional.

capital transactions will continue to gain strength. A question of great importance here is likely to be whether and to what extent the international monetary unrest disappears, since until very recently rate-fixing transactions have induced substantial inflows of money from abroad. The measures adopted by the British Government at the end of July have launched, at a central point, an attack on this monetary unrest.

#### Continuing Large Surplus on Goods and Services

As already indicated, however, the substantial money exports and the slackening of the capital inflow from abroad had against it during recent months a continuing large surplus on goods and services. In the second quarter — figures going beyond June are not yet to hand — the receipts under that head were greater than the outgoings by nearly DM 2.1 billion. It is true that in accordance with the seasonal tendency this amount fell appreciably short of that for the first quarter (nearly DM 2.7 billion), as well as of that for the fourth quarter of 1960 (just on DM 2.5 billion); but it was considerably greater than the surpluses, each something under DM 1.6 billion, for the second and third quarters of 1960. At the same time the surplus on services alone has continued its tendency to become much smaller; it amounted to about DM 360 million in the second quarter against some DM 740 million in the quarter before that, and not quite DM 700 million in the second quarter of 1960. This was a result of larger capital income transfers to foreign countries and, in particular, of the great rise in tourist expenditure. The increase of net outgoings on travel — about DM 500 million in the first half of 1961 as against not quite DM 300 million in the first six months of last year — continued a trend already apparent for years; it is however obvious that this trend has been much accentuated by the revaluation of the DM and the consequent cheapening of travel abroad.

So far, on the other hand, no similar decrease of the surplus on trade is evident. At something over DM 1.7 billion in the second quarter of this year the export surplus was on the contrary smaller by only DM 200 million than in the first (which may be due largely or even entirely to seasonal influences), but was greater by almost DM 850 million than in the second quarter of 1960; it exceeded by over DM 400 million even the already large surplus of almost DM 1.3 billion for the second quarter of 1959.

The causes of this increase lie essentially on the side of *imports*. In the case of both exports and imports the year-to-year growth-rates have in fact declined, but

*Foreign Trade*  
Changes on the year  
in per cent

	Values		Volume	
	Imports	Exports	Imports	Exports
1960	+ 19.3	+ 16.4	+ 19.1	+ 15.1
1960 1st half	+ 25.5	+ 20.9	+ 25.6	+ 20.6
1st qtr.	(+ 30.2)	(+ 28.2)	(+ 32.4)	(+ 28.8)
2nd qtr.	(+ 21.3)	(+ 14.4)	(+ 19.7)	(+ 13.4)
2nd half	+ 14.0	+ 12.6	+ 13.6	+ 10.4
3rd qtr.	(+ 14.2)	(+ 11.9)	(+ 13.2)	(+ 10.2)
4th qtr.	(+ 13.8)	(+ 13.2)	(+ 14.0)	(+ 10.5)
1961 1st half	+ 3.6	+ 9.3	+ 6.7	+ 8.1
1st qtr.	(+ 2.8)	(+ 7.2)	(+ 4.3)	(+ 5.0)
2nd qtr.	(+ 4.4) *	(+ 11.4)	(+ 9.0)	(+ 11.3)

the decline in the case of imports has been greater than that in exports, so that the export surplus has risen.

This is due in particular to three circumstances:

1) At least in some quarters the international uneasiness about future monetary developments has led to a certain caution among importers since, as long as a further change in currency relationships (perhaps through devaluation of other currencies) is thought possible, they of course try to reduce stocks of imported goods or to keep them low, so as not to miss the opportunities for cheaper buying afforded by a possible alteration of exchange rates or even having to accept exchange losses. This applies especially to the import of standard goods, subject to international price formation and normally held in considerable stocks, such as semi-finished goods and raw materials. In fact imports of industrial raw materials and semi-finished goods in the second quarter were greater by only 1.9 per cent than in the corresponding period of last year, whereas the increase of imports as a whole still amounted to as much as 4.4 per cent. It must however be borne in mind that per contra the imports of such goods had in 1960 risen appreciably more than total imports, and that pro tanto their present sluggishness is in some measure also to be regarded as a normal reaction.

2) A further factor was the movement of import prices. The index for buying prices of foreign goods as calculated by the Federal Statistical Office fell from 96.6 in December 1960, and 96.7 in February this year, to 92.7 in June. This index is not of course altogether indicative of the movement in prices of actually imported goods, since some of the current imports are naturally based on previously concluded contracts in which higher prices were agreed. Still, the so-called average values of the import unit have also been declining of late; in June they stood according to the

**Foreign Trade and Payments \*)**  
in millions of DM

	1960						1961				
	2nd qtr.	April	May	June	3rd qtr.	4th qtr.	1st qtr.	2nd qtr. *)	April	May	June *)
<b>Foreign Trade</b>											
Monthly averages or monthly figures											
All countries <sup>1)</sup>											
Exports (f.o.b.)	3,837	3,742	3,982	3,786	3,844	4,494	4,083	4,274	4,368	4,034	4,419
Imports (c.i.f.)	3,546	3,432	3,587	3,617	3,461	3,885	3,444	3,702	3,642	3,737	3,726
Balance	+ 291	+ 310	+ 395	+ 169	+ 383	+ 609	+ 639	+ 572	+ 726	+ 297	+ 693
Groups of countries <sup>2)</sup>											
E.M.A. countries:											
Exports	2,755	2,701	2,927	2,638	2,769	3,215	2,975	3,158	3,205	3,005	3,266
Imports	2,453	2,422	2,469	2,467	2,394	2,666	2,422	2,627	2,551	2,676	2,656
Balance	+ 302	+ 279	+ 458	+ 171	+ 375	+ 549	+ 553	+ 531	+ 654	+ 329	+ 610
United States of America and Canada:											
Exports	346	364	329	344	344	390	310	339	335	322	358
Imports	624	567	628	707	595	705	609	631	625	633	633
Balance	- 288	- 203	- 299	- 363	- 251	- 315	- 299	- 292	- 290	- 311	- 275
Eastern Bloc countries:											
Exports	155	143	154	167	132	225	167	143	173	129	127
Imports	130	131	135	124	136	159	128	122	120	119	125
Balance	+ 25	+ 12	+ 19	+ 43	- 4	+ 66	+ 39	+ 21	+ 53	+ 10	+ 2
Other countries:											
Exports	570	522	561	626	587	650	620	622	643	568	654
Imports	320	304	347	310	327	347	277	315	339	302	304
Balance	+ 250	+ 218	+ 214	+ 316	+ 260	+ 303	+ 343	+ 307	+ 304	+ 266	+ 350
<b>Terms of Trade</b>											
1954 = 100											
Average values of export unit	103.8	102.4	104.6	104.3	103.6	104.5	104.9	103.9	103.2	104.3	104.2
Average values of import unit	93.1	91.9	93.6	93.8	92.6	91.5	90.8	89.2	88.2	89.9	89.4
Terms of trade <sup>3)</sup>	111.5	111.4	111.8	111.2	111.8	114.2	115.5	116.5	117.0	116.0	116.5
<b>Monetary Reserves of the Deutsche Bundesbank <sup>4)</sup></b>											
Position at end of period indicated											
Gold holdings and freely usable foreign assets											
Total	23,271	20,785	21,488	23,271	26,621	28,295	28,329	27,378	26,753	26,821	27,378
of which:											
Gold holdings	11,643	11,357	11,511	11,643	12,132	12,479	12,969	14,053	13,184	13,732	14,053
Freely usable foreign assets	11,628	9,428	9,977	11,628	14,489	15,816	15,360	13,325	13,569	13,089	13,325
Foreign assets at fixed term or of only limited usability											
Total	4,619	4,640	4,671	4,619	3,821	3,762	3,417	3,142	3,165	3,164	3,142
of which:											
Bilateral claims from former credits to E.P.U.	2,835	2,918	2,917	2,835	2,089	1,993	1,730	1,718	1,729	1,729	1,718
I.B.R.D. debt certificates <sup>5)</sup>	1,300	1,225	1,260	1,300	1,350	1,400	1,352	1,352	1,352	1,352	1,352
Earmarked balances with foreign banks and earmarked money-market investments	353	353	353	353	265	265	252	—	—	—	—
Consolidation loans to foreign Central Banks	131	144	141	131	117	104	82	72	83	83	72
Foreign liabilities											
Total	458	457	400	458	377	429	325	991	1,110	942	991
<b>Balance of Payments</b>											
Monthly averages or monthly figures											
I. Net movement of gold and exchange <sup>6)</sup> (surplus: +)	+ 1,153	+ 994	+ 791	+ 1,673	+ 877	+ 521	+ 404 <sup>7)</sup>	- 631	- 2,613	+ 235	+ 486
II. Net transactions in goods, services, donations and capital	+ 825	+ 715	+ 637	+ 1,122	+ 528	+ 782	+ 277	- 863	- 2,795	- 62	+ 268
(1) Current account	+ 247	+ 118	+ 397	+ 226	+ 306	+ 516	+ 669	+ 415	+ 539	+ 246	+ 459
of which: Goods and services	+ 522	+ 629	+ 566	+ 371	+ 529	+ 829	+ 887	+ 693	+ 951	+ 450	+ 677
Donations (outflow: -)	- 275	- 511	- 169	- 145	- 223	- 313	- 218	- 278	- 412	- 204	- 218
(2) Capital transactions (outflow: -)	+ 578	+ 597	+ 240	+ 896	+ 222	+ 266	- 392	- 1,278	- 3,334	- 308	- 191
of which: at long term	- 115	- 161	- 127	- 58	- 11	+ 208	+ 108	- 1,235	- 3,180	- 252	- 273
at short term	+ 693	+ 758	+ 367	+ 954	+ 233	+ 58	- 500	- 43	- 154	- 56	+ 82
III. Net errors and omissions <sup>8)</sup> (I less II)	+ 328	+ 279	+ 154	+ 551	+ 349	- 261	+ 127	+ 232	+ 182	+ 297	+ 218

For data for previous months and for explanatory remarks see Tables under VII (Foreign Trade and Payments) in the Statistical Section of this Report.

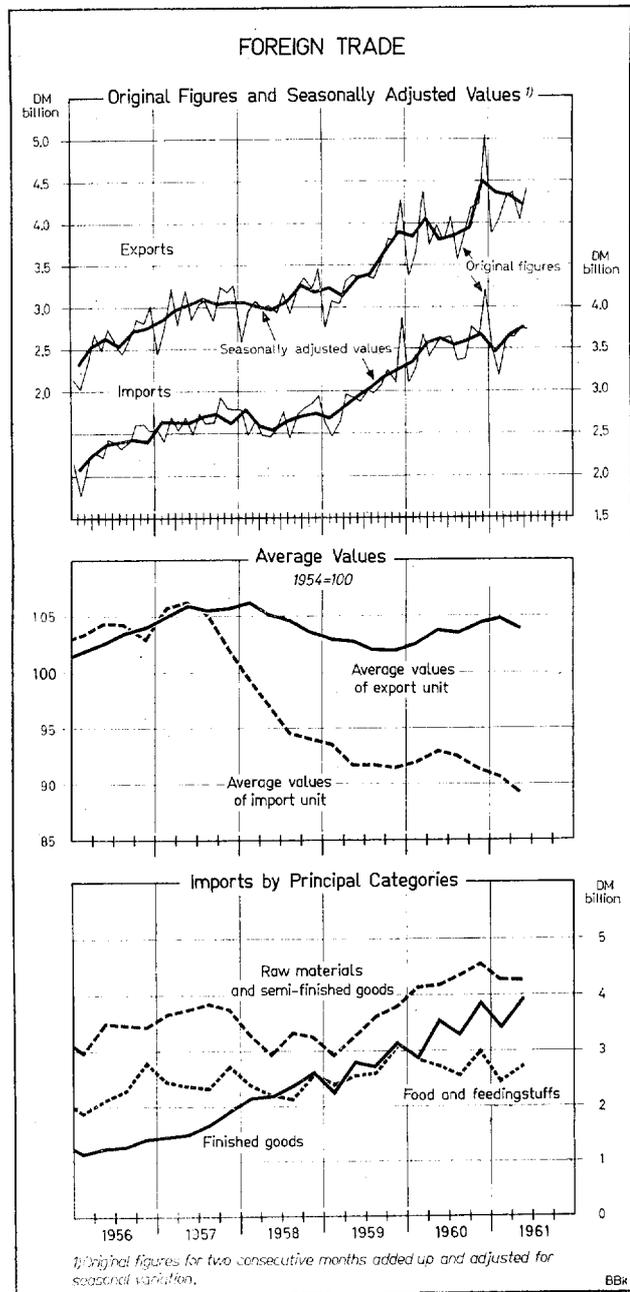
<sup>\*)</sup> As from the day of the economic incorporation of the Saarland, on 6 July 1959, the figures in this table relate to the area of the Federal Republic including the Saarland.

<sup>1)</sup> The figures are not fully identical with those shown in the Return of the Bundesbank, because gold holdings and foreign assets and liabilities are here recorded at parity rate in accordance with the International Monetary Fund's instructions on the compilation of balance-of-payments statements, whereas in the Bundesbank Return they are computed for the end of the year according to the lowest value principle and for the current year at the rate of the day. — <sup>2)</sup> Moreover, in the case of liabilities there are some differences regarding the delimitation of the items to be taken into account. — <sup>3)</sup> Including ships' fuel and other supplies, etc. — <sup>4)</sup> Imports according to selling countries; exports according to buying countries. — <sup>5)</sup> Average values of export unit in per cent of average values of import unit. — <sup>6)</sup> Assets and liabilities in foreign currency are valued at the parity rate applying at the end of the period indicated. — <sup>7)</sup> Excluding bonds, and excluding those notes that are shown in the Bundesbank Return in the item "Securities" and in the balance of payments under official long-term capital transactions. Cf. in this connection the explanations to the Weekly Returns of 7 December 1960 and 7 February 1961. — <sup>8)</sup> Change in the Deutsche Bundesbank's monetary reserves. — <sup>9)</sup> Disregarding the decrease in the Deutsche Bundesbank's monetary reserves due to the DM revaluation. — <sup>\*)</sup> Mainly due to changes in terms of payment. — <sup>\*)</sup> Partly provisional figures.

official index (1954 = 100) at 89.4, against 91.3 in December and 93.8 in June of last year. In terms of volume therefore the movement in imports has been more favourable than in value, while in the case of exports on the other hand the average values have since the turn of the year 1959/60 gone up because of price rises, and consequently the increase in value here exceeds that in volume.

3) Above all, however, imports during recent months have still been affected by the absence of any increase in food (including fodder) imports; this results largely from the large home supplies (due in particular to last year's good harvest), but is also partly explained by the fact that the reduction of import prices is here particularly great. At DM 5.2 billion in the first six months of this year food imports were smaller by almost DM 400 million than in the corresponding period of last year; in June they were above their level of a year earlier for the first time this year.

If imports of industrial raw materials and semi-finished goods as well as food are left out of account, the picture presented by the import movement is much better. The rate of growth in imports of industrial finished goods remains considerable, although here again because of last year's very steep rise an appreciable lessening of the percentage year-to-year increase is apparent. Total imports of industrial finished goods amounted to DM 4 billion in the second quarter of 1961, against DM 3.5 billion in the first quarter and a quarterly average of DM 3.4 billion for 1960. When it is further borne in mind that these figures include defence imports, and that because of their frequently very large fluctuations these latter in the second quarter were in percentage terms appreciably smaller than a year before (although in absolute terms their decrease was not substantial), the movement of imports in that category makes an even more favourable impression,



*Imports*  
in millions of DM

	1960				1961	
	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	1st qtr.	2nd qtr.
Total <sup>1)</sup>	10,046	10,636	10,385	11,656	10,331	11,105
of which:						
Food and fodder	2,883	2,752	2,592	3,019	2,495	2,752
Industrial raw materials and semi-finished goods	4,165	4,205	4,375	4,585	4,291	4,286
Industrial finished goods	2,923	3,588	3,320	3,915	3,459	3,960
of which:						
Products for further processing	1,317	1,382	1,473	1,601	1,440	1,518
Fully finished products	1,606	2,206	1,847	2,314	2,019	2,442

<sup>1)</sup> Including returns and replacements.

while it is moreover clear that the cheapening of imports through revaluation has produced a stimulating effect. In fact from March onwards the imports of industrial finished goods rose further, so that in the second quarter they were above their (already quite high) level of a year earlier by over 10 per cent, thereby almost attaining the rate of growth for exports.

As to exports in detail, they amounted in the second quarter to DM 12.8 billion against DM 12.2 billion in the first, and DM 11.5 and 11.4 billion respectively in the second and first quarters of 1960. These figures show that the fact that the year-to-year growth-rate in the second quarter of this year rose to 11.4 per cent,

against 7.2 per cent in the first, does not justify the conclusion that exports are further expanding. The rise in the rate of growth is on the contrary mainly due to the fact that in the second quarter of 1960 — unlike earlier years — exports were little greater than in the first quarter; so far as can yet be seen, therefore, it reflects a trend of last year rather than of this. That is also apparent from the fact that, as the graph on p. 55 shows, the "seasonally adjusted" export figures calculated by us have been falling again since the beginning of this year after a sharp rise in the fourth quarter of 1960, whereas per contra — it may be added at this point — so far this year the seasonally adjusted values for imports have shown a slight tendency to rise.

In any assessment of the present trend in exports it must moreover not be overlooked that, as already mentioned elsewhere, the basic tendency of incoming orders from abroad has been definitely downward dur-

ing recent months after the inflow of such orders had already failed to rise in the second half of last year. Revaluation certainly contributed to this result, since it has checked the previous export boom in many ways; apart from its direct effect on export prices the most important factor is the increased difficulty of concluding export contracts on a DM basis. So far indeed this has hardly been reflected in actual export figures, since the last few months' exports have still been largely based on contracts made before the DM revaluation. If however incoming orders are of some importance as indicators of the subsequent trend of sales, there is some evidence to suggest that the coming months' export figures will reflect more clearly than hitherto the slackening of the last few years' export boom — unless the course of the business cycle in foreign countries again induces a strong pull of demand for German exports.

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### 3. Central Bank Lendings to Credit Institutions \*)

in millions of DM

Period	Credit institutions (excluding R.L.C.) <sup>1)</sup>				Reconstruction Loan Corporation		
	Total <sup>1)</sup>	Discount credits <sup>1)</sup>	Advances on securities	Equalisation claims temporarily purchased <sup>2)</sup>	Total	Cash advances	Securities
1950 Dec.	5,201.9	4,235.4	360.6	605.9	368.7	368.7	—
1951 Dec.	5,717.5	4,757.2	290.8	669.5	454.0	454.0	—
1952 Dec.	4,128.4	3,389.0	253.5	485.9	468.4	268.5	199.9
1953 Dec.	3,351.1	2,739.1	245.2	366.8	225.6	202.6	23.0
1954 Dec.	3,339.0	2,837.7	265.1	236.2	207.3	195.2	12.1
1955 Dec.	4,683.0	4,130.9	340.5	211.6	145.0	139.5	5.5
1956 Dec.	3,127.1	2,723.7	220.7	182.7	58.6	46.6	12.0
1957 Dec.	1,676.6	1,463.0	52.8	160.8	67.8	66.8	1.0
1958 Dec.	960.3	769.6	63.9	126.8	3.8	3.8	—
1959 Dec.	1,285.7	949.2	234.4	102.1	20.3	20.3	—
1960 Dec.	1,804.1	1,296.5	419.0	88.6	1.1	1.1	—
1959 May	915.0	785.7	23.4	105.9	9.6	9.6	—
June	812.8	677.3	31.7	103.8	0.3	0.3	—
July <sup>3)</sup>	640.7	522.1	14.8	103.8	12.0	12.0	—
Aug.	682.2	555.6	22.9	103.7	21.3	21.3	—
Sept.	1,352.4	1,223.9	25.7	102.8	0.1	0.1	—
Oct.	1,182.3	1,061.3	18.3	102.7	23.0	23.0	—
Nov.	1,284.1	1,153.1	28.3	102.7	13.2	13.2	—
Dec.	1,285.7	949.2	234.4	102.1	20.3	20.3	—
1960 Jan.	1,626.6	1,495.7	28.8	102.1	2.7	2.7	—
Feb.	1,456.6	1,319.4	45.0	92.2	3.1	3.1	—
March	2,110.4	1,988.0	31.2	91.2	13.2	13.2	—
April	1,320.9	1,187.6	42.4	90.9	10.1	10.1	—
May	1,509.8	1,390.5	28.4	90.9	15.1	15.1	—
June	1,776.9	1,639.5	47.8	89.6	17.5	17.5	—
July	1,853.1	1,735.7	28.0	89.4	11.3	11.3	—
Aug.	1,501.2	1,386.1	25.7	89.4	3.5	3.5	—
Sept.	2,434.2	2,295.7	49.1	89.4	4.9	4.9	—
Oct.	1,590.3	1,475.6	25.6	89.1	14.3	14.3	—
Nov.	2,080.7	1,950.0	41.6	89.1	11.9	11.9	—
Dec.	1,804.1	1,296.5	419.0	88.6	1.1	1.1	—
1961 Jan.	2,023.7	1,918.8	26.0	78.9	6.9	6.9	—
Feb.	1,354.3	1,244.3	38.8	71.2	2.7	2.7	—
March	1,459.2	1,237.6	150.4	71.2	9.9	9.9	—
April	920.1	787.3	61.7	71.1	10.4	10.4	—
May	1,196.0	1,109.9	26.6	59.5	4.0	4.0	—
June	1,106.3	1,007.2	47.6	51.5	0.2	0.2	—

\*) As from July 1959 including Central Bank credit granted to Saarland credit institutions. — <sup>1)</sup> Including foreign bills and export drafts purchased, but excluding money-market paper purchased in the open market. — <sup>2)</sup> With the credit institutions' liability of repurchase.

### 4. Central Bank Deposits of Non-Banks and of Credit Institutions \*)

in millions of DM

Period	Non-banks								Credit institutions <sup>1) 2)</sup>
	Total		Public authorities <sup>1)</sup>			E.R.P. Special Fund <sup>1) 2)</sup>	Agencies of former occupying powers <sup>7)</sup>	Other German depositors <sup>8)</sup>	
	including amounts temporarily employed in equalisation claims <sup>4)</sup>	excluding	Federal Government (without Special Funds), Länder and Equalisation of Burdens Authorities	Balances from special transactions <sup>5)</sup>	Other public authorities <sup>6)</sup>				
1950 Dec.	3,693.3	3,446.0	594.3	—	396.7	965.0	907.6	829.7	1,887.7
1951 Dec.	3,997.3	2,990.0	1,191.8	—	223.0	1,312.8	997.3	272.4	2,675.0
1952 Dec.	3,957.8	2,194.1	1,906.1	—	207.2	825.9	753.4	265.2	2,992.6
1953 Dec.	4,935.3	1,704.2	3,181.4	—	373.2	496.7	639.3	244.7	3,286.9
1954 Dec.	6,266.5	1,529.9	4,684.7	—	400.6	352.8	523.4	305.0	4,005.9
1955 Dec.	7,003.5	3,420.7	5,949.7	—	274.3	272.2	265.5	241.8	4,502.2
1956 Dec.	7,682.3	4,459.3	6,711.8	—	339.8	192.5	143.8	294.4	5,258.5
1957 Dec.	—	5,097.3	4,017.1	—	431.4	167.8	140.6	340.4	7,108.9
1958 Dec.	—	4,968.2	3,614.0	—	610.3	361.2	46.8	335.9	8,243.1
1959 Dec.	—	2,260.8	1,161.3	—	677.3	200.4	—	221.8	9,343.8
1960 Dec.	—	3,659.2	2,683.2	1.7	636.3	119.8	—	218.2	13,036.4
1959 May	—	2,835.7	1,300.6	—	749.6	582.4	—	203.1	6,691.8
June	—	2,918.8	1,345.2	—	571.7	780.1	—	221.8	6,359.5
July <sup>3)</sup>	—	2,501.0	831.4	—	606.2	850.9	—	212.5	6,261.6
Aug.	—	2,382.7	736.1	—	622.0	805.9	—	218.7	6,380.3
Sept.	—	2,887.0	1,225.9	—	676.9	767.1	—	217.1	6,459.2
Oct.	—	2,046.9	1,031.8	—	280.9	516.6	—	217.6	6,204.4
Nov.	—	2,391.8	954.2	—	818.0	388.8	—	230.8	7,519.0
Dec.	—	2,260.8	1,161.3	—	677.3	200.4	—	221.8	9,343.8
1960 Jan.	—	3,282.1	1,840.8	—	620.2	609.5	—	211.6	7,895.7
Feb.	—	3,143.5	1,506.0	—	870.1	549.7	—	217.7	8,395.9
March	—	3,411.0	1,752.9	—	864.4	569.0	—	224.7	9,428.1
April	—	2,527.7	1,461.4	—	461.9	379.7	—	224.7	9,488.6
May	—	2,928.2	1,475.9	—	904.0	340.5	—	207.8	10,413.5
June	—	4,006.8	2,692.1	—	718.6	375.3	—	220.8	10,865.9
July	—	3,373.3	1,884.7	—	903.4	352.0	—	233.2	11,253.4
Aug.	—	3,104.5	1,652.0	—	945.0	299.5	—	208.0	11,288.2
Sept.	—	4,621.2	3,237.8	—	899.9	272.4	—	211.1	11,554.6
Oct.	—	4,859.6	3,483.5	—	959.3	197.9	—	218.9	11,653.6
Nov.	—	3,834.2	2,760.7	—	711.8	143.6	—	218.1	12,126.9
Dec.	—	3,659.2	2,683.2	1.7	636.3	119.8	—	218.2	13,036.4
1961 Jan.	—	4,981.1	3,630.7	61.6	881.4	203.9	—	203.5	11,936.2
Feb.	—	4,689.7	3,480.2	10.3	830.0	172.4	—	196.8	10,814.9
March	—	6,409.3	5,026.3	8.2	872.8	279.5	—	222.5	10,176.8
April	—	6,595.9	4,923.5	914.8	301.7	233.6	—	222.3	9,967.0
May	—	6,803.0	4,919.3	871.1	627.6	165.2	—	219.8	11,089.2
June	—	7,616.7	5,366.7	501.4	778.7	724.7	—	245.2	9,528.2

\*) As from July 1959 including deposits maintained with the Land Central Bank in the Saarland. — <sup>1)</sup> Including the amounts temporarily employed in equalisation claims. — <sup>2)</sup> Until 31 July 1957 "counterpart funds" only. — <sup>3)</sup> Including Postal Cheque and Postal Savings Bank offices. — <sup>4)</sup> Since the entry into force, on 1 August 1957, of the Law concerning the Deutsche Bundesbank it has no longer been possible for public monies to be employed in equalisation claims. — <sup>5)</sup> As from May 1958 including the minimum reserve balances kept by the Federal Postal Administration on behalf of the Postal Cheque and Postal Savings Bank offices; cf. footnote 4) to Table I 2. — <sup>6)</sup> As from May 1958 without the minimum reserve balances kept by the Federal Postal Administration on behalf of Postal Cheque and Postal Savings Bank offices; cf. footnote 7) to Table I 2. — <sup>7)</sup> As from January 1959 included in "foreign business". — <sup>8)</sup> Other foreign depositors, until December 1958 contained in this item, are now included in "foreign business". — <sup>9)</sup> Accounts kept in connection with the development aid loan and the transfer into private ownership of part of the Volkswagen Works; excluding however the amounts employed in foreign money-market paper.













and Credit Institutions \*) (cont'd)

and security holdings \*)

of DM

comprise those to:

customers		Public authorities					Bank-to-bank credits					End of month	
Medium-term lendings <sup>3)</sup>	Long-term lendings <sup>4)</sup>	Short-term lendings			Medium-term lendings <sup>3)</sup>	Long-term lendings <sup>4)</sup>	Short-term lendings			Medium-term lendings <sup>3)</sup>	Long-term lendings <sup>4)</sup>		
		Total	Debtors (cash advances)	Discount credits (not including Treasury bills)			Total	Debtors	Discount credits				
								Total	Including: Acceptance credits				
<b>Central Giro Institutions</b>													
624.6	5,169.8	39.9	33.4	6.5	219.5	3,286.9	318.4	129.8	0.6	188.6	76.6	1,114.9	Dec. 1957
733.4	6,395.3	40.7	35.7	5.0	165.3	4,144.9	377.6	130.7	0.1	246.9	143.7	1,222.1	Dec. 1958
1,028.2	7,412.5	30.5	26.1	4.4	179.3	4,655.3	563.8	144.5	0.1	419.3	140.0	1,402.8	Dec. 1959
1,029.9	7,554.8	30.5	26.1	4.4	179.3	4,748.8	563.8	144.5	0.1	419.3	157.7	1,416.4	Dec. <sup>5)</sup>
1,112.4	8,586.5	18.9	14.2	4.7	174.9	4,966.5	582.4	143.0	0.2	439.4	160.4	1,559.9	Dec. <sup>5)</sup> 1960
1,125.1	8,847.2	31.2	25.1	6.1	170.9	5,044.7	513.2	168.7	0.0	344.5	155.8	1,646.6	Feb. 1961
1,050.8	8,975.3	31.9	24.0	7.9	153.9	5,125.5	572.2	213.8	0.1	358.4	158.9	1,688.3	March
1,104.7	9,075.5	34.7	26.0	8.7	146.7	5,175.0	512.2	180.4	0.0	331.8	162.2	1,734.8	April
1,140.8	9,201.8	24.8	15.5	9.3	145.6	5,228.1	508.9	159.0	0.1	349.9	168.6	1,794.3	May
<b>Savings Banks</b>													
1,470.7	10,984.6	80.6	74.9	5.7	341.0	2,143.9	110.1	18.1	—	92.0	40.7	426.7	Dec. 1957
1,548.1	12,820.9	75.9	70.8	5.1	363.4	2,763.6	156.2	25.0	—	131.2	34.6	653.7	Dec. 1958
1,958.9	15,784.2	67.7	63.2	4.5	387.1	3,479.4	201.2	31.3	—	169.9	43.3	909.2	Dec. 1959
2,000.3	16,381.4	67.8	63.3	4.5	387.6	3,549.6	201.2	31.3	—	169.9	43.3	909.3	Dec. <sup>5)</sup>
2,283.0	19,715.5	71.3	66.9	4.4	344.2	4,323.7	232.7	41.0	—	191.7	66.4	1,016.3	Dec. <sup>5)</sup> 1960
2,254.5	20,107.9	55.7	50.4	5.3	333.2	4,461.4	224.6	40.5	—	184.1	67.1	1,085.5	Feb. 1961
2,316.9	20,346.5	60.1	55.5	4.6	329.5	4,505.5	236.6	42.7	—	193.9	64.5	1,103.6	March
2,355.8	20,591.2	67.2	62.3	4.9	328.7	4,548.3	238.9	43.7	—	195.2	63.7	1,096.1	April
2,403.1	20,862.8	59.6	54.2	5.4	309.4	4,599.1	240.4	42.3	—	198.1	61.6	1,113.4	May
<b>Central Institutions of Credit Cooperatives<sup>+</sup></b>													
53.3	220.3	0.9	0.9	—	0.6	0.9	420.6	231.8	0.2	188.8	36.5	546.0	Dec. 1957
51.5	252.8	1.8	1.8	—	0.6	0.9	336.2	200.8	—	135.4	26.1	673.0	Dec. 1958
76.8	300.0	1.8	1.8	0.0	0.3	0.9	373.1	240.7	—	131.4	26.1	783.4	Dec. 1959
76.9	392.6	1.8	1.8	0.0	0.3	0.9	374.9	240.9	—	133.4	26.2	785.2	Dec. <sup>5)</sup>
94.8	439.3	1.2	1.2	0.0	0.3	1.1	479.2	306.4	0.1	172.8	38.1	865.9	Dec. <sup>5)</sup> 1960
90.1	449.6	0.5	0.5	—	0.3	1.1	464.3	282.3	0.1	182.0	40.7	887.8	Feb. 1961
87.8	454.1	0.4	0.4	—	0.3	1.0	522.6	316.4	0.1	206.2	37.6	899.8	March
86.4	455.4	0.6	0.6	—	0.3	1.0	525.9	321.7	0.1	204.2	38.4	922.7	April
87.6	460.1	0.5	0.5	—	0.3	1.0	522.5	315.9	0.1	206.6	38.3	932.0	May
<b>Central Institutions of Industrial Credit Cooperatives</b>													
15.7	13.0	0.4	0.4	—	0.6	0.1	227.3	110.3	—	117.0	3.3	241.3	Dec. 1957
10.7	18.9	0.5	0.5	—	0.5	0.1	182.7	88.3	—	74.4	3.3	286.2	Dec. 1958
13.4	21.3	0.6	0.6	0.0	0.2	0.1	187.2	108.3	—	78.9	2.4	332.1	Dec. 1959
23.2	26.7	0.4	0.4	0.0	0.2	0.4	229.6	130.7	—	98.9	2.5	358.1	Dec. <sup>5)</sup> 1960
22.6	27.2	0.3	0.3	—	0.2	0.4	233.3	124.7	—	108.6	3.7	367.6	Feb. 1961
24.5	27.4	0.3	0.3	—	0.2	0.4	271.1	142.7	—	128.4	3.2	369.7	March
22.7	27.1	0.3	0.3	—	0.2	0.3	257.5	135.4	—	122.1	3.5	384.3	April
24.8	26.7	0.3	0.3	—	0.2	0.4	249.8	131.8	—	118.0	3.6	390.3	May
<b>Central Institutions of Agricultural Credit Cooperatives</b>													
37.6	207.2	0.5	0.5	—	0.0	0.8	193.3	121.5	0.3	71.8	33.2	304.7	Dec. 1957
40.8	233.9	1.3	1.3	—	0.1	0.8	173.5	112.5	—	61.0	25.4	386.8	Dec. 1958
63.4	278.5	1.2	1.2	—	0.1	0.8	184.9	132.4	—	52.5	23.7	451.3	Dec. 1959
63.5	371.1	1.2	1.2	—	0.1	0.8	187.1	132.6	—	54.5	23.8	453.1	Dec. <sup>5)</sup>
71.6	412.6	0.8	0.8	—	0.1	0.7	249.6	175.7	0.1	73.9	35.6	507.8	Dec. <sup>5)</sup> 1960
67.5	422.4	0.2	0.2	—	0.1	0.7	231.0	157.6	0.1	73.4	37.0	520.2	Feb. 1961
63.3	426.7	0.1	0.1	—	0.1	0.6	251.5	173.7	0.1	77.8	34.4	530.1	March
63.7	428.3	0.3	0.3	—	0.1	0.7	268.4	186.3	0.1	82.1	34.9	538.4	April
62.8	433.4	0.2	0.2	—	0.1	0.6	272.7	184.1	0.1	88.6	34.7	541.7	May
<b>Credit Cooperatives<sup>+</sup></b>													
493.5	1,336.6	4.5	3.6	0.9	9.3	48.2	9.3	6.8	—	2.5	1.3	1.3	Dec. 1957
561.7	1,637.1	5.1	4.2	0.9	11.5	62.7	12.9	8.8	—	4.1	1.0	1.4	Dec. 1958
737.3	2,106.4	5.2	4.5	0.7	8.2	71.5	13.9	7.4	—	6.5	0.6	2.4	Dec. 1959
789.9	2,132.3	5.3	4.6	0.7	8.2	71.6	14.0	7.4	—	6.6	0.6	2.4	Dec. <sup>5)</sup>
909.4	2,569.0	10.9	10.1	0.8	30.0	156.1	25.6	12.0	—	13.6	0.7	5.9	Dec. <sup>5)</sup> 1960
919.5	2,653.2	11.5	10.7	0.8	28.7	160.9	22.7	9.6	—	13.1	0.6	16.8	Feb. 1961
945.0	2,699.7	11.4	10.7	0.7	29.3	162.6	23.6	9.7	—	13.9	0.7	16.8	March
967.0	2,748.2	11.7	10.9	0.8	30.0	161.8	24.4	9.9	—	14.5	0.7	16.5	April
977.8	2,792.3	10.5	9.7	0.8	31.7	166.0	24.1	11.4	—	12.7	1.1	16.4	May
<b>Industrial Credit Cooperatives</b>													
255.7	750.1	4.5	3.6	0.9	9.3	48.2	9.3	6.8	—	2.5	1.3	1.3	Dec. 1957
296.8	891.9	5.1	4.2	0.9	11.5	62.7	12.9	8.8	—	4.1	1.0	1.4	Dec. 1958
405.0	1,137.8	5.2	4.5	0.7	8.2	71.5	13.9	7.4	—	6.5	0.6	2.4	Dec. 1959
435.9	1,156.4	5.3	4.6	0.7	8.2	71.6	14.0	7.4	—	6.6	0.6	2.4	Dec. <sup>5)</sup>
514.5	1,428.4	4.5	3.9	0.6	9.5	83.5	25.4	11.8	—	13.6	0.7	3.5	Dec. <sup>5)</sup> 1960
518.3	1,475.0	4.5	3.8	0.7	8.7	86.7	22.6	9.5	—	13.1	0.6	12.6	Feb. 1961
431.5	1,499.8	4.3	3.7	0.6	9.0	87.9	23.2	9.4	—	13.8	0.7	12.6	March
542.0	1,526.4	4.5	3.9	0.6	8.9	88.2	24.0	9.7	—	14.3	0.7	12.3	April
549.9	1,551.9	4.2	3.5	0.7	8.8	88.9	23.9	11.3	—	12.6	1.1	12.2	May
<b>Agricultural Credit Cooperatives<sup>5)</sup></b>													
237.8	586.5	.	.	.	.	.	.	.	.	.	.	.	Dec. 1957
264.9	745.2	.	.	.	.	.	.	.	.	.	.	.	Dec. 1958
332.3	968.6	.	.	.	.	.	.	.	.	.	.	.	Dec. 1959
354.0	975.9	.	.	.	.	.	.	.	.	.	.	.	Dec. <sup>5)</sup>
394.9	1,140.6	6.4	6.2	0.2	20.5	73.6	0.2	0.2	—	0.0	0.0	2.4	Dec. <sup>5)</sup> 1960
401.2	1,178.2	7.0	6.9	0.1	20.0	74.2	0.1	0.1	—	0.0	0.0	4.2	Feb. 1961
413.5	1,199.9	7.1	7.0	0.1	20.3	74.7	0.4	0.3	—	0.1	—	4.2	March
425.0	1,221.8	7.2	7.0	0.2	21.1	73.6	0.4	0.2	—	0.2	—	4.2	April
427.9	1,240.4	6.3	6.2	0.1	22.9	77.1	0.2	0.1	—	0.1	—	4.2	May

on first page of Table III A 1. — <sup>5)</sup> The agricultural credit cooperatives' lendings were broken down by sectors of economic activity for the first time in December 1960. Up to and

1. Lendings to Non-Banks

(excluding Treasury bill

in millions

End of month	Number of reporting institutions <sup>1)</sup>	Lendings to non-banks							Lendings to non-banks				
		Lendings to non-banks							Business and private				
		Short-term lendings							Short-term lendings				
		Total	Debtors			Medium-term lendings <sup>2)</sup>	Long-term lendings <sup>3)</sup>	Total	Debtors				
Total	Acceptance credits		Credits in current account and other credits	Discount credits (not including Treasury bills)	Total				Acceptance credits	Credits in current account and other credits	Discount credits		
<b>Private and Public Mortgage Banks</b>													
1957 Dec.	47	28.3	28.1	—	28.1	0.2	204.9	15,354.8	23.8	23.6	—	23.6	0.2
1958 Dec.	47	51.7	51.5	—	51.5	0.2	178.0	18,894.6	33.1	32.9	—	32.9	0.2
1959 Dec.	47	53.4	52.4	—	52.4	1.0	188.4	22,414.9	50.4	49.4	—	49.4	1.0
1960 Dec. <sup>7)</sup>	47	59.0	57.5	—	57.5	1.5	211.9	25,342.9	52.4	50.9	—	50.9	1.5
1961 Feb.	47	60.9	59.4	—	59.4	1.5	215.4	25,769.0	58.9	57.4	—	57.4	1.5
March	47	50.2	48.9	—	48.9	1.3	226.3	26,022.0	46.7	45.4	—	45.4	1.3
April	47	45.8	44.4	—	44.4	1.4	229.4	26,348.2	43.1	42.5	—	42.5	1.3
May	47	55.2	53.8	—	53.8	1.4	230.9	26,615.1	51.1	49.7	—	49.7	1.4
<b>Private Mortgage Banks<sup>4)</sup></b>													
1957 Dec.	29	15.4	15.2	—	15.2	0.2	81.9	6,574.2	11.3	11.1	—	11.1	0.2
1958 Dec.	29	34.5	34.5	—	34.5	0.0	75.3	8,645.3	19.7	19.7	—	19.7	0.0
1959 Dec.	29	31.9	31.7	—	31.7	0.2	78.5	10,440.3	29.1	28.9	—	28.9	0.2
1960 Dec. <sup>7)</sup>	29	39.9	39.3	—	39.3	0.6	83.9	11,861.1	33.7	33.1	—	33.1	0.6
1961 Feb.	29	39.7	39.3	—	39.3	0.4	91.3	12,032.9	38.1	37.7	—	37.7	0.4
March	29	27.8	27.6	—	27.6	0.2	103.4	12,135.8	25.9	25.7	—	25.7	0.2
April	29	25.8	25.6	—	25.6	0.2	106.4	12,276.7	24.3	24.1	—	24.1	0.2
May	29	34.3	34.1	—	34.1	0.2	112.2	12,419.0	30.8	30.6	—	30.6	0.2
<b>Public Mortgage Banks</b>													
1957 Dec.	18	12.9	12.9	—	12.9	0.0	123.0	8,780.6	12.5	12.5	—	12.5	0.0
1958 Dec.	18	17.2	17.0	—	17.0	0.2	102.7	10,249.3	13.4	13.2	—	13.2	0.2
1959 Dec.	18	21.4	20.7	—	20.7	0.8	109.9	11,974.3	21.3	20.5	—	20.5	0.8
1960 Dec. <sup>7)</sup>	18	19.1	18.2	—	18.2	0.9	128.0	13,481.8	18.7	17.8	—	17.8	0.9
1961 Feb.	18	21.2	20.1	—	20.1	1.1	124.1	13,736.1	20.8	19.7	—	19.7	1.1
March	18	22.4	21.3	—	21.3	1.1	122.9	13,886.2	20.8	19.7	—	19.7	1.1
April	18	20.0	18.8	—	18.8	1.2	123.0	14,071.5	19.6	18.4	—	18.4	1.2
May	18	20.9	19.7	—	19.7	1.2	118.7	14,196.1	20.3	19.1	—	19.1	1.2
<b>Credit Institutions with Special Functions</b>													
1957 Dec.	23	1,598.6	528.0	16.4	511.6	1,070.6	443.8	6,015.8	1,212.8	185.5	16.4	169.1	1,027.3
1958 Dec.	23	1,224.7	381.2	21.3	359.9	843.5	458.8	6,045.5	939.7	111.0	21.3	89.7	828.7
1959 Dec.	24	1,218.3 <sup>8)</sup>	265.1	43.3	221.8	953.2 <sup>8)</sup>	738.3	7,417.0	1,090.7 <sup>8)</sup>	145.1	43.3	101.8	945.6 <sup>8)</sup>
Dec. <sup>7)</sup>	25	1,248.7 <sup>8)</sup>	267.2	43.3	223.9	981.5 <sup>8)</sup>	738.3	7,487.3	1,121.1 <sup>8)</sup>	147.2	43.3	103.9	973.9 <sup>8)</sup>
1960 Dec. <sup>7)</sup>	25	1,297.9	361.7	23.6	338.1	936.2	917.3	8,667.4	1,091.5	155.3	23.6	131.7	936.2
1961 Feb.	25	1,443.2	591.2	25.2	566.0	852.0	874.5	9,247.9	1,040.4	188.4	25.2	163.2	852.0
March	25	1,519.9	629.2	25.9	603.3	890.7	892.4	9,339.9	1,105.5	214.8	25.9	188.9	890.7
April	25	1,553.1	648.7	17.3	631.4	904.4	911.9	9,381.0	1,123.1	218.7	17.3	201.4	904.4
May	25	1,536.0	583.4	36.8	546.6	952.6	933.6	9,564.1	1,144.9	192.3	36.8	155.5	952.6
<b>Reconstruction Loan Corporation, Finanzierungs-Aktiengesellschaft and Berliner Industriebank AG<sup>+</sup>)</b>													
1957 Dec.	3	20.6	20.6	—	20.6	—	24.4	3,279.4	20.5	20.5	—	20.5	—
1958 Dec.	3	0.3	0.2	—	0.2	—	21.7	2,905.2	0.2	0.2	—	0.2	—
1959 Dec.	3	0.3	0.3	—	0.3	—	85.8	3,417.8	0.2	0.2	—	0.2	—
1960 Dec. <sup>7)</sup>	3	0.1	0.1	—	0.1	—	142.2	4,043.1	0.1	0.1	—	0.1	—
1961 Feb.	3	0.1	0.1	—	0.1	—	86.3	4,564.2	0.1	0.1	—	0.1	—
March	3	0.6	0.6	—	0.6	—	87.6	4,494.1	0.5	0.5	—	0.5	—
April	3	0.3	0.3	—	0.3	—	93.0	4,500.8	0.2	0.2	—	0.2	—
May	3	0.3	0.3	—	0.3	—	110.4	4,641.0	0.2	0.2	—	0.2	—
<b>Other Credit Institutions with Special Functions<sup>+</sup>)</b>													
1957 Dec.	20	1,578.0	507.4	16.4	491.0	1,070.6	419.4	2,736.4	1,192.3	165.0	16.4	148.6	1,027.3
1958 Dec.	20	1,224.5	381.0	21.3	359.7	843.5	437.1	3,140.3	939.5	110.8	21.3	89.5	828.7
1959 Dec.	21	1,218.0 <sup>8)</sup>	264.8	43.3	221.5	953.2 <sup>8)</sup>	652.5	3,999.2	1,090.5 <sup>8)</sup>	144.9	43.3	101.6	945.6 <sup>8)</sup>
Dec. <sup>7)</sup>	22	1,248.4 <sup>8)</sup>	266.9	43.3	223.6	981.5 <sup>8)</sup>	652.5	4,069.5	1,120.9 <sup>8)</sup>	147.0	43.3	103.7	973.9 <sup>8)</sup>
1960 Dec. <sup>7)</sup>	22	1,297.8	361.6	23.6	338.0	936.2	775.1	4,624.3	1,091.4	155.2	23.6	131.6	936.2
1961 Feb.	22	1,443.1	591.1	25.2	565.9	852.0	788.2	4,683.7	1,040.3	188.3	25.2	163.1	852.0
March	22	1,519.3	628.6	25.9	602.7	890.7	804.8	4,845.8	1,105.0	214.3	25.9	188.4	890.7
April	22	1,552.8	648.4	17.3	631.1	904.4	818.9	4,880.2	1,122.9	218.5	17.3	201.2	904.4
May	22	1,535.7	583.1	36.8	546.3	952.6	823.2	4,923.1	1,144.7	192.1	36.8	155.3	952.6
<b>Instalment Credit Institutions<sup>5)</sup></b>													
1957 Dec.	162	1,000.6	376.5	0.0	376.5	624.1	805.4	6.2	1,000.6	376.5	0.0	376.5	624.1
1958 Dec.	174	1,095.2	386.1	0.0	386.1	709.1	1,085.5	5.8	1,095.2	386.1	0.0	386.1	709.1
1959 Dec.	192	1,313.1	385.8	0.6	385.2	927.3	1,321.8	6.4	1,313.1	385.8	0.6	385.2	927.3
Dec. <sup>7)</sup>	195	1,336.5	386.3	0.6	385.7	950.2	1,336.7	6.4	1,336.5	386.3	0.6	385.7	950.2
1960 Dec. <sup>7)</sup>	232	1,685.9	453.5	0.3	453.2	1,232.4	1,694.2	4.0	1,685.9	453.5	0.3	453.2	1,232.4
1961 Feb.	233	1,729.0	477.1	0.4	476.7	1,251.9	1,674.4	4.1	1,729.0	477.1	0.4	476.7	1,251.9
March	234	1,770.0	473.5	0.4	473.1	1,296.5	1,706.4	4.3	1,770.0	473.5	0.4	473.1	1,296.5
April	235	1,765.2	454.4	0.4	454.0	1,310.8	1,743.6	4.4	1,765.2	454.4	0.4	454.0	1,310.8
May	234	1,778.2	449.8	0.3	449.5	1,328.4	1,775.7	3.9	1,778.2	449.8	0.3	449.5	1,328.4
<b>Postal Cheque and Postal Savings Bank Offices<sup>6)</sup></b>													
1957 Dec.	14	—	—	—	—	—	—	990.7	—	—	—	—	—
1958 Dec.	14	—	—	—	—	—	—	1,261.2	—	—	—	—	—
1959 Dec.	14	—	—	—	—	—	—	1,422.5	—	—	—	—	—
Dec. <sup>7)</sup>	15	—	—	—	—	—	—	1,465.3	—	—	—	—	—
1960 Dec. <sup>7)</sup>	15	—	—	—	—	—	—	1,651.2	—	—	—	—	—
1961 Feb.	15	—	—	—	—	—	—	1,798.6	—	—	—	—	—
March	15	—	—	—	—	—	—	1,804.5	—	—	—	—	—
April	15	—	—	—	—	—	—	1,820.4	—	—	—	—	—
May	15	—	—	—	—	—	—	1,829.3	—	—	—	—	—

<sup>1)</sup>, <sup>2)</sup> and <sup>3)</sup> to <sup>4)</sup>: see first page of Table III A 1. — <sup>5)</sup> Lendings to business and private customers also contain purchase credits granted to traders, and small amounts of "Other employment of money. — <sup>6)</sup> See footnote <sup>10)</sup> on first page of Table III A 1. — <sup>7)</sup> Decrease of DM 40 million due to statistical reasons (cf. footnote <sup>9)</sup>). — <sup>8)</sup> Increase of DM 40 million

and Credit Institutions \*) (cont'd)  
and security holdings \*)  
of DM

comprise those to:														
customers		Public authorities					Bank-to-bank credits						End of month	
Medium-term lendings <sup>5)</sup>	Long-term lendings <sup>4)</sup>	Short-term lendings				Medium-term lendings <sup>3)</sup>	Long-term lendings <sup>4)</sup>	Short-term lendings				Medium-term lendings <sup>3)</sup>		Long-term lendings <sup>4)</sup>
		Total	Debtors (cash advances)	Discount credits (not including Treasury bills)	Total			Debtors		Discount credits				
								Total	including: Acceptance credits					
<b>Private and Public Mortgage Banks</b>														
188.2	13,322.3	4.5	4.5	—	16.7	2,032.5	8.1	8.1	—	0.0	35.2	171.1	Dec. 1957	
151.9	15,810.0	18.6	18.6	—	26.1	3,084.6	9.6	9.6	—	0.0	30.8	227.0	Dec. 1958	
174.9	18,850.2	3.0	3.0	—	13.5	3,564.7	5.7	5.7	—	—	57.9	305.1	Dec. 1959	
186.9	21,410.6	6.6	6.6	—	25.0	3,912.3	6.8	6.7	—	0.1	70.5	343.5	Dec. 1960	
186.9	21,819.5	2.0	2.0	—	28.5	3,955.5	30.5	30.1	—	0.4	67.6	341.4	Feb. 1961	
203.1	22,026.1	3.5	3.5	—	23.2	3,995.9	21.9	21.8	—	0.1	70.7	339.3	March 1961	
206.4	22,269.5	1.9	1.9	—	23.0	4,078.7	29.3	29.3	—	0.0	67.7	336.6	April 1961	
207.9	22,507.2	4.1	4.1	—	23.0	4,107.9	30.4	30.3	—	0.1	66.1	351.1	May 1961	
<b>Private Mortgage Banks<sup>6)</sup></b>														
72.7	5,452.2	4.1	4.1	—	9.2	1,122.0	2.8	2.8	—	0.0	9.2	44.2	Dec. 1957	
64.1	6,796.2	14.8	14.8	—	11.2	1,849.1	5.1	5.1	—	—	9.5	51.0	Dec. 1958	
73.3	8,325.3	2.8	2.8	—	5.2	2,115.0	4.3	4.3	—	—	12.3	30.4	Dec. 1959	
71.8	9,576.6	6.2	6.2	—	12.1	2,284.5	6.7	6.7	—	—	34.6	28.4	Dec. 1960	
75.8	9,756.6	1.6	1.6	—	15.5	2,276.3	17.9	17.6	—	0.3	34.6	28.7	Feb. 1961	
88.2	9,852.0	1.9	1.9	—	15.2	2,283.8	19.5	19.5	—	—	37.7	29.2	March 1961	
91.4	9,978.3	1.5	1.5	—	15.0	2,298.4	29.2	29.2	—	—	35.2	26.0	April 1961	
97.2	10,108.0	3.5	3.5	—	15.0	2,311.0	30.1	30.1	—	—	33.9	26.3	May 1961	
<b>Public Mortgage Banks</b>														
115.5	7,870.1	0.4	0.4	—	7.5	910.5	5.3	5.3	—	—	26.0	126.9	Dec. 1957	
87.8	9,013.8	3.8	3.8	—	14.9	1,235.5	4.5	4.5	—	0.0	21.3	176.0	Dec. 1958	
101.6	10,525.0	0.2	0.2	—	8.3	1,449.6	1.4	1.4	—	—	45.6	274.7	Dec. 1959	
115.1	11,854.0	0.4	0.4	—	12.9	1,627.8	0.1	0.0	—	0.1	35.9	315.1	Dec. 1960	
111.1	12,056.9	0.4	0.4	—	13.0	1,679.2	12.6	12.5	—	0.1	33.0	312.7	Feb. 1961	
114.9	12,174.1	1.6	1.6	—	8.0	1,712.1	2.4	2.3	—	0.1	33.0	310.1	March 1961	
115.0	12,291.2	0.4	0.4	—	8.0	1,780.3	0.1	0.1	—	0.0	32.5	310.6	April 1961	
110.7	12,399.2	0.6	0.6	—	8.0	1,796.9	0.3	0.2	—	0.1	32.2	324.8	May 1961	
<b>Credit Institutions with Special Functions</b>														
406.7	4,806.0	385.8	342.5	43.3	37.1	1,209.8	393.8	300.7	—	193.1	339.2	10,074.8	Dec. 1957	
398.4	5,063.0	285.0	270.2	14.8	60.4	982.5	184.6	64.2	—	120.4	190.9	10,600.1	Dec. 1958	
572.6	4,975.8	127.6	120.0	7.6	165.7	2,441.2	353.0 <sup>8)</sup>	66.3	—	286.7 <sup>9)</sup>	172.9	11,531.4	Dec. 1959	
572.6	5,046.1	127.6	120.0	7.6	165.7	2,441.2	353.0 <sup>8)</sup>	66.3	—	286.7 <sup>9)</sup>	172.9	11,537.9	Dec. 1960	
685.1	5,341.3	206.4	206.4	0.0	232.2	3,326.1	378.2	96.2	—	282.0	106.9	12,872.9	Feb. 1961	
698.7	5,699.2	402.8	402.8	0.0	175.8	3,548.7	397.4	119.3	—	278.1	126.9	12,902.6	Feb. 1961	
707.0	5,641.6	414.4	414.4	0.0	185.4	3,698.3	483.7	128.2	—	355.5	126.2	13,167.9	March 1961	
721.4	5,681.7	430.0	430.0	0.0	190.5	3,699.3	482.1	123.6	0.0	358.5	127.0	13,311.9	April 1961	
739.7	5,725.1	391.1	391.1	—	193.9	3,839.0	470.6	127.3	0.0	343.3	122.0	13,456.0	May 1961	
<b>Reconstruction Loan Corporation, Finanzierungs-Aktiengesellschaft and Berliner Industriebank AG<sup>+</sup></b>														
24.3	2,863.5	0.1	0.1	—	0.1	415.9	63.2	0.6	—	62.6	0.6	3,343.7	Dec. 1957	
11.2	2,703.5	0.0	0.0	—	10.5	201.7	20.7	0.0	—	20.7	—	3,356.1	Dec. 1958	
13.3	2,318.4	0.1	0.1	—	72.5	1,099.4	8.6	0.0	—	8.6	—	3,312.9	Dec. 1959	
23.4	2,227.5	0.0	0.0	—	118.8	1,815.6	6.5	0.1	—	6.4	7.5	3,829.9	Dec. 1960	
22.0	2,507.2	0.0	0.0	—	64.3	2,057.0	8.5	0.0	—	8.5	7.2	3,696.2	Feb. 1961	
20.2	2,434.9	0.1	0.1	—	67.4	2,059.2	0.1	0.1	—	—	9.8	3,737.8	March 1961	
18.6	2,439.5	0.1	0.1	—	74.4	2,061.3	0.0	0.0	—	—	8.3	3,778.9	April 1961	
33.1	2,428.9	0.1	0.1	—	77.3	2,212.1	0.0	0.0	—	—	7.7	3,826.7	May 1961	
<b>Other Credit Institutions with Special Functions<sup>+</sup></b>														
382.4	1,942.5	385.7	342.4	43.3	37.0	793.9	330.6	200.1	—	110.5	338.6	6,731.1	Dec. 1957	
382.4	2,359.5	285.0	270.2	14.8	49.9	780.8	163.9	64.2	—	99.7	190.9	7,244.0	Dec. 1958	
559.3	2,657.4	127.5	119.9	7.6	93.2	1,341.8	344.4 <sup>8)</sup>	66.3	—	278.1 <sup>9)</sup>	172.9	8,218.5	Dec. 1959	
559.3	2,727.7	127.5	119.9	7.6	93.2	1,341.8	344.4 <sup>8)</sup>	66.3	—	278.1 <sup>9)</sup>	172.9	8,225.0	Dec. 1960	
661.7	3,113.8	206.4	206.4	0.0	113.4	1,510.5	371.7	96.1	—	275.6	99.4	9,043.0	Dec. 1960	
676.7	3,192.0	402.8	402.8	0.0	111.5	1,491.7	388.9	119.3	—	269.6	119.7	9,206.4	Feb. 1961	
686.8	3,206.7	414.3	414.3	0.0	118.0	1,639.1	483.6	128.1	—	355.5	116.4	9,430.3	March 1961	
702.8	3,242.2	429.9	429.9	0.0	116.1	1,638.0	482.1	123.6	0.0	358.5	118.7	9,533.0	April 1961	
706.6	3,296.2	391.0	391.0	—	116.6	1,626.9	470.6	127.3	0.0	343.3	114.3	9,629.3	May 1961	
<b>Instalment Credit Institutions<sup>5)</sup></b>														
805.4	6.2	—	—	—	—	—	2.1	0.6	—	1.5	0.1	0.8	Dec. 1957	
1,085.5	5.8	—	—	—	—	—	6.3	5.4	—	0.9	0.0	0.4	Dec. 1958	
1,321.6	6.4	—	—	—	—	—	4.9	0.1	—	4.8	—	0.3	Dec. 1959	
1,336.7	6.4	—	—	—	—	—	5.0	0.1	—	4.9	—	0.3	Dec. 1960	
1,694.2	4.0	—	—	—	—	—	48.3	42.6	—	5.7	0.4	0.2	Dec. 1960	
1,674.4	4.1	—	—	—	—	—	29.7	24.9	—	4.8	0.1	0.3	Feb. 1961	
1,706.4	4.3	—	—	—	—	—	38.7	31.2	—	7.5	0.3	0.2	March 1961	
1,743.6	4.4	—	—	—	—	—	37.6	29.9	—	7.7	0.3	0.2	April 1961	
1,775.7	3.9	—	—	—	—	—	40.9	33.1	—	7.8	0.2	0.3	May 1961	
<b>Postal Cheque and Postal Savings Bank Offices<sup>6)</sup></b>														
—	99.9	—	—	—	—	890.8	11.5	—	—	11.5	0.7	76.3	Dec. 1957	
—	132.2	—	—	—	—	1,129.0	42.7	—	—	48.7	—	65.5	Dec. 1958	
—	141.6	—	—	—	—	1,280.9	165.5	—	—	165.5	—	45.5	Dec. 1959	
—	141.6	—	—	—	—	1,321.7	165.5	—	—	165.5	—	45.5	Dec. 1960	
—	138.9	—	—	—	—	1,512.3	185.0	—	—	185.0	—	57.8	Dec. 1960	
—	148.2	—	—	—	—	1,650.4	175.2	—	—	175.2	—	59.3	Feb. 1961	
—	147.8	—	—	—	—	1,656.7	115.8	—	—	115.8	—	59.4	March 1961	
—	151.7	—	—	—	—	1,668.7	149.6	—	—	149.6	—	64.2	April 1961	
—	160.6	—	—	—	—	1,668.7	155.0	—	—	155.0	—	64.1	May 1961	

credits\*. — For further data regarding instalment credit see Table III A 3. — <sup>8)</sup> Source: Federal Ministry for Posts and Telecommunications. Discount credits: bills purchased for million due to statistical reasons (cf. footnote <sup>6)</sup>). — <sup>9)</sup> Including ship mortgage banks. — <sup>+</sup> Sub-group of "Credit Institutions with Special Functions".





3. Instalment Credits and Small Loans

(a) Instalment Credits<sup>1) 2)</sup>, by Banking Groups  
in millions of DM

End of year or month	All banking groups	Instalment credit institutions <sup>3)</sup>	Credit institutions (other than instalment credit institutions)	Commercial banks				Central giro institutions	Savings banks	Industrial credit co-operatives	Agricultural credit co-operatives	Other banking groups <sup>4)</sup>
				Total	including:							
					Big banks <sup>5)</sup>	State, regional and local banks	Private bankers					
1953	1,500.3	765.1	735.2	231.1	62.8	144.5	23.3	66.0	384.7	45.1	6.5	1.8
1954	1,913.6	991.8	921.8	273.9	73.6	176.7	22.6	85.6	489.9	58.8	9.3	4.2
1955	2,629.7	1,439.0	1,190.7	347.9	102.0	213.7	32.2	131.4	627.3	68.6	14.7	0.8
1956	2,869.0	1,611.6	1,257.4	380.0	124.5	224.3	31.2	147.6	640.2	73.1	15.4	1.1
1957	2,957.6	1,739.0	1,218.6	399.2	131.5	230.1	37.5	122.4	593.1	86.4	17.0	0.4
1958	3,314.9	2,049.4	1,265.5	422.1	125.3	249.5	47.0	125.2	584.2	112.4	21.4	0.2
1959	3,973.7	2,502.0	1,471.7	511.4	141.7	318.8	50.8	143.9	639.8	146.5	29.6	0.4
1959 <sup>6)</sup>	4,027.8	2,539.4	1,488.4	512.6				143.9	649.2	151.0	31.1	0.4
1960 May <sup>6)</sup>	4,365.2	2,771.5	1,593.7	559.4	143.8	346.1	60.2	155.2	687.6	157.4	33.7	0.5
June	4,444.3	2,826.3	1,618.0	575.9	148.4	352.0	66.5	157.8	689.2	161.1	33.5	0.4
July	4,552.3 <sup>7)</sup>	2,883.0	1,669.3 <sup>8)</sup>	601.6 <sup>9)</sup>	150.5	368.6	74.1 <sup>9)</sup>	162.6	704.2	166.5	33.9	0.4
Aug.	4,566.9	2,877.1	1,679.8	608.9	147.8	371.9	80.6	164.4	707.7	164.5	33.7	0.4
Sep.	4,609.0 <sup>7)</sup>	2,915.5	1,693.5 <sup>7)</sup>	619.6 <sup>7)</sup>	158.7	369.7 <sup>7)</sup>	82.7	167.2	707.6	164.6	34.2	0.4
Oct.	4,649.8	2,967.5	1,682.3	612.0	159.6	360.4	84.0	165.4	705.0	165.3	34.2	0.3
Nov.	4,735.3 <sup>8)</sup>	3,058.1	1,677.2 <sup>8)</sup>	607.8 <sup>8)</sup>	161.3	360.3	78.4 <sup>8)</sup>	165.6	705.1	164.5	33.6	0.3
Dec.	4,875.3 <sup>8)</sup>	3,188.5	1,686.8 <sup>8)</sup>	604.0 <sup>8)</sup>	162.5	355.9 <sup>8)</sup>	77.6	171.3	710.0	165.6	33.3	0.4
1961 Jan.	4,830.3	3,155.0	1,675.3	594.7	159.8	354.1	73.1	172.1	708.1	163.6	36.5	0.4
Feb.	4,816.9	3,160.6	1,656.3	584.0	154.2	349.8	72.8	170.1	705.4	160.7	35.2	0.8
March	4,951.4	3,243.1	1,708.3	618.3	157.0	344.8	69.6	164.2	714.1	171.9	36.9	2.7
April	5,037.9	3,298.8	1,738.1	625.3	154.6	352.7	71.3	165.7	736.5	170.3	37.1	3.4
May	5,081.9	3,353.1	1,728.8	623.5	191.4	350.9	67.5	166.1	725.6	170.2	37.5	5.8

<sup>1)</sup> At short and medium term. — <sup>2)</sup> Including cash advances made by instalment credit institutions; for small loans by other groups of institution, cf. Table 3 (c) below. — <sup>3)</sup> Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG, and their Berlin subsidiaries. — <sup>4)</sup> Central institutions of credit co-operatives, credit institutions with special functions. — <sup>5)</sup> From January 1960 onwards including the Saarland. The rows of figures were linked together in December 1959 by showing, firstly, the figures excluding the Saarland and, secondly, the figures including the Saarland — where possible and necessary also in the case of the individual banking groups. — <sup>6)</sup> Increase of about DM 4 million due to statistical reasons. — <sup>7)</sup> Decrease of about DM 8 million due to statistical reasons. — <sup>8)</sup> Decrease of about DM 4 million due to statistical reasons. — <sup>9)</sup> Decrease of about DM 17 million due to statistical reasons.

(b) Use and Amount of Instalment Credits<sup>1) 2)</sup> granted by Instalment Credit Institutions

Period	Total of instalment credits newly taken	for purchasing means of production and durable consumer goods to be used solely in trade and industry			for purchasing other durable consumer goods							Note: Purchase credits granted to traders
		Machinery for production of consumer goods <sup>3)</sup>	Motor trucks, tractors and trailers	Equipment for hand-craft and various occupations	Clothing, household textiles	Bicycles, sewing machines, typewriters	Household machinery and appliances <sup>4)</sup>	Furniture	Passenger cars and motor-cycles	Wireless and television sets	Other	
1959 2nd qtr.	871.6	45.9	91.3	33.7	148.9	13.7	76.4	102.0	265.1	53.1	41.5	199.8
3rd qtr.	803.1	46.5	77.9	35.3	120.8	13.2	78.4	105.2	225.8	52.3	47.7	152.5
4th qtr.	1,023.9	49.6	65.4	36.8	225.2	12.2	86.1	136.7	223.9	93.8	74.2	168.5
1960 1st qtr. <sup>5)</sup>	820.4	37.2	95.9	30.8	96.6	10.1	67.8	93.1	251.9	75.9	61.1	186.9
2nd qtr.	1,065.3	58.0	116.3	33.4	160.0	13.9	86.0	111.1	347.6	59.8	79.2	175.0
3rd qtr.	994.3	65.5	96.0	30.2	130.3	12.7	88.2	117.2	308.6	66.8	78.8	155.8
4th qtr.	1,234.5	71.4	117.2	35.7	243.3	13.5	101.9	148.0	310.7	98.9	93.9	252.7
1961 1st qtr.	989.8	65.9	127.8	30.1	106.1	12.6	73.8	107.3	322.1	71.9	72.2	310.7
Average amount of credit in DM												
1959 2nd qtr.	608	9,401	10,791	3,484	186	461	380	832	2,386	644	666	4,786
3rd qtr.	639	10,001	11,074	3,926	187	480	387	879	2,454	618	750	4,673
4th qtr.	571	11,380	11,019	3,669	221	465	377	865	2,558	688	647	4,686
1960 1st qtr. <sup>5)</sup>	769	10,751	11,713	3,609	203	501	376	954	2,710	695	863	4,568
2nd qtr.	718	10,944	12,245	3,614	214	488	382	904	2,577	656	725	4,730
3rd qtr.	756	11,229	12,420	3,738	220	486	380	952	2,689	659	764	4,630
4th qtr.	647	11,775	12,148	3,467	240	412	393	894	2,913	704	567	4,747
1961 1st qtr.	854	12,518	13,029	4,115	213	378	401	932	2,900	723	755	4,917

<sup>1)</sup> By contrast with the other credit statistics (also with Table (a)), this table is not based on the amount of credit outstanding, but on the total amount of instalment credits newly taken in the periods indicated. — <sup>2)</sup> Including cash advances. — <sup>3)</sup> Such as textile and farm machinery. — <sup>4)</sup> Such as stoves, vacuum cleaners, washing machines, etc. — <sup>5)</sup> From 1st quarter 1960 onwards including the Saarland.

(c) Small Loans<sup>1) 2)</sup>, by Banking Groups  
in millions of DM

End of month	All banking groups	Commercial banks					Central giro institutions	Savings banks	Credit co-operatives			Other banking groups <sup>4)</sup>
		Total	Big banks <sup>3)</sup>	State, regional and local banks	Private bankers	Specialised commercial banks			Total	Industrial credit co-operatives	Agricultural credit co-operatives	
1959 Dec.	868.4	298.2	238.3	49.9	9.4	0.6	1.8	399.3	169.0	151.0	18.0	0.0
Dec. <sup>5)</sup>	886.8	301.3					1.8	410.9	172.7	153.5	19.2	0.0
1960 May <sup>6)</sup>	1,021.1	375.0	302.0	59.1	12.9	1.0	1.8	464.2	180.1	157.1	23.0	0.0
June	1,060.7	398.4	313.9	65.6	17.8	1.1	1.8	475.2	185.2	161.9	23.3	0.0
July	1,089.6 <sup>6)</sup>	412.3 <sup>6)</sup>	325.8	69.6	15.8 <sup>6)</sup>	1.1	1.9	487.2	188.3	164.5	23.6	0.0
Aug.	1,103.3	424.1	333.2	72.0	17.8	1.1	1.8	487.9	189.4	165.3	24.1	0.0
Sep.	1,117.4	431.9	339.1	73.3	18.3	1.2	2.2	493.5	189.8	166.5	23.3	0.0
Oct.	1,131.3	441.3	346.0	75.9	18.2	1.2	2.2	498.1	189.6	165.7	23.9	0.0
Nov.	1,151.8 <sup>7)</sup>	455.8 <sup>7)</sup>	355.8	78.1	22.6 <sup>7)</sup>	1.3	2.2	500.7	193.1	167.3	25.8	0.0
Dec.	1,146.0	458.7	357.3	77.9	22.2	1.3	2.2	488.1	197.0	169.3	27.7	0.0
1961 Jan.	1,131.9	450.8	351.9	77.1	20.5	1.3	2.2	486.0	192.9	165.7	27.2	0.0
Feb.	1,131.0	457.7	357.7	78.1	20.4	1.5	2.2	482.9	188.1	160.7	27.4	0.0
March	1,173.3	479.0	376.5	81.5	19.6	1.4	2.3	495.7	196.3	168.2	28.1	0.0
April	1,202.0	494.4	390.2	83.5	19.3	1.4	2.3	506.4	198.9	170.9	28.0	0.0
May	1,233.5	513.3	406.7	86.1	19.0	1.5	2.3	513.9	204.0	176.0	28.0	0.0

<sup>1)</sup> Small loans are considered to include all medium-term loans for which repayment has been agreed and the amount of which originally paid out does not exceed DM 2,000. — <sup>2)</sup> Not including cash advances made by instalment credit institutions; cf. footnote <sup>2)</sup> to Table 3 (a). — <sup>3)</sup> Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG, and their Berlin subsidiaries. — <sup>4)</sup> Central institutions of credit co-operatives, credit institutions with special functions. — <sup>5)</sup> From January 1960 onwards including the Saarland. The rows of figures were linked together by showing for December 1959, firstly, the figures excluding the Saarland and, secondly, the figures including the Saarland — where possible and necessary also in the case of the individual banking groups. — <sup>6)</sup> Increase of about DM 4 million due to statistical reasons. — <sup>7)</sup> Decrease of about DM 4 million due to statistical reasons.



































## 2. Number of Credit Institutions and Classification of Monthly Reporting Credit Institutions by Size of Institution \*)

Position at end of December 1960

Banking group	Total number of credit institutions	of which, reporting for monthly banking statistics	The credit institutions reporting for the monthly banking statistics are graded as follows according to their balance-sheet total †)										
			less than DM 500,000	DM 500,000 to less than DM 1 million	DM 1 million to less than DM 5 million	DM 5 million to less than DM 10 million	DM 10 million to less than DM 25 million	DM 25 million to less than DM 50 million	DM 50 million to less than DM 100 million	DM 100 million to less than DM 500 million	DM 500 million to less than DM 1 billion	DM 1 billion and over	
Commercial banks	362	337	19	17	73	40	56	35	34	46	7	10	
Big banks ‡)	6	6	—	—	—	—	—	—	—	1	2	3	
State, regional and local banks	89	87	—	1	8	6	15	13	11	23	3	7	
Private bankers	232	209	19	13	58	32	35	18	18	14	2	—	
Specialised commercial banks	35	35	—	3	7	2	6	4	5	8	—	—	
Central giro institutions	12	12	—	—	—	—	—	—	—	—	2	10	
Savings banks	867	866	—	—	34	90	233	223	178	87	18	3	
Central institutions of credit cooperatives	18	18	—	—	—	—	—	—	1	16	1	—	
Central institutions of industrial credit cooperatives	5	5	—	—	—	—	—	—	—	5	—	—	
Central institutions of agricultural credit cooperatives	13	13	—	—	—	—	—	—	1	11	1	—	
Credit cooperatives	11,623	2,240	9	17	1,478	430	234	48	19	5	—	—	
Industrial credit cooperatives	765	761	9	11	265	218	190	47	16	5	—	—	
Agricultural credit cooperatives	10,858	1,479	—	6	1,213	212	44	1	3	—	—	—	
Private and public mortgage banks	47	47	—	—	—	2	7	2	5	9	13	9	
Private mortgage banks	29	29	—	—	—	2	2	1	2	8	11	3	
Public mortgage banks	18	18	—	—	—	—	5	1	3	1	2	6	
Credit institutions with special functions	25	25	1	—	2	2	2	—	2	5	3	8	
Instalment credit institutions	261	232	31	20	82	32	29	20	13	4	1	—	
Other credit institutions	53	—	—	—	—	—	—	—	—	—	—	—	
Postal Cheque and Postal Savings Bank offices	15	15	—	—	—	—	—	—	—	—	—	—	
<b>Total †)</b>	<b>13,283</b>	<b>3,792</b>	<b>60</b>	<b>54</b>	<b>1,669</b>	<b>596</b>	<b>561</b>	<b>328</b>	<b>252</b>	<b>172</b>	<b>45</b>	<b>40</b>	
<i>note:</i>					millions of DM								
Balance-sheet total ‡) §)	241,133 §)	236,242.3	16.9	42.0	4,604.5	4,152.7	8,800.4	11,357.7	17,514.5	34,372.6	31,196.7	118,123.8	

\*) Including the Saarland. — †) Balance-sheet total as shown in the Interim Statement, plus endorsement liabilities on rediscounted bills and own drawings in circulation which have been discounted and credited to the borrowers in account. — ‡) Deutsche Bank AG, Dresdner Bank AG, Commerzbank AG, and their Berlin subsidiaries. — §) Figures printed in italics do not contain Postal Cheque and Postal Savings Bank offices. — ¶) Estimated.



2. Interest Rates

(a) Rates for Discounts and Advances of the Deutsche Bundesbank\*) and Special Rate of Interest charged for failure to meet the Minimum Reserve Requirement

Applicable from:	Discount rate <sup>1)</sup>	Rate for advances on securities	Special rate of interest charged to credit institutions for failure to meet minimum reserve requirement
	% p. a.	% p. a.	% p. a. over advance rate
1948 July 1	5	6	1
Dec. 1			3
1949 May 27	4 1/2	5 1/2	
July 14	4	5	
1950 Oct. 27	6 <sup>2)</sup> )	7	
Nov. 1			1
1951 Jan. 1			3
1952 May 29	5 <sup>3)</sup>	6	
Aug. 21	4 1/2	5 1/2	
1953 Jan. 8	4	5	
June 11	3 1/2	4 1/2	
1954 May 20	3	4	
1955 Aug. 4	3 1/2	4 1/2	
1956 March 8	4 1/2	5 1/2	
May 19	5 1/2 <sup>4)</sup>	6 1/2	
Sep. 6	5	6	
1957 Jan. 11	4 1/2	5 1/2	
Sep. 19	4	5	
1958 Jan. 17	3 1/2	4 1/2	
June 27	3	4	
1959 Jan. 10	2 3/4	3 3/4	
Sep. 4	3	4	
Oct. 23	4	5	
1960 June 3	5	6	
Nov. 11	4	5	
1961 Jan. 20	3 1/2	4 1/2	
May 5	3	4	

\*) Until 31 July 1957 rates of Bank deutscher Länder and of Land Central Banks.

<sup>1)</sup> This is also the rate for cash advances to public authorities and to the Reconstruction Loan Corporation; cf. footnotes <sup>2)</sup> and <sup>4)</sup>. The discount rate for bills expressed in foreign currency was uniformly fixed at 3 %/o for the time being, by a decision adopted by the Board of Directors of the Bank deutscher Länder on 3 Aug. 1948. By decision of 9/10 November 1949 the Board of Directors authorised the Board of Managers to fix varying rates for bills in this class, in accordance with the discount rates of the foreign Central Banks concerned. The same applied to bills in DM which had been accepted abroad (Decision of 22/23 March 1950), and also to export drafts (Decisions of 15/16 November 1950 and 23/24 May 1951); see also footnote <sup>5)</sup>. —

<sup>2)</sup> Promissory notes arising under the export promotion scheme of the Reconstruction Loan Corporation were discounted at the preferential rate of 4 %/o even after the raising of the discount rate on 27 October 1950 (Decision of 29/30 November 1950). This privilege in regard to the interest rate was cancelled by decision of 7/8 November 1951; and it could then be claimed only for promissory notes arising from credits which were granted or promised not later than 7 November 1951. — <sup>3)</sup> Under a decision taken by the Board of Directors of the Bank deutscher Länder on 20 December 1950 the interest rate for cash advances to the Reconstruction Loan Corporation was fixed, with effect from 27 October 1950, at 4 %/o in the case of lendings to agriculture, maritime shipping and housebuilding, and at 5 1/2 %/o in the case of lendings serving other purposes. —

<sup>4)</sup> From 29 May 1952 there was in effect only the special arrangement mentioned under <sup>3)</sup> for lendings to be used for financing agriculture, maritime shipping and housebuilding, to which lendings until their redemption the rate of 4 %/o applied. — <sup>5)</sup> As from 19 May 1956 also discount rate for foreign bills, foreign cheques, foreigners' DM acceptances, and export drafts.

(b) Rates of the Deutsche Bundesbank Applying to Sales of Money Market Paper in the Open Market (% per annum)

Applicable from:	Treasury Bills of Federal Government and Federal Railways running for		Non-interest-bearing Treasury Bonds of Federal Government, Federal Railways and Federal Postal Administration running for				Storage Agency Bills running for	
	30 to 59 days	60 to 90 days	6 months	12 months	18 months	24 months	30 to 59 days	60 to 90 days
	1958 Jan. 2	3 3/8	3 1/2	3 3/4	4	4 1/2	4 1/2	3 1/2
Jan. 6	3 1/4	3 3/8	3 3/8	3 7/8	4 1/2	4 1/2	3 3/8	3 1/2
Jan. 17	3 1/2	3 1/4	3 1/2	3 3/4	4 1/2	4 1/2	3 1/4	3 3/8
Apr. 15	3 1/2	3 1/4	3 1/2	3 3/4	3 3/4	4 1/2	3 1/4	3 3/8
May 30	3 1/2	3 1/4	3 1/2	3 3/4	3 3/4	4	3 1/4	3 3/8
June 27	2 3/4	2 3/4	3	3 1/2	3 1/2	3 1/2	2 3/4	2 3/4
July 11	2 1/2	2 3/8	2 3/8	3	3 1/2	3 3/8	2 3/4	2 3/4
Aug. 11	2 3/8	2 1/2	2 3/8	3	3 1/2	3 3/8	2 1/2	2 3/4
Oct. 28	2 1/4	2 3/8	2 3/8	2 3/8	3	3 1/4	2 3/8	2 1/2
1959 Jan. 10	2 1/2	2 1/4	2 1/2	2 3/8	2 3/8	3 1/2	2 1/4	2 3/8
Apr. 9	2	2 1/2	2 1/2	2 1/2	2 3/4	3	2 1/2	2 1/4
Apr. 15	1 7/8	2	2 1/4	2 3/8	2 3/8	2 3/4	2	2 1/2
Sep. 4	2 3/8	2 1/2	2 3/8	3	3 1/4	3 1/2	2 1/2	2 3/8
Sep. 23	2 1/2	2 3/8	2 3/8	3	3 1/4	3 1/2	2 3/4	2 3/8
Sep. 30	2 3/8	2 3/4	2 3/8	3	3 1/4	3 1/2	2 3/4	2 3/8
Oct. 16	2 1/2	2 3/8	2 3/8	3 1/2	3 3/8	3 3/8	2 3/8	2 3/4
Oct. 23	3 1/2	3 3/8	3 3/8	4 1/2	4 1/4	4 1/2	3 3/8	3 3/4
Oct. 28	3 1/2	3 3/8	3 3/8	4 1/2	4 1/4	4 1/2	3 3/8	3 3/4
Dec. 21	3 3/8	3 3/4	4	4 1/4	4 3/8	4 1/2	3 3/4	3 3/8
1960 Feb. 29	3 3/4	3 3/8	4 1/2	4 3/8	4 1/2	4 3/8	3 3/4	4
Mar. 3	3 3/8	4	4 1/2	4 1/2	4 3/8	4 3/4	4	4 1/2
June 3	4 3/4	4 7/8	5 1/2	5 1/4	5 3/8	5 1/2	4 3/4	5
Nov. 2	4 3/8	4 3/4	5	5 1/2	5 1/4	5 3/8	4 3/4	4 7/8
Nov. 3	4 3/8	4 1/2	4 3/4	4 3/4	5	5 3/8	4 1/2	4 3/8
Nov. 11	3 3/4	4	4 1/2	4 3/4	4 1/2	4 3/4	4	4 1/2
Dec. 20	3 3/8	3 3/4	4	4 1/2	4 1/4	4 3/4	3 3/4	3 3/8
1961 Jan. 20	3 3/8	3 1/4	3 1/2	3 3/8	3 3/4	3 3/4	3 3/8	3 3/8
Feb. 9	3	3 1/2	3 3/8	3 1/2	3 3/4	3 3/4	3 1/2	3 1/2
Feb. 14	2 7/8	3	3 3/4	3 3/8	3 1/2	3 1/2	3	3 1/2
Mar. 3	2 3/4	2 7/8	3 3/8	3 1/2	3 3/8	3 1/2	2 7/8	3
Mar. 8	2 3/8	2 3/4	3	3 1/2	3 1/4	3 3/4	2 3/4	2 7/8
Mar. 17	2 1/2	2 3/8	2 3/8	3	3 1/4	3 1/2	2 1/2	2 3/8
Mar. 23	2 3/8	2 1/2	2 3/4	2 3/8	3	3 1/2	2 1/2	2 3/8
Apr. 26	2 1/4	2 3/8	2 3/8	2 3/8	2 3/8	3	2 1/2	2 3/8
May 5	2 1/2	2 1/4	2 1/2	2 3/8	2 3/4	2 3/4	2 1/2	2 3/8

(c) Rates for Prime Bankers' Acceptances % per annum

Applicable from:	Prime bankers' acceptances with remaining life of	
	30 to 59 days (short sight) mean rate	60 to 90 days (long sight) mean rate
1960 Jan. 4	3 3/4	3 13/16
11	3 7/8	3 15/16
28	3 3/4	3 13/16
Feb. 1	3 7/8	3 15/16
10	3 13/16	3 7/8
15	3 3/4	3 13/16
22	3 7/8	3 15/16
Mar. 8	3 13/16	3 15/16
29	3 7/8	3 15/16
April 7	3 13/16	3 15/16
19	3 7/8	3 15/16
22	3 7/8	3 15/16
June 1	3 13/16	3 15/16
3	4 13/16	4 13/16
23	4 7/8	4 13/16
July 2	4 13/16	4 13/16
25	4 13/16	4 7/8
Aug. 25	4 7/8	4 13/16
Sep. 1	4 13/16	4 7/8
6	4 7/8	4 13/16
15	4 13/16	4 13/16
Nov. 4	4 13/16	4 13/16
11	3 13/16	3 13/16
Dec. 21	3 13/16	3 7/8
1961 Jan. 16	3 13/16	3 13/16
20	3 7/8	3 7/8
Feb. 9	3 3/8	3 3/8
14	3 3/8	3 3/8
23	3 3/8	3 3/8
24	3 7/8	3 7/8
Mar. 3	3 3/8	3 3/8
9	3 3/8	3 3/8
10	3 3/8	3 3/8
17	2 13/16	2 13/16
23	2 13/16	2 13/16
April 26	2 13/16	2 13/16
May 5	2 3/8	2 3/8
June 13	2 1/2	2 1/2
22	2 3/8	2 3/8
23	2 3/4	2 3/4
July 25	2 3/4	2 3/4
Aug. 1	2 3/4	2 3/4

2. Interest Rates (cont'd)

(d) Money Market Rates<sup>1)</sup> in Frankfurt (Main), by Months

% per annum

Month	Day-to-day money <sup>2)</sup>	One-month loans <sup>2)</sup>	Three-month loans <sup>2)</sup>	Month	Day-to-day money <sup>2)</sup>	One-month loans <sup>2)</sup>	Three-month loans <sup>2)</sup>
1958				1960			
January	2 3/4 — 3 1/2	3 1/2	3 3/4 — 3 7/8	January	3 1/4 — 4 1/8	3 7/8 — 4 1/4	4 1/4 — 4 3/8
February	3 1/4 — 4	3 3/8 — 3 5/8	3 3/8 — 3 7/8	February	3 5/8 — 4 1/4	4 1/8 — 4 1/4	4 3/8 — 4 1/2
March	3 1/8 — 3 3/4	3 3/8 — 3 3/4	3 1/8 — 4	March	3 1/2 — 4 5/8	4 1/8 — 4 3/4	4 3/8 — 4 7/8
April	3 — 4 1/8	3 3/8 — 3 5/8	3 5/8 — 4	April	3 1/2 — 4 3/8	4 1/4 — 4 1/2	4 1/8 — 4 3/4
May	3 1/8 — 3 5/8	3 3/8 — 3 5/8	3 1/8 — 3 3/4	May	3 1/2 — 4 1/4	4 1/4 — 4 3/8	4 1/8 — 4 3/4
June	3 — 3 7/8	3 3/8 — 4	3 3/8 — 3 3/4	June	4 1/4 — 5 1/4	4 3/8 — 5 1/2	4 3/8 — 5 3/8
July	2 5/8 — 3 1/8	3 — 3 1/8	3 1/8 — 3 3/8	July	4 — 5 3/8	5 1/8 — 5 5/8	5 1/2 — 5 5/8
August	2 1/4 — 2 7/8	2 3/4 — 3	3 1/8	August	4 3/8 — 5 1/8	5 1/4 — 5 5/8	5 3/8 — 5 1/2
September	2 5/8 — 3 1/8	2 7/8 — 3 1/8	3 — 3 1/4	September	4 7/8 — 5 5/8	5 3/8 — 5 5/8	5 1/2 — 5 5/8
October	2 — 3 1/8	2 1/2 — 3	4	October	4 3/4 — 5 7/8	5 1/4 — 5 1/2	5 7/8 — 6 1/4
November	2 1/2 — 3 1/4	2 3/4 — 3		November	4 — 5 3/8	4 3/8 — 5 3/8	5 1/8 — 6
December	2 1/4 — 3 3/4	3 — 3 7/8	3 1/4 — 3 3/4	December	3 1/2 — 5 1/8 5)	5 1/4 — 5 5/4	5 — 5 1/4
1959				1961			
January	2 — 2 3/4	2 1/8 — 2 5/8	2 5/8 — 3	January	3 — 4 3/4	4 1/8 — 4 1/2	4 1/4 — 4 7/8
February	2 3/8 — 3 1/2	2 1/2 — 2 5/8	2 1/2 — 3	February	2 5/8 — 4 1/8	3 3/4 — 4 1/8	3 3/8 — 4 3/8
March	2 — 2 7/8	2 5/8 — 3	2 7/8 — 3 1/4	March	2 1/2 — 4 1/4	3 1/4 — 4	3 3/8 — 4
April	1 3/4 — 2 7/8	2 1/4 — 2 3/4	2 1/2 — 2 7/8	April	2 5/8 — 3 1/2	3 — 3 1/4	3 1/4 — 3 3/8
May	2 1/4 — 2 7/8	2 1/8 — 2 3/4	2 3/8 — 2 7/8	May	2 1/8 — 3 1/8	3 — 3 1/4	3 1/8 — 3 1/4
June	2 — 3	2 1/2 — 2 3/4	2 3/4 — 3	June	1 7/8 — 3 1/4	2 7/8 — 3 1/8	3 — 3 1/4
July	1 3/4 — 2 3/4	2 1/8 — 2 5/8	2 1/2 — 2 7/8				
August	2 1/8 — 2 3/4	2 3/8 — 2 5/8	2 3/8 — 2 3/4				
September	2 3/8 — 3 1/8	2 5/8 — 3	2 7/8 — 3 1/4				
October	1 3/8 — 3 1/4	2 3/4 — 3 1/4	3 1/2 — 4				
November	3 3/4 — 4 1/8	3 3/8 — 4 1/8	4 1/2 — 4 3/4				
December	3 — 4 1/8 4)	4 1/4 — 4 7/8	4 3/8 — 4 7/8				

<sup>1)</sup> Money-market rates are not fixed or quoted officially. The rates here published have been ascertained from Frankfurt banks. They may be considered to be representative. — <sup>2)</sup> Lowest and highest rate quoted during month. — <sup>3)</sup> Money at the end of the month 4%. — <sup>4)</sup> Money at the end of the month 5 to 5 1/8%. — <sup>5)</sup> Money at the end of the month 5 1/2 to 5 3/4%.

(e) Rates for Day-to-Day Money<sup>1)</sup> in Frankfurt (Main) by Bank Return Weeks

% per annum

Week	1958		1959		1960		1961	
	Lowest rate	Highest rate	Lowest rate	Highest rate	Lowest rate	Highest rate	Lowest rate	Highest rate
Jan. 1 — 7	3 1/8	3 1/2	2	2 3/4	3 5/8	4	3 7/8	4 1/8
8 — 15	3 1/8	3 3/4	2	2 1/8	3 3/4	4 1/8	4 1/4	4 3/8
16 — 23	3 1/4	3 3/8	2	2 3/8	3 3/8	4 1/8	4	4 1/2
24 — 31	2 3/4	3 1/2	2	2 3/4	3 1/4	3 7/8	3	4 1/4
Feb. 1 — 7	3 1/4	3 3/8		2 5/8	4	4 1/8	3 7/8	4 1/4
8 — 15	3 1/4	3 3/8	2 3/8	2 1/2	3 5/8	4	2 3/4	3 3/8
16 — 23	3 1/4	3 3/8	2 3/8	2 3/4	3 3/8	3 7/8	2 3/8	3 1/2
24 — 28	3 3/8	4	2 1/2	3 1/2	3 3/4	4 1/4	3 1/2	3 7/8
March 1 — 7	3 1/2	3 3/4	2 3/4	2 7/8	4 1/8	4 3/8	3 7/8	4 1/4
8 — 15		3 3/4	2 3/8	2 3/4	4 1/4	4 1/2	2 7/8	3 7/8
16 — 23	3 1/2	3 3/8	2 3/8	2 3/4	4 1/2	4 3/8	2 3/8	3
24 — 31	3 3/8	3 3/8	2	2 3/8	3 1/2	4 3/8	2 1/2	3
April 1 — 7		3 1/4	2 1/4	2 3/4	4 1/8	4 3/8	3 1/4	3 1/2
8 — 15	3 1/8	3 1/2	1 7/8	2 1/4	4	4 1/4	3 3/8	3 1/4
16 — 23	3	3 1/8	1 3/4	2	3 1/2	4	2 3/4	3 1/8
24 — 30	3	4 1/8	1 3/4	2 7/8	3 3/8	4	2 3/8	3
May 1 — 7	3 1/2	3 3/8		2 3/4	4	4 1/4	2 7/8	3 1/8
8 — 15	3 3/8	3 1/2	2 1/4	2 3/4	3 7/8	4	3	3 1/8
16 — 23	3 3/8	3 1/2	2 1/4	2 7/8	3 7/8	4	2 1/8	3
24 — 31	3 1/8	3 1/4	2 1/4	2 3/4	3 1/8	4	2 1/8	3
June 1 — 7	3 1/2	3 3/8	2 1/2	2 3/4	4 1/4	4 7/8	2 3/8	3 1/8
8 — 15	3 1/2	3 3/8	2	2 1/2	4 3/8	5	1 7/8	2 1/8
16 — 23	3 3/8	3 3/8	2	2 1/4	5	5 1/4	2	2 1/8
24 — 30	3	3 3/8	2 1/4	3	5	5 1/4	2 1/2	3 1/4
July 1 — 7	2 7/8	3 1/8	2 3/8	2 3/4	5 1/8	5 3/8	2 7/8	3 1/8
8 — 15	2 3/4	2 7/8	2 1/4	2 3/4	4 3/8	5 3/8	3	3 1/8
16 — 23	2 7/8	3	2 1/8	2 3/8	4 3/4	5 1/8		
24 — 31	2 7/8	3	1 3/4	2 1/8	4	4 3/4		
Aug. 1 — 7	2 3/4	2 7/8	2 1/8	2 1/2	5	5 1/8		
8 — 15	2 1/2	2 3/4		2 1/8				
16 — 23	2 1/4	2 3/8	2 1/4	2 3/8	4 7/8	5		
24 — 31	2 1/4	2 7/8	2 1/4	2 3/4	4 3/8	4 7/8		
Sep. 1 — 7	2 3/4	3	2 1/8	2 7/8	5 1/8	5 1/4		
8 — 15	2 3/8	2 3/8	2 3/8	2 3/4	5 1/8	5 1/4		
16 — 23	2 3/8	2 7/8	2 3/8	2 7/8	5 1/4	5 3/8		
24 — 31	2 3/4	3 1/8	2 3/8	2 7/8	4 7/8	5 3/8		
Oct. 1 — 7	3	3 1/8	2 7/8	3 1/8	5	5 3/8		
8 — 15	2 3/4	3	2 3/8	2 7/8	5 3/8	5 3/8		
16 — 23	2 1/4	2 3/4	1 1/2	2 3/8	5 3/8	5 7/8		
24 — 31	2	2 1/4	1 1/2	3 1/4	4 3/4	5 3/4		
Nov. 1 — 7	2 3/8	2 3/4	3 3/4	4	5 1/8	5 3/8		
8 — 15	2 3/8	2 7/8	3 1/2	4	4 1/4	5 1/4		
16 — 23	2 3/8	3 1/8	4	4 1/8	4 3/8	5 1/4		
24 — 30	2 3/4	3 1/4	3 7/8	4 1/8	4	5 1/8		
Dec. 1 — 7	2 3/8	3	3 3/8	4 1/8	4 3/4	5 1/8		
8 — 15	2 3/8	2 3/8	3 3/4	4 1/8	4 1/2	4 7/8		
16 — 23	2 3/8	2 3/8	3 3/4	4 1/8	3 3/4	4 1/4		
24 — 30	2 3/4	2 3/2	3	3 7/8	3 1/2	4		
End of December		4	5	5 1/8	5 1/2	5 3/4		

<sup>1)</sup> Rates for day-to-day money are not fixed or quoted officially. The rates here published have been ascertained from Frankfurt banks. They may be considered to be representative.

(f) The Debtor and Creditor Interest Rates

Debtor Interest Rates of Credit Institutions since 5 May 1961. Creditor Interest Rates (except those on savings deposits)

	Baden-Württemberg <sup>2)</sup>		Bavaria <sup>2)</sup>		Berlin <sup>2)</sup>		Bremen <sup>2)</sup>		Hamburg <sup>2)</sup>	
<b>Debtor Interest Rates, in per cent per annum</b>										
D = Central Bank Discount Rate, at present 3      A = Central Bank Advance Rate, at present 4										
<b>Charges for Credits</b>										
1. Charges for credits in current account	in detail	total	in detail	total	in detail	total	in detail	total	in detail	total
(a) Approved credits <sup>1)</sup>										
Interest	A + 1/2%		A + 1/2%		A + 1/2%		A + 1/2%		A + 1/2%	
Credit commission	1/8% per month	7 1/2	1/8% per month	7 1/2	1/8% per month	7 1/2	1/8% per month	7 1/2	1/8% per month	7 1/2
(b) Overdrafts										
Interest	A + 1/2%		A + 1 1/2%		A + 1 1/2%		A + 1/2%		A + 1/2%	
Overdraft commission	1/8% per day	9	1/8% per day	10	1/8% per day	9	1/8% per day	9	1/8% per day	9
2. Acceptance credits (normal terms)										
Interest	D + 1/2%		D + 1/2%		D + 1/2%		D + 1/2%		D + 1/2%	
Acceptance commission	1/4% per month	6 1/2	1/4% per month	6 1/2	1/4% per month	6 1/2	1/4% per month	6 1/2	1/4% per month	6 1/2
3. Charges for discount credits										
(a) Items of DM 20,000.— or above										
Interest	D + 1/2%		D + 1 1/2%		D + 1%		D + 1/2% - 1%		D + 1%	
Discount commission	1/8% per month	5	1% per month	5 7/10	1/8% per month	5 1/2	1/8% per month	5-5 1/2	1/8% per month	5 1/2
(b) Items from DM 5,000.— to under DM 20,000.—										
Interest	D + 1/2%		D + 1 1/2%		D + 1%		D + 1/2% - 1%		D + 1%	
Discount commission	1/8% per month	5	1% per month	5 7/10	1/8% per month	5 1/2	1/8% per month	5-5 1/2	1/8% per month	5 1/2
(c) Items from DM 1,000.— to under DM 5,000.—										
Interest	D + 1%		D + 1 1/2%		D + 1%		D + 1/2% - 1%		D + 1%	
Discount commission	1/8% per month	5 1/2	1/8% per month	6	1/8% per month	6	1/8% per month	5 1/2-6	1/8% per month	6
(d) Items under DM 1,000.—										
Interest	D + 1%		D + 1 1/2%		D + 1%		D + 1/2% - 1%		D + 1%	
Discount commission	1/8% per month	6	1/8% per month	6 1/2	1/8% per month	7	1/8% per month	6 1/2-7	1/8% per month	7
4. Drawings on customers										
Interest	no rates fixed		no rates fixed		no rates fixed		no rates fixed		no rates fixed	
Credit commission	no rates fixed		no rates fixed		no rates fixed		no rates fixed		no rates fixed	
5. Turnover commission	no terms stated		1/8% per half-year, on minimum of three times highest debit balance		1/8 - 1% of turnover on larger side, minimum 1% p. a. of amount of credit		1/2% on the larger side of the accounts less balance brought forward, minimum 1/8% per half-year on amount of credit		Calculation according to Art. 5 of Agreement on Debtor Interest, together with instructions issued by Reich Credit Supervisory Office on 5 March 1942	
6. Minimum charges for discounting	DM 2.—		DM 2.—		DM 2.—		DM 2.—		DM 2.—	
7. Domicile commission	1/8% per month, minimum DM —.50		not fixed		not fixed		1/8% per month		not fixed	
<b>Creditor Interest Rates<sup>2)</sup>, in per cent per annum</b>										
<b>Deposit Interest Rates</b>										
1. for monies payable on demand										
(a) on accounts free of commission	3/8		1/2		3/8		3/8		3/8 <sup>3)</sup>	
(b) on accounts subject to commission	3/4		3/4		3/4		3/4		3/4	
2. Savings deposits										
(a) with legal period of notice	3 1/4		3 1/4		3 1/4		3 1/4		3 1/4	
(b) with agreed period of notice <sup>4)</sup> of										
(1) 6 months to less than 12 months	3 1/2		3 1/2		3 1/2		3 1/2		3 1/2	
(2) 12 months and over	4		4		4		4		4	
3. for monies at notice of										
(a) 1 to less than 3 months	1 3/4		1 3/4		1 3/4		1 3/4		1 3/4	
(b) 3 to less than 6 months	2 1/4		2 1/4		2 1/4		2 1/4		2 1/4	
(c) 6 to less than 12 months	2 3/4		2 3/4		2 3/4		2 3/4		2 3/4	
(d) 12 months and over	3 1/2		3 1/2		3 1/2		3 1/2		3 1/2	
4. for monies placed for fixed periods of										
(a) 30 to 89 days	1 3/4		1 3/4		1 3/4		1 3/4		1 3/4	
(b) 90 to 179 days	2 1/4		2 1/4		2 1/4		2 1/4		2 1/4	
(c) 180 to 359 days	2 3/4		2 3/4		2 3/4		2 3/4		2 3/4	
(d) 360 days and over	3 1/2		3 1/2		3 1/2		3 1/2		3 1/2	
5. Preferential rate of interest <sup>5)</sup>	1/8 — 1/2		1/8 — 1/2		1/8 — 1/2		1/8 — 1/2		1/8 — 1/2	

<sup>1)</sup> Compiled on the basis of notifications, published by the Bank Supervisory Authorities of the Länder, concerning the fixing of interest and commission rates. The table does not take approval of the appropriate Bank Supervisory Authority, to charge higher rates in cases where there is good reason for doing so. — <sup>2)</sup> Maximum rates. — <sup>3)</sup> Apart from cases where charges for the approved credit are below the rate quoted, whereas the charges for the credit taken may exceed this rate. According to Art. 2 of the Debtor Interest Agreement, interest from the highest debit balance. — <sup>4)</sup> For items under DM 1,000.— a processing fee of DM 1.— to DM 2.— is to be charged, according to circumstances, irrespective of the charges for customers. Non-banker customers in the meaning of Art. 3 of the skeleton agreement of 22 December 1936 include, e.g., cash offices of public authorities, and insurance companies. — notice will only be permissible after expiry of a period of six months, such period to commence on the day of deposit. — <sup>5)</sup> In compliance with a decision adopted by the Special does not exceed DM 40 million, joint stock companies and other corporations, private bankers and partnerships with a balance-sheet total not greater than DM 60 million may.

Rates (cont'd)

in force in the Individual Länder <sup>1)</sup>

of Credit Institutions since 10 June 1961, Interest Rates on Savings Deposits since 1 July 1961

Hesse <sup>2)</sup>		Lower Saxony <sup>2)</sup>		North Rhine-Westphalia <sup>2)</sup>		Rhineland-Palatinate <sup>2)</sup>		Saarland		Schleswig-Holstein <sup>2)</sup>	
<b>Debtor Interest Rates, in per cent per annum</b>											
D = Central Bank Discount Rate, at present <sup>3</sup>						A = Central Bank Advance Rate, at present <sup>4</sup>					
in detail	total	in detail	total	in detail	total	in detail	total	in detail	total	in detail	total
A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2
A + 1/2% 1/8% per day	9	A + 1/2% 1/8% per day	9	A + 1/2% 1/8% per day	9	A + 1/2% 1/8% per day	9	A + 1/2% 1/8% per day	9	A + 1/2% 1/8% per day	9
D + 1/2% 1/4% per month	6 1/2	D + 1/2% 1/4% per month	6 1/2	D + 1/2% 1/4% per month	6 1/2	D + 1/2% 1/4% per month	6 1/2	D + 1/2% 1/4% per month	6 1/2	D + 1/2% 1/4% per month	6 1/2
D + 1/2% 1/8% per month	5	A + 1/2% 1/24% per month	5	D + 1 1/2% 1/24% per month	5	D + 1 1/2% 1/24% per month	5	D + 1 1/2% 1/24% per month	5	D + 1% 1/8% per month	5 1/2
D + 1/2% 1/8% per month	5 1/2	A + 1/2% 1/12% per month	5 1/2	D + 1 1/2% 1/12% per month	5 1/2	D + 1 1/2% 1/24-1/12% per month	5-5 1/2	D + 1 1/2% 1/12% per month	5 1/2	D + 1% 1/8% per month	5 1/2
D + 1 1/2% 1/8% per month	6	A + 1/2% 1/8% per month	6	D + 1 1/2% 1/8% per month	6	D + 1 1/2% 3/8% per month	6	D + 1 1/2% 1/8% per month	6	D + 1% 1/8% per month	6
D + 1 1/2% 1/8% per month	6	A + 1/2% 1/8% per month	6 <sup>5)</sup>	D + 1 1/2% 1/8% per month	6 <sup>5)</sup>	D + 1 1/2% 1/8% per month	6 <sup>5)</sup>	D + 1 1/2% 1/8% per month	6 <sup>5)</sup>	D + 1% 1/4% per month	7 <sup>5)</sup>
A + 1/2% 1/4% per month	7 1/2	no rates fixed		no rates fixed		A + 1/2% 1/4% per month	7 1/2	A + 1/2% 1/4% per month	7 1/2	no rates fixed	
Calculation according to Art. 5 of Agreement on Debtor Interest, together with instructions issued by Reich Credit Supervisory Office on 5 March 1942				1/8% per half-year				Calculation according to Art. 5 of Agreement on Debtor Interest, together with instructions issued by Reich Credit Supervisory Office on 5 March 1942			
DM 2.— 1/2% per month, minimum DM —.50		DM 2.— 1/2% per month, minimum DM —.50		DM 2.— 1/2% per month, minimum DM —.50		DM 2.— 1/2% per month, minimum DM —.50		DM 2.— 1/2% per month, minimum DM —.50		DM 2.— not fixed	
<b>Creditor Interest Rates <sup>7)</sup>, in per cent per annum</b>											
3/8	3/4	3/8	3/4	3/8	3/4	3/8	3/4	3/8	3/4	3/8	3/4
3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4	4	4	4	4	4	4	4	4	4	4	4
1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4
2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4
2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2
3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4	1 3/4	2 1/4
2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4	2 1/4	2 3/4
2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2	2 3/4	3 1/2
3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2	1/8 — 1/2

account of special rates or preferential arrangements which in certain Länder have been provided and agreed for various types of credit. — <sup>2)</sup> Normal rates. It is permissible, with the lower rates are allowed, the total interest rate computed corresponds to the actual charges for credit only if the approved credit is fully taken. If it is availed of only partially the may in fact only be charged for credits actually taken. Credit commission may however be computed in advance from credits firmly approved or, in the case of tacitly granted credit, discounting. — <sup>3)</sup> Also for bills on places where there is no branch establishment of the Deutsche Bundesbank. — <sup>4)</sup> These maximum rates apply to transactions with non-banker <sup>5)</sup> No interest is paid, at the Hamburg clearing banks, on giro accounts amounting to not more than DM 10,000.— — <sup>6)</sup> When accepting savings deposits with agreed period of notice, Bank Supervisory Commission and with the conditions laid down in the notifications of the various Bank Supervisory Authorities, credit cooperatives whose balance-sheet total as from April 1954, exceed the maximum rates fixed for creditor interest by no more than the rates here shown; for a specification of the rates, see the table overleaf.

2. Interest Rates (cont'd)

(g) Debtor and Creditor Interest Rates since the Currency Reform

Maximum Debtor Interest Rates \*)  
% per annum

Applicable from:	Central Bank discount rate	Central Bank rate for advances on securities	Charges for credits in current account		Charges for acceptance credits	Charges for discount credits <sup>2)</sup> , items amounting to			
			Approved credits <sup>3)</sup>	Overdrafts		DM 20,000 or above	DM 5,000 to under DM 20,000	DM 1,000 to under DM 5,000	under DM 1,000
1948 July 1	5	6	9	10 1/2	8	6 1/2	7	7 1/2	8
1948 Sep. 1			9 1/2	11	8 1/2-9 1/2	7	7 1/2	8	8 1/2
1948 Dec. 15			9	10 1/2	8	6 1/2	7	7 1/2	8
1949 May 27	4 1/2	5 1/2	8 1/2	10	7 1/2-8 1/2	6	6 1/2	7	7 1/2
1949 July 14	4	5	10 1/2	12	9 1/2	8	8 1/2	9	9 1/2
1950 Oct. 27	6	7	9 1/2	11	8 1/2	7	7 1/2	8	8 1/2
1952 May 29	4 1/2	5 1/2	8 1/2	10 1/2	8	6 1/2	7 1/2	8	8 1/2
1953 Aug. 21	4	5	9	10	8	6 1/2	7	7 1/2	8
1953 Jan. 8	4	5	8 1/2	10	7 1/2	6	6 1/2	7	7 1/2
1953 June 11	3 1/2	4 1/2	8 1/2	9 1/2	7 1/2	5 1/2	6 1/2	7	7 1/2
1954 May 20	3	4	8	9 1/2	6 1/2	5	6	7	7 1/2
1955 July 1			7 1/2	9 1/2	6 1/2	5 1/2	6	7	7 1/2
1955 Aug. 4	3 1/2	4 1/2	8	9 1/2	7	5 1/2	6 1/2	7 1/2	8 1/2
1956 Mar. 8	4 1/2	5 1/2	7 1/2	10 1/2	8	6 1/2	7	8 1/2	9 1/2
1956 May 19	5 1/2	6 1/2	10	11 1/2	9	7 1/2	8	9 1/2	10 1/2
1957 Sep. 6	5	6	9 1/2	11	8 1/2	7 1/2	8	9 1/2	10 1/2
1957 Jan. 11	4 1/2	5 1/2	9	10 1/2	8	6 1/2	7 1/2	8 1/2	9 1/2
1957 Sep. 19	4	5	8 1/2	10	7 1/2	6 1/2	7 1/2	8 1/2	9 1/2
1958 Jan. 17	3 1/2	4 1/2	8 1/2	9 1/2	7 1/2	5 1/2	6 1/2	7 1/2	8 1/2
1958 June 27	3	4	8 1/2	9 1/2	6 1/2	5	6 1/2	7 1/2	8 1/2
1958 July 21			9	10	7	5	6	7	8
1959 Jan. 10	2 1/2	3 1/2	7 1/2	9 1/2	6 1/2	4 1/2	5 1/2	6 1/2	7 1/2
1959 Sep. 4	4	5	7 1/2	9	6 1/2	5	6	7	8
1960 Oct. 23	4	5	8 1/2	10	7 1/2	6	7	8	9
1960 June 3	5	6	9 1/2	11	8 1/2	7	8 1/2	9 1/2	10 1/2
1961 Nov. 11	4 1/2	5 1/2	8 1/2	10	7 1/2	6	7 1/2	8 1/2	9 1/2
1961 Jan. 20	3 1/2	4 1/2	8	9 1/2	7	5 1/2	6 1/2	7 1/2	8 1/2
1961 May 5	3	4	7 1/2	9	6 1/2	5	6 1/2	7 1/2	8 1/2

\*) Official rates for credits to non-banks, which may only be exceeded in exceptional cases. The interest rates here quoted were compiled on the basis of announcements by the Hessian Bank Supervisory Authority; in most of the other Federal Länder equal rates apply. They are to be understood as including credit, acceptance, or discount commissions, but excluding turnover commission. — 1) Apart from cases where lower rates are allowed, the total interest rate computed corresponds to the actual charges for credit only if the approved credit is fully taken. If it is availed of only partially the charges for the approved credit are below the rate quoted, whereas the charges for the credit taken may exceed this rate. According to Art. 2 of the Debtor Interest Agreement, interest may in fact only be charged for credits actually taken. Credit commission may however be computed in advance from credits firmly approved or, in the case of tacitly granted credit, from the highest debit balance. — 2) Not including domicile commission. — 3) From 1 Sep. 1949 to 26 Oct. 1950 = 7 1/2 %.

Maximum Creditor Interest Rates \*)

% per annum

Applicable from:	Monies payable on demand		Savings deposits			Monies at notice <sup>1)</sup> of				Monies placed for fixed periods <sup>1)</sup> of				Postal savings deposits	
	on accounts free of commission	on accounts subject to commission	with legal period of notice	with agreed period of notice	6 to less than 12 months	12 months and over	1 to less than 3 months	3 to less than 6 months	6 to less than 12 months <sup>2)</sup>	12 months and over <sup>3)</sup>	30 to 89 days	90 to 179 days	180 to 359 days		360 days and over
1948 Sep. 1	1	2	2 1/2	3	4	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2
1949 Sep. 1	1	1 1/2	2 1/2	3	4	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2
1950 July 1	1	1 1/2	2 1/2	3	4	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2	3	3 1/2	2 1/4	2 1/2
1950 Dec. 1	1	1 1/2	2 1/2	3 1/2	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2
1952 Sep. 1	1	1 1/2	2 1/2	3 1/2	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2
1953 Feb. 1	1	1 1/2	2 1/2	3 1/2	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2
1953 July 1	1	1 1/2	2 1/2	3 1/2	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2	4	4 1/2	3 1/4	3 1/2
1954 July 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1955 Aug. 4	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1956 Mar. 16	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1956 May 19	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1956 Oct. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1957 Feb. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1957 Oct. 17	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1958 Feb. 10	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1958 Jul. 21	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1959 Nov. 20	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1959 Feb. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1959 Nov. 20	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1960 Jan. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1960 Jul. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 Dec. 15	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 Jan. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 Feb. 15	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 Apr. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 June 10	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2
1961 Jul. 1	1 1/2	2 1/2	3 1/2	4 1/2	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2	5	5 1/2	4 1/4	4 1/2

\*) Official rates for deposits of non-banks, which may only be exceeded in exceptional cases. The rates here quoted were compiled on the basis of announcements by the Hessian Bank Supervisory Authority; in most of the other Federal Länder equal rates apply. — 1) For larger amounts deposited (DM 50,000.— or more and DM 1 million or more, respectively) higher rates of interest were paid between 1 September 1949 and 19 November 1958. — 2) In so far as monies at notice of 6 months and over carry higher rates of interest than monies placed for corresponding fixed periods, the rates quoted may be granted only where the customer does not take advantage of the right to demand repayment, in the case of monies at notice of 6 to less than 12 months for at least three months, and in the case of monies at notice of 12 months and over for at least six months, in each case from the date of the agreement. Otherwise only the rates for monies placed for fixed periods may be granted. — 3) As from 1 July 1949 = 2 1/4 %.

(h) Preferential Rates of Interest

(Valid since 20 November 1959)

Categories of deposits	According to the decision of the Special Bank Supervisory Commission and the notifications of the various Bank Supervisory Authorities the maximum rates fixed for creditor interest may at the utmost be exceeded in the case of											
	Credit cooperatives with a balance-sheet total <sup>1)</sup> of			Joint stock companies and other corporations with a balance-sheet total <sup>1)</sup> of				Private bankers and partnerships with a balance-sheet total <sup>1)</sup> of				
	up to DM 5 mn	over DM 5 mn to DM 20 mn	over DM 20 mn to DM 40 mn	up to DM 5 mn	over DM 5 mn to DM 20 mn	over DM 20 mn to DM 40 mn	over DM 40 mn to DM 60 mn	up to DM 5 mn	over DM 5 mn to DM 30 mn	over DM 30 mn to DM 60 mn	over DM 60 mn	
	by % per annum			by % per annum				by % per annum				
Monies payable on demand	1/2	1/4	—	1/2	1/4	—	—	1/2	1/4	1/8	—	
Monies at notice and fixed monies	3/8	1/4	1/4	3/8	1/4	1/4	1/4 <sup>2)</sup>	3/8	1/4	1/4	1/4 <sup>3)</sup>	
Savings deposits	1/4	1/4	—	1/4	1/4	—	—	1/4	1/4	—	—	

1) According to the last annual balance sheet established. — 2) Joint stock companies and other corporations with a balance-sheet total of over DM 40 million to DM 60 million may grant the preferential rate of interest for fixed monies only. — 3) Private bankers and partnerships with a balance-sheet total of more than DM 60 million may grant the preferential rate of interest only if the monies at notice and the fixed monies of the individual depositor do not exceed a total of DM 500,000.









## 7. Placing of Industrial Bonds and of Shares

Issuers classified by branches of economic activity  
Nominal value in millions of DM

Issuers' branch of economic activity	Industrial Bonds						Shares					
	1948 (2nd half) to 1957	1958	1959 <sup>1)</sup>	1960	1961 January to June	Total since Currency Reform	1948 (2nd half) to 1957	1958	1959 <sup>1)</sup>	1960	1961 January to June	Total since Currency Reform
1) Agriculture, forestry and fisheries	—	—	—	—	—	—	2.8	0.9	—	—	—	3.7
2) Mining, production and processing of stones and earths	654.7	391.0	260.0	10.0	—	1,315.7	694.7	53.6	96.4	105.6	19.1	969.4
3) Production and processing of iron and metal	719.2	217.5	100.0	—	—	1,036.7	275.4	82.8	178.7	413.3	64.6	1,014.8
4) Power production and public utilities	1,034.0	317.0	288.9	13.7	115.0	1,768.6	876.3	83.6	127.2	213.6	146.7	1,447.4
5) Steel and iron construction, machine, vehicle and ship building, hardware, precision instruments, optical goods and electrical engineering	338.0	125.6	50.0	—	—	513.6	1,273.9	127.5	141.9	400.5	154.5	2,098.3
6) Chemicals, mineral oil processing, coal derivatives, rubber, plastics	547.7	464.5	171.0	—	—	1,183.2	1,423.1	318.1	435.2	330.8	420.9	2,928.1
7) Food, beverages and tobacco, feedingsuffs	11.1	—	—	—	—	11.1	152.3	46.0	41.1	30.3	26.2	295.9
8) Other processing industries (pottery, glass, sawing, wood, paper, leather, textiles, clothing)	75.5	42.6	—	—	0.9	119.0	220.1	17.4	29.0	66.6	46.0	379.1
9) Building and allied trades	37.2	3.7	3.8	3.8	3.7	52.2	28.3	4.8	1.5	10.6	3.2	48.4
10) Housing and real estate	—	—	—	—	—	—	144.6	16.7	29.3	25.7	51.5	267.8
11) Sundry services	—	—	—	—	—	—	45.2	4.8	4.9	0.8	4.4	60.1
12) Commerce, banking, insurance companies	38.0	15.0	45.0	—	50.0	148.0 <sup>2)</sup>	951.5	273.4	221.0	279.4	167.4	1,892.7
13) Transport	10.0	74.0	—	—	—	85.0	169.9	108.2	76.1	27.2	4.4	385.8
14) Public services	—	—	—	—	—	—	4.6	1.7	0.7	0.1	—	7.1
<b>Total</b>	<b>3,465.4</b>	<b>1,651.9</b>	<b>918.7</b>	<b>27.5</b>	<b>169.6</b>	<b>6,233.1</b>	<b>6,262.7</b>	<b>1,139.5</b>	<b>1,383.0</b>	<b>1,904.5</b>	<b>1,108.9</b>	<b>11,798.6</b>

<sup>1)</sup> Including Saarland figures from 1948 to 1959 (amounts in French francs converted at the rate of ffrs 100 = DM 0.8507). — <sup>2)</sup> Bonds of commercial enterprises.

## 8. Interest Rates and Issue Prices of Fully Taxed Securities

Placings in millions of DM (nominal value)

Category of securities, issue prices	Interest Rates (%)							Total	Interest Rates (%)							Total
	4 to less than 4 1/2	4 1/2 to less than 5	5 to less than 5 1/2	5 1/2 to less than 6	6 to less than 6 1/2	6 1/2 to less than 7	7 and over		4 to less than 4 1/2	4 1/2 to less than 5	5 to less than 5 1/2	5 1/2 to less than 6	6 to less than 6 1/2	6 1/2 to less than 7	7 and over	
<b>D) Bonds of German issuers</b>	<b>June 1961</b>								<b>May 1961</b>							
1) Mortgage bonds <sup>1)</sup> and communal bonds of which, at issue price of less than 93	5.5	1.5	246.9	332.2	45.9	12.4	7.7	652.1	—	1.5	157.6	272.0	33.2	0.1	—	464.4
93 to " " 94	—	—	0.5	1.7	—	—	—	—	—	—	—	—	—	—	—	—
94 " " " 95	—	—	2.7	—	—	—	—	—	—	—	5.3	—	—	—	—	—
95 " " " 96	—	—	14.8	—	—	—	—	—	—	—	22.5	—	—	—	—	—
96 " " " 97	—	—	116.2	2.8	0.0	—	—	—	—	—	104.4	4.5	2.0	0.1	—	—
97 " " " 98	—	—	93.8	9.2	—	12.0	—	—	—	—	15.8	9.9	0.1	—	—	—
98 " " " 99	—	—	1.6	4.1	1.0	—	—	—	—	—	0.1	1.6	1.6	—	—	—
99 " " " 100	—	—	2.0	42.8	—	—	—	—	—	—	1.5	90.8	—	—	—	—
100 " " " 101	5.5	—	0.8	176.5	0.1	—	4.8	—	—	—	5.0	144.2	1.3	—	—	—
101 " " " 102	—	1.5	—	93.1	10.7	—	—	—	—	—	4.5	21.0	15.7	0.0	—	—
102 " " " 103	—	—	14.5	—	2.0	31.4	—	—	—	—	—	—	10.5	0.0	—	—
103 and over	—	—	—	—	2.7	0.4	2.9	—	—	—	—	—	2.0	—	—	—
2) Industrial bonds (including convertible bonds) of which, at issue price of 98	—	—	50.0	—	—	—	—	50.0	—	—	—	—	—	—	—	—
3) Loans of public authorities of which, at issue price of less than 99	—	—	4.0	—	—	—	—	4.0	—	—	195.6	—	—	—	—	195.6
99 to " " 100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
100 " " " 101	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
101 and over	—	—	4.0 <sup>2)</sup>	—	—	—	—	—	—	—	195.6 <sup>2)</sup>	—	—	—	—	—
4) Bonds of specialised credit institutions and others of which, at issue price of less than 96	—	50.5 <sup>3)</sup>	34.2	1.1	0.9	—	—	86.7	—	—	22.8	79.4	0.6	—	—	102.8
96 to " " 97	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
97 " " " 98	—	—	19.9	—	—	—	—	—	—	—	3.0	—	—	—	—	—
98 " " " 99	—	—	—	—	—	—	—	—	—	—	2.8	—	—	—	—	—
99 " " " 100	—	30.0	—	0.1	—	—	—	—	—	—	—	—	—	—	—	—
100 " " " 101	—	20.5	14.3	1.0	—	—	—	—	—	—	—	52.4	—	—	—	—
101 and over	—	—	—	—	0.9	—	—	—	—	—	17.0 <sup>4)</sup>	27.0	—	—	—	—
<b>II) Loans of foreign issuers</b>	—	—	—	—	—	—	—	—	—	—	—	—	0.6	—	—	—
<b>Total</b>	<b>5.5</b>	<b>52.0</b>	<b>335.1</b>	<b>333.3</b>	<b>46.8</b>	<b>12.4</b>	<b>7.7</b>	<b>792.8</b>	<b>—</b>	<b>1.5</b>	<b>376.0</b>	<b>351.4</b>	<b>33.8</b>	<b>0.1</b>	<b>—</b>	<b>762.8</b>

<sup>1)</sup> Including ship mortgage bonds. — <sup>2)</sup> 5% Loan of the Federal Republic of Germany (Development Aid). — <sup>3)</sup> Medium-term notes (Kassenobligationen). — <sup>4)</sup> Including DM 6.0 million of medium-term notes.

Company	Fund	Inventory Value <sup>1)</sup>										Number of			
		1956	1957	1958	1959	1960	1961					1956	1957	1958	
							Feb.	March	April	May	June				
thousands of DM													number		
Allfonds Gesellschaft für Investmentanlagen mbH München	Allfonds	—	—	—	—	54,967	60,628	63,932	68,238	74,512	75,525	—	—	—	
Allgemeine Deutsche Investment-GmbH München-Düsseldorf	Adifonds	—	—	87,793	135,179	194,706	196,337	194,220	197,043	207,304	202,356	—	—	848,942	
	Adiropa	—	—	—	—	12,290	14,265	14,338	15,309	16,862	17,622	—	—	—	
	Fondak	11,476	31,239	119,376	209,378	278,513	274,350	269,040	274,675	289,544	285,507	40,763	317,863	786,353	
Anlage-Gesellschaft für Französische Aktienwerte mbH Düsseldorf	Fondis	22,436	30,269	54,452	121,431	163,917	164,966	163,312	166,357	175,164	170,075	201,533	262,722	306,986	
	Fondra	3,315	5,449	26,793	38,304	60,142	60,968	60,955	62,854	66,008	66,405	18,001	28,577	202,129	
Anlage-Gesellschaft für englische und holländische Aktienwerte Düsseldorf	Agefra-Fonds	—	—	—	120,423	92,307	96,557	95,662	97,074	98,334	98,828	—	—	—	
Deutsche Gesellschaft für Wertpapier-sparen mbH Frankfurt (Main)	Anglo-Dutch-Fonds	—	—	—	—	14,479	14,584	14,371	14,886	14,734	13,329	—	—	—	
	Investa Interest	—	84,163	255,084	497,564	666,730	678,017	674,959	686,675	726,304	710,942	—	817,820	1,607,789	
Deutscher Investment-Trust, Gesellschaft für Wertpapieranlagen mbH Frankfurt (Main)	Concentra	51,767	128,970	292,842	504,382	615,277	517,885	516,843	527,306	559,104	538,217	537,000	1,304,000	1,970,000	
	Industria	—	—	—	122,096	179,800	175,475	172,037	173,800	178,218	169,426	—	—	—	
	Thesaurus Transatlanta	—	—	84,100	108,203	141,591	228,352	227,005	229,178	228,919	229,343	—	—	890,000	
Deutsche Kapital-anlagegesellschaft mbH, Düsseldorf	—	—	—	—	—	91,208	93,569	90,724	92,393	93,312	89,186	—	—	—	
	Dekafonds I	8,563	17,830	58,414	136,769	203,542	197,216	197,833	202,562	215,172	213,983	85,792	161,929	354,956	
Europa und Übersee Kapitalanlage-gesellschaft mbH Frankfurt (Main)	Atlantic-fonds	—	—	—	—	61,656	64,299	60,163	58,660	57,556	53,100	—	—	—	
	Europa-fonds I	—	—	—	55,770	53,866	57,335	55,677	56,812	58,610	54,539	—	—	—	
Union-Investment-Gesellschaft mbH Frankfurt (Main)	Unifonds	9,112	17,096	65,497	126,121	170,170	172,343	176,362	182,126	193,861	192,524	201,549	384,558	1,000,123	
	Uscafonds	1,415	2,130	4,998	7,777	10,007	10,757	10,188	10,310	10,687	10,483	13,609	23,831	45,629	
Total		108,084	317,146	1,049,349	2,266,478	3,146,114	3,166,162	3,145,037	3,205,651	3,355,326	3,281,202				

<sup>1)</sup> Position at end of year or month. — <sup>2)</sup> During the period under report splitting has taken place at the following ratios in the case of: Adifonds 1:2 on 1 August 1960; Fondak 1:1 each on 1 May 1959 and 7 November 1960; Concentra 1:1 on 1 June 1959 and 1:2 on 15 February 1961; Industria 1:1 on 15 February 1960; Thesaurus 1:3 on 1 September 1960; Fondak 1:2 on 29 May 1961; Agefra 1:2 on 10 May 1961. — <sup>3)</sup> Average during month.

10. Average Prices of Fully

Period	Mortgage bonds							Communal bonds						
	5 %	5 1/2 %	6 %	6 1/2 %	7 %	7 1/2 %	8 %	5 %	5 1/2 %	6 %	6 1/2 %	7 %	7 1/2 %	8 %
1956	—	96.1	—	—	—	—	—	—	—	—	—	—	—	—
1957	—	92.1	91.2	94.3	—	—	—	—	92.1	92.7	94.8	—	—	—
1958	—	95.1	96.2	97.7	100.8	101.7	102.6	—	95.1	96.3	98.1	100.5	101.5	103.4
1959	97.0	99.6	101.6	102.3	102.9	104.1	104.6	97.3	99.6	101.5	102.2	102.7	103.9	104.1
1960	90.0	92.6	95.0	99.4	100.9	102.0	102.0	90.2	92.6	95.0	96.0	100.7	101.7	100.9
1958 May	—	92.2	93.1	95.5	99.7	100.6	101.9	—	92.4	93.4	96.5	100.1	100.3	102.8
1958 June	—	92.7	94.1	96.5	100.2	100.9	101.9	—	92.7	94.1	97.1	100.1	100.6	102.7
1958 July	—	94.5	97.6	98.8	101.2	102.3	103.0	—	94.1	97.4	98.9	100.9	101.8	103.4
1958 Aug.	—	96.1	99.1	100.0	101.9	103.1	103.5	—	95.9	99.0	99.8	102.0	103.8	104.2
1958 Sep.	—	99.0	101.0	101.3	103.0	104.2	104.7	—	98.9	100.9	101.7	102.8	104.0	105.9
1958 Oct.	—	99.4	100.7	101.5	102.5	104.0	104.5	—	99.2	101.0	101.6	102.4	103.9	105.5
1958 Nov.	—	99.4	101.1	101.7	102.9	104.2	104.8	—	99.1	99.0	101.5	102.6	104.1	105.7
1958 Dec.	—	99.5	101.0	101.7	103.1	104.2	104.8	96.7	99.1	101.0	101.1	102.7	104.1	105.8
1959 Jan.	97.0	99.5	101.6	102.1	103.3	104.7	105.6	96.8	99.5	101.6	102.0	102.8	104.3	106.1
1959 Feb.	97.9	100.1	102.2	102.6	103.4	104.9	105.6	97.8	100.3	102.0	102.5	103.0	104.4	106.1
1959 March	98.2	100.3	102.3	102.6	103.3	104.7	105.5	99.0	100.5	102.1	102.6	103.0	104.3	105.6
1959 April	98.2	100.5	102.3	102.6	103.2	104.5	105.0	98.7	100.5	102.1	102.6	103.0	104.3	105.0
1959 May	98.2	100.5	102.3	102.6	102.8	104.5	104.8	98.6	100.6	102.1	102.6	103.0	104.2	104.1
1959 June	98.1	100.5	102.3	102.7	103.0	104.3	104.4	98.4	100.6	102.1	102.6	102.9	104.2	103.6
1959 July	98.0	100.5	102.3	102.6	103.0	104.1	104.4	98.2	100.5	102.1	102.6	102.9	104.0	103.5
1959 Aug.	97.9	100.4	102.3	102.6	102.9	104.0	104.3	98.1	100.5	102.1	102.6	102.9	103.9	103.4
1959 Sep.	97.0	99.9	102.0	102.5	102.9	103.8	104.0	97.3	100.0	101.8	102.3	102.8	103.7	103.1
1959 Oct.	95.2	98.4	100.7	102.0	102.5	103.5	103.6	95.5	98.5	100.7	101.9	102.5	103.4	102.7
1959 Nov.	94.2	97.2	99.7	101.7	102.2	103.2	103.8	94.5	97.1	99.7	101.2	102.1	103.1	103.0
1959 Dec.	93.9	96.9	99.5	101.5	102.1	103.2	103.8	94.3	96.9	99.4	101.2	102.0	103.0	102.8
1960 Jan.	92.6	95.6	97.5	100.6	101.5	102.6	103.4	93.0	95.5	97.7	100.6	101.6	102.7	101.8
1960 Feb.	91.5	94.3	96.2	100.1	101.4	102.3	103.1	91.9	94.3	96.3	100.1	101.1	102.3	101.3
1960 March	91.3	94.1	95.9	100.2	101.5	102.3	102.8	91.9	94.2	96.0	100.0	101.2	102.1	101.4
1960 April	91.0	93.8	95.7	100.2	101.5	102.3	102.5	91.6	94.0	95.9	100.2	101.2	102.0	101.4
1960 May	91.0	93.6	95.5	100.2	101.4	102.3	102.6	91.1	93.8	95.7	100.2	101.1	102.0	101.4
1960 June	90.1	92.5	94.3	99.5	100.6	101.8	102.1	90.2	92.8	94.5	99.8	100.5	101.6	101.0
1960 July	88.3	90.9	92.7	98.0	99.4	101.3	101.3	88.5	91.1	92.6	98.3	99.5	100.9	100.8
1960 Aug.	88.1	90.6	92.9	97.8	99.1	101.6	101.2	88.1	90.5	92.7	98.1	99.7	101.0	100.9
1960 Sep.	88.2	90.7	93.3	98.2	100.8	101.9	101.4	88.2	90.6	93.3	98.4	100.2	101.3	100.6
1960 Oct.	88.2	90.8	93.9	98.5	100.8	101.7	101.3	88.3	90.7	93.6	98.4	100.3	101.3	100.3
1960 Nov.	89.8	92.1	96.0	99.5	101.0	101.9	101.3	89.7	91.9	92.7	99.7	100.7	101.4	100.3
1960 Dec.	90.1	92.3	96.2	99.8	100.9	101.9	101.3	89.9	92.1	96.0	99.7	100.8	101.5	100.3
1961 Jan.	90.5	92.6	96.4	99.8	101.4	102.2	101.6	90.4	92.5	96.2	99.9	101.0	101.7	100.3
1961 Feb.	90.8	93.1	97.0	100.2	101.6	102.4	101.8	90.5	93.0	96.9	100.1	101.2	101.7	100.4
1961 March	92.6	95.8	99.5	100.7	102.0	102.6	101.9	92.3	95.7	99.4	100.7	101.6	101.9	101.7
1961 April	94.4	98.1	101.0	101.2	102.2	102.6	102.2	94.2	97.9	100.8	101.2	101.9	102.0	100.0
1961 May	95.2	99.4	101.9	101.9	102.5	102.6	103.1	95.1	99.2	101.7	101.9	102.1	102.0	100.0
1961 June	95.5	99.8	102.3	102.2	102.6	102.5	103.0	95.3	99.7	102.1	102.1	102.2	102.0	100.0

<sup>1)</sup> As from 1959 all — previously about 90 per cent — of the fully taxed securities quoted on stock exchanges and falling within the above-listed categories. — Except medium-term







15. Investments of Insurance Enterprises<sup>\*)1)</sup>

(excluding burial funds, sickness insurance companies and the smaller indemnity and accident insurance companies)

in millions of DM

End of year or quarter	Number of institutions covered	Investments total	Mortgage loans, and land charges in annuity and other forms	Loans against borrowers' notes and otherwise	Securities	Participations	Loans and advance payments on insurance policies	Real estate	Equalisation claims
All insurance enterprises covered <sup>2)</sup> )									
1953	452	8,717.6	1,243.9	1,594.1	766.9	49.3	154.5	782.8	4,126.1
1954	471	10,307.8	1,545.7	2,190.5	1,201.6	78.2	171.6	950.8	4,166.4
1955	476	11,830.1	1,847.3	2,686.6	1,604.9	107.1	197.0	1,158.3	4,228.9
1956	477	13,417.5	2,210.4	3,375.1	1,939.0	169.9	225.1	1,401.1	4,096.9
1957	479	15,484.0	2,671.5	4,190.7	2,440.8	274.9	258.3	1,590.8	4,057.0
1958	422	17,771.8	3,051.7	4,758.8	3,354.2	306.6	270.8	1,830.3	4,199.4
1959	422	20,752.7	3,352.2	5,962.1	4,576.4	348.1	288.3	2,099.9	4,125.7
1960	439	24,209.0	3,982.3	7,191.6	5,762.3	415.0	311.9	2,435.5	4,110.4
1959 2nd atr.	425	19,268.9	3,171.9	5,333.6	4,068.4	310.7	279.3	1,904.3	4,200.7
3rd atr.	423	20,029.4	3,258.2	5,614.5	4,346.2	323.2	285.5	1,992.6	4,209.2
4th atr.	422	20,752.7	3,352.2	5,962.1	4,576.4	348.1	288.3	2,099.9	4,125.7
1960 1st atr.	435	21,637.4	3,453.1	6,293.0	4,985.8	347.0	294.3	2,138.1	4,146.1
2nd atr.	440	22,499.6	3,566.5	6,615.7	5,283.6	368.6	299.3	2,217.2	4,148.7
3rd atr.	439	23,318.1	3,738.6	6,894.9	5,549.5	382.1	307.2	2,309.3	4,136.5
4th atr.	439	24,209.0	3,982.3	7,191.6	5,762.3	415.0	311.9	2,435.5	4,110.4
1961 1st atr.	441	25,157.0	4,159.0	7,509.8	6,111.7	423.5	328.6	2,506.0	4,118.4
Life assurance companies									
1953	93	4,927.9	1,008.3	996.7	317.5	9.3	152.6	472.6	1,970.9
1954	92	5,790.6	1,250.9	1,405.3	453.6	26.1	171.6	544.7	1,938.4
1955	94	6,774.5	1,493.9	1,844.7	619.7	36.5	192.0	657.4	1,930.3
1956	96	7,794.4	1,784.5	2,318.0	715.8	49.7	220.0	803.5	1,902.9
1957	95	9,062.5	2,166.2	2,851.2	969.5	62.7	245.5	907.5	1,859.9
1958	93	10,485.8	2,462.2	3,283.1	1,345.7	89.0	256.0	1,061.4	1,988.4
1959	91	12,268.6	2,709.4	4,228.5	1,799.8	88.8	271.3	1,222.6	1,948.2
1960	97	14,388.3	3,250.3	5,106.9	2,272.3	92.7	291.1	1,423.8	1,982.2
1959 2nd atr.	93	11,294.1	2,555.1	3,674.3	1,608.0	75.3	263.4	1,101.1	2,016.9
3rd atr.	91	11,719.5	2,624.7	3,910.5	1,687.8	79.4	269.0	1,158.6	1,989.5
4th atr.	91	12,268.6	2,709.4	4,228.5	1,799.8	88.8	271.3	1,222.6	1,948.2
1960 1st atr.	97	12,836.2	2,795.7	4,477.8	1,991.7	76.9	276.1	1,245.5	1,972.5
2nd atr.	97	13,267.2	2,891.8	4,700.4	2,047.5	80.9	280.5	1,293.6	1,972.5
3rd atr.	97	13,818.2	3,039.8	4,913.6	2,174.7	82.7	287.8	1,354.4	1,965.2
4th atr.	97	14,388.3	3,250.3	5,106.9	2,272.3	92.7	291.1	1,423.8	1,951.2
1961 1st atr.	98	14,966.0	3,406.3	5,336.9	2,413.3	80.4	306.8	1,460.7	1,961.6
Pension funds <sup>3)</sup> )									
1953	226	2,098.7	132.5	337.7	106.1 <sup>4)</sup>	—	—	33.8	1,488.6
1954	243	2,439.8	182.7	502.2	139.2 <sup>4)</sup>	—	—	49.3	1,566.4
1955	241	2,661.3	233.4	532.5	166.2 <sup>4)</sup>	—	—	72.8	1,656.4
1956	238	2,885.0	284.6	686.1	231.2 <sup>4)</sup>	—	—	105.3	1,577.8
1957	241	3,250.5	344.7	885.4	232.3	2.5	0.0	125.2	1,660.4
1958	188	3,481.3	406.4	969.7	289.2	2.6	0.0	133.4	1,680.0
1959	190	3,952.2	451.3	1,146.5	485.4	5.6	0.0	163.5	1,699.9
1960	196	4,505.0	514.8	1,339.5	746.3	4.1	0.1	208.9	1,691.3
1959 2nd atr.	191	3,711.5	428.3	1,084.3	372.5	5.6	0.0	151.0	1,669.8
3rd atr.	191	3,862.7	442.5	1,127.1	426.5	5.6	0.0	155.2	1,705.8
4th atr.	190	3,952.2	451.3	1,146.5	485.4	5.6	0.0	163.5	1,699.9
1960 1st atr.	190	4,011.8	458.2	1,160.3	520.2	5.6	0.0	169.1	1,698.4
2nd atr.	196	4,274.3	471.2	1,235.7	683.4	4.0	0.1	176.2	1,703.7
3rd atr.	196	4,370.9	489.4	1,280.7	710.2	4.0	0.1	185.7	1,700.8
4th atr.	196	4,505.0	514.8	1,339.5	746.3	4.1	0.1	208.9	1,691.3
1961 1st atr.	196	4,587.9	530.4	1,361.1	777.6	4.1	0.1	225.2	1,689.4
Indemnity and accident insurance companies <sup>5)</sup> )									
1953	105	1,310.5	86.0	158.4	252.5	19.8	1.9	239.1	552.8
1954	107	1,574.5	94.9	170.0	432.6	22.9	3.0	312.3	538.8
1955	111	1,825.0	99.5	190.1	590.4	36.6	5.0	377.0	526.4
1956	111	2,079.1	120.4	244.9	710.5	70.0	5.1	423.9	504.3
1957	111	2,373.7	137.9	305.2	891.9	115.7	12.8	476.9	433.3
1958	111	2,860.0	161.2	347.7	1,239.3	121.5	14.8	539.7	435.8
1959	111	3,390.2	169.4	417.0	1,645.0	145.1	17.0	612.6	384.1
1960	120	4,004.2	188.5	561.3	1,996.1	170.7	20.7	690.1	376.8
1959 2nd atr.	111	3,230.0	166.6	411.3	1,536.3	127.0	15.9	553.4	419.5
3rd atr.	111	3,339.6	169.2	405.9	1,614.5	133.8	16.5	579.8	419.9
4th atr.	111	3,390.2	169.4	417.0	1,645.0	145.1	17.0	612.6	384.1
1960 1st atr.	121	3,603.2	173.9	480.7	1,795.0	146.2	18.2	611.7	377.5
2nd atr.	120	3,717.9	179.1	487.4	1,872.3	149.4	18.7	631.4	379.6
3rd atr.	120	3,845.4	182.4	511.7	1,937.7	156.0	19.3	659.2	379.1
4th atr.	120	4,004.2	188.5	561.3	1,996.1	170.7	20.7	690.1	376.8
1961 1st atr.	119	4,200.5	192.0	595.7	2,134.4	178.4	21.7	703.5	374.8
Reinsurance companies									
1953	28	380.5	17.1	101.3	90.8	20.2	—	37.3	113.8
1954	29	502.9	17.2	113.0	176.2	29.2	—	44.5	122.8
1955	30	569.3	20.5	119.3	228.6	34.0	—	51.1	115.8
1956	32	659.0	20.9	126.1	281.5	50.2	—	68.4	111.9
1957	32	797.3	22.7	148.9	347.1	94.0	—	81.2	103.4
1958	30	944.7	21.9	158.3	480.0	93.5	—	95.8	95.2
1959	30	1,141.7	22.1	170.1	646.2	108.6	—	101.2	93.5
1960	26	1,311.5	28.7	183.9	747.6	147.5	—	112.7	91.1
1959 2nd atr.	30	1,033.3	21.9	163.7	551.6	102.8	—	98.8	94.5
3rd atr.	30	1,107.6	21.8	171.0	617.4	104.4	—	99.0	94.0
4th atr.	30	1,141.7	22.1	170.1	646.2	108.6	—	101.2	93.5
1960 1st atr.	27	1,206.2	25.3	174.2	678.9	118.3	—	111.8	97.7
2nd atr.	27	1,240.2	24.4	192.2	680.4	134.3	—	116.0	92.9
3rd atr.	26	1,283.6	27.0	188.9	726.9	139.4	—	110.0	91.4
4th atr.	26	1,311.5	28.7	183.9	747.6	147.5	—	112.7	91.1
1961 1st atr.	28	1,402.6	30.3	216.1	786.4	160.6	—	116.6	92.6

Source: Annual Reports and publications of the Federal Supervisory Office for Insurance Companies and Building and Loan Associations. — <sup>\*)</sup> Changes as compared with previously published figures are due to corrections subsequently received. — <sup>1)</sup> From 1960 onwards including Saarland. — <sup>2)</sup> All life assurance companies, up to the end of 1957 all pension funds, from 1958 onwards only the quarterly reporting pension funds, the quarterly reporting indemnity and accident insurance companies, and all reinsurance companies. — <sup>3)</sup> Up to the end of 1957 all pension funds, from 1958 onwards only the quarterly reporting funds, which account for about 95 per cent of all pension funds' investments. — <sup>4)</sup> Up to the end of 1956, participations are contained in security holdings. — <sup>5)</sup> Quarterly reporting enterprises only, which account for about 95 per cent of the investments of all indemnity and accident insurance companies subject to supervision.

## VI. Public Finances

## 1. Equalisation Claims \*)

in millions of DM

	All creditors	Deutsche Bundesbank	Credit institutions 1)	Insurance companies	Building and loan associations	Fund for the Purchase of Equalisation Claims 2)
	I. Movement to date					
(1) Equalisation Claims allocated 3)	21,597	8,677 4)	7,592	5,262	66	—
(2) Decrease in holdings						
(a) linear and premature redemption.	1,017	—	615	397	5	—
(b) repurchases by debtors 5)	81	—	80	1	—	—
(3) Balance (1 less 2)	20,499	8,677	6,897	4,864	61	—
(4) Change of creditor						
(a) sales to the Fund for the Purchase of Equalisation Claims	—	—	-/. 286	-/. 61	-/. 5	+ 352
(b) temporary sales to Deutsche Bundesbank (less repurchases)	—	+ 51	-/. 51	—	—	—
(c) balance of purchases and sales between other creditor groups	—	—	+ 205	-/. 203	-/. 2	—
(5) Holdings at the end of June 1961	20,499	8,728 6)	6,765	4,600	54	352
note: of which, converted into money-market paper	5,427	5,427 6)	—	—	—	—
	II. Holdings at the end of June 1961 broken down by interest rates and debtors					
(1) Breakdown by interest rates						
(a) non-interest-bearing Equalisation Claims	61	—	4	—	—	57
(b) 3 % Equalisation Claims	14,470	8,181	6,136	—	—	153
(c) 3 1/2 % Equalisation Claims	4,918	—	205	4,590	54	69
(d) 4 1/2 % Equalisation Claims	493	—	420	—	—	73
(e) 3 % Special Equalisation Claims	10	—	—	10	—	—
(f) non-interest-bearing debt certificate 7)	547	547	—	—	—	—
(2) Breakdown by debtors						
(a) Federal Government	11,167	8,677	483	1,942	—	65
(b) Länder	9,332	51	6,282	2,658	54	287
(3) Total (1a to 1f = 2a + 2b)	20,499	8,728 6)	6,765	4,600	54	352
note: of which, converted into money-market paper	5,427	5,427 6)	—	—	—	—

\*) The figures are chiefly based on special statistics collected as at 31 October 1957, the results of which have as far as possible been projected to the date indicated. — 1) Including Postal Cheque and Postal Savings Bank offices as well as, in contrast to the monthly balance-sheet statistics, the small agricultural credit cooperatives whose balance-sheet total at the end of 1953 amounted to less than DM 500,000. — 2) According to Art. 8 et seq. of the Law on the Redemption of Equalisation Claims dated 14 June 1956. — 3) Including those equalisation claims which are yet to be allocated to the institutions in accordance with their conversion accounts. — 4) Including non-interest-bearing debt certificate; cf. footnote 7). — 5) Repurchases by some Länder, chiefly for the financing of investment programmes. — 6) The holding of DM 3,301 million shown in the Return of the Deutsche Bundesbank as of 30 June 1961 (Table II B) is the difference between the amount of DM 8,728 million recorded under I (5) and II (3) and that part of the equalisation claims, amounting to DM 5,427 million, which was converted into money-market paper for purposes of open-market policy. — 7) Non-interest-bearing debt certificate of the Federal Government concerning money supply to Berlin.





## 5. Cash Results of the Federal Budget\*)

in millions of DM

Period	Cash income	Cash outgo	Cash surplus (+) or deficit (-)	Financing			Surplus (+) or deficit (-), cumulative from beginning of fiscal year	
				Increase (+) or decrease (-)		Amounts credited in respect of coinage		Balance of settlements with Equalisation of Burdens Fund <sup>1)</sup>
				in cash resources	in credit market indebtedness			
Fiscal Years								
1950/51			- 619	+ 178	+ 921 <sup>2)</sup>		- 619	
1951/52	16.088	16.757	- 669	+ 198	+ 132 <sup>3)</sup>	234	- 669	
1952/53	20.422	19.879	+ 543	+ 1,237	+ 383	312	+ 543	
1953/54	21.958	20.301	+ 1,657	+ 1,436	+ 308	84	+ 1,657	
1954/55	23.532	22.584	+ 948	+ 1,063	+ 60	35	+ 948	
1955/56	26.690	23.867	+ 2,823	+ 2,441	+ 418	36	+ 2,823	
1956/57	28.625	28.404	+ 221	+ 79	+ 217	86	+ 221	
1957/58	29.835	32.704	- 2,869	- 3,084	+ 307	76	- 2,869	
1958/59	31.534	34.640	- 3,106	- 2,788	+ 179	79	- 3,106	
1959/60	34.981	38.163	- 3,182	- 143	+ 3,013	98	- 3,182	
1960 (April/Dec.)	30.361	30.932	- 571	- 223	+ 265	70	- 571	
1951/52 1st qtr.	3.104	3.655	- 551	+ 204	+ 187	114	- 551	
2nd qtr.	3.832	4.005	- 173	+ 1	+ 72	69	- 173	
3rd qtr.	4.579	4.303	+ 276	+ 335	+ 26	8	+ 276	
4th qtr.	4.573	4.573	+ 221	+ 330	+ 152	43	+ 221	
1952/53 1st qtr.	4.565	4.532	+ 33	+ 237	+ 99	105	+ 33	
2nd qtr.	5.195	4.867	+ 328	+ 476	+ 50	98	+ 328	
3rd qtr.	5.517	5.313	+ 204	+ 61	+ 210	67	+ 204	
4th qtr.	5.145	5.167	- 22	+ 463	+ 443	42	- 22	
1953/54 1st qtr.	5.168	5.462	- 294	+ 254	+ 4	36	- 294	
2nd qtr.	5.645 <sup>4)</sup>	4.682	+ 963	+ 912	+ 77	26	+ 963	
3rd qtr.	5.667 <sup>4)</sup>	4.810	+ 857	+ 743	+ 124	12	+ 857	
4th qtr.	5.478 <sup>4)</sup>	5.347	+ 131	+ 34	+ 107	10	+ 131	
1954/55 1st qtr.	5.363	5.084	+ 279	+ 258	+ 33	12	+ 279	
2nd qtr.	5.891	5.729 <sup>5)</sup>	+ 162	+ 359	+ 188	9	+ 162	
3rd qtr.	6.305	5.692	+ 613	+ 634	+ 13	8	+ 613	
4th qtr.	5.973	6.059	- 86	- 188	+ 108	6	- 86	
1955/56 1st qtr.	5.993	5.747	+ 246	+ 111	+ 361	4	+ 246	
2nd qtr.	6.710	5.895	+ 815	+ 825	-	10	+ 815	
3rd qtr.	7.000	6.014	+ 986	+ 988	-	8	+ 986	
4th qtr.	6.987	6.211	+ 776	+ 739	-	14	+ 776	
1956/57 1st qtr.	6.990	6.318	+ 672	+ 628	+ 54	16	+ 672	
2nd qtr.	7.145	6.875	+ 270	+ 220	+ 56	20	+ 270	
3rd qtr.	7.248	7.836	- 588	+ 556	+ 11	35	- 588	
4th qtr.	7.242	7.375	- 133	+ 213	+ 96	15	- 133	
1957/58 1st qtr.	7.102	7.855	- 753	+ 721	+ 0	16	- 753	
2nd qtr.	7.207	8.410	- 1,203	+ 1,211	+ 0	23	- 1,203	
3rd qtr.	7.870	8.221	- 351	+ 700	+ 399	30	- 351	
4th qtr.	7.656	8.218	- 562	+ 452	+ 92	7	- 562	
1958/59 1st qtr.	7.617	7.612	+ 5	+ 140	+ 126	9	+ 5	
2nd qtr.	7.837	7.797	+ 40	+ 111	+ 53	12	+ 40	
3rd qtr.	8.201	8.172	+ 29	+ 46	-	49	+ 29	
4th qtr.	7.879	11.059	- 3,180	+ 3,085	-	9	- 3,180	
1959/60 1st qtr.	8.198	8.935	- 737	+ 257	+ 536	10	- 737	
2nd qtr.	8.771	9.901	- 1,130	+ 133	+ 1,230	38	- 1,130	
3rd qtr.	9.081	9.431	- 350	+ 37	+ 295	27	- 350	
4th qtr.	8.931	9.896	- 965	+ 18	+ 952	23	- 965	
1960 Apr./June	9.558	9.117	+ 441	+ 449	+ 2	15	+ 441	
July/Sep.	10.021	9.722	+ 299	+ 323	+ 14	17	+ 299	
Oct./Dec.	10.782	12.093	- 1,311	+ 995	+ 253	38	- 1,311	
1961 1st qtr.	10.426	8.793	+ 1,633	+ 1,598	+ 36 <sup>6)</sup>	24	+ 1,633	
2nd qtr.	10.440	10.772	- 332	+ 60	+ 367	18	- 332	
1958/59 April	2.501	2.481	+ 20	+ 7	-	2	+ 20	
May	2.307	2.559	- 252	+ 213	-	1	- 252	
June	2.809	2.572	+ 237	+ 346	+ 126	6	+ 237	
July	2.601	2.502	+ 99	+ 62	-	4	+ 99	
Aug.	2.341	2.706	- 365	+ 261	+ 53	6	- 365	
Sep.	2.895	2.589	+ 306	+ 310	-	2	+ 306	
Oct.	2.628	2.598	+ 30	+ 41	-	26	+ 30	
Nov.	2.404	2.571	- 167	+ 142	-	11	- 167	
Dec.	3.169	3.003	+ 166	+ 147	-	12	+ 166	
Jan.	2.932	2.537	+ 395	+ 450	-	2	+ 395	
Feb.	2.104	2.724	- 620	+ 607	-	8	- 620	
March	2.843	5.798	- 2,955	+ 2,928	-	2	- 2,955	
1959/60 April	2.683	2.931	- 248	+ 231	+ 59	1	- 248	
May	2.440	2.806	- 366	+ 6	+ 349	2	- 366	
June	3.075	3.198	- 123	+ 32	+ 128	7	- 123	
July	2.877	3.734	- 857	+ 52	+ 870	29	- 857	
Aug.	2.663	2.858	- 195	+ 49	+ 235	2	- 195	
Sep.	3.231	3.309	- 78	+ 32	+ 125	7	- 78	
Oct.	2.879	2.907	- 28	+ 250	+ 266	14	- 28	
Nov.	2.642	2.829	- 187	+ 27	+ 128	8	- 187	
Dec.	3.560	3.695	- 135	+ 260	+ 99	5	- 135	
Jan.	3.204	3.002	+ 202	+ 508	+ 308	8	+ 202	
Feb.	2.342	3.182	- 840	+ 503	+ 298	6	- 840	
March	3.385	3.712	- 327	+ 13	+ 346	9	- 327	
1960 April	2.888	2.941	- 53	+ 180	+ 124	7	- 53	
May	2.922	2.906	+ 16	+ 271	+ 209	3	+ 16	
June	3.748	3.270	+ 478	+ 358	+ 87	5	+ 478	
July	3.077	3.275	- 198	+ 281	+ 61	3	- 198	
Aug.	3.025	3.181	- 156	+ 153	+ 7	5	- 156	
Sep.	3.919	3.266	+ 653	+ 757	+ 68	9	+ 653	
Oct.	3.440	3.027	+ 413	+ 556	+ 120	10	+ 413	
Nov.	2.997	3.639	- 642	+ 570	+ 29	12	- 642	
Dec.	4.345	5.427	- 1,082	+ 981	+ 104	16	- 1,082	
1961 Jan.	3.547	2.784	+ 763	+ 750	+ 10 <sup>6)</sup>	9	+ 763	
Feb.	2.715	2.778	- 63	+ 22	+ 26 <sup>6)</sup>	6	- 63	
March	4.164	3.231	+ 933	+ 870	+ 53 <sup>6)</sup>	9	+ 933	
April	3.203	3.480	- 277	+ 58	+ 305 <sup>6)</sup>	7	- 277	
May	3.199	3.223	- 24	+ 125	+ 120 <sup>6)</sup>	7	- 24	
June	4.038	4.069	- 31	+ 123	+ 58 <sup>6)</sup>	4	- 31	

\*) From 6 July 1959 onwards including the Saarland. — The cash transactions recorded in this table concern in-payments on, and out-payments from, the Federal accounts at the Deutsche Bundesbank (excluding counterpart accounts and STEG accounts). Cash income and outgo deviate from the results of the Federal Government's financial statistics primarily because they are not recorded at the time they are entered in the budgetary accounts but at the time of the actual receipt or out-payment, and because the incurring of debt has been eliminated from the income, and the expenditure on debt redemption (including repurchase of bonds) from the outgo. — <sup>1)</sup> Resulting from the channelling of the Equalisation of Burdens Levies through the account of the Federal Chief Cash Office (Bundeshauppkasse). — <sup>2)</sup> DM 124 million out of total borrowings were not used for financing the cash deficit but for covering deficits on the counterpart accounts. — <sup>3)</sup> Apart from drawing on cash resources and from the increase in credit market indebtedness, DM 106 million were available, for financing the cash deficit, from repayment of the amount mentioned in footnote<sup>2)</sup>. — <sup>4)</sup> Including credits taken from the E.R.P. Special Fund: DM 50 million in August, DM 41 million in October, DM 125 million in December, and DM 35 million in March. — <sup>5)</sup> Including DM 255 million for the repurchase of the loan taken from the E.R.P. Special Fund in the previous year. — <sup>6)</sup> Except Development Aid Loan. — Details may not add to totals because of rounding.

## 6. The Federal Government's Indebtedness

in millions of DM

Position at end of month	Total	Post-Currency-Reform indebtedness inside the country				Liabilities in respect of				Foreign debt <sup>3)</sup>
		Credit market indebtedness (for breakdown see Table 7)	Indebtedness to other public authorities			Equalisation claims <sup>1)</sup>			4% commutation debt of 1957 and 4% compensation debt of 1959 <sup>2)</sup>	
			Total	Social insurance institutions	Other public authorities	Total	of which, for purposes of open-market policy converted into			
						Treasury bills	Non-interest-bearing Treasury bonds			
1950 Dec.	.	1,077.1	300.0	—	300.0	6,212.7	—	—	—	.
1951 Dec.	.	1,339.8	100.0	—	100.0	6,880.4	—	—	—	.
1952 Dec.	.	1,228.2	—	—	—	7,821.5	—	—	—	.
1953 Dec.	.	1,474.6	961.9	742.5	219.4	7,867.8	—	—	—	.
1954 Dec.	18,254.2	1,536.2	967.3	967.3	—	8,005.1	—	—	—	7,745.6
1955 Dec.	18,228.6	1,061.1	959.3	959.3	—	8,129.3	264.0	784.3	—	8,078.9
1956 Dec.	17,974.9	888.3	948.9	948.9	—	8,081.9	366.2	1,062.9	—	8,055.8
1957 Dec.	20,083.4	390.8	1,012.9	1,012.9	—	10,698.2	292.5	3,949.1	—	7,981.5
1958 March	20,106.2	483.2	1,011.3	1,011.3	—	10,618.4	294.2	5,237.7	—	7,993.3
June	20,378.6	609.2	1,005.6	1,005.6	—	10,714.3	299.1	5,906.6	68.4	7,981.1
Sep.	20,461.6	661.7	1,004.0	1,004.0	—	10,767.0	494.5	6,181.1	237.2	7,791.7
Dec.	20,707.9	661.7	998.0	998.0	—	10,856.0	364.4	4,050.1	394.2	7,798.0
1959 March	20,936.1	661.7	996.4	996.4	—	10,924.0	427.3	4,452.2	572.6	7,781.4
June	20,666.9	1,197.6	990.3	990.3	—	10,967.0	359.8	4,672.8	642.8	6,869.2
Sep.	21,858.4	2,427.7	988.6	988.6	—	11,057.0	341.6	4,019.8	667.7	6,717.4
Dec.	22,146.0	2,722.8	982.4	982.4	—	11,061.0	439.3	2,606.2	684.6	6,695.2
1960 March	23,115.5	3,675.0	980.6	980.6	—	11,109.0	417.7	2,929.0	691.1	6,659.8
April	.	3,550.7	.	.	—	11,109.0	566.0	3,137.7	.	.
May	.	3,759.4	.	.	—	11,109.0	559.8	3,066.9	.	.
June	23,276.4	3,672.6	1,149.3	1,149.3	—	11,116.0	624.3	3,045.6	714.1	6,624.4
July	.	3,611.9	.	.	—	11,116.0	572.0	3,634.3	.	.
Aug.	.	3,618.4	.	.	—	11,116.0	562.8	4,539.8	.	.
Sep.	23,575.9	3,686.0	1,147.4	1,147.4	—	11,172.0	628.8	4,157.4	744.3	6,826.2
Oct.	.	3,806.3	.	.	—	11,172.0	281.0	4,455.6	.	.
Nov.	.	3,835.6	.	.	—	11,172.0	851.2	4,805.6	.	.
Dec.	23,894.3	3,939.9	1,139.5	1,139.5	—	11,164.0	967.9	4,235.1	794.9	6,856.0
1961 Jan.	.	4,725.0	.	.	—	11,164.0	722.0	4,422.3	.	.
Feb.	.	4,784.3	.	.	—	11,166.0	1,064.5	5,092.5	.	.
March	24,371.1	4,687.9	1,137.6	1,137.6	—	11,175.0	908.2	5,215.0	835.8	6,534.8
April	.	5,103.1	.	.	—	11,175.0	841.5	5,090.8	.	.
May	.	5,418.7	.	.	—	11,175.0	704.9	5,005.2	.	.
June	...	5,365.0	...	...	—	11,167.0	418.9	5,008.5	...	...

<sup>1)</sup> Cf. in this connection Table VI 1. — The changes in the totals are due to revision of the conversion accounts, to redemption payments and to the fact that, from January 1957, the liabilities in respect of the equalisation claims of the Land Central Banks were transferred to the Federal Government under Art. 38 of the Law concerning the Deutsche Bundesbank. — <sup>2)</sup> According to figures of the Federal Debt Administration.

## 7. The Federal Government's Credit Market Indebtedness

in millions of DM

Position at end of month	Total <sup>1)</sup>		Credits of Deutsche Bundesbank		Credits of			Treasury bills	Non-interest-bearing Treasury bonds <sup>4)</sup>	Medium-term notes (Kassenobligationen)	Bonded loans <sup>5)</sup> and Premium Treasury bonds	Development Aid Loan
	including	excluding	for the overall budget <sup>2)</sup>	for payments to international institutions <sup>3)</sup>	Reconstruction Loan Corporation	Deutsche Landesrentenbank	Equalisation of Burdens Fund					
	Development Aid Loan											
1950 Dec.	1,077.1	1,077.1	578.4	—	—	—	—	498.7	—	—	—	—
1951 Dec.	1,339.8	1,339.8	—	—	—	—	—	608.2	—	—	—	—
1952 Dec.	1,228.2	1,228.2	—	183.0	—	—	—	110.6	697.8	—	38.8	—
1953 Dec.	1,474.6	1,474.6	—	183.0	—	—	—	78.7	574.9	—	538.0	—
1954 Dec.	1,536.2	1,536.2	—	390.7	—	—	—	65.0	642.0	—	538.5	—
1955 Dec.	1,061.1	1,061.1	—	390.7	—	—	—	—	138.0	—	532.4	—
1956 Dec.	888.3	888.3	—	390.8	—	—	—	—	94.0	—	403.5	—
1957 Dec.	390.8	390.8	—	390.8	—	—	—	—	—	—	0	—
1958 March	483.2	483.2	—	483.2	—	—	—	—	—	—	—	—
June	609.2	609.2	—	609.2	—	—	—	—	—	—	—	—
Sep.	661.7	661.7	—	661.7	—	—	—	—	—	—	—	—
Dec.	661.7	661.7	—	661.7	—	—	—	—	—	—	—	—
1959 March	661.7	661.7	—	661.7	—	—	—	—	—	—	—	—
June	1,197.6	1,197.6	535.9	661.7	—	—	—	—	—	—	—	—
Sep.	2,427.7	2,427.7	57.0 <sup>6)</sup>	1,175.2	325.0	—	110.0	425.5	167.5	167.5	—	—
Dec.	2,722.8	2,722.8	244.9	1,210.7	325.0	—	—	65.2	230.6	347.5	298.9	—
1960 March	3,675.0	3,675.0	148.6	1,247.5	325.0	—	30.0	22.1	756.1	350.9	794.8	—
April	3,550.7	3,550.7	—	1,262.2	325.0	—	—	22.1	767.5	379.2	794.7	—
May	3,759.4	3,759.4	—	1,321.0	325.0	—	—	20.0	767.5	382.3	793.6	—
June	3,672.6	3,672.6	—	1,335.7	325.0	—	150.0	20.0	814.8	382.3	794.8	—
July	3,611.9	3,611.9	—	1,335.7	325.0	—	—	6.0	763.4	386.2	795.6	—
Aug.	3,618.4	3,618.4	—	1,339.9	325.0	—	—	6.0	757.4	392.7	797.4	—
Sep.	3,686.0	3,686.0	—	1,339.9	325.0	—	—	—	820.3	403.6	797.2	—
Oct.	3,806.3	3,806.3	—	1,339.9	325.0	—	—	—	872.7	468.9	799.8	—
Nov.	3,835.6	3,835.6	—	1,360.9	325.0	—	—	—	880.8	468.9	800.0	—
Dec.	3,939.9	3,939.9	78.0	1,387.2	325.0	—	—	—	880.8	468.9	800.0	—
1961 Jan.	4,725.0	3,930.1	—	1,455.4	325.0	—	—	—	880.8	468.9	800.0	794.9
Feb.	4,784.3	3,956.4	—	1,481.7	325.0	—	—	—	880.8	468.9	800.0	827.9
March	4,687.9	3,830.0	—	1,495.2 <sup>6)</sup>	325.0	—	—	—	740.9	468.9	800.0	857.9
April	5,103.1	4,134.5	—	1,737.7	325.0	62.0	—	—	740.9	468.9	800.0	968.6
May	5,418.7	4,254.5	—	1,857.7	325.0	62.0	—	—	740.9	468.9	800.0	1,164.2
June	5,365.0	4,196.8	—	1,857.7	325.0	62.0	—	—	683.7	468.9	799.5	1,168.2

<sup>1)</sup> Contrary to the data in Table VI 3, excluding bonds repurchased prematurely. — <sup>2)</sup> Book credits according to Art. 20 par. 1 item 1 (a) of the Law concerning the Deutsche Bundesbank. — <sup>3)</sup> Interest-free loans granted under Art. 20 par. 1 item 2 of the Law concerning the Deutsche Bundesbank. — <sup>4)</sup> Until 1956 including those non-interest-bearing Treasury bonds which were passed on to the Länder in respect of financial adjustment payments. — <sup>5)</sup> Advance in respect of Savings Guarantee Law; in the Return of the Deutsche Bundesbank netted against Federal cash holdings. — <sup>6)</sup> Containing decrease of DM 73.4 million due to new valuation pursuant to the DM revaluation.

### 8. Indebtedness of the Länder except indebtedness towards other public authorities in millions of DM

Position at end of month	Indebtedness inside the country										Foreign debt	Total indebtedness (including foreign debt)
	Total indebtedness inside the country	Liabilities in respect of equalisation claims <sup>1)</sup>	Post-Currency-Reform indebtedness									
			Total	Book credits by Deutsche Bundesbank	Treasury bills	Non-interest-bearing Treasury bonds	Tax credit certificates <sup>2)</sup>	Interest-bearing Treas. bonds and medium-term notes (Kassenobligationen)	Loans <sup>3)</sup>	Other credit market indebtedness <sup>4)</sup>		
1950 Dec.	12,738.8	12,107.2	631.6	168.6	260.2	2.8	50.0	—	—	150.0	..	..
1951 Dec.	13,154.3	12,375.0	779.3	168.0	137.8	44.9	163.6	15.0	—	250.0	..	..
1952 Dec.	13,537.1	12,481.0	1,056.1	50.3	66.3	102.4	162.0	229.3	5.8	440.0	..	..
1953 Dec.	13,993.0	12,563.2	1,429.8	41.6	24.3	128.3	147.6	255.0	313.0	520.0	178.8	14,478.3
1954 Dec.	14,299.5	12,540.1	1,759.4	60.8	16.8	89.2	193.5	250.1	619.0	530.0	179.2	14,922.6
1955 Dec.	14,743.4	12,564.3	2,179.1	205.8	30.6	149.5	141.1	297.4	744.7	670.0	189.6	15,051.1
1956 Dec.	14,867.5	12,486.9	2,380.6	101.8	—	409.7	138.0	29.3	931.8	770.0	..	..
1957 March	12,523.4	9,934.8	2,588.6	24.7	25.0	460.7	160.7	29.3	1,058.2	830.0	204.5	12,727.9
June	12,688.2	9,903.5	2,784.7	34.5	—	592.9	198.1	56.1	1,033.1	870.0	187.4	12,875.6
Sep.	12,798.2	9,880.7	2,917.5	61.5	—	614.9	209.9	56.1	1,045.1	930.0	183.2	12,981.4
Dec.	13,060.2	9,835.3	3,224.9	83.8	—	661.3	236.5	55.4	1,137.9	1,050.0	183.1	13,243.3
1958 March	13,552.0	9,839.0	3,713.0	46.0	—	597.3	251.7	55.4	1,327.6	1,435.0	180.6	13,732.6
June	13,305.8	9,675.0	3,630.8	52.0	—	461.9	248.1	35.9	1,242.9	1,590.0	180.3	13,486.1
Sep.	13,539.1	9,675.0	3,864.1	30.0	—	397.2	233.8	35.9	1,447.2	1,720.0	179.6	13,718.7
Dec.	13,803.5	9,614.0	4,189.5	69.1	—	311.1	234.5	32.0	1,512.8	2,030.0	179.3	13,982.8
1959 March	13,972.1	9,614.0	4,358.1	4.0	—	308.9	261.7	30.4	1,573.1	2,180.0	165.7	14,137.8
June	14,173.4	9,559.0	4,614.4	15.8	—	250.4	269.3	30.3	1,768.6	2,280.0	165.7	14,339.1
Sep.	14,134.7	9,559.0	4,575.7	3.7	—	189.1	277.9	40.3	1,764.7	2,300.0	165.4	14,300.1
Dec.	14,019.9	9,499.0	4,520.9	—	—	163.7	256.0	53.2	1,683.0	2,365.0	164.8	14,184.7
1960 March	12,966.2	9,499.0	4,467.2	—	—	158.2	261.7	53.2	1,659.1	2,335.0	162.5	14,128.7
June	13,889.0	9,448.0	4,441.0	—	—	122.9	214.4	23.2	1,655.5	2,425.0	161.6	14,050.6
Sep.	13,819.5	9,448.0	4,371.5	—	—	116.1	181.9	23.2	1,650.3	2,400.0	160.6	13,980.1
Dec.	13,735.8	9,388.0	4,347.8	—	—	105.5	164.2	53.2	1,644.9	2,380.0	164.8	13,906.6
1961 March	13,765.5	9,388.0	4,377.5	—	—	105.2	160.6	53.2	1,668.5	2,390.0	..	..
June	13,578.5	9,332.0	4,246.5 <sup>5)</sup>	—	—	75.2	154.9	53.1	1,663.3	2,300.0 <sup>6)</sup>	..	..

<sup>1)</sup> Cf. Table VI 1. — The changes in the totals are due to redemption payments, to revision of the conversion accounts and to the fact that, from January 1957, the liabilities in respect of the equalisation claims of the Land Central Banks were transferred to the Federal Government under Art. 38 of the Law concerning the Deutsche Bundesbank. — <sup>2)</sup> Including Berlin debt certificates. — <sup>3)</sup> Contrary to the data in Table VI 3, excluding bonds in the issuers' own portfolios. — <sup>4)</sup> Mainly direct borrowings from banks and, to a certain extent, from insurance companies. Amounts partly estimated. — <sup>5)</sup> Provisional.

### 9. Tax Revenue of Local Authorities (including Hamburg, Bremen, and Berlin) in millions of DM

Period	Total	Tax on Land and Buildings			Trade Tax			Beverages Tax	Cinema Tax	Other Entertainment Taxes	Dog Tax	Other taxes <sup>4)</sup>
		Total	Land and Buildings Tax A <sup>1)</sup>	Land and Buildings Tax B <sup>2)</sup>	Total	Trade Tax <sup>3)</sup>	Tax based on total of wages paid					
1950	2,696.6	1,169.8	..	..	1,246.1	1,041.5	204.7	58.2	91.1	29.7	40.3	61.2
1951	3,512.2	1,221.9	..	..	1,963.1	1,705.2	257.8	71.0	105.7	31.7	44.9	73.9
1952	4,216.2	1,225.3	306.5	918.8	2,623.0	2,309.8	313.2	82.9	118.6	34.9	47.2	84.3
1953	4,764.1	1,274.3	317.2	957.1	3,097.2	2,747.8	349.4	88.7	129.7	35.9	48.5	89.9
1954	5,101.5	1,333.7	325.8	1,007.9	3,341.7	2,957.3	384.4	95.3	139.8	38.7	49.4	102.9
1955	5,561.3	1,376.3	334.7	1,041.6	3,726.4	3,288.4	438.0	99.8	140.8	42.6	49.8	125.6
1956	6,114.5	1,404.5	339.1	1,065.4	4,222.6	3,726.2	496.3	98.6	150.8	47.4	49.5	141.1
1957	7,011.0	1,456.2	349.7	1,106.5	5,047.0	4,503.9	543.1	105.6	152.5	54.2	48.8	146.7
1958	7,306.2	1,521.1	359.2	1,161.9	5,260.7	4,680.3	580.5	110.1	142.5	58.6	49.4	163.8
1959	8,598.4	1,595.3	370.4	1,224.9	6,467.7	5,864.5	603.2	118.2	118.9	62.8	47.7	187.8
1960 <sup>5)</sup>	9,636.5	1,630.6	377.7	1,252.9	7,433.4	6,780.4	653.0	124.0	105.7	66.8	45.8	230.2
1956 1st qtr.	1,440.8	364.0	94.9	269.1	953.0	831.5	121.5	35.2	38.5	13.1	9.6	37.4
2nd qtr.	1,484.2	341.4	76.3	265.1	1,019.8	899.1	120.7	24.2	36.7	12.4	17.9	31.8
3rd qtr.	1,529.8	339.7	78.2	261.5	1,069.7	943.5	126.2	35.0	36.7	11.0	11.5	36.2
4th qtr.	1,659.7	359.4	89.7	269.7	1,180.0	1,052.1	127.9	24.2	38.9	10.9	10.5	35.7
1957 1st qtr.	1,657.7	374.5	95.1	279.4	1,153.6	1,019.6	134.0	26.3	42.6	15.8	9.4	35.5
2nd qtr.	1,753.9	345.1	75.1	270.0	1,283.4	1,153.4	130.0	25.8	36.2	12.9	17.1	33.4
3rd qtr.	1,765.0	362.3	86.4	275.9	1,277.4	1,138.3	139.1	27.1	34.7	12.8	11.8	38.9
4th qtr.	1,834.4	374.3	93.1	281.2	1,332.6	1,192.6	140.0	26.4	39.0	12.7	10.5	38.9
1958 1st qtr.	1,705.4	391.3	98.6	292.7	1,180.7	1,035.4	145.3	28.3	40.3	16.6	9.7	38.5
2nd qtr.	1,715.9	360.1	77.2	282.9	1,224.2	1,086.0	138.2	26.4	35.8	13.8	17.6	38.0
3rd qtr.	1,789.3	375.9	86.4	289.5	1,286.1	1,137.8	148.3	27.7	31.5	13.5	11.7	42.9
4th qtr.	2,095.6	393.8	97.0	296.8	1,569.7	1,421.0	148.7	27.7	35.0	14.7	10.4	44.3
1959 1st qtr.	2,027.4	409.2	99.6	309.6	1,484.6	1,333.2	151.4	30.0	32.9	18.4	8.8	43.5
2nd qtr.	2,081.9	383.1	81.9	301.2	1,566.4	1,421.5	144.9	28.2	30.0	15.1	17.6	41.5
3rd qtr.	2,143.1	393.8	89.7	304.1	1,616.5	1,465.1	151.4	30.1	26.5	14.3	11.3	50.6
4th qtr.	2,346.0	409.2	99.2	310.0	1,800.2	1,644.7	155.5	29.9	29.5	15.0	10.0	52.2
1960 1st qtr. <sup>6)</sup>	2,170.4	414.2	101.0	313.2	1,610.4	1,448.5	161.9	31.2	30.6	19.6	9.0	55.4
2nd qtr.	2,325.2	384.3	80.3	304.0	1,800.8	1,645.5	155.3	30.3	25.9	15.7	16.2	52.0
3rd qtr.	2,478.8	407.1	92.3	314.8	1,918.4	1,761.4	167.0	31.3	25.0	15.7	11.2	60.2
4th qtr.	2,662.1	425.0	104.1	320.9	2,093.8	1,925.0	168.8	31.2	24.3	15.8	9.4	62.6
1961 1st qtr.	2,506.3	418.2 <sup>6)</sup>	93.8	324.3	1,937.4	1,755.0	182.4	32.6	23.6	19.6	13.8	61.1

Source: Federal Statistical Office. — <sup>1)</sup> Including participation amounts in respect of Land and Buildings Tax. — <sup>2)</sup> Including grants in respect of Land and Buildings Tax. — <sup>3)</sup> Including Trade Tax adjustment. — <sup>4)</sup> Including surcharge on Land Purchase Tax. — <sup>5)</sup> From 1960 onwards including Saarland. — <sup>6)</sup> Including Land and Buildings Tax C.

















## 8. Origin and Use of the National Product \*)

at current prices

Area of the Federal Republic except Berlin and the Saarland

Items	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959 <sup>1)</sup>	1960 <sup>2)</sup>
Billions of DM											
<b>I. Origin of Gross National Product</b>											
Agriculture, forestry and fisheries	10.1	12.2	13.3	13.4	13.7	14.5	15.0	15.6	16.5	17.1	17.4
Producing industries <sup>3)</sup>	48.0	61.0	69.0	75.5	82.0	95.3	104.9	113.3	120.2	131.3	147.5
Trade and transport <sup>4)</sup>	20.1	23.6	28.3	29.0	30.9	35.7	39.4	43.6	46.6	50.9	56.1
Services <sup>5)</sup>	19.0	21.9	25.0	27.6	30.3	33.6	37.8	41.7	45.5	49.1	54.8
Gross domestic product	97.2	118.6	135.5	145.5	157.0	179.1	197.1	214.2	228.8	248.4	275.8
Net income payments to factors of production due from the rest of the world	+ 0.0	- 0.0	+ 0.1	+ 0.1	- 0.6	- 0.8	- 0.7	- 0.6	- 0.3	- 0.5	- 0.0
Gross national product	97.2	118.6	135.6	145.5	156.4	178.3	196.4	213.6	228.5	247.9	275.8
per cent of gross domestic product											
Agriculture, forestry and fisheries	10.4	10.3	9.8	9.2	8.8	8.1	7.3	7.2	7.2	6.9	6.3
Producing industries <sup>3)</sup>	49.4	51.4	50.9	51.9	52.2	53.2	53.2	52.9	52.5	52.8	53.5
Trade and transport <sup>4)</sup>	20.7	19.9	20.9	19.9	19.7	19.9	20.3	20.3	20.4	20.5	20.4
Services <sup>5)</sup>	19.5	18.4	18.4	19.0	19.3	18.8	19.2	19.5	19.9	19.8	19.8
Gross domestic product	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Billions of DM											
<b>II. Use of Gross National Product</b>											
Private consumption	62.5	72.5	79.9	87.6	92.8	103.4	115.1	125.6	134.9	144.1	158.0
Government consumption											
Civil expenditure	9.6	11.3	13.3	14.7	16.1	17.7	19.9	21.9	24.5	25.8	28.2
Defence expenditure <sup>6)</sup>	4.4	6.1	7.5	6.3	6.0	6.1	5.5	5.4	6.1	7.9	9.3
Government consumption, total	14.0	17.4	20.8	21.1	22.0	23.8	25.4	27.3	30.6	33.7	37.5
Gross investment											
Equipment	9.4	12.1	14.2	15.4	17.5	21.9	23.7	24.2	25.8	28.3	33.3
Building	8.9	10.4	11.7	14.0	15.5	19.1	21.3	22.5	24.5	28.8	33.2
Total fixed investment	18.3	22.5	25.9	29.3	32.9	41.0	45.0	46.7	50.3	57.1	66.5
Inventory changes	+ 3.7	+ 3.9	+ 5.6	+ 2.1	+ 3.4	+ 6.0	+ 4.3	+ 5.3	+ 3.8	+ 4.6	+ 6.3
Gross investment, total	21.9	26.4	31.5	31.4	36.3	47.0	49.3	52.0	54.1	61.7	72.8
Net balance of goods and services <sup>7)</sup>	- 1.2	+ 2.3	+ 3.4	+ 5.5	+ 5.3	+ 4.2	+ 6.6	+ 8.7	+ 8.8	+ 8.5	+ 7.6
Gross national product	97.2	118.6	135.6	145.5	156.4	178.3	196.4	213.6	228.5	247.9	275.8

Source: Federal Statistical Office. — \*) Details may not add to totals because of rounding. — <sup>1)</sup> Provisional. — <sup>2)</sup> First provisional results. — <sup>3)</sup> Mining and power, manufacturing, building. — <sup>4)</sup> Including communications. — <sup>5)</sup> Banks and insurance companies, lease of dwellings, Government, other services. — <sup>6)</sup> Up to 5 May 1955 occupation costs. — <sup>7)</sup> In relation to foreign countries, the Saarland, Berlin (West) and the Soviet-occupied zone.

## 9. Mass Incomes \*)

Area of the Federal Republic except Berlin and the Saarland

Period	Gross wages and salaries		Deductions		Net wages and salaries (1 less 3)		Officials' pensions net <sup>1)</sup>		Other public transfer payments <sup>2)</sup>		Mass incomes (5 + 7 + 9)	
	Billions of DM	Change as against corresponding period of previous year per cent	Billions of DM	Change as against corresponding period of previous year per cent	Billions of DM	Change as against corresponding period of previous year per cent	Billions of DM	Change as against corresponding period of previous year per cent	Billions of DM	Change as against corresponding period of previous year per cent	Billions of DM	Change as against corresponding period of previous year per cent
	1	2	3	4	5	6	7	8	9	10	11	12
1950	39.8	-	5.1	-	34.7	-	2.1	-	9.6	-	46.4	-
1951	48.4	+ 21.5	6.8	+ 34.7	41.5	+ 19.6	2.4	+ 15.0	10.8	+ 11.6	54.7	+ 17.7
1952	53.9	+ 11.4	8.0	+ 16.8	45.9	+ 10.5	3.0	+ 25.2	12.5	+ 19.7	61.3	+ 12.2
1953	59.4	+ 10.2	8.5	+ 7.1	50.8	+ 10.7	3.3	+ 11.8	13.6	+ 9.3	67.8	+ 10.5
1954	65.0	+ 9.4	9.1	+ 6.8	55.8	+ 9.9	3.7	+ 9.9	14.3	+ 4.8	73.8	+ 8.8
1955	73.9	+ 13.8	10.5	+ 15.5	63.4	+ 13.6	4.0	+ 8.6	16.2	+ 13.6	83.6	+ 13.3
1956	82.9	+ 12.1	12.1	+ 14.9	70.8	+ 11.6	4.3	+ 9.6	18.3	+ 12.9	93.4	+ 11.8
1957	89.7	+ 8.2	12.7	+ 4.8	77.0	+ 8.8	4.7	+ 8.1	23.0	+ 25.9	104.7	+ 12.1
1958	96.8	+ 7.9	14.5	+ 14.2	82.3	+ 6.8	5.0	+ 7.4	26.0	+ 12.9	113.3	+ 8.2
1959	103.7	+ 7.2	15.3	+ 5.8	88.4	+ 7.5	5.1	+ 1.4	26.9	+ 3.5	120.4	+ 6.3
1960 <sup>3)</sup>	116.6	+ 12.4	18.4	+ 19.8	98.2	+ 11.1	5.6	+ 9.1	27.7	+ 2.8	131.5	+ 9.2
1960 <sup>3)</sup> P)	118.9	-	18.8	-	100.1	-	5.7	-	28.3	-	134.2	-
1958 1st qtr.	21.9	+ 7.6	3.1	+ 24.1	18.9	+ 5.4	1.3	+ 14.3	6.9	+ 37.4	27.0	+ 12.4
2nd qtr.	24.4	+ 7.7	3.6	+ 14.9	20.8	+ 6.6	1.2	+ 11.0	6.3	+ 7.0	28.3	+ 6.9
3rd qtr.	25.1	+ 8.6	3.9	+ 17.1	21.2	+ 7.2	1.2	+ 5.7	6.3	+ 6.7	28.7	+ 7.0
4th qtr.	25.3	+ 7.5	3.9	+ 4.7	21.4	+ 8.0	1.3	- 0.1	6.6	+ 4.8	29.3	+ 6.9
1959 1st qtr.	23.7	+ 7.8	3.1	+ 0.5	20.6	+ 9.0	1.3	+ 5.4	6.9	+ 1.3	28.9	+ 6.9
2nd qtr.	26.0	+ 6.5	3.7	+ 3.0	22.3	+ 7.1	1.3	+ 2.4	6.5	+ 3.6	30.0	+ 6.1
3rd qtr.	26.7	+ 6.4	4.1	+ 4.5	22.6	+ 6.7	1.3	+ 1.0	6.6	+ 4.5	30.4	+ 6.0
4th qtr.	27.4	+ 8.2	4.5	+ 13.9	22.9	+ 7.2	1.3	- 3.2	6.9	+ 5.0	31.1	+ 6.2
1960 <sup>3)</sup> 1st qtr.	26.1	+ 10.4	3.7	+ 19.8	22.4	+ 9.1	1.4	+ 2.4	7.1	+ 2.2	30.9	+ 7.1
2nd qtr.	29.0	+ 11.5	4.4	+ 18.2	24.6	+ 10.4	1.3	+ 6.4	6.7	+ 2.3	32.6	+ 8.4
3rd qtr.	30.3	+ 13.6	4.9	+ 22.0	25.3	+ 12.1	1.4	+ 11.4	6.9	+ 5.0	33.6	+ 10.6
4th qtr.	31.2	+ 13.8	5.3	+ 19.3	25.9	+ 12.7	1.5	+ 16.6	7.0	+ 1.6	34.3	+ 10.4
1961 <sup>3)</sup> P) 1st qtr.	30.3	+ 13.6	4.6	+ 21.5	25.7	+ 12.3	1.5	+ 7.9	7.6	+ 4.5	34.8	+ 10.3

\*) Details may not add to totals because of rounding. — <sup>1)</sup> After deduction of direct taxes. — <sup>2)</sup> Social insurance and public assistance pensions, benefit and relief payments. — <sup>3)</sup> Area of the Federal Republic except Berlin, but including Saarland. — <sup>4)</sup> Provisional.



## IX. Official Foreign Exchange Quotations on the Frankfurt Bourse (cont'd)

Spot Rates in DM

Date	Oslo			Paris			Stockholm			Vienna			Zurich		
	100 kroner			100 new francs			100 kronor			100 schilling			100 Swiss francs		
	Parity: DM 56.00			Parity: DM 81.0199			Parity: DM 77.3214			Parity: DM 15.3846			Parity: DM 91.4742		
	Middle	Buying	Selling	Middle	Buying	Selling	Middle	Buying	Selling	Middle	Buying	Selling	Middle	Buying	Selling
1961															
June															
2	55.405	55.345	55.465	81.03	80.93	81.13	76.915	76.835	76.995	15.252	15.232	15.272	91.705	91.605	91.805
5	55.415	55.355	55.475	81.015	80.915	81.115	76.920	76.840	77.000	15.260	15.240	15.280	91.730	91.630	91.830
6	55.420	55.360	55.480	81.025	80.925	81.125	76.910	76.830	76.990	15.264	15.244	15.284	91.770	91.670	91.870
7	55.410	55.350	55.470	81.020	80.920	81.120	76.905	76.825	76.985	15.268	15.248	15.288	91.850	91.750	91.950
8	55.400	55.340	55.460	81.020	80.920	81.120	76.900	76.820	76.980	15.269	15.249	15.289	91.950	91.850	92.050
9	55.410	55.350	55.470	81.020	80.920	81.120	76.890	76.810	76.970	15.269	15.249	15.289	91.960	91.860	92.060
12	55.41	55.35	55.47	81.035	80.935	81.135	76.895	76.815	76.975	15.273	15.253	15.293	91.915	91.815	92.015
13	55.44	55.38	55.50	81.035	80.935	81.135	76.895	76.815	76.975	15.273	15.253	15.293	91.82	91.72	91.92
14	55.46	55.40	55.52	81.04	80.94	81.14	76.895	76.815	76.975	15.276	15.256	15.296	91.805	91.705	91.905
15	55.435	55.375	55.495	81.03	80.93	81.13	76.875	76.795	76.955	15.275	15.255	15.295	91.83	91.73	91.93
16	55.40	55.34	55.46	81.025	80.925	81.125	76.83	76.75	76.91	15.274	15.254	15.294	91.90	91.80	92.00
19	55.40	55.34	55.46	81.06	80.96	81.16	76.84	76.76	76.92	15.279	15.259	15.299	91.905	91.805	92.005
20	55.425	55.365	55.485	81.085	80.985	81.185	76.88	76.80	76.96	15.287	15.267	15.307	91.915	91.815	92.015
21	55.44	55.38	55.50	81.11	81.01	81.21	76.91	76.83	76.99	15.294	15.274	15.314	92.01	91.91	92.11
22	55.44	55.38	55.50	81.145	81.045	81.245	77.005	76.925	77.085	15.297	15.277	15.317	92.13	92.03	92.23
23	55.45	55.39	55.51	81.165	81.065	81.265	77.045	76.965	77.125	15.304	15.284	15.324	92.18	92.08	92.28
26	55.47	55.41	55.53	81.18	81.08	81.28	77.07	76.99	77.15	15.315	15.295	15.335	92.185	92.085	92.285
27	55.52	55.46	55.58	81.20	81.10	81.30	77.09	77.01	77.17	15.325	15.305	15.345	92.22	92.12	92.32
28	55.525	55.465	55.585	81.21	81.11	81.31	77.16	77.08	77.24	15.336	15.316	15.356	92.24	92.14	92.34
29	55.48	55.42	55.54	81.20	81.10	81.30	77.07	76.99	77.15	15.345	15.325	15.365	92.195	92.095	92.295
30	55.47	55.41	55.53	81.18	81.08	81.28	77.01	76.93	77.09	15.344	15.324	15.364	92.175	92.075	92.275
July															
3	55.48	55.42	55.54	81.165	81.065	81.265	77.00	76.92	77.08	15.349	15.329	15.369	92.12	92.02	92.22
4	55.480	55.420	55.540	81.165	81.065	81.265	76.990	76.910	77.070	15.368	15.348	15.388	92.170	92.070	92.270
5	55.480	55.420	55.540	81.185	81.085	81.285	76.960	76.880	77.040	15.377	15.357	15.397	92.200	92.100	92.300
6	55.470	55.410	55.530	81.185	81.085	81.285	76.930	76.850	77.010	15.380	15.360	15.400	92.210	92.110	92.310
7	55.450	55.390	55.510	81.175	81.075	81.275	76.880	76.800	76.960	15.381	15.361	15.401	92.180	92.080	92.280
10	55.450	55.390	55.510	81.180	81.080	81.280	76.920	76.840	77.000	15.388	15.368	15.408	92.185	92.085	92.285
11	55.465	55.405	55.525	81.195	81.095	81.295	76.940	76.860	77.020	15.398	15.378	15.418	92.210	92.110	92.310
12	55.460	55.400	55.520	81.190	81.090	81.290	76.950	76.870	77.030	15.410	15.390	15.430	92.220	92.120	92.320
13	55.455	55.395	55.515	81.195	81.095	81.295	76.950	76.870	77.030	15.416	15.396	15.436	92.205	92.105	92.305
14	55.460	55.400	55.520	81.200	81.100	81.300	76.940	76.860	77.020	15.417	15.397	15.437	92.210	92.110	92.310

