

1960—January	623	66,600	2,527	3.8	56.9	7.7	18.9	83.5	16.6	14.3	10.9	13.7	13.7	17.1	1.8
February	632	58,928	3,309	5.6	43.1	8.3	23.7	75.0	25.0	15.8	15.1	20.5	17.1	16.2	1.9
March	622	60,529	2,985	4.9	52.4	7.2	15.0	74.6	25.4	17.2	13.3	14.7	16.2	16.3	1.7
April	602	69,146	3,192	4.6	56.8	6.7	16.3	79.8	20.2	17.9	12.1	13.9	16.3	18.6	1.2
May	625	67,331	3,613	5.4	57.4	8.6	16.1	82.1	17.9	20.8	17.5	16.2	18.6	18.9	1.3
June	647	71,015	3,467	4.9	66.8	9.7	13.5	90.0	10.1	20.8	17.8	13.4	18.9	16.2	1.7
July	617	68,482	3,024	4.4	62.6	5.4	14.4	82.5	17.5	17.7	11.5	13.6	16.2	16.2	1.0
August	636	58,626	3,104	5.3	31.7	7.4	15.5	74.6	25.4	18.0	14.9	15.0	17.3	17.3	1.8
September	580	71,791	3,622	5.0	47.8	8.1	14.3	70.3	29.7	16.2	17.1	16.6	16.0	17.1	2.1
October	578	54,095	2,884	5.3	48.6	4.7	14.0	67.4	32.4	18.1	11.9	16.6	17.1	17.1	2.2
November	606	55,657	3,411	6.1	51.7	4.0	17.0	72.6	27.4	21.1	11.3	20.7	20.0	20.0	2.2
December	616	91,135	3,953	4.3	55.3	5.7	16.1	77.1	22.9	17.5	11.3	15.7	16.4	16.4	1.4
1961—January	644	82,658	3,701	4.5	61.1	4.3	14.9	80.2	19.8	18.6	9.1	12.5	16.3	16.3	1.2
February	656	95,375	4,639	4.9	63.7	4.8	16.4	84.8	15.2	21.4	11.7	16.2	19.5	19.5	1.0
March	677	136,468	5,785	4.2	68.9	4.8	14.5	87.5	12.5	20.0	7.9	12.9	17.2	17.2	1.7
April	679	106,485	4,364	4.1	68.9	5.9	13.8	88.6	11.4	18.8	10.5	11.9	16.5	16.5	1.6
May	696	96,377	3,595	3.7	67.9	4.2	16.2	88.3	11.8	16.9	7.3	12.5	14.9	14.9	1.9
June	684	80,303	3,134	3.9	63.4	3.6	15.7	82.7	17.3	16.6	6.5	12.4	14.8	14.8	1.5
July	705	59,573	2,805	4.7	56.8	1.6	18.1	76.4	23.6	17.2	4.6	15.1	15.7	15.7	1.0
August	717	75,289	3,106	4.1	62.8	5.4	13.5	81.7	18.3	17.8	9.1	10.8	15.3	15.3	1.5
September	701	80,018	3,221	4.0	60.7	5.7	9.8	75.6	24.4	16.3	8.5	8.5	13.9	13.9	1.3
October	699	68,917	2,864	4.2	63.8	3.9	11.0	78.8	21.2	18.2	8.3	9.7	15.4	15.4	1.2
November	733	79,254	3,528	4.5	66.2	4.7	12.5	83.4	17.6	19.5	10.9	11.5	17.0	17.0	1.0
December	731	103,745	3,610	4.5	60.9	5.2	14.8	81.0	19.0	14.8	8.9	8.7	12.6	12.6	1.9
1962—January	692	72,698	2,672	3.7	60.8	5.5	12.3	78.6	21.4	14.5	8.2	8.0	12.3	12.3	1.1
February	710	69,934	3,029	4.3	61.1	3.3	15.7	80.3	19.8	19.6	8.1	11.7	16.4	16.4	1.1
March	707	80,720	3,214	4.0	65.6	3.1	11.9	80.7	19.3	19.5	7.9	8.3	15.6	15.6	1.0
April	672	63,465	3,176	5.0	58.6	5.0	14.4	77.9	22.1	19.8	12.9	12.6	17.4	17.4	1.5
May	612	83,231	5,017	6.0	50.8	4.6	11.1	66.6	33.4	19.9	14.2	13.9	18.1	18.1	2.7
June	561	141,449	11,068	7.8	42.9	5.4	9.4	57.7	42.3	21.2	18.3	15.4	19.8	19.8	4.6
July	585	69,205	6,293	8.9	48.3	6.6	9.1	64.0	36.1	30.0	25.2	15.6	26.0	26.0	4.2

² Odd-lot dealers are not included in the member group for the reason that any round-lot short sales effected by them are exempt under SEC rules.

¹ At close of last week in month.

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TABLE VI-82.—Short selling data for American Telephone & Telegraph Co. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in American Telephone & Telegraph Co.....	282,800	3.0	341,900	2.3	414,800	3.9
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in American Telephone & Telegraph Co. ¹	10,500	2.9	15,500	2.0	56,600	4.0
(b) Short selling relative to total trading						
Total reported volume of sales.....	282,800	100.0	341,900	100.0	414,800	100.0
Short sales in American Telephone & Telegraph Co. ¹	10,500	3.7	15,500	4.5	56,600	13.6
(c) Short sales by type of seller						
Total.....	10,500	100.0	15,500	100.0	56,600	100.0
Members.....	4,500	42.9	5,000	32.3	36,200	64.0
Specialists.....					22,200	39.2
Floor traders.....	3,000	28.6	4,300	27.8	8,800	15.6
Members off floor.....	1,500	14.3	700	4.5	5,200	9.2
Nonmembers ¹	6,000	57.1	10,500	67.7	20,400	36.0

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-83.—Short selling data for Avco Corp. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in Avco Corp.....	81,900	.9	193,500	1.3	190,300	1.8
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in Avco Corp. ¹	7,200	2.0	24,700	3.2	47,400	3.3
(b) Short selling relative to total trading						
Total reported volume of sales.....	81,900	100.0	193,500	100.0	190,300	100.0
Short sales in Avco Corp. ¹	7,200	8.8	24,700	12.8	47,400	25.0
(c) Short sales by type of seller						
Total.....	7,200	100.0	24,700	100.0	47,400	100.0
Members.....	3,100	43.1	20,700	83.8	40,600	85.7
Specialists.....			700	2.8	24,800	52.3
Floor traders.....					1,500	3.2
Members off floor.....	3,100	43.1	20,000	81.0	14,300	30.2
Nonmembers ¹	4,100	56.9	4,000	16.2	6,800	14.3

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

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TABLE VI-84.—Short selling data for Brunswick Corp. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in Brunswick Corp.....	103,000	1.1	198,300	1.3	120,600	1.1
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in Brunswick Corp. ¹	3,300	.9	13,100	1.7	29,100	2.1
(b) Short selling relative to total trading						
Total reported volume of sales.....	103,000	100.0	198,300	100.0	120,600	100.0
Short sales in Brunswick Corp. ¹	3,300	3.2	13,100	6.6	29,100	24.1
(c) Short sales by type of seller						
Total.....	3,300	100.0	13,100	100.0	29,100	100.0
Members.....			8,200	62.6	4,400	15.1
Specialists.....			8,200	62.6	400	1.4
Floor traders.....					2,300	7.9
Members off floor.....					1,700	5.8
Nonmembers ¹	3,300	100.0	4,900	37.4	24,700	84.9

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-85.—Short selling data for General Motors Corp. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in General Motors Corp.....	99,500	1.1	190,600	1.3	128,600	1.2
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in General Motors Corp. ¹	3,800	1.0	2,700	.3	20,600	1.4
(b) Short selling relative to total trading						
Total reported volume of sales.....	99,500	100.0	190,600	100.0	128,600	100.0
Short sales in General Motors Corp. ¹	3,800	3.8	2,700	1.4	20,600	16.0
(c) Short sales by type of seller						
Total.....	3,800	100.0	2,700	100.0	20,600	100.0
Members.....	600	15.8	500	18.5	16,200	78.6
Specialists.....	300	7.9			11,500	55.8
Floor traders.....					200	1.0
Members off floor.....	300	7.9	500	18.5	4,500	21.8
Nonmembers ¹	3,200	84.2	2,200	81.5	4,400	21.4

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-86.—Short selling data for International Business Machines Corp.
(May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in International Business Machines Corp.....	57,600	.6	51,500	.3	55,100	.5
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,000	100.0
Short sales in International Business Machines Corp. ¹	2,800	.8	4,900	.6	9,700	.7
(b) Short selling relative to total trading						
Total reported volume of sales.....	57,600	100.0	51,500	100.0	55,100	100.0
Short sales in International Business Machines Corp. ¹	2,800	4.9	4,900	9.5	9,700	17.6
(c) Short sales by type of seller						
Total.....	2,800	100.0	4,900	100.0	9,700	100.0
Members.....	1,400	50.0	200	4.1	1,600	16.5
Specialists.....						
Floor traders.....	1,400	50.0	200	4.1	1,000	10.3
Members off floor.....					600	6.2
Nonmembers ¹	1,400	50.0	4,700	95.9	8,100	83.5

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-87.—Short selling for E. J. Korvette, Inc. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in E. J. Korvette, Inc.....	63,500	.7	102,600	.7	85,900	.8
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in E. J. Korvette, Inc. ¹	10,600	2.9	27,600	3.6	32,900	2.3
(b) Short selling relative to total trading						
Total reported volume of sales.....	63,500	100.0	102,600	100.0	85,900	100.0
Short sales in E. J. Korvette, Inc. ¹	10,600	17.0	27,600	26.9	32,900	38.3
(c) Short sales by type of seller						
Total.....	10,600	100.0	27,600	100.0	32,900	100.0
Members.....	100	.9	3,100	11.2	15,300	46.5
Specialists.....						
Floor traders.....			3,000	10.9	12,600	38.3
Members off floor.....	100	.9	100	.4	800	2.4
Nonmembers ¹	10,500	99.1	24,500	88.8	17,600	53.5

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

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TABLE VI-88.—Short selling data for Standard Oil Co. (N.J.) (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in Standard Oil Co. (N.J.).....	148,200	1.6	140,700	1.0	99,700	.9
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in Standard Oil Co. (N.J.) ¹	4,200	1.1	12,500	1.6	13,700	1.0
(b) Short selling relative to total trading						
Total reported volume of sales.....	148,200	100.0	140,700	100.0	99,700	100.0
Short sales in Standard Oil Co. (N.J.) ¹	4,200	2.8	12,500	8.9	13,700	13.7
(c) Short sales by type of seller						
Total.....	4,200	100.0	12,500	100.0	13,700	100.0
Members.....	500	11.9	11,400	91.2	9,100	66.4
Specialists.....			9,100	72.8	4,900	35.8
Floor traders.....			200	1.6	1,700	12.4
Members off floor.....	500	11.9	2,100	16.8	2,500	18.2
Nonmembers ¹	3,700	88.1	1,100	8.8	4,600	33.6

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-89.—Short selling data for United States Steel Corp. (May 28, 29, and 31, 1962)

	May 28		May 29		May 31	
	Shares	Percent of total	Shares	Percent of total	Shares	Percent of total
(a) Relative to entire market						
Total reported volume in all stocks.....	9,350,000	100.0	14,750,000	100.0	10,710,000	100.0
Reported volume in United States Steel Corp.....	87,800	.9	129,700	.9	107,800	1.0
Total short sales in all stocks.....	367,800	100.0	774,110	100.0	1,417,050	100.0
Short sales in United States Steel Corp. ¹	14,600	4.0	17,000	2.2	18,300	1.3
(b) Short selling relative to total trading						
Total reported volume of sales.....	87,800	100.0	129,700	100.0	107,800	100.0
Short sales in United States Steel Corp. ¹	14,600	16.7	17,000	13.1	18,300	17.0
(c) Short sales by type of seller						
Total.....	14,600	100.0	17,000	100.0	18,300	100.0
Members.....	12,700	87.0	12,000	70.6	11,300	61.7
Specialists.....	12,700	87.0	10,800	63.6	6,800	37.1
Floor traders.....			600	3.5	3,800	20.8
Members off floor.....			600	3.5	700	3.8
Nonmembers ¹	1,900	13.0	5,000	29.4	7,000	38.3

¹ Short sales by nonmembers were estimated on the basis of reports by 25 leading NYSE member firms accounting for the highest volume of commission business in 1961.

TABLE VI-90.—*New York Stock Exchange: Average daily reported share volume (1925-62)*

<i>Average daily volume</i>		<i>Average daily volume</i>		<i>Average daily volume</i>	
1925	1, 662, 632	1938	1, 079, 734	1951	1, 673, 600
1926	1, 643, 158	1939	954, 570	1952	1, 296, 757
1927	2, 111, 442	1940	750, 813	1953	1, 413, 750
1928	3, 416, 122	1941	619, 251	1954	2, 275, 296
1929	4, 276, 808	1942	455, 382	1955	2, 577, 787
1930	2, 958, 513	1943	1, 011, 767	1956	2, 216, 272
1931	2, 089, 730	1944	958, 375	1957	2, 222, 011
1932	1, 540, 704	1945	1, 422, 085	1958	2, 964, 517
1933	2, 518, 525	1946	1, 369, 903	1959	3, 242, 278
1934	1, 177, 620	1947	951, 684	1960	3, 042, 436
1935	1, 385, 248	1948	1, 131, 906	1961	4, 085, 058
1936	1, 790, 783	1949	1, 023, 321	1962	3, 818, 077
1937	1, 491, 674	1950	1, 980, 376		

Source : NYSE Fact Book (1963), p. 41.

TABLE VI-91.—*Contents and disposition of regular reports currently received by New York Stock Exchange from members*

Subject	When	Form number	Department or division	Who reports	Data supplied
Short positions.....	Monthly.....	MF-2	Research and statistics.	Direct clearing members; member organizations.	Number of shares short each stock, and total; negative reports required.
Money borrowed.....	do.....	MF-4	do.....	Borrowers, 415 firms.....	Borrowings from banks, trust companies, etc., on Governments, other, total.
Customers' debit and credit balances.....	do.....	MF-5	do.....	Firms carrying margins, 350.	Number open margin accounts, cash, net debit balances, part in Governments, free credit balances.
Total round-lot sales effected on NYSE.....	Weekly.....	120	do.....	Clearing-settling firms, 230.	Daily, weekly share total of round-lot sales, short sales cleared or settled.
Member transactions for own account round-lots.....	do.....	121	do.....	Members, member organizations, 750.	Daily, weekly shares purchases, sales, short sales: on floor, as specialist, off floor.
Total sales and fee thereon.....	Monthly.....	120-A	Controller.....	Clearing-settling firms.....	Monthly volume and dollar sales total of bonds, stocks, rights; and 1/500 percent fee.
Net commissions on NYSE transactions.....	do.....	600	do.....	All firms and members.....	NYSE commissions received, paid on these transactions, net; 1 percent fee.
Odd-lot transactions by odd-lot dealers.....	do.....	600-A	do.....	Odd-lot dealers, about 6 firms.	Shares purchased, sold, total and 1/8 cent per share fee.
Underwriting commitments and positions.....	Weekly.....	MF-3	Examiner.....	Underwriters, 375 firms.....	Issue, rated, cost and offer price, unsold Friday, maximum net long, maximum capital reduction.
Floor trading for own account, other than by specialists in their registered issues.	Daily.....	82	Floor.....	Floor traders, about 170.....	Stock symbol, name of account, time price, opening position, tick, number shares bought, sold, sold short.
Specialists' own account transactions in stocks in which they are registered.	As requested by surprise.	81	do.....	Specialists regular and relief, 114.	By issue, opening position and where acquired, time, price, tick, shares bought, sold, sold short.
Specialists' borrowing under margin exemptions [Regs. U3(o), T4(g)].	Initially and monthly.	SPC	do.....	Specialists.....	(Securities-borrowings) at banks; (longs plus net credit) — (shorts plus net debits) at brokers.
Transactions of specialists' public customers in stocks in which specialist is registered.	Weekly.....	SPA	do.....	do.....	Name, insider?, does specialist have interest; date, issue, price, shares bought, sold, sold short.
New or changed personal loans aggregating over \$2,500 and not exempt by rule 420.	Promptly.....		Member firm..	Members, allied members and member organizations.	Lender, borrower, date made, interest, maturity, amount, collateral, copy of agreement if given.
New or changed options held by or executed through member (not puts and calls).	do.....		do.....	Members and member organizations, 2 or 3 a year.	Issue, duration, terms, grantor, exercisers, copy of agreement.
Joint accounts, new or changed.....	Prior to action.....		do.....	Members, allied members and member organizations.	Account name, participants, and their interest, purpose, carrying firm, copy of written agreement if any.
Financial questionnaire.....	As requested by surprise.		Examiner.....	Member organizations and certain members.	Details on assets, liabilities, and capital.
Income and expense report.....	Annually on a voluntary basis.		Member firm..	Organizations carrying customer accounts.	Detailed commission, other income, detailed expenses, total and amount allocable to commission cost.
On-floor discretionary transactions for discretionary accounts.	As requested by surprise.		Floor.....	Individual members.....	For 2 months, name and type account, date, issue, shares bought or sold; if margin, grounds.
Individual specialist net current assets.....	3 times a year.....		do.....	Specialists not participants in member organizations.	Breakdown of current assets and current liabilities.
New or changed loans for capital purposes.....	Promptly.....		Member firm..	Members, allied members, member organizations.	Lender, borrower, date made, interest, maturity, amount, collateral, copy of agreement.

See footnotes at end of table.

TABLE VI-91.—Contents and disposition of regular reports currently received by New York Stock Exchange from members—Continued

Subject	Form of report	Retention	Disposition of worksheets	End use	Sent to SEC	With lag of—
Short positions.....	IBM card each stock plus summary form.	1 month.....	Printout for each stock, of each firm, current and last month kept 2 years; cards kept 1 month.	News Bureau: Aggregates published for stock short by 5,000 or changed by 2,000 shares.	Aggregates.....	3 days.
Money borrowed.....	Form.....	2 years.....	Filed by month.....	Aggregates published by Exchange.	do.....	2 weeks.
Customers' balances.....	do.....	do.....	do.....	do.....	do.....	Do.
Total round-lot sales.....	do.....	Since August 1961 usually 3 months.	Filed by week.....	Aggregates published by SEC.....	Combined aggregates form 1-H.	Do.
Member transactions for own account round-lots.	do.....	do.....	do.....	do.....	do.....	Do.
Total sales and fee thereon.....	do.....	4 years.....	Filed by month.....	Fees billed quarterly aggregates published by SEC.	Aggregates SEC form R-31.	15 days.
Net commissions on NYSE transactions.	do.....	do.....	Filed by month; billed quarterly; fee written on each member's card.	Fees billed quarterly; bills kept 7 years.	do.....	do.....
Odd-lot transactions.....	do.....	do.....	do.....	do.....	do.....	do.....
Underwriting commitments and positions.	do.....	2 years.....	Capital reduction checked versus net capital; sticky issues noted; filed by week.	Inadequate net capital checked by member firm department with member.	do.....	do.....
Floor trading for own account.	do.....	3 years.....	Filed by date; each trade put on slip and checked versus tape for violations.	Disciplinary actions reported to SEC.	Copies of individual reports.	1 week.
Specialists' own account transactions in stocks in which they are registered.	do.....	do.....	Filed by date; checked versus tapes for stabilization, percent of volume specialist rated.	Check performance 2 weeks 4 times yearly; 90 days on new stocks, and as necessary.	Occasionally as requested.	do.....
Specialists' borrowing under margin exemptions.	do.....	do.....	Filed under specialist unit.....	Aggregates published by Federal Reserve.	do.....	do.....
Transactions of specialists' public customers.	do.....	Since April 1962, 3 years.	Filed by specialist.....	Reviewed.....	do.....	do.....
New or changed personal loans.	Letter.....	Indefinitely.....	Filed under member firm.....	Supplements financial questionnaire.	do.....	do.....
New or changed options.....	do.....	do.....	Filed under member.....	Referred to stock-watch division.	do.....	do.....
Joint accounts, new or changed.	do.....	do.....	do.....	If specialist referred to floor department, approved or disapproved.	do.....	do.....
Financial questionnaire.....	Per form.....	10 years.....	Filed by month.....	Finances, capital adequacy reviewed, 2 or 3 times a year, once on audit for most.	Parallels yearly SEC form X-17A-5.	do.....
Income and expense report..	Form.....	Indefinitely (since 1953).	Data punched on IBM cards from year 1954 to date.	Averages by size firm published; used as basis for commission rate adjustment.	do.....	do.....
On-floor discretionary transactions.	do.....	Since January 1962, 3 years.	Filed under member.....	Reviewed for violations.....	do.....	do.....
Individual specialist net current assets.	do.....	3 years.....	Filed by specialist.....	Compliance with specialty capital requirements.	do.....	do.....
New or changed loans for capital purposes.	Letter.....	Indefinitely.....	Filed under member organization; checked with financial questionnaire.	Checked for subordination to creditors; supplements financial questionnaire.	do.....	do.....

NOTE.—Prepared by the Special Study and verified by the NYSE, January 1963.

APPENDIXES

APPENDIX VI-A

COMPUTER ANALYSIS OF NYSE MEMBERS' TRANSACTIONS—METHOD OF STUDY, TABLES AND CHARTS

To study the trading of the various classes of NYSE members the Special Study undertook to collect data for all members' trading for a period which was long enough to be representative but brief enough to present a manageable reporting burden for member firms. Accordingly, the 15 business days included in the weeks ending January 27, March 24, and June 16, 1961, were chosen. During these 3 weeks the Standard and Poor's "500" Stock Composite Index changed +1.28, -0.18, and -1.48, respectively.

For this period data on member trading were collected by the means described in parts D, F, and G of this chapter.¹ While data were collected for all stocks, because of differences in characteristics of trading in preferred and guaranteed issues and the form in which much of the data was available the analysis was made of the common stocks only. Though limited to trading in common stocks in 15 business days, the data were so voluminous as to be susceptible to detailed analysis only through the use of advanced data-handling techniques. This aspect of the analysis was carried out with the aid of the Computation Laboratory of the National Bureau of Standards, using a 7090 IBM computer.

As a basis for analysis of this material, market statistics for each stock day were obtained in IBM-card form from the firm of Merrill Lynch, Pierce, Fenner & Smith, Inc. This information, prepared originally by the NYSE Stock Clearing Corp., contained the high, low, and closing prices, the previous day's closing price, the number of transactions, and the total market volume of shares cleared for every stock traded on the NYSE during each business day of the 3 weeks studied. The number of shares cleared through the Stock Clearing Corp. was used, partly as a matter of convenience and partly because its coverage is more comprehensive than the only existing alternative, volume reported on the tape. As discussed in parts D and J, members are not required to report all transactions for inclusion on the tape, and in fact for the years between 1937 and 1961 tape volume has been as much as 9.6 percent below total round-lot volume (in 1946), although in recent years the difference has been around 4.5 percent (table VI-48).² A comparison made of daily tape and cleared volume in every 10th common stock during the 3-week period indicated that in 43 percent of the total cases tape volume was identical to cleared, and in another 43 percent differences were smaller than or equal to either 5 percent or 300 shares. Where differences did occur, cleared volume was greater than tape volume in two out of three cases.³ Although neither available source of volume by stock was wholly satisfactory, use of clearing-house data avoids overstating the degree of members' participation in trading.

The unit of time and of trading utilized for analysis of this material was the single stock on a single day, referred to hereinafter as a "stock day." This was the most refined unit for which complete market data were available. On this basis, member trading was examined in each individual stock each day and related to price developments in the individual stock on that day, rather

¹ Trading data for odd-lot dealers were obtained for the same period directly from the odd-lot firms. Such data paralleled those obtained for members' off-floor trading as set forth in pt. G.

² "Total round-lot volume" represents aggregate data reported by member firms and published in the Commission's weekly statistical releases and monthly bulletins. Since this information is not segregated by stock, it could not be used for detailed analysis in this study.

³ On an annual basis, aggregate cleared volume exceeds tape volume because of omissions from the tape, and for other reasons.

than to market price averages. For example, members' net balances for a particular day—purchases minus sales—were calculated for the individual stock day and related to the percent price change for that stock day—the difference between the present and previous day's closing prices as a percent of the previous day's closing price in that stock. All of the applicable measures described below were calculated for each class of member for each stock day.⁴

To study the pattern of relationships for each of the several thousand stock days in which a class of members traded during the 3-week period, each of these stock days was placed in a two-way frequency distribution. For example, to study the relationship between price change and all members' daily balance, the following steps were taken: all members' balances for all stock days were ranked, from the greatest sale to the greatest purchase balance, and 10 ranges were established with about the same number of stock days in each. The same procedure was followed to arrive at 10 price-change ranges with about the same number of stock days in each. With one set of ranges listed vertically and the other horizontally, a 10-line-by-10-column grid was constructed, with each of the hundred resulting cells representing a combination of one range of price changes and one range of members' daily balances. Each of the several thousand stock days with member trading was then assigned to the cell corresponding to the members' net balance and the price change for the stock day.

The resulting table showed the number of stock days in which members registered daily net balances of an indicated size range while the price of the stock changed by an indicated range for the day. To adjust for the fact that all horizontal and vertical ranges were not exactly equal in the number of stock days they contained, the table was converted to a percentage basis. The number of stock days in each cell was calculated as a percentage of all stock days in the particular range of, for example, price change; that is, the number of stock days in each cell was converted to a percentage of the total number of stock days in that horizontal line of cells. (See table 9, the appendix.)

This percentage distribution table was then converted to graphic form so that any patterns or relationships could be more clearly seen. For this purpose a chart form was developed which uses shadings from white to black to indicate the relative distribution of stock days among the particular horizontal lines of cells. Where a high percentage appears in a cell, the corresponding cell in the chart has been shaded black; where there is a very low percentage, the cell is left white. Intermediate shadings between white and black have been used to indicate percentage groups between the extremes. The key to which percentages correspond to each shading is supplied at the right of each chart.

The chart may also be regarded as a visual representation, with darker shadings showing the presence of higher percentages (of line totals) in those cells, so that repeated reference to the key is not necessary. A tendency for darker shadings to appear in cells of larger sales balances on those lines with greater positive price changes, for example, would appear in the chart as a clustering of darker shadings along a belt moving downward and to the right; this pattern would indicate that the class analyzed in the chart tends to be a larger net seller in stock days with greater price increases. (See chart 9, this appendix.) This type of shaded chart, showing the frequency distribution of stock days in percent of line totals for various measures of trading and price, is the primary means used for presenting the results of the stock day analysis.

The various trading and price measures used in the analysis fall into several categories. Market characteristics reported or calculated for each stock day were as follows:

1. Market volume of sales.
2. Number of market transactions.
3. Closing price for that day.
4. Price range, measuring the difference between the high and low price for the day, taken as a percent of the closing price.
5. Price change, measuring the difference between the closing price for the day and that of the previous day, taken as a percent of the previous day's closing price.

⁴The concept of the stock day is explained also in a footnote which appears in pts. C, D, and F of this chapter.

In addition, several measures of trading by all members and by each member class were used :

1. The sales participation rate, comprising the member class' sales volume as a percent of market volume of sales in the stock day.
2. The purchase participation rate, comprising the member class' purchase volume as a percent of market volume of sales in the stock day.
3. The participation rate, comprising the member class' purchases plus sales as a percentage of market volume of sales in the stock day. Since for all classes except specialists two members of the same class may be on both sides of a transaction as principal, it is possible for the class' purchases plus sales in a stock to be greater than the total market volume of sales. While the sales participation rate and purchase participation rate may each only go as high as 100 percent, the total participation rate of each class of members other than specialists can go as high as 200 percent.
4. For specialists and floor traders, the transaction participation rate, comprising the number of the member class' transactions as a percent of the number of market transactions.
5. The balance for the day, comprising the member class' purchases minus the member class' sales in each stock day.
6. For specialists, the closing position for each stock day as a percentage of average daily market volume in the stock over the 3 weeks.
7. Also for specialists, a tick test percent calculated for each stock day.⁵

In addition to the analysis carried out on a stock day basis, a separate examination was made of each specialist unit, and of all the common stocks assigned to it, for the 3-week period as a whole. The delineation of specialist units and their stocks raised certain problems of proper allocation. In about 50 common stocks on the Exchange, competing specialists were registered in the same stocks and reported their transactions separately. For the purposes of this study, in these and in some other cases, specialists who reported separately were grouped together as a single specialist unit in the stocks to which they were all assigned. Capitalization of the component specialist units was prorated among the resulting specialist units in the analysis, according to the number of stocks. Other data were also adjusted to take this grouping of some specialist units into account. Several measures for the 3 weeks as a whole were calculated for each specialist unit, as follows :

1. *Specialist volume*—the total volume of all of the specialist unit's purchases and sales in all of the common stocks assigned to it.
2. *Market volume of sales*—the total market volume of sales for all common stocks assigned to each specialist unit.
3. *Number of specialist's transactions*—the total number of specialist transactions in the common stocks assigned to the specialist unit.
4. *Number of market transactions*—the total number of transactions in the common stocks assigned to each specialist unit.
5. *Volume participation rate*—the specialist's volume of sales plus purchases stated as a percentage of market volume of sales for the unit's common stocks.
6. *Transaction participation rate*—the number of specialist's transactions stated as a percentage of the total number of market transactions for the unit's common stocks.
7. *Stabilization test versus previous tick*—the volume of the unit's sales on plus ticks and purchases on minus ticks as a percentage of the unit's total volume of purchases and sales.
8. *Stabilization test versus previous close*—the volume of the unit's purchases at or below the previous day's closing price and sales at or above the previous day's closing price as a percentage of the unit's total volume of purchases and sales.
9. *Position as percent of market volume*—the unit's average daily closing position in its common stocks as a percentage of the average daily market volume of sales of these stocks.

⁵ See pt. D.6.e(2) of this chapter. Unlike the Exchange's tick test, however, plus tick purchases at prices below the previous day's close were not counted as stabilizing transactions. In the discussion which follows "plus tick" is used to embrace both plus and zero-plus ticks, while "minus tick" is used to mean both minus and zero-minus ticks.

10. *Capital, excluding seat value*—a calculation of the net capital employed by each unit in the conduct of its specialist business, including cash available for the unit, the value of holdings of assigned stocks at cost, and any credit balance, less the market value of any short position in assigned stocks and any debit balance. This calculation was based on an average for the first and last days of 1960.⁶

11. *Number of common stocks*—the number of common stocks assigned to each specialist unit as of December 31, 1961.

⁶ See pt. D.4.c.

APPENDIX VI-A

COMPUTER ANALYSIS OF NYSE MEMBERS' TRANSACTIONS

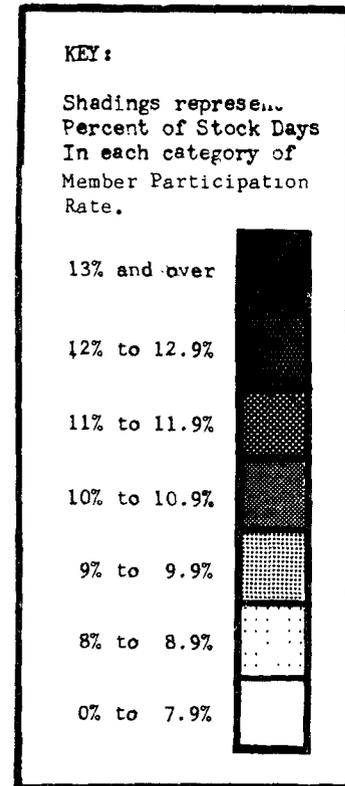
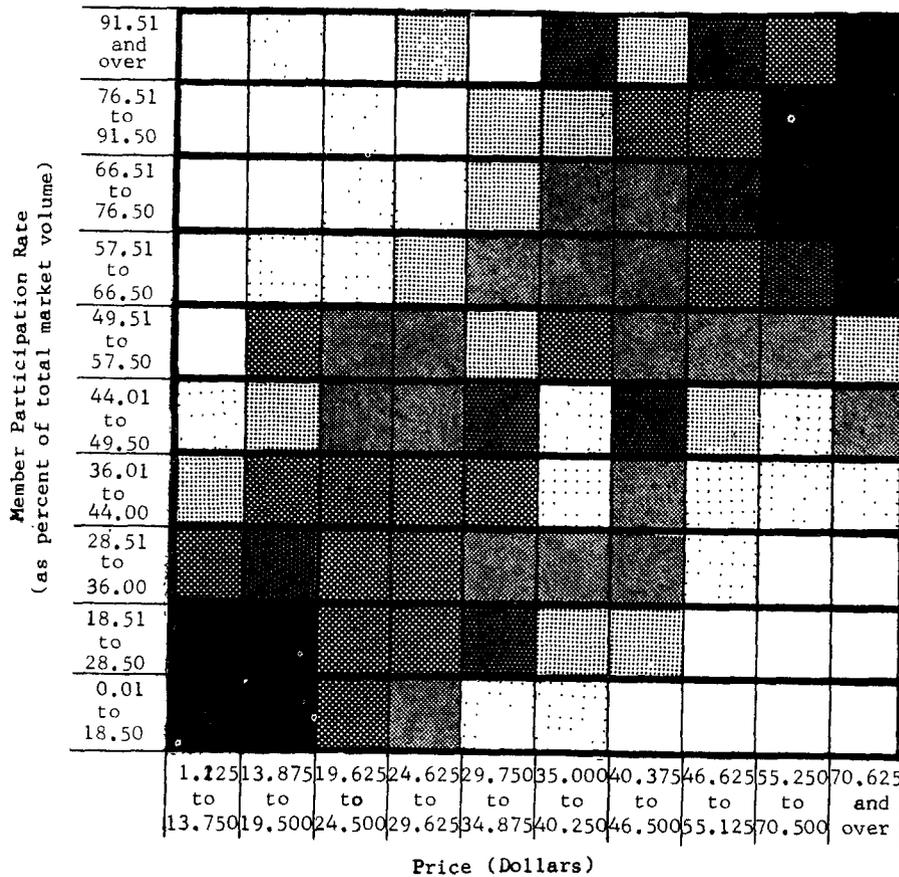
Charts and Tables

Appendix VI-A: Chart 1

NEW YORK STOCK EXCHANGE

MEMBER PARTICIPATION RATE vs. PRICE
DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of member participation rate falling into each range of price)



Source: appendix VI-A, table 1

APPENDIX VI-A: Table 1

NEW YORK STOCK EXCHANGE
MEMBER PARTICIPATION RATE VS. PRICE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of member participation rate
falling into each range of price)

Member Participation Rate ^{1/}	Price (dollars)										Total
	1.125 to 13.750	13.875 to 19.500	19.625 to 24.500	24.625 to 29.625	29.750 to 34.875	35.000 to 40.250	40.375 to 46.500	46.625 to 55.125	55.250 to 70.500	70.625 and over	
91.51 and Over	6.6	8.8	7.2	9.3	7.6	12.0	9.9	12.8	11.7	14.1	100.0
76.51 to 91.50	4.9	6.7	8.0	7.8	9.3	9.7	11.5	11.4	13.6	17.1	100.0
66.51 to 76.50	6.0	7.0	8.2	8.6	9.1	10.3	10.7	12.3	14.0	13.8	100.0
57.51 to 66.50	5.5	8.3	8.9	9.8	10.3	10.3	10.0	11.0	12.7	13.2	100.0
49.51 to 57.50	7.1	11.4	10.2	10.0	9.8	11.7	10.4	10.0	10.0	9.4	100.0
44.01 to 49.50	8.0	9.8	10.3	10.2	12.2	8.9	12.1	9.5	8.5	10.5	100.0
36.01 to 44.00	9.0	11.4	11.9	11.6	11.1	8.8	10.5	8.6	8.9	8.2	100.0
28.51 to 36.00	11.0	12.5	11.2	11.8	10.1	10.4	10.8	8.8	7.6	5.8	100.0
18.51 to 28.50	13.6	13.5	11.9	11.1	12.1	9.4	9.4	7.0	7.2	4.8	100.0
0.01 to 18.50	23.3	15.1	11.6	10.8	8.2	8.8	6.9	6.1	5.4	3.8	100.0

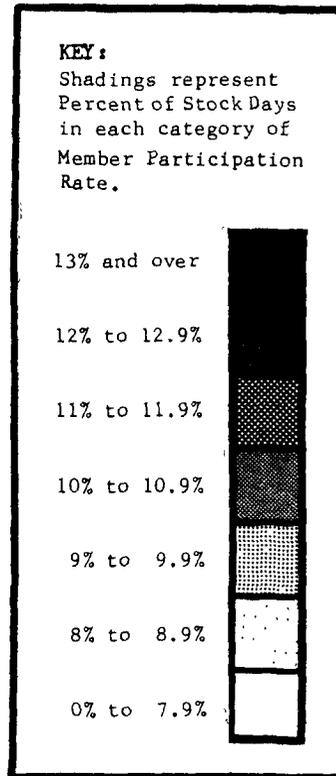
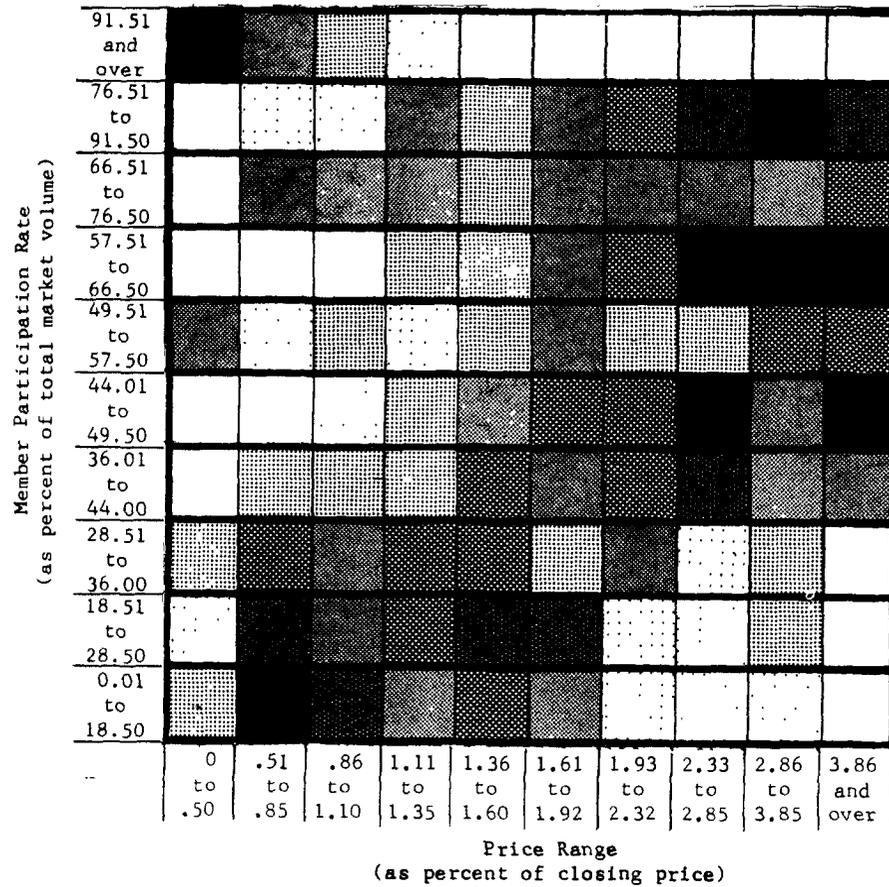
^{1/} Volume of member purchases and sales as a percent of market volume.

Appendix VI-A: Chart 2

NEW YORK STOCK EXCHANGE

MEMBER PARTICIPATION RATE vs. PRICE RANGE
 DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of member participation rate falling into each range of price range)



Source: appendix VI-A, table 2

APPENDIX VI-A: Table 2

NEW YORK STOCK EXCHANGE
MEMBER PARTICIPATION RATE VS. PRICE RANGE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of member participation rate falling into each range of price range)

<u>Member</u> <u>Participation Rate</u> ^{1/}	<u>Price Range</u> ^{2/}										<u>Total</u>
	0.0 to .50	.51 to .85	.86 to 1.10	1.11 to 1.35	1.36 to 1.60	1.61 to 1.92	1.93 to 2.32	2.33 to 2.85	2.86 to 3.85	3.86 and over	
91.51 and over	35.9	10.6	9.3	8.0	6.1	6.5	7.3	5.7	6.0	4.6	100.0
76.51 to 91.50	3.9	8.0	8.2	10.4	9.5	10.0	11.2	12.4	13.7	12.7	100.0
66.51 to 76.50	7.9	10.1	10.1	10.4	9.0	10.1	10.9	10.1	10.3	11.1	100.0
57.51 to 66.50	3.6	5.5	6.9	9.8	9.5	10.8	11.5	13.9	13.0	15.5	100.0
49.51 to 57.50	10.3	8.9	9.3	8.8	9.4	10.4	9.8	9.8	11.5	11.8	100.0
44.01 to 49.50	3.7	6.5	8.6	9.6	10.8	11.5	11.5	13.2	10.5	14.1	100.0
36.01 to 44.00	4.4	9.2	9.8	9.9	11.6	10.7	11.0	12.2	10.6	10.6	100.0
28.51 to 36.00	9.0	11.4	10.5	11.1	11.6	9.7	10.9	8.6	9.4	7.8	100.0
18.51 to 28.50	8.5	12.0	10.8	11.3	12.1	12.0	8.9	8.8	9.4	6.2	100.0
0.01 to 18.50	9.3	13.8	12.6	10.3	11.0	10.3	8.8	8.2	8.1	7.6	100.0

^{1/} Volume of member purchases and sales as a percent of market volume.

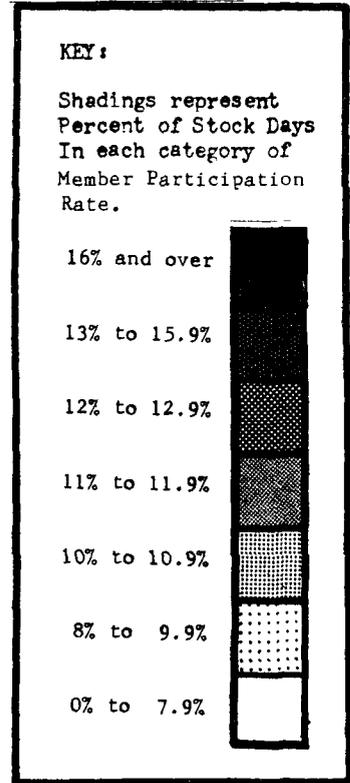
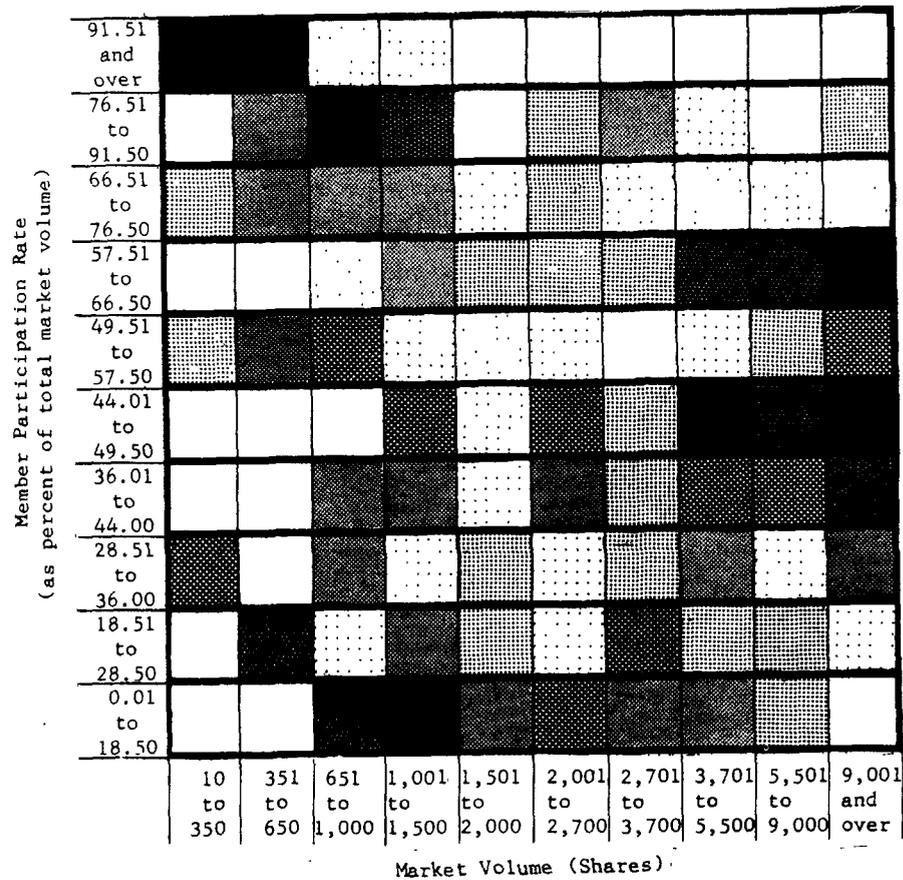
^{2/} Price range as a percent of closing price.

Appendix VI-A: Chart 3

NEW YORK STOCK EXCHANGE

MEMBER PARTICIPATION RATE vs. MARKET VOLUME
 DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of member participation rate falling into each range of market volume)



Source: appendix VI-A, table 3

APPENDIX VI-A: Table 3

NEW YORK STOCK EXCHANGE
MEMBER PARTICIPATION RATE VS. MARKET VOLUME

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of member participation rate
falling into each range of market volume)

Member Participation Rate ^{1/}	Market Volume (shares)										Total
	10 to <u>350</u>	351 to <u>650</u>	651 to <u>1,000</u>	1,001 to <u>1,500</u>	1,501 to <u>2,000</u>	2,001 to <u>2,700</u>	2,701 to <u>3,700</u>	3,701 to <u>5,500</u>	5,501 to <u>9,000</u>	9,001 and over	
91.51 and Over	45.6	17.6	8.7	8.3	4.9	3.3	3.2	2.9	2.8	2.7	100.0
76.51 to 91.50	.6	11.2	16.9	14.4	7.9	10.8	11.6	9.0	7.4	10.2	100.0
66.51 to 76.50	10.0	11.7	11.7	11.2	8.9	10.4	9.5	9.4	8.3	8.9	100.0
57.51 to 66.50	.2	6.4	8.1	11.3	10.6	10.8	10.0	13.4	13.2	16.0	100.0
49.51 to 57.50	10.1	11.4	12.1	9.6	9.0	8.7	7.7	9.1	10.2	12.1	100.0
44.01 to 49.50	.4	--	6.2	12.6	9.6	12.6	10.3	16.5	14.7	17.1	100.0
36.01 to 44.00	.2	7.2	11.8	11.2	9.7	11.7	10.6	12.1	12.4	13.1	100.0
28.51 to 36.00	12.0	6.7	11.5	9.6	10.0	8.3	10.4	11.0	9.3	11.2	100.0
18.51 to 28.50	.4	15.6	9.3	11.4	10.1	9.9	12.5	10.9	10.9	9.0	100.0
0.01 to 18.50	.4	5.4	13.5	16.8	11.0	12.7	11.8	11.1	10.9	6.4	100.0

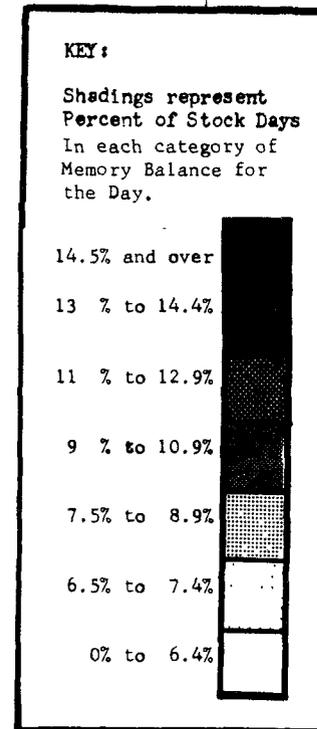
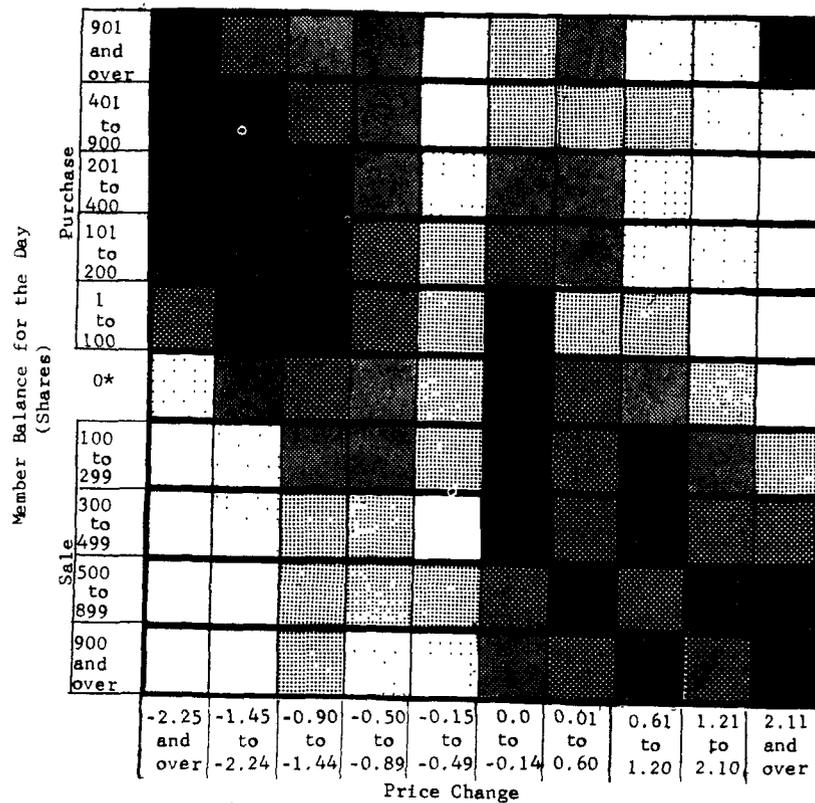
^{1/} Volume of member purchases and sales as a percent of market volume.

Appendix VI-A: Chart 4

NEW YORK STOCK EXCHANGE

MEMBER BALANCE FOR THE DAY vs. PRICE CHANGE
DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of member balance for the day falling into each range of price change)



Source: appendix VI-A, table 4

*Predominantly zero balances but includes some sale balances of less than 100 shares in 10 share unit stocks.

APPENDIX VI-A: Table 4

NEW YORK STOCK EXCHANGE
MEMBER BALANCE FOR THE DAY VS. PRICE CHANGE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of member balance for the day
falling into each range of price change)

<u>Member Balance for the Day</u> <u>1/</u>	<u>Price Change</u> <u>2/</u>										<u>Total</u>
	<u>-2.25 and Over</u>	<u>-1.45 to -2.24</u>	<u>-0.90 to -1.44</u>	<u>-0.50 to -0.89</u>	<u>-0.15 to -0.49</u>	<u>0.0 to -0.14</u>	<u>0.01 to 0.60</u>	<u>0.61 to 1.20</u>	<u>1.21 to 2.10</u>	<u>2.11 and over</u>	
901 and over	17.8	12.5	9.5	9.7	4.8	8.3	9.2	7.3	6.6	14.3	100.0
401 to 900	20.0	14.6	12.5	9.3	6.1	8.6	7.6	7.6	6.5	7.2	100.0
201 to 400	17.3	14.3	13.8	10.8	6.7	10.1	9.2	6.7	5.5	5.6	100.0
101 to 200	13.8	13.4	13.9	12.9	8.3	11.1	9.3	6.7	6.5	4.1	100.0
1 to 100	11.7	13.8	14.1	11.2	7.6	14.4	8.5	7.6	6.4	4.7	100.0
0 to - 99	7.3	9.4	12.7	9.6	7.9	15.8	11.9	10.7	8.7	6.0	100.0
-100 to -299	4.7	6.7	9.1	9.6	7.6	17.8	11.8	13.3	10.6	8.8	100.0
-300 to -499	5.6	6.6	8.4	8.0	6.1	14.9	12.5	13.2	12.2	12.5	100.0
-500 to -899	4.7	5.3	7.8	8.1	8.5	11.5	13.0	11.9	13.4	15.8	100.0
-900 and over	6.1	5.4	7.7	7.1	6.6	10.1	11.6	13.2	12.7	19.5	100.0

1/ Volume of member purchases less member sales.

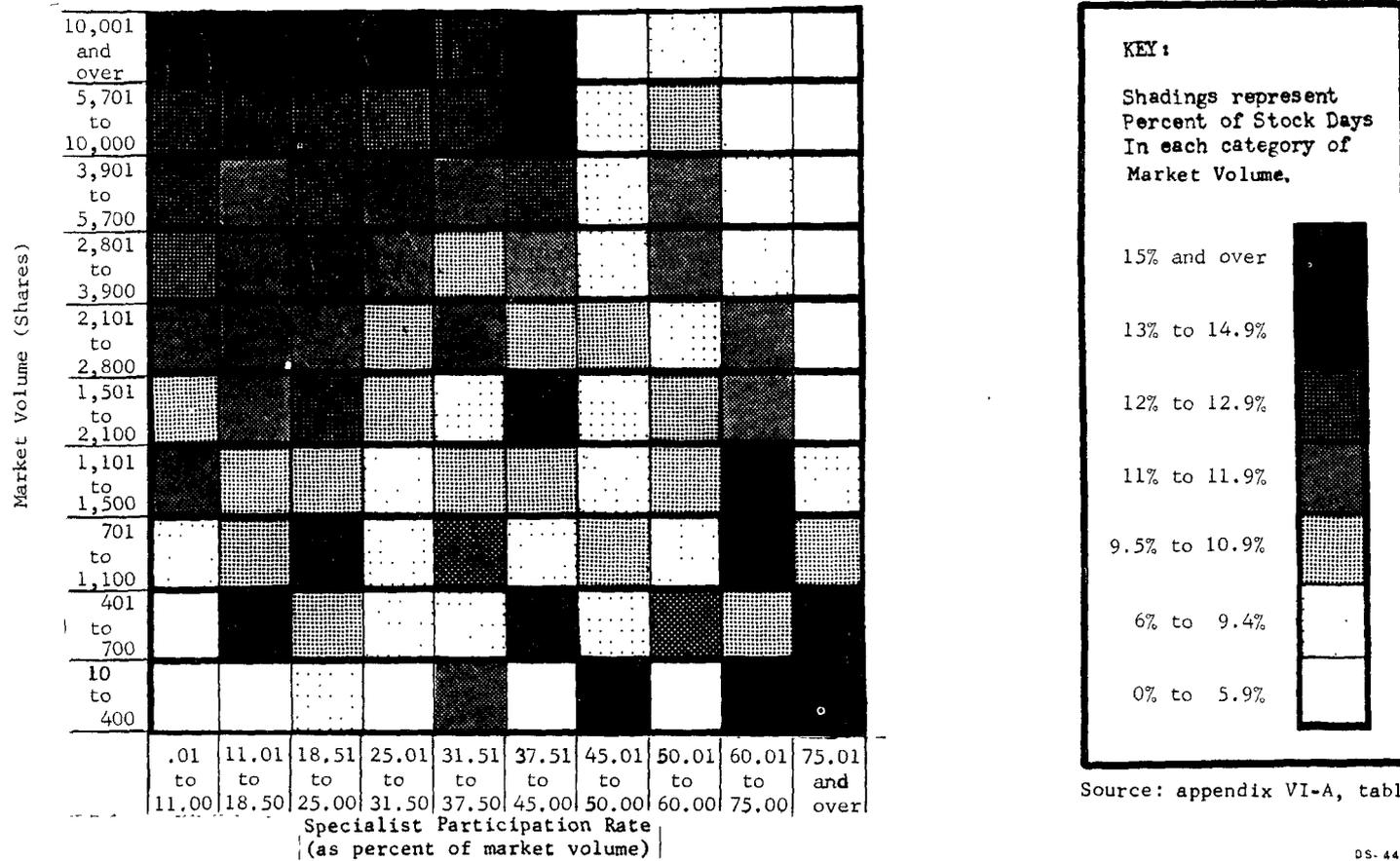
2/ Price change as a percent of previous day's closing price.

Appendix VI-A: Chart 5

NEW YORK STOCK EXCHANGE

MARKET VOLUME vs. SPECIALIST PARTICIPATION RATE
 DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of market volume falling into each range of specialist participation rate)



APPENDIX VI-A: Table 5

NEW YORK STOCK EXCHANGE
MARKET VOLUME VS. SPECIALIST PARTICIPATION RATE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of market volume
falling into each range of specialist participation rate)

<u>Market Volume</u> (Shares)	<u>Specialist Participation Rate</u> ^{1/}										<u>Total</u>
	0.01 to <u>11.00</u>	11.01 to <u>18.50</u>	18.51 to <u>25.00</u>	25.01 to <u>31.50</u>	31.51 to <u>37.50</u>	37.51 to <u>45.00</u>	45.01 to <u>50.00</u>	50.01 to <u>60.00</u>	60.01 to <u>75.00</u>	75.01 and over	
10,001 and over	14.7	13.7	13.6	15.1	12.3	13.4	5.4	7.5	3.7	0.6	100.0
5,701 to 10,000	12.8	12.5	12.0	12.1	12.2	13.1	7.3	10.8	5.7	1.5	100.0
3,901 to 5,700	12.1	11.9	12.0	11.6	11.1	12.2	7.5	11.1	8.5	2.0	100.0
2,801 to 3,900	12.7	11.1	12.0	11.4	9.5	11.5	8.8	11.0	8.1	3.9	100.0
2,101 to 2,800	11.4	11.9	11.6	9.8	11.1	10.1	10.0	8.2	11.4	4.5	100.0
1,501 to 2,100	10.3	11.9	12.3	9.9	9.1	13.0	7.2	10.0	11.1	5.2	100.0
1,101 to 1,500	11.5	10.1	10.0	8.5	10.1	9.6	9.1	10.1	13.0	8.0	100.0
701 to 1,100	6.0	10.0	13.3	6.5	12.2	7.6	9.9	8.9	15.2	10.4	100.0
401 to 700	0	15.8	9.6	6.1	7.8	14.1	7.1	12.2	9.7	17.6	100.0
10 to 400	0.2	0.5	9.3	0.4	11.3	0.3	22.0	0.7	17.8	37.5	100.0

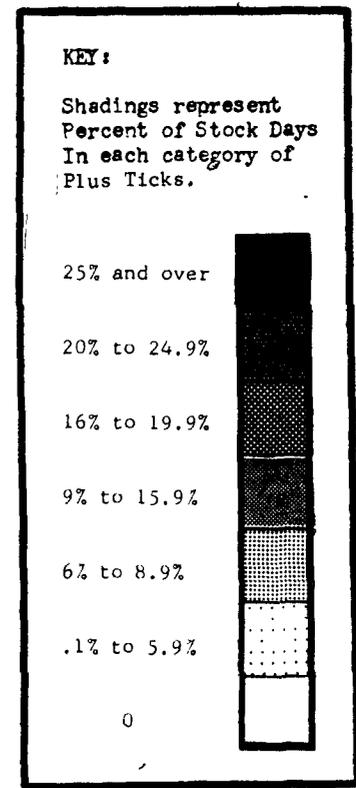
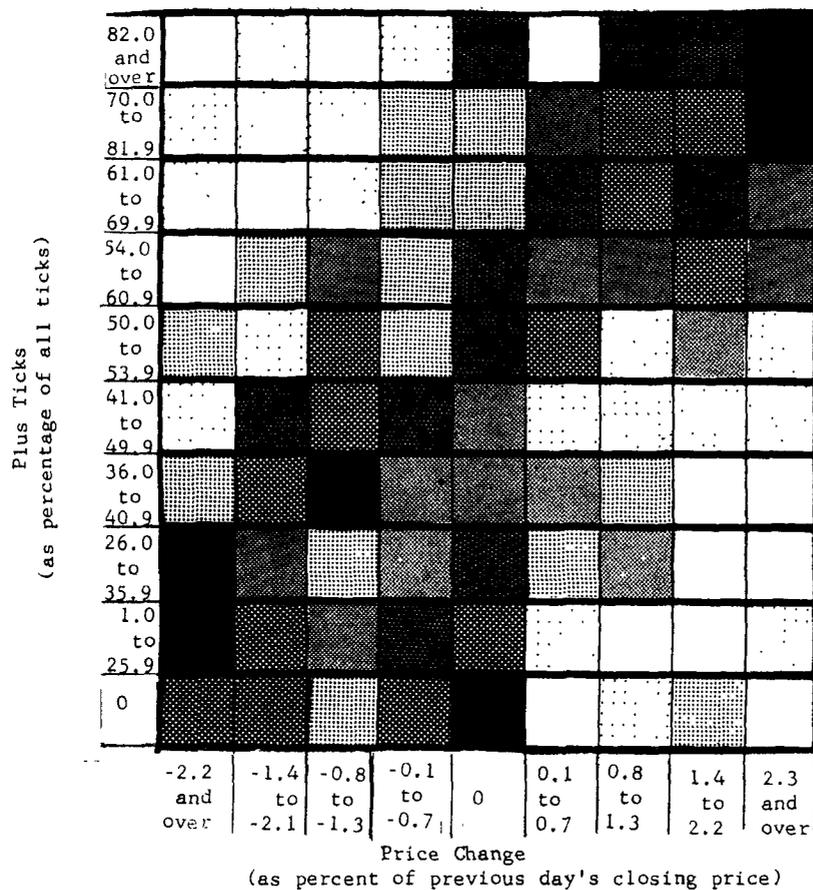
^{1/} Specialist volume as a percent of market volume.

Appendix VI-A: Chart 6

NEW YORK STOCK EXCHANGE

PLUS TICK PREVALENCE vs. PRICE CHANGE
DURING JANUARY 27, MARCH 22, AND JUNE 14, 1961

(Percent of stock days in each category of plus tick prevalence falling into each range of price change)



Source: appendix VI-A, table 6

DS-4500

APPENDIX VI-A: Table 6

NEW YORK STOCK EXCHANGE
PLUS TICK PREVALENCE VS. PRICE CHANGE

During January 27, March 22, and June 14, 1961

(Percent of stock days in each category of plus tick prevalence falling into each range of price change)

Plus Tick Prevalence ^{1/}	Price Change ^{2/}									Total
	-2.2 & over	-1.4 to -2.1	-0.8 to -1.3	-0.1 to -0.7	0	0.1 to 0.7	0.8 to 1.3	1.4 to 2.2	2.3 and over	
82.0 and over	-	2.9	-	2.9	22.8	-	20.0	20.0	31.4	100.0
70.0 to 81.9	4.3	2.2	2.2	6.5	6.5	13.1	17.4	17.4	30.4	100.0
61.0 to 69.9	5.1	-	2.6	7.7	7.7	20.5	17.9	23.1	15.4	100.0
54.0 to 60.9	-	7.1	9.6	7.1	21.4	11.9	14.3	19.0	9.6	100.0
50.0 to 53.9	8.1	5.4	16.2	8.1	24.4	16.2	5.4	10.8	5.4	100.0
41.0 to 49.9	5.4	24.3	18.9	21.6	13.6	5.4	5.4	2.7	2.7	100.0
36.0 to 40.9	8.6	17.1	28.6	11.4	11.4	14.3	8.6	-	-	100.0
26.0 to 35.9	27.3	12.1	6.1	12.1	24.2	6.1	12.1	-	-	100.0
1.0 to 25.9	25.7	17.1	14.3	20.0	17.1	2.9	-	-	2.9	100.0
0	19.0	16.7	7.1	16.7	31.0	-	2.4	7.1	-	100.0

^{1/} Market volume at +or 0+ ticks as a percent of total market volume.

^{2/} Price change as a percent of previous day's closing price.

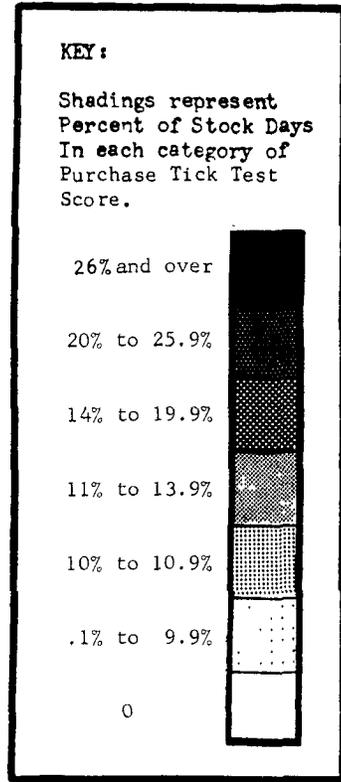
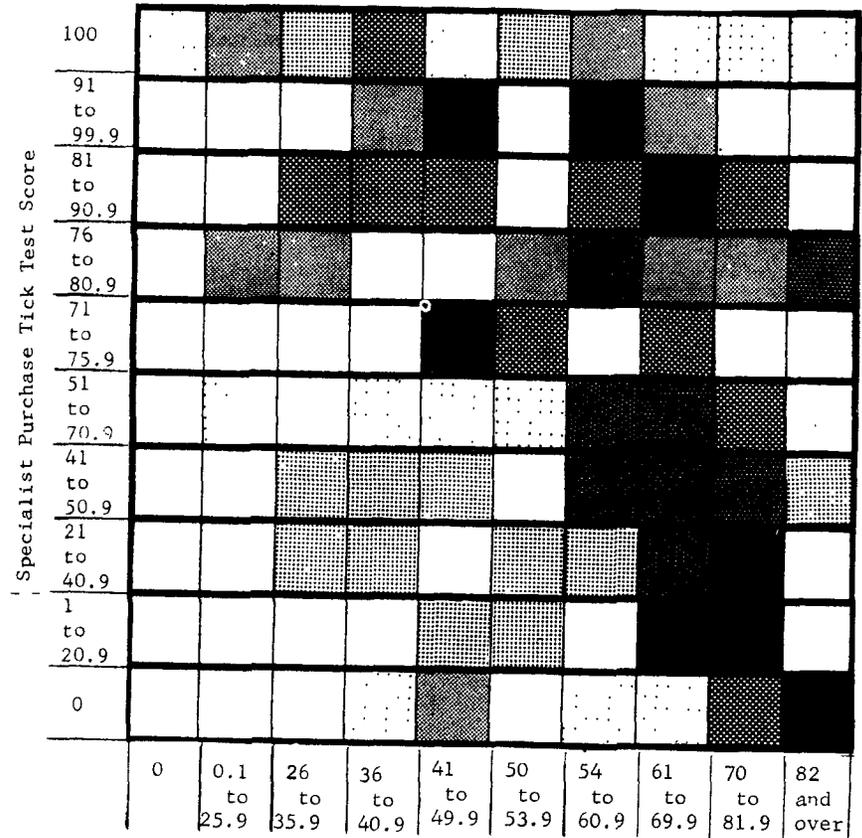
Appendix VI-A: Chart 7

NEW YORK STOCK EXCHANGE

SPECIALIST PURCHASE TICK TEST SCORE vs. PLUS TICK PREVALENCE

DURING JANUARY 27, MARCH 22, AND JUNE 14, 1961

(Percent of stock days in each category of purchase tick test score falling into each range of plus tick prevalence)



Source: appendix VI-A, table 7

Plus Ticks
(as percent of all ticks)

APPENDIX VI-A: Table 7

NEW YORK STOCK EXCHANGE
SPECIALIST PURCHASE TICK TEST SCORE VS. PLUS TICK PREVALENCE

During January 27, March 22, and June 14, 1961

(Percent of stock days in each category of purchase tick test score falling into each range of plus tick prevalence)

Specialist Purchase Tick Test Score <u>1/</u>	<u>Plus Tick Prevalence 2/</u>										
	<u>0</u>	<u>1</u> to <u>25.9</u>	<u>26</u> to <u>35.9</u>	<u>36</u> to <u>40.9</u>	<u>41</u> to <u>49.9</u>	<u>50</u> to <u>53.9</u>	<u>54</u> to <u>60.9</u>	<u>61</u> to <u>69.9</u>	<u>70</u> to <u>81.9</u>	<u>82</u> and <u>over</u>	<u>Total</u>
100	6.9	13.7	10.9	14.8	9.1	10.3	12.6	9.1	8.6	4.0	100.0
91 to 99.9	-	-	-	11.1	33.3	-	44.5	11.1	-	-	100.0
81 to 90.9	-	-	14.3	14.3	14.3	-	14.3	28.5	14.3	-	100.0
76 to 80.9	-	11.1	11.1	-	-	11.1	22.2	11.1	11.1	22.3	100.0
71 to 75.9	-	-	-	-	66.6	16.7	-	16.7	-	-	100.0
51 to 70.9	-	8.3	-	8.3	8.3	8.3	25.0	25.0	16.8	-	100.0
41 to 50.9	-	-	10.0	10.0	10.0	-	20.0	20.0	20.0	10.0	100.0
21 to 40.9	-	-	10.0	10.0	-	10.0	10.0	20.0	40.0	-	100.0
1 to 20.9	-	-	-	-	10.0	10.0	-	30.0	50.0	-	100.0
0	-	-	-	6.3	12.4	-	6.3	6.3	18.7	50.0	100.0

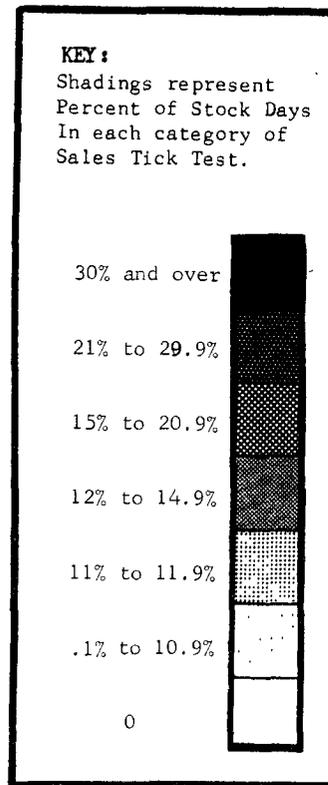
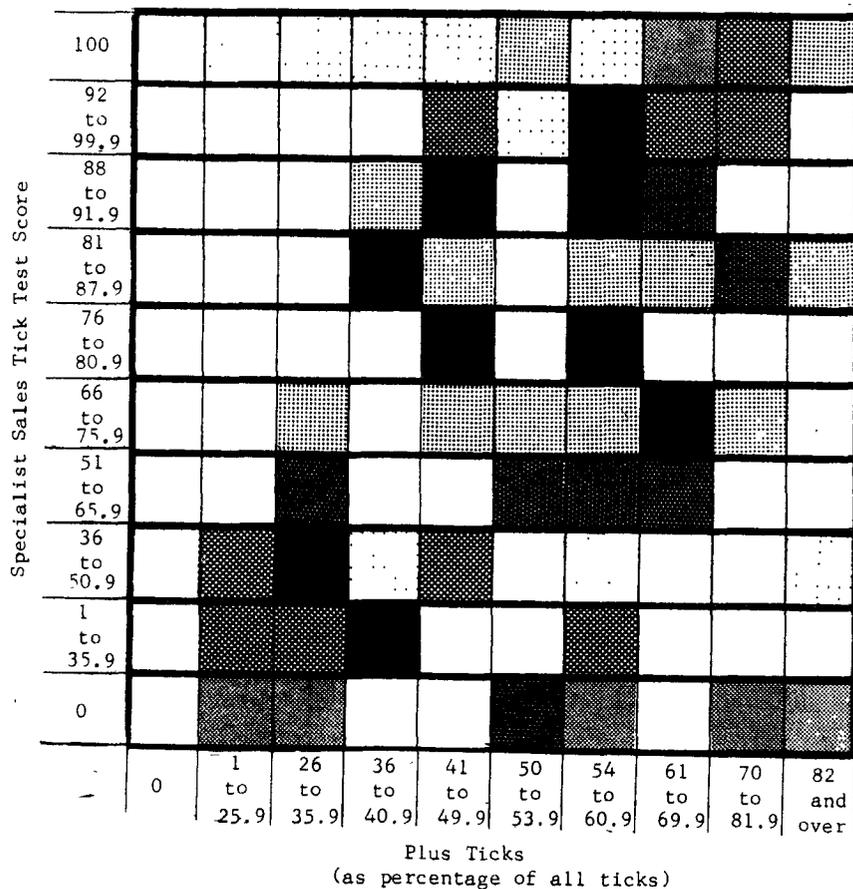
1/ Volume of specialist purchases on - or 0- ticks as percent of total specialist purchase volume.

2/ Market volume at + or 0+ ticks as a percent of total market volume.

Appendix VI-A: Chart 8

NEW YORK STOCK EXCHANGE
 SPECIALIST SALES TICK TEST SCORE vs. PLUS TICK PREVALENCE
 DURING JANUARY 27, MARCH 22, AND JUNE 14, 1961

(Percent of stock days in each category of sales tick test score falling into each range of plus tick prevalence)



Source: appendix VI-A, table 8

APPENDIX VI-A: Table 8

NEW YORK STOCK EXCHANGE
SPECIALIST SALES TICK TEST SCORE VS. PLUS TICK PREVALENCE

During January 27, March 22, and June 14, 1961

(Percent of stock days in each category of sales tick test score
falling into each range of plus tick prevalence)

Sales Tick Test Score <u>1/</u>	<u>Plus Tick Prevalence</u> <u>2/</u>										<u>Total</u>
	<u>0</u>	<u>1 to 25.9</u>	<u>26 to 35.9</u>	<u>36 to 40.9</u>	<u>41 to 49.9</u>	<u>50 to 53.9</u>	<u>54 to 60.9</u>	<u>61 to 69.9</u>	<u>70 to 81.9</u>	<u>82 and over</u>	
100	--	8.2	8.7	9.7	8.7	11.2	10.2	14.8	16.8	11.7	100.0
92 to 99.9	--	--	--	--	16.7	8.3	41.6	16.7	16.7	--	100.0
88 to 91.9	--	--	--	11.1	33.3	--	33.3	22.3	--	--	100.0
81 to 87.9	--	--	--	33.4	11.1	--	11.1	11.1	22.2	11.1	100.0
76 to 80.9	--	--	--	--	33.3	--	66.7	--	--	--	100.0
66 to 75.9	--	--	11.1	--	11.1	11.1	11.1	44.5	11.1	--	100.0
51 to 65.9	--	--	25.0	--	--	25.0	25.0	25.0	--	--	100.0
36 to 50.9	--	20.0	30.0	10.0	20.0	--	10.0	--	--	10.0	100.0
1 to 35.9	--	20.0	20.0	40.0	--	--	20.0	--	--	--	100.0
0	--	14.3	14.3	--	--	28.5	14.3	--	14.3	14.3	100.0

1/ Volume of specialist sales on + or 0+ ticks as a percent of total specialist sales volume.

2/ Market volume at + or 0+ ticks as a percent of total market volume.

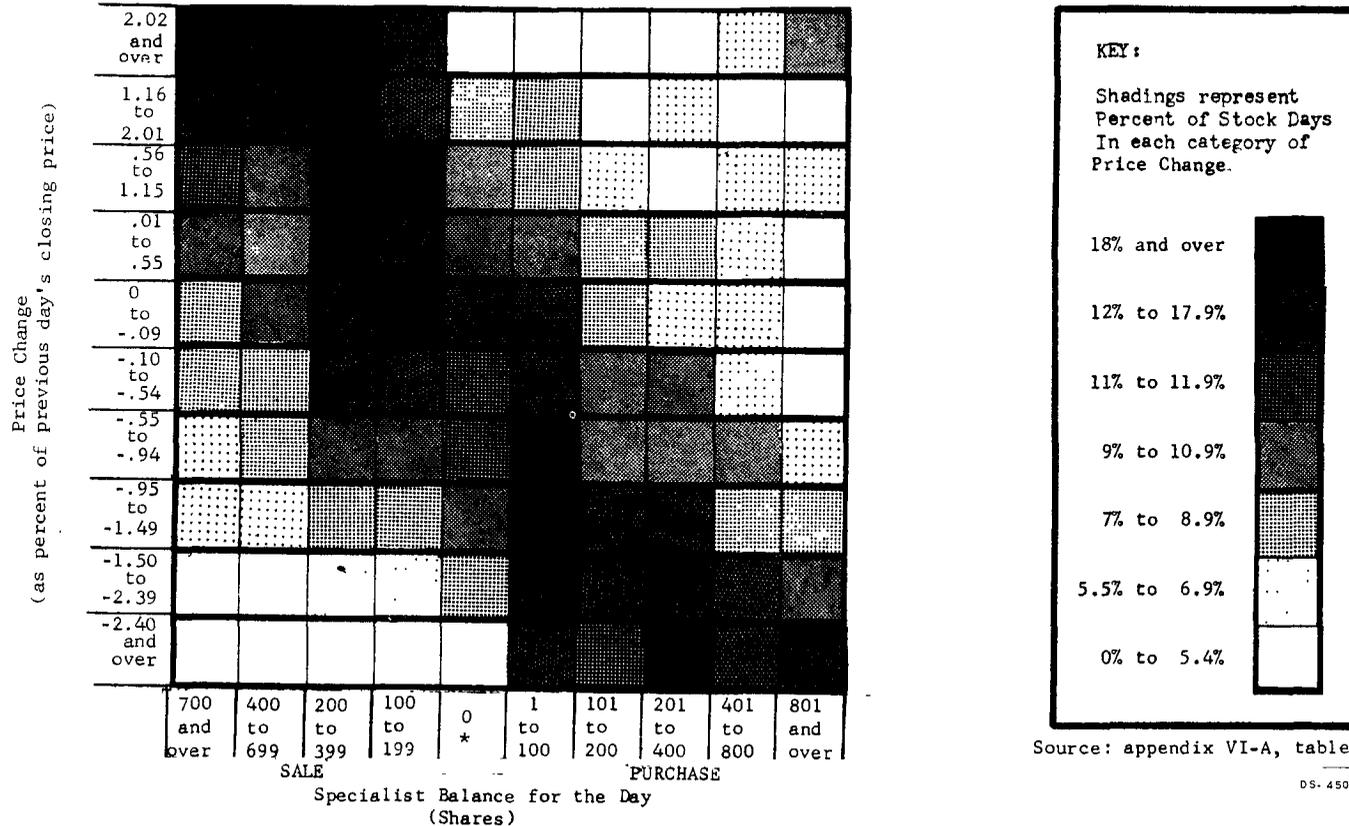
Appendix VI-A: Chart 9

NEW YORK STOCK EXCHANGE

PRICE CHANGE vs. SPECIALIST BALANCE FOR THE DAY

DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of price change falling into each range of specialist balance for the day)



Source: appendix VI-A, table 9

DS-4503

Predominantly zero balances but includes some sale balances of less than 100 shares in 10 share unit stocks.

APPENDIX VI-A: Table 9

NEW YORK STOCK EXCHANGE
PRICE CHANGE VS. SPECIALIST BALANCE FOR THE DAY

During the Three Weeks Ended January 27, March 24, and June 16, 1961
(Percent of stock days in each category of price change falling into
each range of specialist balance for the day)

<u>Price Change</u> ^{1/}	<u>Specialist Balance For The Day</u> ^{2/}										<u>Total</u>
	<u>-700 and over</u>	<u>-400 to -699</u>	<u>-200 to -399</u>	<u>-100 to -199</u>	<u>0 to -99</u>	<u>1 to 100</u>	<u>101 to 200</u>	<u>201 to 400</u>	<u>401 to 800</u>	<u>801 and over</u>	
2.02 and over	22.2	15.1	18.5	12.2	4.6	4.3	3.3	4.6	5.9	9.3	100.0
1.16 to 2.01	16.9	12.8	18.6	15.1	8.8	7.3	4.1	6.3	4.9	5.2	100.0
.56 to 1.15	11.8	10.0	18.8	18.1	9.6	8.2	6.2	5.4	6.2	5.7	100.0
.01 to .55	9.2	9.4	18.0	15.9	10.7	10.2	7.3	7.4	6.5	5.4	100.0
0 to -.09	7.7	9.1	13.9	17.4	13.6	13.6	8.4	6.7	5.9	3.7	100.0
-.10 to -.54	8.7	8.4	12.2	13.6	11.7	14.2	10.5	9.1	6.5	5.1	100.0
-.55 to -.94	6.9	7.1	10.6	10.1	11.6	18.5	9.4	10.4	9.3	6.1	100.0
-.95 to -1.49	6.5	6.6	8.1	7.6	9.5	20.7	12.0	13.0	8.6	7.4	100.0
-1.50 to -2.39	5.3	5.2	6.4	6.7	8.7	17.7	12.4	15.0	12.6	10.0	100.0
-2.40 & over	4.3	3.6	4.8	3.9	5.2	13.0	11.4	18.9	17.3	17.6	100.0

^{1/} Price change as a percent of previous day's closing price.

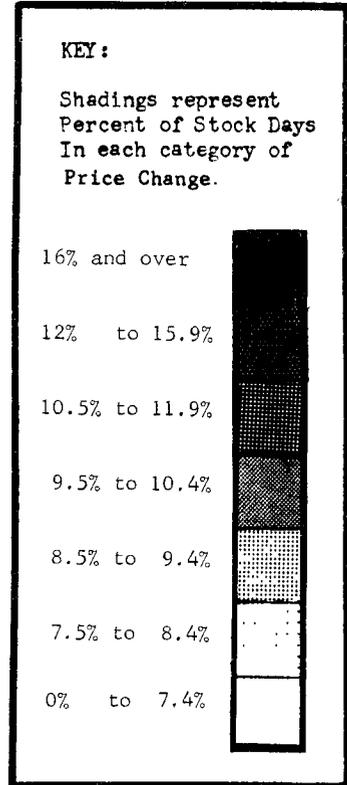
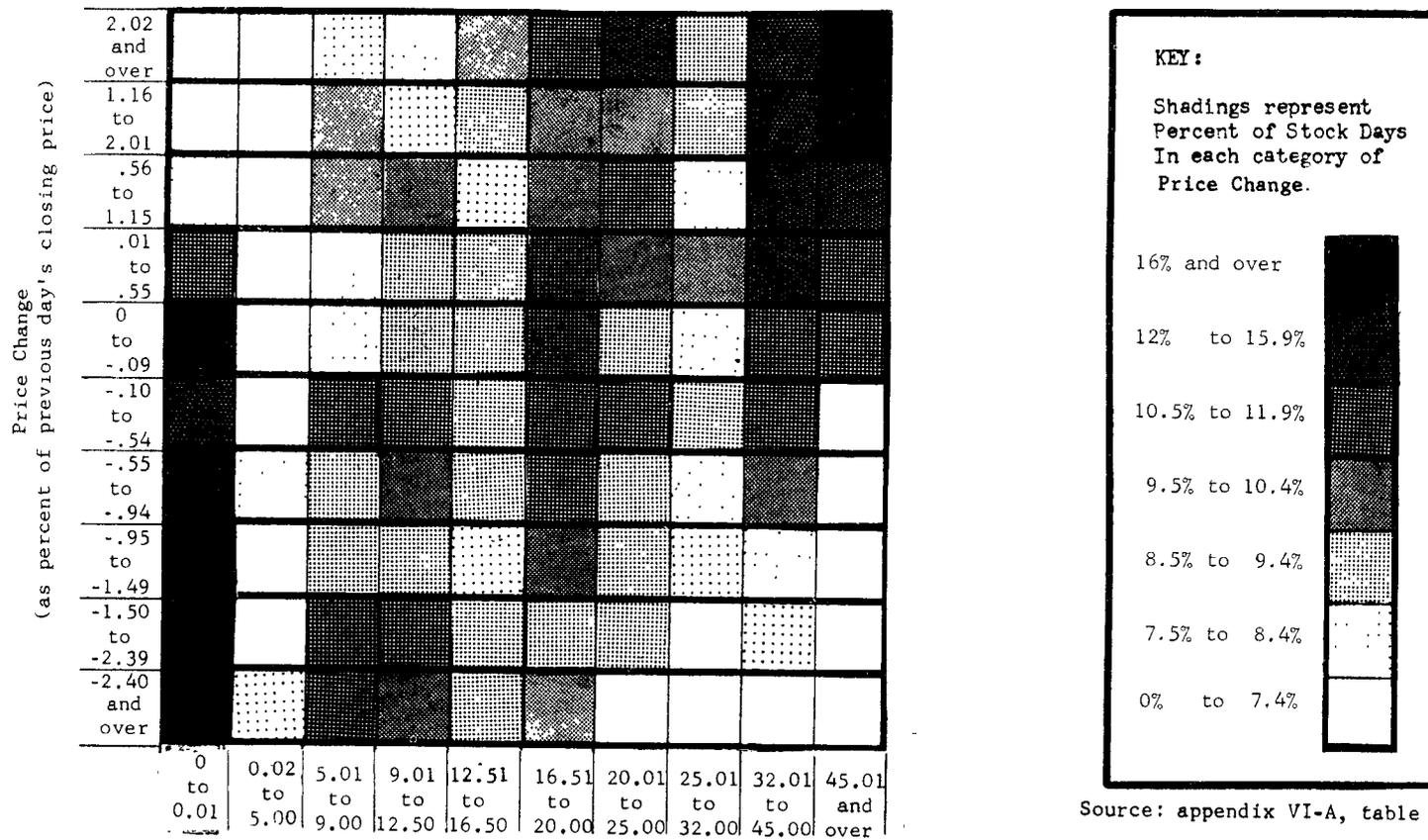
^{2/} Specialist purchases less specialist sales.

Appendix VI-A: Chart 10

NEW YORK STOCK EXCHANGE

PRICE CHANGE vs. SPECIALIST SALES PARTICIPATION RATE
DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of price change falling into each range of specialist sales participation rate)



Source: appendix VI-A, table 10

Specialist Sales Participation Rate
(as percent of market volume)

APPENDIX VI-A: Table 10

NEW YORK STOCK EXCHANGE
PRICE CHANGE VS. SPECIALIST SALES PARTICIPATION RATE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of price change falling into each range of specialist sales participation rate)

<u>Price Change</u> ^{1/}	<u>Specialist Sales Participation Rate</u> ^{2/}										<u>Total</u>
	<u>0 to 0.01</u>	<u>0.02 to 5.00</u>	<u>5.01 to 9.00</u>	<u>9.01 to 12.50</u>	<u>12.51 to 16.50</u>	<u>16.51 to 20.00</u>	<u>20.01 to 25.00</u>	<u>25.01 to 32.00</u>	<u>32.01 to 45.00</u>	<u>45.01 and over</u>	
2.02 and over	3.7	6.5	8.0	8.3	10.4	10.5	14.0	9.1	13.4	16.1	100.0
1.16 to 2.01	6.9	4.6	9.5	8.2	8.6	9.9	10.4	8.6	14.8	18.5	100.0
0.56 to 1.15	8.3	6.0	10.3	10.3	8.3	9.6	11.0	8.3	14.0	13.9	100.0
0.01 to 0.55	11.0	7.3	8.1	9.2	9.2	10.8	9.8	9.6	13.8	11.2	100.0
0 to -0.09	16.3	6.4	8.4	9.3	9.3	10.9	8.8	8.1	11.8	10.7	100.0
-0.10 to -0.54	15.2	4.9	10.5	10.5	9.0	11.4	10.9	9.0	11.6	7.0	100.0
-0.55 to -0.94	20.4	7.8	9.1	10.0	9.4	11.2	8.7	8.3	9.5	5.6	100.0
-0.95 to -1.49	28.3	7.0	8.5	9.3	7.9	9.5	8.7	7.6	8.2	5.0	100.0
-1.50 to -2.39	26.1	7.2	10.8	10.8	8.9	9.0	9.3	6.2	7.5	4.2	100.0
-2.40 and over	30.9	7.9	11.0	10.0	8.8	10.3	7.2	6.1	5.6	2.2	100.0

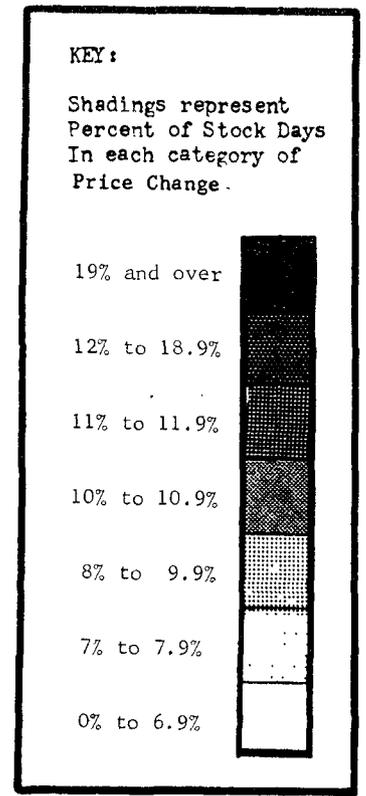
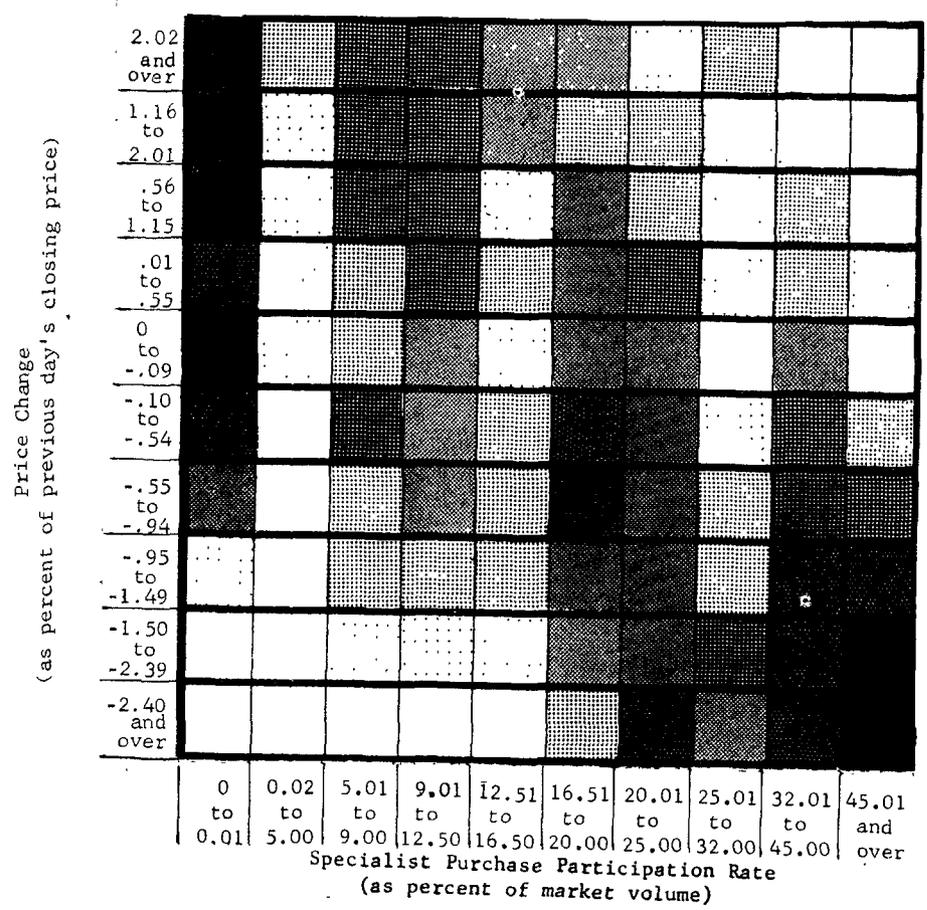
^{1/} Price change as a percent of previous day's closing price.

^{2/} Specialist sales volume as a percent of market volume.

Appendix VI-A: Chart 11
NEW YORK STOCK EXCHANGE

PRICE CHANGE vs. SPECIALIST PURCHASE PARTICIPATION RATE
DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of price change falling into each range of specialist purchase participation rate)



Source: appendix VI-A, table 11

APPENDIX VI-A: Table 11

NEW YORK STOCK EXCHANGE
PRICE CHANGE VS. SPECIALIST PURCHASE PARTICIPATION RATE

During the Three Weeks Ended January 27, March 24, and June 16, 1961
(Percent of stock days in each category of price change falling into
each range of specialist purchase participation rate)

<u>Price Change</u> ^{1/}	<u>Specialist Purchase Participation Rate</u> ^{2/}										<u>Total</u>
	0 to <u>.01</u>	0.02 to <u>5.00</u>	5.01 to <u>9.00</u>	9.01 to <u>12.50</u>	12.51 to <u>16.50</u>	16.51 to <u>20.00</u>	20.01 to <u>25.00</u>	25.01 to <u>32.00</u>	32.01 to <u>45.00</u>	45.01 and over	
2.02 and over	24.9	9.5	11.1	11.0	10.1	10.9	7.7	8.0	4.9	1.9	100.0
1.16 to 2.01	25.1	7.4	11.1	11.1	10.0	9.9	8.8	7.6	6.1	2.9	100.0
0.56 to 1.15	23.1	7.4	11.1	11.6	7.8	10.1	9.7	7.0	8.1	4.1	100.0
0.01 to 0.55	18.4	7.6	8.9	11.2	8.8	10.7	11.7	7.6	8.1	7.0	100.0
0 to -0.09	19.8	7.1	9.7	10.7	7.6	10.4	10.8	6.6	10.5	6.8	100.0
-0.10 to -0.54	12.9	5.3	11.4	10.1	8.7	12.0	10.7	7.6	11.4	9.9	100.0
-0.55 to -0.94	10.5	5.6	9.4	10.3	8.6	12.3	10.4	9.7	11.5	11.7	100.0
-0.95 to -1.49	7.9	5.6	8.5	8.6	8.1	10.6	10.5	9.0	12.7	18.5	100.0
-1.50 to -2.39	5.7	4.0	7.5	7.9	7.1	10.5	10.8	11.4	15.7	19.4	100.0
-2.40 and over	4.3	3.9	5.7	5.6	6.2	8.7	12.0	10.7	18.1	24.8	100.0

^{1/} Price change as a percent of previous day's closing price.

^{2/} Specialist purchase volume as a percent of market volume.

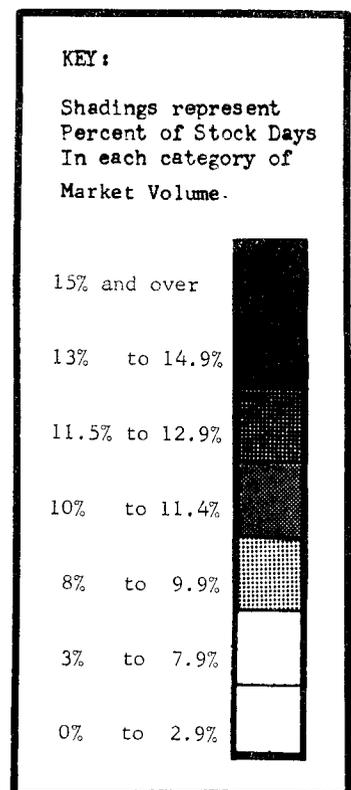
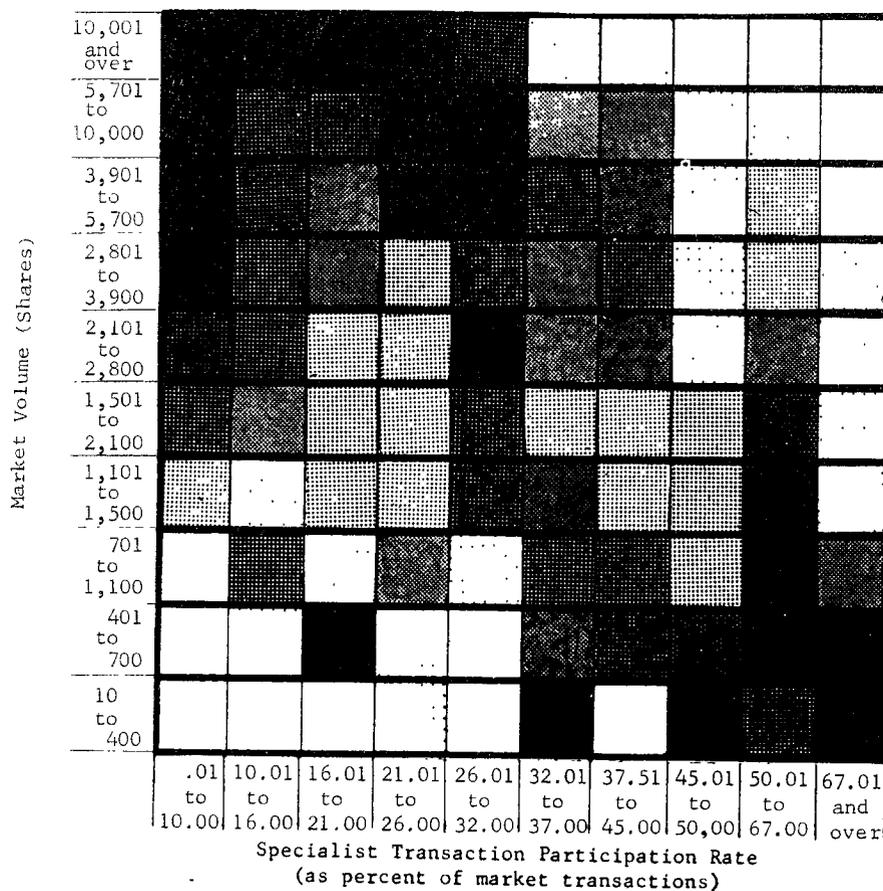
Appendix VI-A: Chart 12

NEW YORK STOCK EXCHANGE

MARKET VOLUME vs. SPECIALIST TRANSACTION PARTICIPATION RATE

DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of market volume falling into each range of specialist transaction participation rate)



Source: appendix VI-A, table 12

APPENDIX VI-A: Table 12

NEW YORK STOCK EXCHANGE
MARKET VOLUME VS. SPECIALIST TRANSACTION PARTICIPATION RATE

During the Three Weeks Ended January 27, March 24, and June 16, 1961
(Percent of stock days in each category of market volume falling into
each range of specialist transaction participation rate)

Market Volume (Shares)	Specialist Transaction Participation Rate ^{1/}										Total
	.01 to 10.00	10.01 to 16.00	16.01 to 21.00	21.01 to 26.00	26.01 to 32.00	32.01 to 37.00	37.51 to 45.00	45.01 to 50.00	50.01 to 67.00	67.01 and over	
10,001 and over	25.4	17.1	15.9	13.0	12.6	6.3	5.8	2.2	1.7	0.0	100.0
5,701 to 10,000	16.3	12.5	11.5	15.2	13.8	11.0	10.0	5.0	3.8	0.9	100.0
3,901 to 5,700	14.1	11.8	11.0	12.1	14.2	11.5	10.4	5.2	8.6	1.1	100.0
2,801 to 3,900	13.7	12.1	10.2	9.7	12.7	11.1	12.2	6.7	8.5	3.1	100.0
2,101 to 2,800	12.6	12.1	9.3	9.8	13.2	10.5	11.3	6.8	11.0	3.4	100.0
1,501 to 2,100	11.5	11.0	9.8	9.6	11.6	9.1	9.6	8.9	14.8	4.1	100.0
1,101 to 1,500	9.8	7.9	9.7	9.4	11.6	10.8	8.9	9.9	14.5	7.5	100.0
701 to 1,100	2.4	12.0	7.9	10.8	6.7	12.6	11.6	9.9	15.9	10.2	100.0
401 to 700	0.0	4.1	19.7	6.5	2.9	10.8	12.1	13.0	14.9	16.0	100.0
10 to 400	0.1	0.3	0.1	7.8	0.4	14.8	0.5	24.6	11.6	39.8	100.0

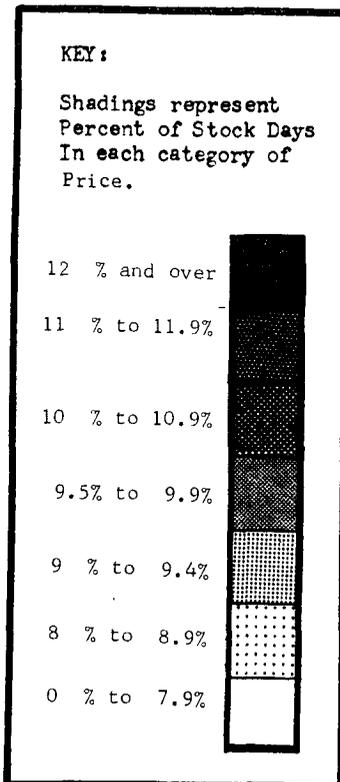
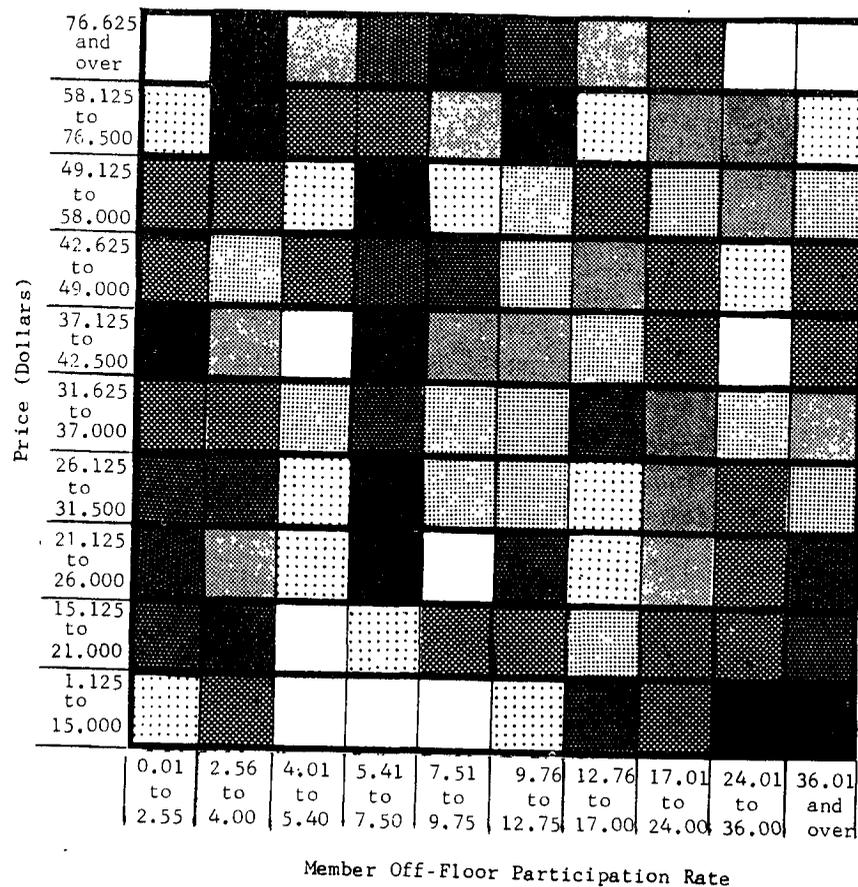
^{1/} Number of specialist transactions as a percent of the number of market transactions.

Appendix VI-A: Chart 13

NEW YORK STOCK EXCHANGE

PRICE vs. MEMBER OFF-FLOOR PARTICIPATION RATE
DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of price falling into each range of member off-floor participation rate)



Source: appendix VI-A, table 13

APPENDIX VI-A: Table 13

NEW YORK STOCK EXCHANGE
PRICE VS. MEMBER OFF-FLOOR PARTICIPATION RATE

During Three Weeks Ended January 27, March 24, and June 16, 1961
(Percent of stock days in each category of price falling into
each range of member off-floor participation rate)

Price (dollars)	<u>Member Off-Floor Participation Rate</u> ^{1/}										<u>Total</u>
	0.01 to <u>2.55</u>	2.56 to <u>4.00</u>	4.01 to <u>5.40</u>	5.41 to <u>7.50</u>	7.51 to <u>9.75</u>	9.76 to <u>12.75</u>	12.76 to <u>17.00</u>	17.01 to <u>24.00</u>	24.01 to <u>36.00</u>	36.01 and over	
76.625 and over	7.0	13.2	9.7	11.4	12.7	11.9	9.7	10.5	7.2	6.7	100.0
58.125 to 76.500	8.6	12.2	10.0	10.3	9.9	12.7	8.4	9.6	9.7	8.6	100.0
49.125 to 58.000	10.5	10.8	8.6	13.5	8.6	9.4	10.5	9.4	9.7	9.0	100.0
42.625 to 49.000	10.0	9.3	10.0	11.1	11.2	9.2	9.6	10.9	8.0	10.7	100.0
37.125 to 42.500	12.9	9.6	7.0	13.6	9.5	9.5	9.1	10.8	7.8	10.2	100.0
31.625 to 37.000	10.2	10.6	9.4	11.7	9.4	9.0	11.4	9.7	9.0	9.6	100.0
26.125 to 31.500	11.2	11.5	8.3	13.2	9.3	9.2	8.3	9.7	10.1	9.2	100.0
21.125 to 26.000	11.2	9.8	8.7	12.3	7.5	11.0	8.5	9.7	10.0	11.3	100.0
15.125 to 21.000	11.1	11.0	7.3	8.0	10.8	10.7	9.1	10.1	10.1	11.8	100.0
1.125 to 15.000	8.8	10.1	7.5	7.6	6.9	8.1	11.2	10.7	14.1	15.0	100.0

^{1/} Volume of member off-floor purchases and sales as a percent of market volume.

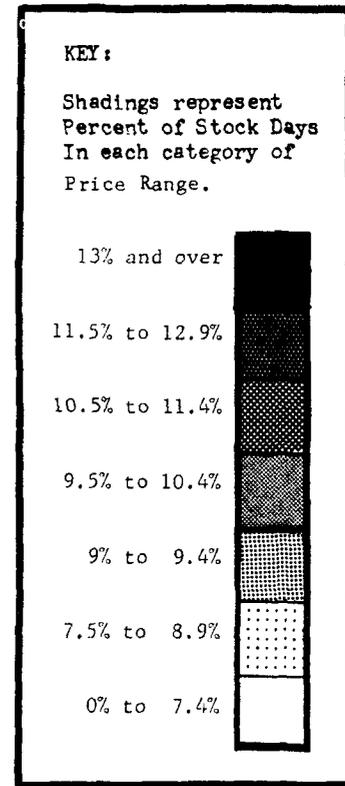
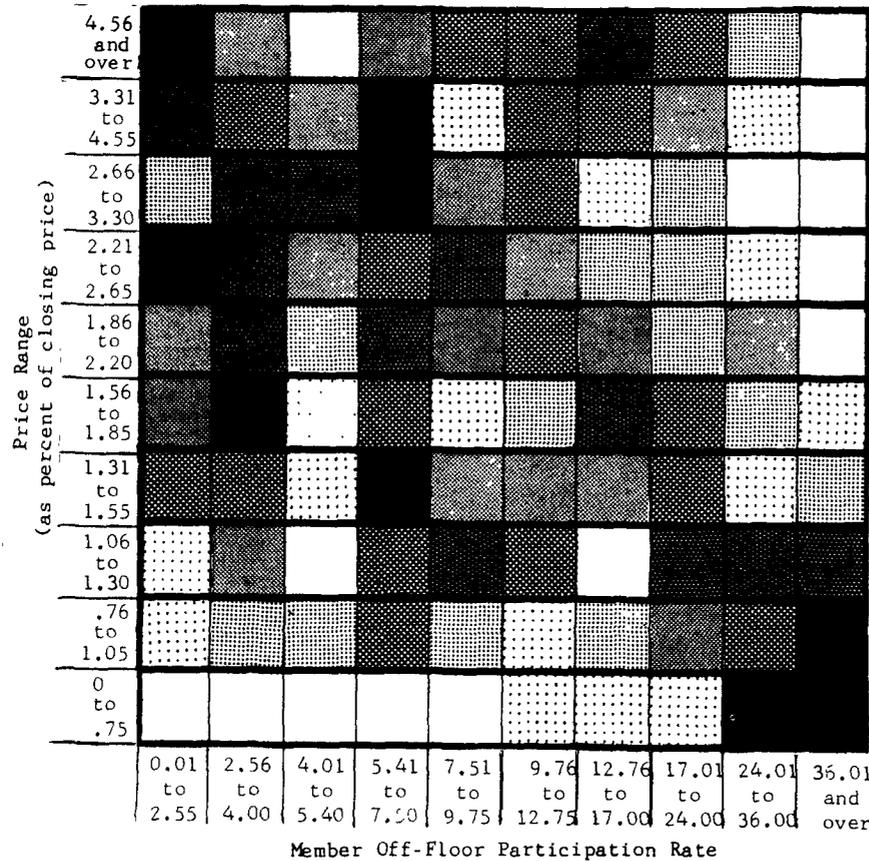
Appendix VI-A: Chart 14

NEW YORK STOCK EXCHANGE

PRICE RANGE vs. MEMBER OFF-FLOOR PARTICIPATION RATE

DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of price range falling into each range of member off-floor participation rate)



Source: appendix VI-A, table 14

APPENDIX VI-A: Table 14

NEW YORK STOCK EXCHANGE
PRICE RANGE VS. MEMBER OFF-FLOOR PARTICIPATION RATE

During Three Weeks Ended January 27, March 24, and June 16, 1961

(Percent of stock days in each category of price range falling into each range of member off-floor participation rate)

<u>Price Range</u> ^{1/}	<u>Member Off-Floor Participation Rate</u> ^{2/}										<u>Total</u>
	<u>0.01 to 2.55</u>	<u>2.56 to 4.00</u>	<u>4.01 to 5.40</u>	<u>5.41 to 7.50</u>	<u>7.51 to 9.75</u>	<u>9.76 to 12.75</u>	<u>12.76 to 17.00</u>	<u>17.01 to 24.00</u>	<u>24.01 to 36.00</u>	<u>36.01 and over</u>	
4.56 and Over	14.4	9.6	7.2	9.6	10.9	11.4	11.7	11.1	9.0	5.1	100.0
3.31 to 4.55	12.4	11.1	10.1	14.2	8.4	10.8	10.6	9.5	8.0	4.9	100.0
2.66 to 3.30	9.2	12.5	11.9	13.5	10.1	10.8	8.7	9.3	7.4	6.6	100.0
2.21 to 2.65	13.6	12.1	9.5	11.1	12.1	9.6	9.0	9.3	8.1	5.6	100.0
1.86 to 2.20	10.3	11.9	9.4	11.7	10.0	10.7	10.3	9.4	10.0	6.3	100.0
1.56 to 1.85	9.7	13.4	8.4	11.0	8.9	9.1	11.8	11.0	9.2	7.5	100.0
1.31 to 1.55	10.6	11.2	7.9	13.0	9.7	10.0	10.1	10.7	7.6	9.2	100.0
1.06 to 1.30	8.1	9.5	6.8	10.5	11.7	10.5	7.3	12.6	11.5	11.5	100.0
.76 to 1.05	8.1	9.4	9.1	11.1	9.2	8.8	9.2	10.2	11.0	13.9	100.0
0 to .75	4.4	5.7	5.7	6.2	5.3	8.2	7.7	8.3	15.5	33.0	100.0

^{1/} Price range as a percent of closing price.

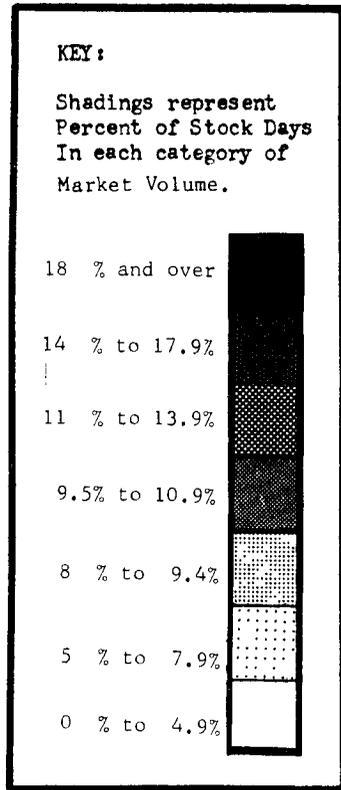
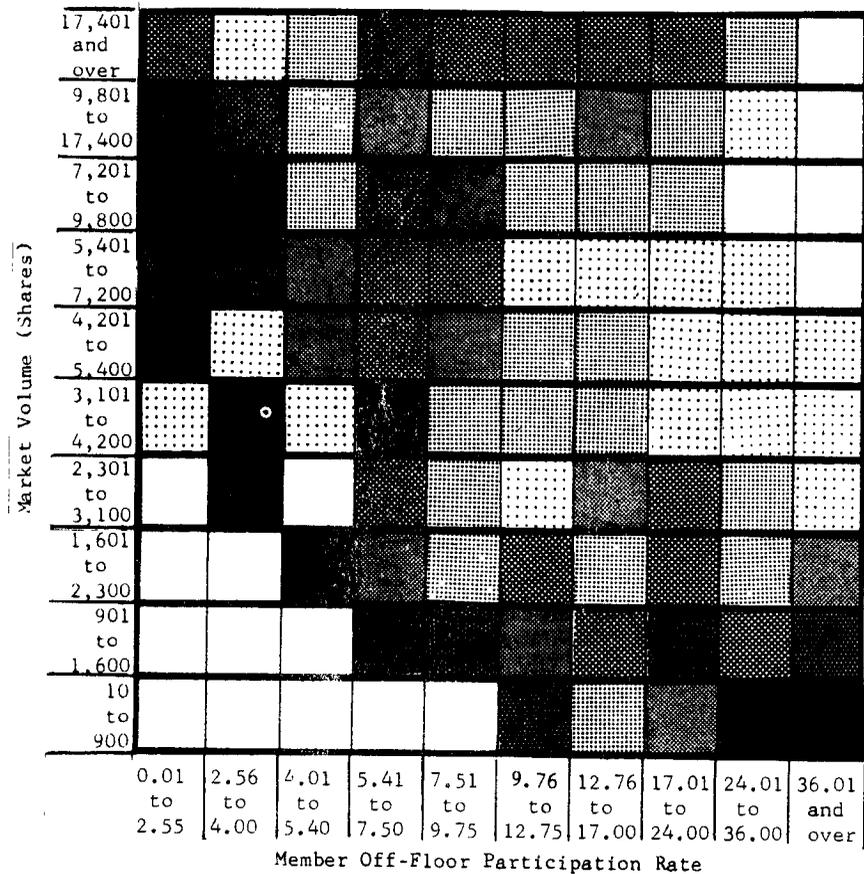
^{2/} Volume of member off-floor purchases and sales as a percent of market volume.

Appendix VI-A: Chart 15

NEW YORK STOCK EXCHANGE

MARKET VOLUME vs. MEMBER OFF-FLOOR PARTICIPATION RATE
 DURING THREE WEEKS ENDED JANUARY 27, MARCH 24, AND JUNE 16, 1961

(Percent of stock days in each category of market volume falling into each range of member off-floor participation rate)



Source: appendix VI-A, table 15

APPENDIX VI-A: Table 15

NEW YORK STOCK EXCHANGE
MARKET VOLUME VS. MEMBER OFF-FLOOR PARTICIPATION RATE

During Three Weeks Ended January 27, March 24, and June 16, 1961
(Percent of stock days in each category of market volume falling
into each range of member off-floor participation rate)

<u>Market Volume</u> (Shares)	<u>Member Off-Floor Participation Rate</u> ^{1/}										<u>Total</u>
	<u>0.01</u> to <u>2.55</u>	<u>2.56</u> to <u>4.00</u>	<u>4.01</u> to <u>5.40</u>	<u>5.41</u> to <u>7.50</u>	<u>7.51</u> to <u>9.75</u>	<u>9.76</u> to <u>12.75</u>	<u>12.76</u> to <u>17.00</u>	<u>17.01</u> to <u>24.00</u>	<u>24.01</u> to <u>36.00</u>	<u>36.01</u> and over	
17,401 and over	11.2	7.3	8.5	11.2	12.1	12.6	11.6	12.1	8.6	4.8	100.0
9,801 to 17,400	19.2	13.2	9.4	10.2	9.1	9.4	9.5	8.5	6.6	4.9	100.0
7,201 to 9,800	20.8	14.6	9.0	11.0	9.9	8.4	8.5	9.0	4.8	4.0	100.0
5,401 to 7,200	16.7	15.6	10.6	12.1	12.3	7.9	6.6	7.8	6.4	4.0	100.0
4,201 to 5,400	26.2	6.6	10.5	12.5	9.9	8.6	8.3	6.3	6.1	5.0	100.0
3,101 to 4,200	7.8	21.2	6.7	16.9	9.3	8.2	9.1	7.9	6.7	6.2	100.0
2,301 to 3,100	.6	27.9	4.0	12.8	8.4	7.6	10.8	12.2	8.1	7.6	100.0
1,601 to 2,300	.6	.3	27.9	10.2	8.2	12.3	9.2	12.4	9.0	9.9	100.0
901 to 1,600	0	.4	.4	15.3	16.5	10.7	13.7	14.0	13.0	16.0	100.0
10 to 900	0	0	.3	.4	.3	14.8	8.8	10.6	26.1	38.7	100.0

^{1/} Volume of member off-floor purchases and sales as a percent of market volume.

APPENDIX VI-B

QUESTIONNAIRE EX-1

NEW YORK STOCK EXCHANGE SPECIALISTS



SPECIAL STUDY OF
SECURITIES MARKETS

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON 25, D.C.

February 16, 1962

c/o The Floor Department
New York Stock Exchange
11 Wall Street
New York 5, New York

Dear Sir:

Under the provisions of Public Law 87-196, approved by the President on September 5, 1961, the Commission is authorized and directed to make a study and investigation of the securities markets and rules and practices relating thereto. The Commission has adopted an order of investigation authorizing members of the staff of the Special Study of Securities Markets to conduct the study and investigation pursuant to Public Law 87-196.

Your cooperation is requested in completing the attached questionnaire which is being sent to all New York Stock Exchange specialists. Certain questions which are designated in the "Instructions" to the questionnaire need only be answered by each specialist-dealer unit. The remaining questions in the questionnaire must be answered by you as a registered specialist on the Exchange.

Your attention is directed to the fact that certain questions in the questionnaire can be answered only on the basis of certain activities of your specialist-dealer unit for a specified day or days:

Question 28 and the accompanying Form C are being separately distributed to each specialist-dealer unit. Certain designated portions of Form C must be completed at the close of business on February 16, 1962 (the day on which Form C will be distributed) and the remainder at the opening of the stock indicated on February 19, 1962.

Question 9 must be answered on the basis of certain activities of your specialist-dealer unit on February 21, 1962.

Question 15 must be answered on the basis of certain activities of your specialist-dealer unit on February 27, 1962.

question 16 must be answered on the basis of certain activities of your specialist-dealer unit during the period March 19, 1962 through March 30, 1962.

The purpose of the questionnaire is to obtain relevant data as to the various functions and practices of specialists. The fact that you have received this questionnaire is not to be construed as a reflection upon you or your firm or anyone connected with it. Nor should any questions about a particular action or course of conduct on your part be construed to mean that such action or conduct either is or is not deemed by the Commission to have been lawful, proper or otherwise desirable. Likewise questions about particular stocks should not be taken as any indication that your performance as specialist in these stocks has been improper or that particular stocks are under investigation.

Certain questions are factual in nature; others ask for your comments and opinions. If the conclusions reached by this Study are to be sound ones, it is essential that all questions be answered fully and carefully. We must also ask you to cooperate by submitting your reply to all questions, except question 16, not later than March 26, 1962. The report called for by question 16 on Form B should be submitted to your Floor Department in accordance with the special instructions contained on the reverse side of that form. All other completed forms should be returned with the questionnaire.

You will note that question 27 calls for certain information with respect to your income from your specialist business. This income information is being requested in connection with our study of the specialist system and for no other purpose. Your specific income information will be treated in a confidential manner and without identification of yourself or your firm.

Sincerely yours,



Milton H. Cohen
Director

Attachment

VI-AB-2

Form EX-1

Budget Bureau Approval
No. 71-6103

SPECIAL STUDY OF SECURITIES MARKETS

Securities and Exchange Commission
Washington 25, D. C.

QUESTIONNAIRE
FOR
NEW YORK STOCK EXCHANGE SPECIALISTS

Your full name: _____

Your business address and telephone number: _____

INSTRUCTIONS

Every question should be answered in full. If there is no information to report or if the question is not applicable, you should answer "None" or "Not Applicable". If the space provided for any answer is insufficient, the complete answer should be prepared on a separate sheet to be attached to the questionnaire and identified as "Answer to Question ____."

As used herein the term "participant" when used with reference to a New York Stock Exchange member firm or corporation (referred to below as "member organization") shall mean a general or limited partner of a member firm or a holder of voting or non-voting stock in a member corporation; the phrase "member organization of the Exchange with which you are associated in any capacity," includes any affiliation by way of joint venture or joint account, including any clearing arrangement involving any sharing of profits. The term "principal stockholder" shall mean every person who is directly or indirectly the beneficial owner of more than ten percent of any class of equity security in an issuer.

Additional copies of Form 81 and Forms A, B and C may be obtained from the New York Stock Exchange Floor Department.

Questions 9, 15, 16, 26 and 28 only should be answered by each specialist-dealer unit -- e.g., firm account, joint account, etc. Separate answers to each of these questions need not be prepared by each registered specialist.

The completed questionnaire, Forms A, C and 81 should be mailed to: Securities and Exchange Commission, Special Study of Securities Markets, Washington 25, D. C. Form B should be filed with the New York Stock Exchange Floor Department in accordance with the instructions contained on that form.

VI-AB-3

PART I
(General)

1. Give the date on which you became a member of the New York Stock Exchange (referred to below as the "Exchange"):

2. With respect to any member organization of the Exchange with which you are associated in any capacity, give the following information:

<u>Name of Member Organization</u>	<u>Since</u> <u>Month Year</u>	<u>Exact Nature</u> <u>of Connection</u> <u>or Interest</u>
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3. Give the following information with respect to each security allocated to you as specialist since January 1, 1959:

<u>Name of Security</u>	<u>Date of</u> <u>Allocation</u>	<u>Date of Termination</u> <u>of Registration</u> <u>(If Applicable)</u>
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4. A. List the securities in which you are currently registered as specialist and the member organization at which the specialist account for each such security is located:

B. State the name of each specialist-dealer unit for which you effect transactions:

C. (1) If you are a participant in a specialist member organization, state the percentage of your interest in the member organization's profits from its specialist business:

(2) If you are a participant in a specialist member organization which participates in a specialist joint account, state the percentage of your member organization's interest in each such joint account:

<u>Name of Account</u>	<u>Percentage of Participation</u>
------------------------	------------------------------------

(3) If you participate in a specialist joint account as an individual, state the percentage of your interest in each such joint account:

<u>Name of Account</u>	<u>Percentage of Participation</u>
------------------------	------------------------------------

PART II
("Stopping" Stock)

For purposes of the questions in this part, a "stop" is defined as in Exchange Rule 116: "An agreement by a member to 'stop' securities at a specified price shall constitute a guarantee of the purchase or sale by him of the securities at that price or its equivalent."

5. State the approximate number of instances in which you have granted "stops" and the approximate number of shares involved in each such "stop", in the course of your specialist business on an average day:

6. Are "stops" more common:

A. In active or inactive stocks, or is there no significant difference:

Check one: Active Inactive No Difference

B. In low or high price stocks, or is there no significant difference?

Check one: Low Price High Price No Difference

7. A. State the approximate percentage of "stops" which you grant in the course of your specialist business which terminate when the customer receives a better price than that which was guaranteed by the "stop":

____%

B. State the approximate percentage of "stops" which you grant in the course of your specialist business which terminate at the "stop" price with stock being purchased or sold by you as principal:

____%

C. State the approximate percentage of "stops" which you grant in the course of your specialist business which terminate at the "stop" price with the customer purchasing stock from or selling stock to your book:

____%

D. State the approximate percentage of "stops" which you grant in the course of your specialist business which terminate in a way other than that described in parts A, B, or C of this question:

____%
100 %

If you have stated a percentage under part D of this question, indicate the way(s) in which such "stops" terminated:

8. If any of the following factors are taken into consideration by you, as specialist, in determining whether you will "stop" stock for a broker, state the approximate percentage of "stops" in which any of these factors were the major consideration in your granting the "stop":

A. Broker "has just missed the market". _____%

B. Execution of the customer's order would be at too wide a variation from the last trade:

_____ %

C. Other:

_____ %
 100 %

If you have stated a percentage under part C of this question, explain:

*9. For the trading day of February 21, 1962, prepare a record of all "stops" which you grant as specialist on Form A enclosed herewith.

PART III
 (Block Trading)

For purposes of the questions in this part, a block order is defined as an order involving a block which is too large to be readily and promptly absorbed or supplied through routine procedures of the auction market, but which is not so large as to require the use of any special distribution or acquisition plan.

10. A. In the course of your specialist business during the past five years, have you observed a substantial increase in the number of block orders in securities in which you are registered as specialist?

Check one: Yes No

B. If your answer to part A of this question is in the affirmative, has the increased number of block orders made it difficult for you, as specialist, to maintain a fair and orderly market?

Check one: Yes No

* See fourth paragraph of the general instructions on page 1.