Sources and Uses of Funds of Nonfarm Nonfinancial Corporations; Size and Composition of Personal Saving

REVISED estimates of the sources and uses of funds of nonfarm nonfinancial corporations are shown in table A below, and revised data on the volume and composition of personal saving in table B. The source of these statistics is the Flow of Funds accounts prepared by the Board of Governors of the Federal Reserve System. The tables here show the data only from 1967 onward. While revisions have been made by the Federal Reserve for years prior to 1967, space considerations preclude their publication at this time. Tables are available upon request from the Flow of Funds Section of the Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

Tables A and B bring the estimates of internal sources, personal saving, and of physical asset purchases into line with the revised 1969–71 national income and product data published by BEA in the July SURVEY.

Data in the format of table B were formerly prepared by the Securities and Exchange Commission, and BEA used to publish those data in table 5.7 of the national income and product accounts in the July SURVEY each year. The preparation of such data is now done by the Federal Reserve in conjunction with the Flow of Funds accounts. BEA intends to publish each year in the August or September SURVEY an updating of the data in table B to incorporate the annual revisions of the income and product accounts.

Table A.—Sources and Uses of Funds, Nonfarm Nonfinancial Corporate Business, 1967–71

[Billion of dollars]

	1967	1968	1969	1970	1971	1967				1968				1969				1970				1971			
						I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
						Seasonally adjusted at annual rates																			
Sources, total	96.7	108.8	117.6	102.6	120.7	86.1	82.8	104.3	121.0	105.0	109.5	107.7	117.1	122.9	112.5	122.3	114.0	108.2	112.6	92.7	98.2	118.2	122.2	135.2	130.4
Internal sources [1]	51.5	61.7	60.8	59.1	67.1	60.5	60.4	61.8	63.1	58.3	62.7	63.4	62.1	66.7	61.8	62.6	58.0	58.3	60.2	59.6	68.2	62.1	60.8	67.2	72.4
Undistributed profits [1]	21.1	10.0	10.0	10.3	14.6	20.5	20.2	20.2	23.0	20.6	20.6	18.3	19.6	18.7	17.0	14.4	13.6	12.6	11.6	11.7	7.4	12.0	14.6	14.2	10.4
Corporate inventory valuation adjustment	−1.1	−3.3	−5.1	−4.4	−4.7	−.1	−.8	−.4	−3.2	−5.6	−2.7	−.0	−4.2	−5.0	−6.1	−2.4	−7.1	−0.4	−8.7	−4.6	−2.8	−4.7	−4.4	−5.3	−3.0
Capital consumption allowances [1]	41.5	46.1	40.9	42.7	57.3	40.2	41.0	41.0	42.8	43.7	44.7	45.6	46.4	47.9	49.4	50.6	51.5	52.1	52.4	53.7	63.6	54.8	56.5	58.2	59.0
External sources	37.3	46.1	50.9	43.4	53.6	25.6	22.4	42.1	57.9	46.2	46.8	44.3	55.0	61.2	50.9	59.7	56.0	47.8	52.4	33.0	40.0	56.1	55.6	68.0	57.9
Stocks	2.3	−.8	4.3	6.8	13.4	.9	1.0	2.6	3.6	1.3	−.6	−1.9	−2.2	.1	2.4	6.6	0.1	6.3	6.2	5.0	8.6	0.0	15.7	17.6	12.1
Bonds [2]	14.7	12.0	12.1	20.3	19.4	13.4	13.3	17.6	14.3	11.3	12.6	13.1	14.7	14.7	11.1	11.6	10.0	14.1	20.9	22.2	22.8	24.1	20.1	14.9	18.5
Mortgages	4.5	5.8	4.9	6.3	11.2	3.6	4.7	5.1	4.0	6.3	5.8	6.0	6.4	5.1	4.7	4.2	5.1	4.4	6.1	5.8	7.3	8.7	11.1	13.3	11.8
Bank loans, n.e.c.	0.8	0.3	12.1	2.3	3.3	8.3	6.0	4.1	8.0	5.7	5.8	8.9	14.8	14.6	12.5	10.6	10.5	4.9	9.7	−3.1	−2.5	−1.3	2.8	11.4	.4
Other loans	1.4	3.0	7.0	5.2	1.2	4.3	1.1	−1.6	1.8	3.7	2.7	5.8	3.2	6.0	9.4	8.0	5.0	6.7	4.0	3.2	8.0	5.1	−1.2	.8	.2
Trade debt	7.5	10.4	14.2	2.8	3.4	3.7	4.0	8.8	13.2	8.1	11.2	9.7	12.5	16.1	15.3	18.7	10.8	5.3	4.4	.4	−2.1	5.8	−1.5	2.8	4.3
Profits tax liability	−4.7	2.0	−3.3	−2.7	4.0	−8.1	−13.0	−1.0	3.2	8.6	3.4	−2.7	2.2	1.8	−7.3	−3.8	−3.0	−4.2	−6.0	.1	−1.1	3.0	10.0	1.0	1.1
Other liabilities	4.0	4.1	4.8	3.4	3.0	−.6	3.5	8.0	8.0	2.6	5.3	4.5	4.4	3.8	2.8	6.0	7.3	7.3	7.3	−.3	−1.0	.8	−1.4	5.8	9.3
Uses, total	88.8	99.2	106.2	91.5	100.6	70.2	72.2	84.9	111.8	95.6	99.6	95.2	103.5	110.8	101.7	110.4	98.0	102.0	107.3	84.1	88.3	105.9	110.8	108.5	101.7
Purchases of physical assets	72.8	76.2	84.0	81.6	85.2	73.1	69.5	72.7	74.1	76.5	76.6	74.8	80.6	81.9	81.1	88.1	84.9	80.3	85.2	83.2	84.3	82.4	87.8	83.2	87.7
Nonresidential fixed investment	62.6	67.4	74.3	76.5	78.8	62.1	61.8	62.4	63.0	66.5	68.7	67.6	70.0	72.8	70.8	76.0	77.0	76.9	77.1	78.7	74.0	76.4	78.8	78.8	81.6
Residential structures	2.3	2.3	3.0	2.4	5.3	1.4	2.4	2.5	2.7	1.7	2.4	1.8	3.3	3.4	2.8	2.6	3.1	3.1	2.8	3.8	4.0	4.8	5.1	5.7	6.4
Change in business inventories	7.3	6.4	6.7	4.6	1.1	9.7	4.4	7.2	7.7	2.2	5.5	7.7	7.3	5.8	7.4	8.0	4.8	1.8	5.3	5.7	6.3	1.0	4.0	−1.2	.7
Increase in financial assets	16.0	23.3	21.1	10.0	21.7	3.1	3.7	12.7	37.8	18.6	22.4	18.3	27.9	28.9	20.5	22.3	13.1	21.2	22.2	−4.1	4.0	23.5	23.2	25.3	14.0
Liquid assets	4.8	5.3	−.6	−1.0	10.0	−3.2	−3.3	10.0	17.1	12.2	2.5	.4	5.5	6.5	−2.4	−1.0	−3.5	−1.8	0.0	−10.9	−.7	7.0	13.7	12.6	7.4
Demand deposits and currency	1.5	1.1	1.5	.3	4.5	−2.2	.0	5.4	2.0	.6	2.3	1.8	.0	1.6	−1.3	2.8	2.6	−.8	.3	.4	.8	4.1	3.3	1.6	4.1
Time deposits	2.1	.4	−2.4	1.7	.6	2.7	1.0	1.8	1.0	−.8	.7	.7	1.0	−1.5	−1.2	−3.0	−3.6	−.8	−.2	4.6	3.2	2.2	4.3	2.5	−5.9
U.S. Government securities	−2.3	.0	−1.3	−2.0	2.7	−7.2	−5.5	−.4	4.0	4.3	−3.3	−.1	1.0	4.9	−3.3	−2.0	−3.9	−3.3	−1.7	−3.0	−3.9	−.8	4.0	3.6	2.1
Open-market paper	3.8	2.5	2.7	.6	1.5	2.8	−.2	5.0	7.7	4.1	3.4	.1	2.3	2.6	5.0	.7	2.6	3.0	0.1	−5.4	−1.0	1.4	−5.3	4.9	8.2
State and local obligations	−.3	.5	−1.0	−.6	1.0	−1.2	−.1	−.9	.8	4.0	−2.2	−2.9	3.3	−.7	−1.2	−1.0	−1.0	−.6	1.5	−4.5	1.0	1.0	1.0	1.0	1.0
Consumer credit	.9	1.7	1.5	1.4	2.0	.8	1.1	1.0	.3	1.6	1.4	2.0	1.9	1.4	.0	1.4	.9	1.3	1.5	1.6	1.3	1.5	1.0	1.0	1.0
Trade credit	7.7	12.0	17.3	9.2	4.0	8.4	6.0	7.8	14.8	9.2	15.0	13.0	12.6	16.7	18.0	19.4	16.1	15.4	6.5	2.9	.3	7.0	1.8	3.0	2.6
Other financial assets [2]	3.5	2.4	3.0	4.3	6.1	4.1	.9	3.1	5.7	2.1	3.1	2.0	1.6	4.1	4.1	3.3	.6	6.0	5.3	2.6	3.1	0.4	5.8	6.2	2.0
Discrepancy (uses less sources)	−9.0	−10.9	−12.5	−8.9	−19.8	−9.9	−10.6	−20.0	−3.1	−9.5	−10.4	−12.0	−8.6	−11.1	−11.1	−11.9	−15.9	−4.1	−4.9	−8.6	−10.0	−12.3	−11.4	−26.7	−28.6

1. The figures shown here for "internal sources," "undistributed profits," and "capital consumption allowances" differ from those shown for "cash flow, net of dividends," "undistributed profits," and "capital consumption allowances" in the gross corporate product table (p. 18 of this issue of the SURVEY) for the following reasons: (1) these figures include, and the statistics in the gross corporate product table exclude, branch profits remitted from foreigners, net of corresponding U.S. remittances to foreigners; (2) these figures include and cash flow in the gross corporate product table excludes the corporate inventory valuation adjustment; and (3) these figures exclude and the gross corporate product figures include, the internal funds of corporations whose major activity is farming.

2. Foreign investment excludes amounts financed by bond issues abroad, and bond issues outside the U.S. are excluded from financial sources of funds above.

Source: Board of Governors of the Federal Reserve System.

Table B.—Amount and Composition of Individuals' Saving,[1] 1967–71

[Billions of dollars]

Line		1967	1968	1969	1970	1971	1967 I	1967 II	1967 III	1967 IV	1968 I	1968 II	1968 III	1968 IV	1969 I	1969 II	1969 III	1969 IV	1970 I	1970 II	1970 III	1970 IV	1971 I	1971 II	1971 III	1971 IV
							Seasonally adjusted at annual rates																			
1	**Increase in financial assets**	65.8	72.4	63.6	87.2	96.3	77.1	69.1	64.9	62.3	64.7	77.9	73.2	72.4	52.5	53.5	72.0	69.5	64.5	60.9	105.7	88.8	87.9	99.0	90.6	106.1
2	Currency and demand deposits	11.2	12.8	3.0	0.3	8.6	23.8	0.6	4.8	6.7	11.6	8.7	16.8	11.2	.8	−2.0	0.4	5.6	7.7	3.3	8.9	5.3	15.1	8.0	−1.4	11.1
3	Savings accounts	34.9	30.4	6.1	44.5	73.5	39.5	30.0	38.4	24.2	30.0	21.7	36.5	34.1	10.1	18.0	−5.3	0.4	.8	47.0	70.3	60.2	100.0	65.1	67.3	70.6
4	Securities	−4.2	3.8	27.3	5.8	−19.2	−9.1	−13.0	−.4	4.5	−.2	20.0	−0.0	.0	20.8	19.7	43.7	30.7	28.8	7.9	−4.6	−0.5	−69.5	−6.2	3.4	−10.8
5	U.S. savings bonds	.0	.4	−.4	.3	2.4	.4	1.3	.5	1.4	−.2	.7	.3	.7	−.4	−.4	−.8	.1	−.0	−.2	.5	1.7	1.9	2.7	2.4	2.6
6	Other U.S. Treasury securities	−2.9	2.8	8.1	−7.3	−10.3	−5.8	−5.1	1.3	−1.0	0.2	10.5	−3.0	−2.3	10.0	2.3	12.3	6.8	.0	−4.5	−4.8	−20.8	−40.7	−11.3	−16.4	−9.0
7	U.S. Government agency securities	1.1	1.4	4.2	2.6	−5.8	1.9	−1.1	1.4	2.5	.0	2.7	2.0	−.1	6.3	5.4	1.0	5.1	0.7	4.3	−.1	−2.5	−18.4	−4.5	.9	−1.2
8	State and local obligations	−1.7	−.2	7.6	2.5	4.0	−4.9	−4.5	4.9	−2.1	−1.1	2.6	.5	−2.7	0.4	4.7	8.0	8.6	4.0	2.5	−.1	1.0	6.0	4.5	7.2	3.0
9	Corporate and foreign bonds	4.8	4.8	5.7	12.4	7.8	4.3	2.8	3.5	8.5	−.1	7.1	−.3	12.5	3.8	.3	0.2	9.5	10.9	7.3	10.6	15.5	11.2	7.0	9.0	3.1
10	Commercial paper	−2.2	2.0	5.0	−1.8	−8.0	1.8	−1.7	−4.0	−4.5	−3.0	2.1	8.0	1.5	−1.2	3.8	14.0	5.2	12.0	−5.7	−18.0	1.6	−7.7	−4.1	.2	−4.0
11	Investment Co. shares	2.6	4.7	5.5	2.6	1.3	1.0	2.8	3.2	3.2	4.4	4.5	4.5	5.0	5.0	6.8	5.4	4.1	.5	5.8	3.4	.7	−2.0	2.7	2.0	2.5
12	Other corporate stock	−6.8	−12.3	−0.6	−5.2	−6.5	−7.8	−6.4	−10.2	−2.6	−6.5	−0.6	−18.0	−15.1	−12.0	−11.2	−6.0	−5.5	−5.5	−3.0	−2.2	−6.1	−12.0	−3.4	−2.0	−7.5
13	Private life insurance reserves	4.0	4.6	4.8	5.1	5.6	5.4	4.8	4.8	4.7	4.0	4.6	4.5	4.0	4.7	4.8	4.9	5.0	4.9	4.8	5.0	5.5	6.1	6.0	6.5	6.8
14	Private insured pension reserves	2.6	2.0	2.0	3.3	3.2	2.4	2.6	2.7	2.7	2.8	2.0	3.0	2.9	2.0	2.0	2.0	3.0	3.2	3.2	3.3	3.3	3.3	3.3	3.3	3.3
15	Private noninsured pension reserves	6.6	6.4	6.2	7.1	7.3	5.9	6.6	6.8	7.2	5.6	5.0	6.3	7.1	3.0	7.8	8.1	7.8	6.8	5.0	7.0	6.6	8.2	7.6	6.1	8.2
16	Government insurance and pension reserves	5.4	6.0	0.0	0.2	0.8	4.1	5.2	5.2	7.0	5.5	6.2	0.2	6.1	5.6	7.4	8.8	4.7	7.3	12.5	6.4	5.6	10.3	10.8	8.3	0.3
17	Miscellaneous financial assets	4.6	5.0	4.0	6.0	6.5	6.1	3.4	4.3	5.8	4.4	6.0	5.0	5.9	4.2	6.0	3.1	0.4	6.1	6.1	8.3	6.1	7.6	3.4	7.7	7.4
18	**Gross investment in tangible assets**	116.7	122.6	143.9	140.0	167.7	102.5	114.5	119.3	123.4	128.6	131.4	134.3	136.9	141.7	143.7	144.4	142.6	140.5	142.2	142.1	138.7	159.0	164.9	177.5	174.2
19	Nonfarm homes	17.0	21.1	22.0	19.0	25.8	15.0	15.1	18.1	19.8	21.0	21.0	21.4	20.2	22.2	23.3	22.5	19.8	20.1	19.3	18.3	20.7	22.3	26.3	26.7	29.2
20	Noncorporate business construction and equipment	26.6	28.7	29.2	30.0	35.8	24.7	25.0	26.0	28.1	26.5	26.3	26.0	27.8	28.2	28.6	29.8	30.3	30.4	30.2	30.8	31.1	32.1	35.1	37.2	37.0
21	Consumer durables	73.1	84.0	90.8	90.3	103.5	60.8	73.6	73.7	76.3	80.4	82.4	86.3	87.0	90.1	91.0	90.6	91.4	90.2	91.0	93.0	87.8	98.8	101.0	108.1	100.1
22	Inventories	.9	.6	1.1	.1	2.5	−.1	.2	1.4	2.3	.7	1.0	.0	.8	1.2	.7	1.2	.7	−.2	1.0	.4	−.0	3.6	2.7	2.5	1.0
23	**Capital consumption allowances**	86.9	95.3	104.5	112.2	121.2	84.3	85.8	87.7	88.8	92.1	94.1	96.3	98.7	101.1	103.6	105.7	107.6	109.4	111.1	113.1	115.2	117.8	119.9	122.3	124.6
24	Nonfarm homes	7.8	8.3	9.7	9.0	9.4	7.7	7.8	7.8	8.0	8.1	8.2	8.4	8.6	8.6	8.7	8.7	8.8	8.9	8.9	9.0	9.1	9.3	9.3	9.4	9.6
25	Noncorporate business plant and equipment	18.4	19.8	21.3	22.6	24.5	17.0	18.2	18.6	18.8	19.1	19.4	19.8	20.2	20.8	21.1	21.5	21.9	22.2	22.4	22.7	23.0	23.7	24.2	24.8	25.4
26	Consumer durables	60.7	67.4	74.6	80.0	87.3	58.7	60.8	61.2	63.0	64.8	66.5	68.2	70.0	71.0	73.0	75.5	78.0	78.3	79.8	81.4	82.1	84.8	85.4	88.1	90.0
27	**Net investment in tangible assets**	29.8	27.2	39.5	28.7	46.4	25.2	28.7	31.6	34.6	36.5	37.3	38.0	37.3	40.5	40.1	38.6	34.9	31.1	31.0	29.0	23.5	41.2	45.0	55.1	49.3
28	Nonfarm homes	9.2	12.8	13.3	10.0	16.5	7.4	7.3	10.2	11.7	12.0	13.4	13.0	11.7	13.0	14.7	13.8	11.0	11.2	10.3	9.2	11.6	12.0	15.0	17.3	10.7
29	Noncorporate business construction and equipment	7.3	7.1	7.0	8.1	11.3	6.8	7.4	7.5	7.3	7.4	7.0	6.8	7.0	7.4	7.0	8.0	8.6	8.3	7.8	8.1	8.1	9.4	11.0	12.4	12.5
30	Consumer durables	12.4	16.7	19.2	8.9	19.2	11.1	13.8	12.5	12.3	15.0	16.0	16.1	17.6	19.2	17.1	15.1	14.5	11.0	11.0	11.2	4.4	16.0	15.5	18.0	16.2
31	Inventories	.9	.6	1.1	.1	2.5	−.1	.2	1.4	2.3	.7	1.0	.0	.8	1.2	.7	1.8	.7	−.2	1.0	.4	−.6	3.0	2.7	2.5	1.0
32	**Increase in debt**	33.7	43.3	49.6	33.8	59.6	26.4	28.8	36.2	44.6	33.3	45.7	42.0	51.0	40.6	44.1	38.4	41.7	28.7	38.2	41.6	32.8	40.7	59.0	64.2	73.7
33	Mortgage debt on nonfarm homes	10.4	14.0	16.2	12.6	24.5	7.2	7.9	12.6	14.3	16.3	14.5	14.3	15.5	10.8	17.0	16.2	14.9	11.0	12.0	13.6	12.9	13.0	23.4	20.1	31.7
34	Noncorporate business mortgage debt	7.0	6.6	0.0	8.0	11.3	6.4	0.0	7.6	7.5	8.3	6.5	0.1	7.5	7.3	7.7	0.3	6.0	6.7	0.7	0.1	0.0	10.2	11.3	12.2	11.4
35	Consumer credit	4.6	11.1	9.3	4.3	10.4	3.3	4.0	6.4	8.1	9.0	9.4	12.0	11.8	0.9	10.2	8.8	7.3	4.8	6.3	6.4	.4	4.0	9.0	12.6	14.5
36	Security credit	3.3	2.1	−2.5	−1.0	2.1	1.0	2.0	4.1	5.1	−2.5	8.7	−.1	5.4	−3.8	−2.0	−5.1	1.1	−5.0	−1.2	.4	1.3	1.8	3.0	.8	3.8
37	Policy loans	1.0	1.3	2.8	2.8	1.0	1.2	1.1	.8	.8	1.1	1.5	1.4	1.1	1.8	2.0	3.4	2.8	3.0	2.7	2.0	1.6	.0	.0	1.1	1.0
38	Other debt	7.3	7.4	0.0	7.5	10.3	6.0	6.6	5.0	11.6	5.2	7.0	7.5	0.8	6.5	8.7	6.6	0.8	7.0	5.8	10.2	7.1	0.8	11.4	8.7	12.2
39	**Individual saving (1+27−32)**	61.9	66.3	69.8	83.9	83.1	76.8	69.7	58.7	51.4	68.0	69.0	69.1	68.8	92.6	90.5	73.9	62.6	87.0	91.7	94.1	79.2	86.6	85.1	76.6	81.7
40	**Less: Government insurance and pension reserves**	5.4	6.0	0.0	0.2	0.8	4.1	5.2	5.2	7.0	5.5	6.2	0.2	6.1	5.6	7.4	8.8	4.7	7.3	12.5	6.4	5.6	10.3	10.8	8.6	0.5
41	Net investment in consumer durables	12.4	16.7	19.2	0.9	10.2	11.1	13.8	12.5	12.3	15.0	16.0	18.1	17.6	18.2	17.1	16.1	14.5	11.0	11.0	11.2	4.4	15.0	15.5	18.0	15.2
42	Capital gains dividends from investment companies	1.7	2.5	2.4	.0	.8	.8	1.3	1.7	3.0	2.6	1.7	2.2	3.4	4.7	1.7	2.0	1.8	1.7	1.4	1.0	−.4	.1	1.2	1.2	.6
43	Net saving by farm corporations	−.1	.0	.0	−.2	.0	−.1	.0	−.1	−.7	.0	.0	.0	.0	.0	.0	.0	−.1	−.1	−.2	−.2	−.2	−.1	−.1	.0	.0
44	**Equals personal saving, flow of funds account basis**	42.6	40.2	34.2	63.1	56.5	61.0	39.5	40.4	29.1	44.3	45.3	42.6	32.1	74.1	71.2	49.1	41.7	46.2	55.1	73.0	66.0	69.2	57.6	48.8	65.4
45	**Personal saving, national income and product account basis**	40.4	39.6	36.2	54.8	60.9	39.3	37.6	41.2	43.3	41.2	44.0	35.9	37.2	32.4	33.3	42.6	44.8	46.3	55.0	58.0	60.2	69.3	64.1	61.0	63.3
46	**Difference (45−44)**	−2.1	−1.4	4.0	−8.3	4.6	−21.7	−1.9	.8	14.2	−3.1	−1.2	−6.7	5.3	8.3	18.1	−5.6	2.9	.1	−10.3	−15.0	−7.4	−3.9	6.5	12.2	2.9

1. Combined statement for households, farm, and nonfarm noncorporate business.

Source: Board of Governors of the Federal Reserve System.