

2. Self-Administered Plans

a. Overview

As pointed out above, one of the areas to be examined in this chapter is the choice of internalized investment management or self administration of the institutional portfolio. Form I-32, Part A, which was sent to accounts of plans managed internally is designed to give the Study information about self-managed plans' investment departments comparable to the information being solicited directly from institutional investment managers such as investment advisers and bank trust departments and reported in the chapters dealing with these manager types. Twenty-one plans responded to this questionnaire. As will be developed in more detail in the next section of this chapter on investment measures and practices, these 21 plans' accounts had \$12.4 billion in total assets and \$8.1 billion in common stock at year end 1969.

In this section the Study will report the findings based on Form I-32 on such matters as reasons for selecting internal management, the composition of the investment department's personnel, approaches to securities evaluation and sources of information, and policies regarding conflicts of interest when more than one account is being managed.⁷⁴

b. Reasons for internal management

The Study asked respondents with self-administered accounts to provide in writing a brief description of the reasons for having the plan's account managed internally.⁷⁵ Unfortunately, about half the responses to this question were superficial and did not point to fundamental reasons. The following are typical of the responses received:

"To reduce the administrative costs of the Plan by utilizing the investment knowledge and experience of the Company's officers and directors."

"We have found by experience . . . that in our situation internal administration has been superior to available outside administration."

⁷⁴ Other characteristics of self-managed pension-benefit plans are examined in Part Two of the Study.

⁷⁵ Form I-32, part A, question 34.

"Self-administration was decided upon because our Directors believed better results would be forthcoming. Also, much greater flexibility exists in a self-trusted portfolio."

In general, the more responsive answers stressed a belief that costs of administration would be reduced by self-management and that increased flexibility and superior results would be achieved. The validity of these general views can be tested to some extent by the data on costs reported later.⁷⁶ A few respondents stated that internal administration was decided upon because of their belief that a fund managed by persons not responsible for many funds, as in a bank or insurance company, for example, would be more successful; another stressed the "coincidence of objectives" between the internal manager and the corporation.

c. Composition of the investment department

The Study sought information on the type of personnel employed in or by the investment department.⁷⁷ The change in composition of the department was examined in terms of the number of "full-time equivalents" employed in various categories at years-end 1964 and 1969. Table VIII-14 summarizes the figures provided by the 19 plans which provided usable responses.

⁷⁶ See sec. C.3.c. below.

⁷⁷ For purposes of our questions, we defined the investment department.

Investment Department—means that division or group of persons within the employer's organization which makes the day-to-day purchase, sale or hold decisions for the plan's securities portfolio, *even though* some other person or group has ultimate responsibility over the investments of the plan. For example, if a committee of investment officers makes only portfolio recommendations and these recommendations are seldom if ever overruled by a group with ultimate authority, the committee of investment officers and its staff is the investment department for our purposes.

Table VIII-14
 Personnel Composition of 19 Self-Administered
 Plans' Investment Departments, 1964 and 1969

Employment Category	Full-time Equivalents		Growth Rate
	1964	1969	
Account Supervisors and Portfolio Managers	24.0	28.0	+16.67%
Economic Research Staff	0.3	0.5	+66.67%
Investment Research Staff	25.9	43.8	+69.11%
Professional Traders	4.2	7.1	+69.05%
Clerical, Secretarial	58.9	67.1	+13.92%
Executives (not included above)	20.4	20.1	- 1.47%
Other	25.0	26.8	+ 7.20%
TOTAL	158.7	193.4	+21.87%

The more significant increases appear to be in the categories of professional traders, investment research staff and economic research staff.

Seven of the departments had no securities analysts, four had one or two analysts and ten had three or more. Ten departments had analysts who were responsible for covering issuers in one or more specific industries. Ten departments had a total of 26 analysts with advanced degrees in law, business or related fields. When asked how much of the average analyst's time was spent in personal contact (visits, telephone calls, etc.) with issuers of securities, 13 departments stated between 0 and 20 percent while the remaining department stated 20 to 40 percent.

d. Approaches to investment decision-making

The Study sought to determine the basic approaches of these departments to investment decision-making. Of the 21 plans, seven had investment departments which used an approved (recommended) list for purchases, four had such a list for sales, and two had such a list for holds. When questioned about their approach to securities evaluation, the "Fundamental Approach" ranked first, the "Economic Outlook Approach" ranked second with the "Technical Approach" lagging in third place. Table VIII-15 below summarizes the response of these 21 plans to this question:

Table VIII-15
 Importance of Approaches to Securities
 Evaluation Per 21 Self-Administered
 Plans--Percentage of Plans

Approach	IMPORTANCE CODE ^{1/}				
	1	2	3	4	5
FUNDAMENTAL ^{2/}	76.19	9.52	0.00	0.00	14.29
TECHNICAL	0.00	4.76	33.33	33.33	28.57
ECONOMIC OUTLOOK	19.05	38.10	23.81	4.76	14.29
OTHER ^{3/}	9.52	8.76	0.00	0.00	14.29

1/ The importance codes used for Table VIII- 15 were the following:

Code

- 1 very important, always used
- 2 important, used often but not always
- 3 somewhat important, used sometimes but not frequently
- 4 not important, used only infrequently or rarely
- 5 unimportant, never used

2/ The approaches to securities evaluation were defined as follows:

(a) Fundamental Approach--analysis and projection of corporate earnings plays the central role.

(b) Technical Approach--technical analysis of market action is the central factor.

(c) Economic Outlook Approach--the projection and interpretation of various aggregate economic series and indicators (such as the money supply, GNP, etc.) plays the central role.

3/ This row does not add to 100 percent because not all plans reported on "other."

Financial statements of issuers ranked first as an external source of information to these 21 investment departments followed closely by information and recommendations from broker-dealers. Table VIII-16 below summarizes the answers received to a question about the importance of various external sources for securities research and information.

Table VIII-16
 Importance of Sources of Research and Information
 to 21 Self-Administered Plans-Percentage of Plans

SOURCE	IMPORTANCE CODE ^{1/}				
	1	2	3	4	5
Information and recommendations from broker-dealers purchased via commission dollars.	23.81	38.10	9.52	0.00	28.57
Information and recommendations purchased from investment advisers on a continuing or contractual basis	18.05	14.29	38.57	4.76	33.33
Information and recommendations received from other research organization not included above (with or without compensation)	4.76	9.52	47.62	19.05	19.05
Direct contact with security issuers.	0.00	19.05	28.57	19.05	33.33
Financial statements of issuers	42.86	23.81	0.00	9.52	23.81
Others ^{2/}	4.76	4.76	4.76	4.76	9.52

^{1/} See Table VIII - 15 for Codes.

^{2/} This row does not add to 100 percent because not all plans reported in "Other."

e. Policy regarding management of more than one account

Of the 21 plans having self-administered accounts, nine reported that the "Investment Department" managed at least one additional pension-benefit plan account, and six reported that the department managed other long-term funds for the corporation. As were other managers having more than one account, investment departments which manage more than one fund for the employer, whether or not both funds are in retirement funds, were asked by the Study about policy in regard to purchases and sales of securities for both accounts and in regard to the allocation of limited quantities of economically attractive securities among the accounts.

The following responses are typical:

"The two accounts managed by the Investment Department are considered as one. Securities held in one account are not necessarily held in the other. The decision as to which fund a purchase goes into is based primarily upon industry classification and cash position."

"While we do not have a policy with regard to such allocations, the purchase of limited quantities of economically attractive securities is the exception for our portfolios and this has not presented any conflicts."

"The investment decisions are made by the individual portfolio managers. They act on an independent basis and we have not had any conflicts."

"Allocation of purchases or sales are made primarily on the basis of the objectives, cash availability or requirements of each separate fund. Where one acquisition or disposition would apply to more than one fund, we have usually been able to treat all involved funds on an identical basis."

"Sometimes this type of question will be decided by the fact that there is a greater availability of money or a greater need for money in one account rather than another, and therefore the transaction for that account will be consummated first. If there is no such deciding factor, we would attempt to buy for each account at approximately the same prices at approximately the same time. We have no mechanism for giving each account the average price of the day's transactions, however."

"As [above] we attempt to treat each account fairly—for example, we might pro rate the limited amount of securities among the accounts in proportion to the amounts authorized for purchase. On occasion, however, the limited amount available might be deemed reason for not buying the security for a large account."

3. Investment Practices and Measures

In this section the Study presents the results of a number of studies of the investment practices of corporate pension-benefit plans. Data concerning asset holdings, transactions and fees were collected from the 155 accounts which received the second stage series of questionnaires. These data have permitted the Study to present in detail information of a sort not generally available. Tables setting forth the composition of accounts' holdings by type of asset and common stock holdings by exchange listing of issues held for two points in time, common stock turnover and activity rates for each of the five years 1965 through 1969, and fee and expense rates for the four years 1966 through 1969 are presented at the end of the section. In addition, analysis of growth in total assets and common stock holdings is presented. Finally, conclusions concerning the relationships between fee rates and turnover rates and various other account characteristics during the period studied are drawn based on statistical analyses.

In general, following the pattern established in section 1 of this part, tables have been prepared in two parts, the first part, (A), show-

ing accounts classified by manager type and with the bank managed accounts further divided according to size strata, and the second part, (B), separating out profit-sharing plan accounts from pension plan accounts.

a. Asset composition measures

(1) *By asset category.*—Institutional Investor Study questionnaire Form I-21 was designed to collect detailed information on asset holdings from a variety of institutional accounts.⁷⁸ In general, the form presented a detailed listing of asset categories and requested that dollar amounts at market value (or an approximation thereof) be supplied for two points in time, year end 1964 and year end 1969. Information as of the end of the calendar year was preferred, but information as of the end of an account's fiscal year was accepted in some cases. The categories of assets to be reported on were felt to be reasonably self-explanatory, but definitions were supplied to reduce the chance that respondents would classify similar assets differently.

Table VIII-21, parts (A) and (B), and Table VIII-22, parts (A) and (B), present respectively dollar amounts and percentages of total assets in major asset categories as reported for year end 1969 by the 155 accounts in the Study's second stage sample. The dollar amounts have been adjusted to take into account the sampling procedures used; the percentages are based on the adjusted dollar amounts. Each of the six columns of Table VIII-21, parts (A) and (B), is broken down into more detailed categories and the dollar amounts in these categories are reported in Tables VIII-23 through -28. Percentages are not given for the detailed categories. Columns and rows on the dollar amount tables may not add to the totals shown because of rounding, and on the detail tables subcategories may not add to totals due to the fact that a few respondents did not break down categories into subcategories when reporting on Form I-21.

Tables VIII-21 through -28 present a reasonably complete cross section view of the asset holding pattern of accounts of large corporate pension-benefit plans at the end of 1969. Comparable figures for earlier points in time from outside sources were not available, and because the 155 accounts which supplied these data were not all in

⁷⁸ See Supp. Vol. II for a reproduction of Form I-21 as it was sent to respondents.

existence at the end of 1964, 1964 year end data supplied by Study respondents would not be perfectly comparable either. In order to assess change over the five year period, the Study did tabulate 1964 year end data for the 128 accounts which reported their holdings at that time and tabulated the 1969 year end data for the same 128 accounts. The series of Tables, VIII-29 through -44, at the end of this section present these tabulations. The nature of the tables parallels Tables VIII-21 through -28; however, each table showing 1964 data is followed immediately by its 1969 counterpart. Thus, the odd numbered tables give 1964 data and the even numbered tables give 1969 data. The first two of these tables, VIII-29 and -30, are summary tables showing dollar amounts, the next two tables, VIII-31 and -32, show percentages of total assets in the major categories based on the dollar amounts given in the immediately preceding tables, the final six pairs of tables, VIII-33 through -44, present dollar amounts and give, in turn, a more detailed look at the major categories shown on the summary tables. The juxtaposition of the 1964 and 1969 reports permits ready comparison of the values reported for purposes of estimating change in holding patterns and growth over the period studied.

(2) *Growth in common stock and total assets.*—The data presented in Tables VIII-29 through -44 have been analyzed to calculate growth of total assets and growth of common stock holdings within the group of 128 accounts over the five year period year end 1964 through year end 1969. In addition, the change in the ratio of common stock to total assets over the period was measured. Tables VIII-17, parts (A) and (B), summarizes these calculations. It should be cautioned that this analysis does not take account of the components of growth, contributions and investment return. Thus, the figures presented on the Table do not necessarily reflect nor are they intended to reflect the investment return achieved by any category of manager or plan type. Given this caveat, an examination of the Table reveals that all categories of accounts experienced growth in both total assets and common stock over the five year period, and that for all categories except unmanaged profit-sharing plan accounts common stock holdings grew more rapidly than total assets. In general, it would appear that pension plan accounts grew more rapidly than profit-sharing plan accounts. Within the manager type categories, it would appear that investment adviser managed accounts grew most rapidly, although small bank managed accounts also had high growth figures.

TABLE VIII-17, PART (A)
CORPORATE PENSION-BENEFIT PLANS
GROWTH IN COMMON STOCK AND TOTAL ASSETS
1964 to 1969

Account Type	Number of Accounts	1964 Common \$	1969 Common \$	Percentage Change	1964 Total \$	1969 Total \$	Percentage Change	Percentage Change in Ratio of Common to Total 2/
Bank-Managed: >0-25	7	136.2	385.6	+183.11%	213.0	544.1	+155.45%	+10.84%
>25-50	7	395.3	879.3	+122.44%	656.6	1238.9	+88.68%	+17.89%
>50-100	15	1050.0	1961.8	+86.84%	1724.0	2691.2	+56.10%	+19.70%
>100-200	38	2507.9	4199.0	+67.43%	4773.1	6434.7	+34.81%	+24.21%
>200-300	19	1797.4	3090.2	+71.93%	4164.7	5085.2	+22.10%	+40.80%
>300	20	3634.6	6077.3	+67.21%	6975.5	9446.4	+35.42%	+23.45%
Bank-Managed Total	106	9521.5	16593.1	+74.27%	18506.9	25440.5	+37.46%	+26.76%
Investment Adviser Managed	5	106.6	196.8	+84.62%	200.5	287.8	+43.54%	+28.61%
Self-Managed	17	6233.2	7596.6	+21.87%	9804.7	11669.8	+19.02%	+2.41%
Total	128	15861.2	24386.5	+53.75%	28512.2	37398.1	+31.17%	+17.22%

TABLE VIII-17, PART (B)
CORPORATE PENSION-BENEFIT PLANS
GROWTH IN COMMON STOCK AND TOTAL ASSETS^{1/}
1964 to 1969

Account Type	Number of Accounts	1964 Common \$	1969 Common \$	Percentage Change	1964 Total \$	1969 Total \$	Percentage Change	Percentage Change in Ratio of Common to Total ^{2/}
Bank-Managed	91	7541.1	14104.3	+87.03%	15628.7	22019.9	+40.89%	+32.75%
Investment Adviser-Managed	4	71.5	180.5	+152.45%	119.5	254.1	+112.64%	+18.74%
Self-Managed	13	2895.4	4423.4	+52.77%	6135.3	8003.4	+30.45%	+17.12%
Managed Profit-Sharing	12	3576.6	3751.4	+4.89%	4557.7	4750.6	+4.23%	+0.64%
Unmanaged Profit-Sharing	8	1776.7	1927.0	+8.46%	2071.0	2370.0	+14.44%	-5.22%
Total	128	15861.2	24386.5	+53.75%	28512.2	37398.1	+31.17%	+17.22%

^{1/} Dollars in millions.

^{2/} Calculated by the equation,
$$\text{Change} = \left[\frac{69 \text{ Common} \times 64 \text{ Total}}{69 \text{ Total} \times 64 \text{ Common}} - 1 \right]$$

(3) *Holdings of affiliated company shares.*—Because of recent concern over the fact that many pension-benefit plans invest in the securities of the employer or affiliated companies, a concern which has found expression in bills to amend the Federal Welfare and Pension Plans Disclosure Act which would limit the permissible amount of such investment,⁷⁹ the Study included as one of the categories in Form I-21, "shares of affiliated companies."⁸⁰ The amounts reported are shown in Tables VIII-26, -39 and -40, at the end of this section. These amounts were used to calculate the ratio of affiliated company shares to total holdings of common stock and the results are presented in Table VIII-18, below. The table reveals that among the pension plan accounts in the sample only a very small percentage of common stock held is held in the stock of affiliated companies; neither does there appear to be any significant trend either to increase

⁷⁹ See sec. B.5.d. above for discussion of these efforts.

⁸⁰ Affiliated companies were defined as follows:

For accounts which are for corporate employee-pension-benefit plans other than (1) commingled accounts and (2) plans for a joint union-employer board of trustees under section 302 of the Labor-Management Relations Act of 1947, as amended, means any corporate employer any of whose employees are covered by the plan, or any company controlled by, controlling or under common control with such corporation.

Table VIII-18

Affiliated Company Shares as Percent
of Total Common Stock -- I-21*

Corporate Pension-Benefit Plans

	1964 Accounts			1969 Accounts	
	N	1964%	1969%	N	1969%
Bank-Managed	91	3.88	4.42	101	4.17
I/A-Managed	4	1.82	0.00	15	0.68
Self-Managed	13	0.85	0.21	17	0.23
Managed Profit-Sharing	12	69.28	67.76	13	65.97
Unmanaged Profit-Sharing	8	78.06	80.75	9	80.94
Total	128	26.38	19.41	155	18.10

*Line 8.4 divided by line 8.

or decrease the ratio. It would not appear that limitations on the permissible amount of investment in affiliated company shares would have a significant impact on these accounts' practices. On the other hand a very substantial portion of the common stock holdings of profit-sharing plan accounts consists of the shares of affiliated companies. For these plans, limitations on permissible holdings would have quite severe implications for investment practices and/or policies.

(4) *Common stock held by exchange listing of issuer.*—On Form I-24, the Study collected data about the common stock holdings of particular accounts.²¹ Specifically, respondents were asked to give the market value of stock held in each of the following categories: New York Stock Exchange listed securities; American Stock Exchange listed securities; stock of banks or insurance companies not listed on either the NYSE or amex, other common stock held; and total.

Tables VIII-45, -46 and -47, which appear at the end of this section, present the values reported. The format of these three tables is similar to the asset category tables described above, except that both dollar amounts (adjusted) and percentages are shown on one table. Table VIII-45 gives 1969 data for the 155 accounts, and Tables VIII-46 and -47, present, respectively, 1964 and 1969 data for the 130 accounts reporting for 1964.

These data underscore the not very surprising fact that these portfolios hold a very high percentage of their stock (and assets) in securities listed on the New York Stock Exchange. To the extent that holding equities of companies which are neither banks nor insurance companies nor listed on the major exchanges is a proxy for relatively risky investment, it would appear that none of these categories of accounts is invested in a particularly risky manner.

The data on Tables VIII-45 through -47 should properly be viewed against the background of the universe of common stock available for holding. Table VIII-48 shows for both year end 1964 and year end 1969 the dollar value of available common stocks according to exchange listing. In preparing this table it was not practicable to divide the "Not Listed" category into the classes "Banks and Insurance Companies" and "Other" as was done on Form I-24. Comparison of Table VIII-48 with Tables VIII-45 through -47 shows that all categories of accounts hold a higher ratio of NYSE-listed equities to total stock than NYSE-listed equities are to total outstanding equities, although in the case of investment adviser managed accounts the difference is slight. It would also appear that the increase in percentage of NYSE-listed held over the period by the sample as a whole is greater than the increase of NYSE-listed among all equities.

b. Common stock turnover and activity rates

Form I-26 provided annual data for 1965 through 1969 on gross purchases, sales, noncash acquisitions, noncash dispositions and holdings of common equities. These data have permitted the Study to calculate common stock turnover (TOV) and activity (ACT) rates for the samples of accounts. For these purposes turnover rate is defined as

²¹ See Supp. Vol. II for reproduction of Form I-24.

the lesser of gross acquisitions (cash and noncash) or gross dispositions (cash and noncash) divided by average holdings for the period. Activity rate is the average of the sum of gross acquisitions and gross dispositions divided by average holdings. In calculating 1965 rates Form I-24 data were used to compute the average holdings of common stock for the year for each account. Individual account TOV and ACT rates are not presented here, but have been calculated and preserved in the permanent file.

(1) *The rates.*—Table VIII-49, parts (A) and (B), shows the weighted average TOV and ACT rates for each of the five years for the accounts based on adjusted values. The figures tend to confirm recent data showing an upward trend in both TOV and ACT rates among all types of accounts.⁸²

(2) *The relationship between turnover rates and various account characteristics.*—Using multivariate regression analysis techniques similar to those used in chapters V and VI, the Study examined the relationship between the common stock turnover rate of an account and other account characteristics.

As defined above, turnover rate is a measure of the ratio of the lesser of acquisitions or dispositions to average holdings expressed on a yearly basis. For purposes of this analysis, turnover rate was the dependent variable and the Study treated each account's turnover rate for each of the years 1966 through 1969 as a separate observation. The independent variables examined were the following: (1) A dummy variable representing whether the client designates 85 percent or more of the brokerage commissions for the account ("1" if yes; "0" if no)—since the Study had information on this question for only one point in time, this value was attributed to the account for each turnover rate observation; (2) a dummy variable representing whether the account is managed by an investment adviser ("1" if yes; "0" if no); (3) a dummy variable representing whether the account is managed by a bank ("1" if yes; "0" if no); (4) the fee rate charged the account for the year of the turnover rate observation, measured as explained in section c(1) below, expressed as a log;⁸³ (5) the value of corporate securities in the account from Form I-26 for the year of the turnover rate observation, expressed as a log; (6) the ratio of common stock to total assets in the account from Form I-21 for 1969, this value being attributed to each year of account turnover rate observation; (7) the number of common stock issues held in the account for the year of the turnover rate observation; and (8) the number of years the account had been managed at year-end 1969 by its present manager.

Table VIII-19 below summarizes the results of this regression run. It reveals that other things being equal, investment adviser managed accounts have higher turnover rates than bank managed or self-managed accounts. Also, accounts charged higher fee rates have higher turnover rates. Accounts holding greater numbers of issues have lower turnover rates, and there is some suggestion that older accounts have lower turnover rates, although the measure of this relationship is at

⁸² See SEC Stat. Bull. 25 (April 1970).

⁸³ Fee rates and assets are expressed as logs for reasons explained in ch. VI.E.1.c.

TABLE VIII-19
Corporate Pension-Benefit Plans
Analysis of Common Stock Turnover--Statistics

Dependent Variable: Turnover

<u>Independent Variables</u>	<u>Coefficient</u>	<u>t Value</u>
Constant	.763	--
Brokerage designated	-.001	-.04
Investment adviser managed	.236	5.7
Self-managed	.038	.9
Fee rate (log)	.030	2.3
Total assets (log)	-.017	-1.4
Stock/Asset ratio	.041	.6
Number of stocks	-.001	-2.0
Age of account	-.002	-1.7

$$R^2 = .15$$

the border of significance. None of the other characteristics has a significant relationship to turnover rate.

c. Fee and expense rates

(1) *The values reported.*—On Form I-25 respondents reported for each of the years 1965 through 1969 or for each year in which the account existed after 1965 the dollar value of total fees and expenses paid in connection with the management of the account.⁸⁴ Annual weighted fee and expense rates are presented in Table VIII-50, parts (A) and (B), for each of the years 1966 through 1969. For the base (denominator) of these rates the average holdings for each of the four years from Form I-26, Tables I, II and III⁸⁵ were used. Since Form I-26 does not always cover all the assets of an account, caution was exercised not to overstate too much the fee and expense rates. The two cautionary steps used were (1) eliminating from the weighted rates any account whose ratio of Form I-26, 1969 holdings to Form I-21, 1969 total assets did not fall within the range 0.75 to 1.25 and (2) showing for 1969 the fee and expense rates using Form I-21, 1969 total assets as the base. This allows the direct comparison of rates with different base sources. Very little variation is evident between the

⁸⁴ See Form I-25 in Supp. Vol. II.

⁸⁵ See Form I-26 in Supp. Vol. II for a description of these securities.

two 1969 measures, Form I-26 based rates and Form I-21 based rates, which provides some confidence that the previous three year rates are realistic.

(2) *The relationship between fee rate and various account characteristics.*—Multivariate regression analysis techniques similar to those used in chapters V and VI, were used to examine the relationship between the fee rate charged an account and other account characteristics. The same group of variables examined in the study of turnover rates above was used with fee rate becoming the dependent variable and turnover rate an independent variable.

Table VIII-20, below, summarizes this regression run. Investment adviser managed accounts had higher fee rates than bank managed accounts and self-managed accounts had lower fee rates. Accounts having greater value of total assets have significantly lower fee rates. Accounts having higher turnover rates, older accounts and accounts holding larger numbers of stock issues have higher turnover rates.

d. Performance

The Study sought data from pension-benefit plan accounts on Form I-22⁸⁶ which would permit the calculation of volatility-adjusted re-

⁸⁶ See Supp. Vol. II for a reproduction of Form I-22.

TABLE VIII-20
Corporate Pension-Benefit Plans
Analysis of Fee Rate--Statistics

Dependent Variable: Fee Rate (log)

<u>Independent Variables</u>	<u>Coefficient</u>	<u>t Value</u>
Constant	.643	
Brokerage designated	.019	.2
Investment adviser managed	.292	2.1
Self managed	-.332	-2.5
Turnover	.322	2.3
Total Assets (log)	-.461	-14.0
Stock/Asset ratio	-.172	-.8
Number of stocks	.006	5.4
Age of account	.007	2.1

$$R^2 = .34$$

turn measures of the kind presented for other portfolios in other sections of the Study.⁸⁷ In order for these calculations to be made, however, it was necessary to have reported the market value of assets in the account on a frequent basis; at least quarterly and, where cash flows were large relative to assets (ten percent or greater), whenever a large cash flow occurred. On Form I-22 respondents were required to report market values only as frequently as they had in fact valued assets to market. On Form I-8, the Study had asked how frequently various asset types were valued to market, and 150 out of 360 accounts had replied that all assets were valued to market at least quarterly.

Of the 155 accounts which received Form I-22, 59 had reported on Form I-8 that assets were valued to market at least quarterly; of these, only 15 (25 percent) survived the program which produced the volatility-adjusted measures. Of the remaining 96 accounts in the Form I-22 sample, 31 (32 percent) survived the program.⁸⁸ Thus, the Study had volatility-adjusted measures for 46 out of 155 accounts; however, nine additional accounts were eliminated because of a lack of certain information which would have permitted uniform treatment of accounts and presentation of the measures across the Study.

The remaining 37 accounts, 24 percent of the number of accounts which received Form I-22, were felt to constitute a nonrepresentative sample of the original population for a number of reasons. Proportionately more profit-sharing plan accounts survived than did pension plan accounts. The size strata within the bank-managed account group were not uniformly represented and some strata were badly under-represented.⁸⁹ Accounts belonging to the plans of one firm made up a large portion of the surviving accounts, while the accounts of the plans of another firm which had many accounts in the original population were not represented at all. Of the four banks which manage the greater number of accounts within the population, one did not receive representation among the 37. Consequently, the Study determined that calculations and measures pertaining to the 37 surviving accounts should not be presented.

⁸⁷ Investment company account calculations are presented in ch. IV.F, and I, and the theoretical bases for the calculations are discussed in the app. to sec. F: bank collective account calculations are presented in ch. V.F.3: and life insurance company separate account calculations are presented in ch. VI.F.5.b.

⁸⁸ Although lack of sufficient market valuations is the major reason accounts did not survive the program, other reasons may have accounted for some of the failures, *e.g.*, unreasonably high return rates, suggesting that the data submitted on the Form were inaccurate.

⁸⁹ See appendix for discussion of the stratified sampling procedures adopted for bank-managed accounts.

TABLE VIII-21 Part A
Corporate Pension-Benefit Plans
Asset Holdings--1969--Summary

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED 1ST STRATUM >0 <25	8	3.2	33.3	72.1	395.6	7.9	49.5	551.4
2ND STRATUM >25 <50	7	2.4	57.6	161.1	879.3	36.0	102.6	1238.9
3RD STRATUM >50 <100	19	29.4	204.3	446.9	2464.0	94.3	195.0	3423.9
4TH STRATUM >100 <200	44	34.4	370.4	1515.8	4759.0	286.8	410.0	7327.3
5TH STRATUM >200 <300	19	20.9	214.8	1400.3	3090.2	244.8	114.9	5084.6
6TH STRATUM >300	20	37.8	560.1	1710.1	6077.3	533.9	527.3	9466.4
TOTAL	117	128.1	1390.5	5306.2	17656.2	1193.5	1399.3	27072.5
I/A MANAGED	16	14.8	48.5	49.4	542.6	7.2	47.4	709.2
SELF-MANAGED	27	251.6	698.1	2064.6	8119.9	759.6	458.6	12362.4
TOTAL	155	404.5	2137.2	7420.2	25318.8	1960.3	1905.3	40144.1

TABLE VIII-21 Part B
Corporate Pension-Benefit Plans
Asset Holdings--1969--Summary

(IN BILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TERM NON-GOVT	NON-GOVT LONG-TERM	COMMON & WARRANTS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	101	87.8	973.4	4924.6	15066.0	1151.3	1364.2	23495.9
I/A MANAGED	15	14.7	46.2	40.2	526.3	7.2	41.7	675.5
SELF MANAGED	17	45.5	607.4	2022.5	4928.2	720.1	348.3	9671.9
MANAGED PROF. SHR	13	224.6	190.6	432.2	3852.9	81.9	124.7	4906.7
UNMANAGED PROF. S	9	31.9	389.6	0.9	1945.4	0.0	26.4	2394.2
TOTAL	155	404.5	2137.7	7420.2	26319.8	1960.3	1905.3	40144.1

TABLE VIII-22 Part A
 Corporate Pension-Benefit Plans
 Asset Holdings--1969--Percentages

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED								
1ST STRATUM								
0 25	8	0.58	6.04	13.08	69.93	1.41	8.98	100.00
2ND STRATUM								
25 50	7	0.19	4.65	13.00	70.97	2.91	8.28	100.00
3RD STRATUM								
50 100	19	0.86	5.97	13.05	71.96	2.46	5.70	100.00
4TH STRATUM								
100 200	44	0.47	4.37	20.69	64.96	3.91	5.60	100.00
5TH STRATUM								
200 300	19	0.41	4.22	27.54	60.78	4.81	2.26	100.00
6TH STRATUM								
300	20	0.40	5.93	18.10	64.33	5.65	5.58	100.00
TOTAL	117	0.47	5.14	19.60	65.22	4.41	5.17	100.00
I/A MANAGED	16	2.09	6.84	6.97	76.51	1.02	6.68	100.00
SELF-MANAGED	22	2.12	5.65	16.70	65.68	6.14	3.71	100.00
TOTAL	155	1.01	5.32	18.48	65.56	4.88	4.75	100.00

TABLE VIII-22 Part B
 Corporate Pension-Benefit Plans
 Asset Holdings--1969--Percentages

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TM NON-GOVT	NON-GOVT LONG-TRM	COMMON & WARRANTS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	101	0.37	3.84	20.96	64.12	4.90	5.81	100.00
I/A MANAGED	15	2.18	6.84	5.95	77.91	1.07	6.17	100.00
SELF MANAGED	17	0.52	7.00	23.32	56.83	8.30	4.02	100.00
MANAGED PROF. SHR.	13	4.58	3.88	8.81	78.52	1.67	2.54	100.00
UNMANAGED PROF. SHR.	9	1.33	16.27	0.03	81.25	0.00	1.10	100.00
TOTAL	155	1.01	5.32	18.48	65.56	4.88	4.75	100.00

TABLE VIII-23 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--CASH AND NEARCASH ITEMS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-RKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.D.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK MANAGED								
1ST STRATUM >0' <25	8	2.6	0.8	3.2	0.0	0.0	0.0	3.2
2ND STRATUM >25 <50	7	2.4	0.0	2.4	0.0	0.0	0.0	2.4
3RD STRATUM >50 <100	19	22.7	2.3	25.0	0.0	0.0	0.0	29.4
4TH STRATUM >100 <200	44	22.0	9.1	31.1	0.0	0.0	0.0	34.4
5TH STRATUM >200 <300	19	21.1	5.0	20.9	0.0	0.0	0.0	20.9
6TH STRATUM >300	20	33.7	4.6	37.8	0.0	0.0	0.0	37.8
TOTAL	117	104.5	21.8	120.4	0.0	0.0	0.0	128.1
I/A MANAGED	16	7.9	6.9	14.8	0.0	0.0	0.0	14.8
SELF-MANAGED	22	5.6	39.4	44.9	2.0	10.0	204.7	261.6
TOTAL	155	118.0	68.1	180.1	2.0	10.0	204.7	404.5

TABLE VIII-23 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS -- 1969--CASH AND NEARCASH ITEMS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-RKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.D.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	101	67.0	28.4	89.5	0.0	0.0	0.0	87.8
I/A MANAGED	15	7.8	6.9	14.7	0.0	0.0	0.0	14.7
SELF MANAGED	17	3.9	29.6	33.5	2.0	10.0	0.0	45.5
MANAGED PROF.SHR	13	10.6	9.3	19.9	0.0	0.0	204.7	224.6
UNMANAGED PROF.S	9	31.5	0.4	31.9	0.0	0.0	0.0	31.9
TOTAL	155	120.8	74.6	189.6	2.0	10.0	204.7	404.5

TABLE VIII-24 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--GOVERNMENT SECURITIES AND
NONGOVERNMENT SHORT-TERM SECURITIES

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK MANAGED									
1ST STRATUM >0 <25	8	0.0	2.0	2.0	0.0	2.4	28.9	0.0	28.9
2ND STRATUM >25 <50	7	0.0	0.9	0.9	0.0	0.0	56.7	0.0	56.7
3RD STRATUM >50 <100	19	27.2	12.2	39.5	0.0	26.7	138.1	0.0	138.1
4TH STRATUM >100 <200	44	22.2	72.0	94.2	0.0	17.9	208.2	0.0	208.2
5TH STRATUM >200 <300	19	27.4	9.0	36.3	6.0	29.2	143.3	0.0	143.3
6TH STRATUM >300	20	24.3	344.8	369.1	0.0	18.9	172.1	0.0	172.1
TOTAL	117	101.2	440.9	542.1	6.1	95.1	747.3	0.0	747.3
I/A MANAGED	16	14.6	4.6	19.2	0.8	1.1	27.4	0.0	27.4
SELF-MANAGED	22	250.4	233.4	483.8	3.5	65.9	65.7	79.2	144.9
TOTAL	155	366.1	678.9	1045.1	10.3	162.1	940.5	79.2	919.7

TABLE VIII-24 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1969--GOVERNMENT SECURITIES AND
NONGOVERNMENT SHORT-TERM SECURITIES

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	101	97.6	51.0	148.6	6.1	69.7	679.1	0.0	679.1
I/A MANAGED	15	14.6	2.3	16.9	0.9	1.1	27.4	0.0	27.4
SELF MANAGED	17	206.7	190.0	396.7	3.5	65.9	62.1	79.2	141.3
MANAGED PROF. SHR	13	47.3	51.3	98.6	0.0	25.4	66.6	0.0	66.6
UNMANAGED PROF. S	9	0.0	394.3	394.3	0.0	0.0	5.3	0.0	5.3
TOTAL	155	366.1	678.9	1045.1	10.3	162.1	840.5	79.2	919.7

TABLE VIII-25 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--NONGOVERNMENT LONG-TERM DEBT

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK MANAGED									
1ST STRATUM >0 <25	8	3.6	20.6	24.2	11.5	32.0	43.5	4.3	72.1
2ND STRATUM >25 <50	7	0.0	25.6	30.7	30.1	89.1	118.2	12.2	161.1
3RD STRATUM >50 <100	19	18.7	57.2	76.9	107.1	250.5	357.6	12.3	446.9
4TH STRATUM >100 <200	44	23.6	100.9	198.2	448.1	808.2	1279.3	38.4	1515.8
5TH STRATUM >200 <300	19	10.7	113.6	124.2	462.6	900.2	1262.8	13.3	1400.3
6TH STRATUM >300	20	61.1	57.2	118.4	659.5	875.9	1535.4	56.3	1710.1
TOTAL	117	117.7	375.2	572.6	1719.0	2854.8	4596.7	136.8	5306.2
I/A MANAGED	16	3.9	15.7	19.5	3.4	24.4	29.8	0.1	49.4
SELF-MANAGED	22	31.7	208.9	254.1	603.1	1066.4	1669.5	141.0	2064.6
TOTAL	155	153.3	599.7	846.2	2325.5	3945.6	6296.0	278.0	7420.2

TABLE VIII-25 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1969--NONGOVERNMENT LONG-TERM DEBT

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUES W/EQUITY	TOTAL US ISSUES W/EQUITY	RESTRICT US ISSUES WO/EQUIT	OTHER US ISSUES WO/EQUIT	TOTAL US ISSUES WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	101	109.2	344.0	532.9	1572.4	2463.7	4259.1	132.5	4924.5
I/A MANAGED	15	3.9	15.7	19.5	3.4	15.2	20.6	0.1	40.2
SELF-MANAGED	17	30.9	206.0	250.4	603.1	1029.0	1632.2	139.9	2022.5
MANAGED PROF. SHR	13	9.2	34.1	43.3	145.5	236.9	383.5	5.4	432.2
UNMANAGED PROF. S	9	0.0	0.0	0.0	0.0	0.8	0.8	0.0	0.8
TOTAL	155	153.3	599.7	846.2	2325.5	3965.6	6296.0	278.0	7420.2

TABLE VIII-26 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--COMMON STOCK AND WARRANTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK MANAGED								
1ST STRATUM >0<25	8	6.8	2.2	0.0	21.0	355.6	385.6	0.0
2ND STRATUM >25<50	7	9.5	8.5	0.0	4.3	855.5	877.8	1.5
3RD STRATUM >50<100	19	55.2	11.5	12.5	95.4	2298.4	2463.0	1.0
4TH STRATUM >100<200	44	41.0	51.3	233.2	271.3	4160.6	4757.4	2.5
5TH STRATUM >200<300	19	52.4	11.1	0.3	47.0	2968.6	3079.3	10.8
6TH STRATUM >300	20	80.1	32.6	280.9	1670.0	3997.8	6061.4	15.8
TOTAL	117	245.1	117.2	526.8	2099.0	14636.5	17626.6	31.6
I/A MANAGED	16	1.0	5.3	36.2	3.6	495.3	541.3	1.3
SELF-MANAGED	22	69.6	174.1	5.7	2656.0	5214.4	8119.9	0.0
TOTAL	155	315.6	296.6	568.8	4758.6	20346.2	26285.8	33.0

TABLE VIII-26(PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1969--COMMON STOCK AND WARRANTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADRS & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
RANK-MANAGED	101	276.7	110.4	526.7	527.9	13543.8	15035.4	30.6
I/A MANAGED	15	1.0	5.3	19.9	3.6	495.3	525.0	1.3
SELF MANAGED	17	58.9	150.9	5.7	11.3	4681.4	4928.2	0.0
MANAGED PROF. SHR	13	19.0	20.1	16.3	2541.4	1255.0	3851.8	1.0
UNMANAGED PROF.S	9	0.0	0.0	0.1	1574.4	370.8	1945.4	0.0
TOTAL	155	315.6	296.6	569.8	4759.6	20346.2	26285.8	33.0

TABLE VIII-27 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK MANAGED							
1ST STRATUM >0<25	8	4.3	1.0	5.3	0.0	5.3	2.5
2ND STRATUM >25<50	7	4.7	25.5	30.3	0.0	30.3	5.7
3RD STRATUM >50<100	19	24.3	28.1	52.4	4.0	56.4	27.9
4TH STRATUM >100<200	44	66.2	123.9	220.5	6.9	227.4	59.3
5TH STRATUM >200<300	19	42.2	95.6	183.7	2.6	190.9	53.8
6TH STRATUM >300	20	164.7	146.0	392.0	3.9	390.0	143.9
TOTAL	117	306.5	420.1	874.2	17.4	900.3	293.2
I/A MANAGED	16	0.0	6.9	6.9	0.0	6.9	0.3
SELF-MANAGED	22	45.8	218.5	264.3	0.9	265.1	494.5
TOTAL	155	352.3	645.5	1145.4	19.2	1172.3	788.0

TABLE VIII-27 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS --1969--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
RANK-MANAGED	101	299.4	396.1	933.1	17.4	959.2	292.1
I/A MANAGED	15	0.0	6.9	6.9	0.0	6.9	0.3
SELF MANAGED	17	27.4	197.4	224.9	0.9	225.6	494.5
MANAGED PROF. SHR	13	25.5	55.1	90.6	0.0	90.6	1.1
UNMANAGED PROF. S	0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	155	352.3	645.5	1145.4	18.2	1172.3	788.0

TABLE VIII-28 (PART A)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1969--PREFERRED STOCK AND OTHER
 ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERR US ISSUE	NONCONV'T PREFERR US ISSUE	TOTAL PREFERR	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCABLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK MANAGED									
1ST STRATUM >0 <25	8	7.4	0.8	8.3	0.0	0.0	0.0	41.2	41.2
2ND STRATUM >25 <50	7	48.7	2.0	50.9	0.0	0.0	1.1	50.6	51.7
3RD STRATUM >50 <100	19	37.8	8.7	46.6	0.0	0.0	1.1	147.4	148.5
4TH STRATUM >100 <200	44	80.7	5.9	86.5	0.0	1.4	1.1	321.0	323.5
5TH STRATUM >200 <300	19	48.8	7.1	55.9	0.0	0.0	0.0	59.0	59.0
6TH STRATUM >300	20	80.5	5.2	85.7	0.0	0.0	0.0	441.6	441.6
TOTAL	117	303.9	29.7	333.8	0.0	1.4	3.3	1060.9	1065.5
I/A MANAGED	16	6.7	0.8	7.5	0.0	3.6	0.0	36.3	39.8
SELF-MANAGED	22	99.1	12.6	111.6	49.5	81.3	2.9	214.3	347.0
TOTAL	155	409.7	43.1	453.0	49.5	86.3	6.1	1311.4	1452.3

TABLE VIII-28 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1969--PREFERRED STOCK AND OTHER ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED ISSUE	NONCONV'T PREFERRED ISSUE	TOTAL PREFERRED	POLICY LOANS	DEF FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	101	296.5	27.1	323.6	0.0	1.4	2.6	1036.4	1040.4
I/A MANAGED	15	6.7	0.4	7.1	0.0	0.0	0.0	34.6	34.6
SELF-MANAGED	17	89.2	12.6	101.7	0.0	19.2	0.3	208.1	246.6
MANAGED PROF. SHR	13	17.3	3.0	20.4	48.5	28.8	3.2	23.8	104.3
UNMANAGED PROF'S	9	0.0	0.0	0.0	0.0	17.9	0.0	8.5	26.4
TOTAL	155	409.7	43.1	452.8	48.5	86.3	6.1	1311.4	1452.3

TABLE VIII-29 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--SUMMARY

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED 1ST STRATUM 0 #25	7	5.2	22.6	29.7	136.2	7.2	12.1	213.0
2ND STRATUM 25 #50	7	4.6	18.7	198.2	395.3	25.3	15.2	656.6
3RD STRATUM 50 #100	15	36.0	78.4	450.1	1050.0	84.2	26.0	1724.0
4TH STRATUM 100#200	38	42.8	230.9	1674.0	2507.9	224.1	93.5	4773.1
5TH STRATUM 200#300	19	20.5	193.6	1925.6	1797.4	186.6	41.0	4164.7
6TH STRATUM 300	20	44.3	410.5	2322.5	3634.6	420.3	143.2	6975.5
TOTAL	106	153.4	954.7	6600.1	9521.5	947.7	331.0	18506.9
I/A MANAGED	5	2.7	19.3	49.0	106.6	1.1	21.6	200.5
SELF-MANAGED	17	222.4	696.6	1791.6	6233.2	623.6	237.4	9804.7
TOTAL	128	378.4	1670.7	8440.6	15861.2	1572.4	590.1	28512.2

TABLE VIII-29 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1964--SUMMARY

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TERM NON-GOVT	LONG-TERM NON-GOVT	CORPORATE & GOVT BONDS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	91	114.0	573.4	6153.3	7541.1	935.4	312.8	15628.7
I/A MANAGED	4	1.9	8.5	25.4	71.5	1.1	11.0	119.5
SELF-MANAGED	13	137.8	585.0	1755.0	2895.4	609.8	152.3	6135.3
MANAGED PROF. SHRS	12	133.3	245.2	336.9	3575.5	26.1	99.5	4557.7
UNMANAGED PROF. SHRS	9	21.4	252.4	9.0	1775.7	0.0	14.5	2071.0
TOTAL	128	378.4	1670.7	8450.6	15861.2	1572.5	590.1	28512.2

TABLE VIII-30 (PART A)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1969--(COMPANIES REPORTING ALSO
 FOR 1964)--SUMMARY

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	CORP & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED								
1ST STRATUM C. 25	7	3.2	33.3	72.1	385.6	7.8	42.2	544.1
2ND STRATUM .25 25C	7	2.4	57.6	161.1	879.3	36.0	102.6	1238.9
3RD STRATUM 50 100	15	24.8	155.4	319.7	1961.8	67.1	162.4	2691.2
4TH STRATUM 100 200	38	29.7	280.9	1299.2	4199.0	235.4	390.5	6434.7
5TH STRATUM 200 300	19	20.3	214.8	1400.3	3090.2	244.8	114.9	5085.2
6TH STRATUM 300	20	37.8	567.1	1710.1	6077.3	533.9	527.3	9446.4
TOTAL	106	118.2	1302.1	4962.4	16593.1	1125.0	1339.8	25440.5
I/A MANAGED	5	3.5	24.7	22.1	196.8	0.0	36.7	287.8
SELF-MANAGED	17	256.1	663.2	1974.9	7596.6	751.4	427.6	11669.8
TOTAL	128	377.9	1994.0	6959.4	24386.5	1876.3	1804.1	37398.1

TABLE VIII-30 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS -- 1969--(COMPANIES REPORTING ALSO
FOR 1964)--SUMMARY

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TRM NON-GOVT	NON-GOVT LONG-TRM	COMMON & WARRANTS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	91	78.3	824.7	4598.4	14104.3	1105.9	1308.5	22019.9
I/A MANAGED	4	3.4	26.4	12.8	180.5	0.0	31.0	254.1
SELF MANAGED	13	41.1	572.9	1933.6	4423.4	711.9	320.6	8003.4
MANAGED PROF.SMR	12	224.2	180.9	414.6	3751.4	58.6	120.9	4750.6
UNMANAGED PROF.S	8	30.9	387.1	0.0	1927.0	0.0	23.1	2370.0
TOTAL	128	377.9	1994.0	6959.4	24386.5	1876.3	1804.1	37398.1

TABLE VIII-31 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--PERCENTAGES

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED								
1ST STRATUM 0 25	7	2.44	10.61	13.94	63.94	3.38	5.68	100.00
2ND STRATUM 25 50	7	0.70	2.85	30.19	60.20	3.85	2.31	100.00
3RD STRATUM 50 100	15	2.09	4.55	26.11	60.90	4.88	1.51	100.00
4TH STRATUM 100 200	38	0.90	4.84	35.07	52.54	4.70	1.96	100.00
5TH STRATUM 200 300	19	0.49	4.65	46.24	43.16	4.48	0.98	100.00
6TH STRATUM 300	20	0.64	5.88	33.30	52.11	6.03	2.05	100.00
TOTAL	106	0.83	5.16	35.66	51.45	5.12	1.79	100.00
I/A MANAGED	5	1.35	9.63	24.44	53.17	0.55	10.77	100.00
SELF-MANAGED	17	2.27	7.10	18.25	63.57	6.36	2.42	100.00
TOTAL	128	1.33	5.86	29.60	55.63	5.51	2.07	100.00

TABLE VIII_31 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS --1964--PERCENTAGES

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TM NON-GOVT	NON-GOV'T LONG-TRM	COMMON & WARRANTS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	91	0.73	3.67	39.37	48.25	5.99	2.00	100.00
I/A MANAGED	4	1.59	7.11	21.26	59.83	0.92	9.21	100.00
SELF MANAGED	13	2.25	9.53	28.60	47.19	9.94	2.48	100.00
MANAGED PROF.SHR	12	2.27	5.38	11.12	78.47	0.57	2.18	100.00
UNMANAGED PROF.S	8	1.03	12.48	0.00	85.79	0.00	0.70	100.00
TOTAL	128	1.33	5.86	29.60	55.63	5.52	2.07	100.00

TABLE VIII-32 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO
FOR 1964)--PERCENTAGES

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK MANAGED								
1ST STRATUM 0 25	7	0.59	6.12	13.25	70.87	1.43	7.76	100.00
2ND STRATUM 25 50	7	0.19	4.65	13.00	70.97	2.91	8.28	100.00
3RD STRATUM 50 100	15	0.92	5.77	11.88	72.90	2.49	6.03	100.00
4TH STRATUM 100 200	38	0.46	4.37	20.19	65.26	3.66	6.07	100.00
5TH STRATUM 200 300	19	0.40	4.22	27.54	60.77	4.81	2.26	100.00
6TH STRATUM 300	20	0.40	5.93	18.10	64.33	5.65	5.58	100.00
TOTAL	106	0.46	5.12	19.51	65.22	4.42	5.27	100.00
I/A MANAGED	5	1.22	9.97	7.68	68.38	0.00	12.75	100.00
SELF-MANAGED	17	2.19	5.68	16.92	65.10	6.44	3.66	100.00
TOTAL	128	1.01	5.33	18.61	65.21	5.02	4.82	100.00

TABLE VIII_32 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS --1969--(COMPANIES REPORTING ALSO
FOR 1964)--PERCENTAGES

(PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOV'TS & SHORT-TRM NON-GOVT	NON-GOVT LONG-TRM	COMMON & WARRANTS	MORTGAGE & REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	91	0.36	3.75	20.88	64.05	5.02	5.94	100.00
I/A MANAGED	4	1.34	10.39	5.04	71.04	0.00	12.20	100.00
SELF MANAGED	13	0.51	7.16	24.16	55.27	8.90	4.01	100.00
MANAGED PROF. SHR.	12	4.72	3.81	8.73	78.97	1.23	2.54	100.00
UNMANAGED PROF. SHR.	8	1.30	16.42	0.00	81.31	0.00	0.97	100.00
TOTAL	128	1.01	5.33	18.61	65.21	5.02	4.82	100.00

TABLE VIII-33 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--CASH AND NEARCASH ITEMS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.O.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK MANAGED 1ST STRATUM 0 025	7	5.1	0.1	5.2	0.0	0.0	0.0	5.2
2ND STRATUM 25 050	7	2.3	0.0	2.3	2.3	0.0	0.0	4.6
3RD STRATUM 50 0100	15	28.3	0.1	28.3	2.8	4.8	0.0	35.9
4TH STRATUM 100 0200	38	11.7	3.3	15.9	2.5	7.3	1.0	42.8
5TH STRATUM 200 0300	19	7.1	4.5	11.6	0.0	8.0	0.8	20.5
6TH STRATUM 300	20	25.1	3.6	29.7	13.0	1.2	1.4	44.3
TOTAL	106	79.7	11.6	92.1	29.6	21.3	3.3	153.3
I/A MANAGED	5	1.2	1.5	2.7	0.0	0.0	0.0	2.7
SELF-MANAGED	17	0.6	60.7	61.2	79.0	83.1	0.0	222.4
TOTAL	128	81.4	73.8	156.1	98.6	194.4	3.3	378.4

TABLE VIII-34 (PART A)
 CORPORATE PENSION-BENEFIT PLANS, ASSET HOLD-
 INGS--1969--(COMPANIES REPORTING ALSO FOR
 1964)--CASH AND NEAR CASH ITEMS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEP DEPS	C.O.S	OTH. TIME & SAV DP IN BANKS	OTH. TIME & SAV DEPOSITS	TOTAL CASH & NEAR CASH
BANK MANAGED								
1ST STRATUM 0 #25	7	2.6	0.8	3.2	0.0	0.0	0.0	3.2
2ND STRATUM 25 #50	7	2.4	0.0	2.4	0.0	0.0	0.0	2.4
3RD STRATUM 50 #100	15	20.3	0.0	20.4	0.0	0.0	0.0	24.8
4TH STRATUM 100 #200	38	20.1	6.3	26.4	0.0	0.0	0.0	29.7
5TH STRATUM 200 #300	19	15.4	5.0	20.3	0.0	0.0	0.0	20.3
6TH STRATUM 300	20	33.7	4.6	37.8	0.0	0.0	0.0	37.8
TOTAL	106	94.5	16.7	110.5	0.0	0.0	0.0	118.2
I/A MANAGED	5	2.7	0.8	3.5	0.0	0.0	0.0	3.5
SELF-MANAGED	17	3.1	36.4	39.5	2.0	10.0	204.7	256.1
TOTAL	128	100.3	53.9	153.5	2.0	10.0	204.7	377.9

TABLE VIII_33 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS --1964--CASH AND NEAR-CASH ITEMS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP MARKS	CURRENCY DEMAND DP FLSE	TOTAL CURRENCY DEM DEPS	C.O.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEAR-CASH
BANK-MANAGED	91	40.3	11.6	52.8	20.6	21.3	3.3	114.0
I/A MANAGED	4	0.4	1.5	1.9	0.0	0.0	0.0	1.9
SELF-MANAGED	13	0.2	9.5	9.8	79.0	50.0	0.0	137.8
MANAGED PROF. SHR	12	19.1	51.1	70.2	0.0	33.1	0.0	103.3
UNMANAGED PROF. S	8	21.4	0.0	21.4	0.0	0.0	0.0	21.4
TOTAL	128	81.4	73.8	156.1	99.6	104.4	3.3	378.4

TABLE VIII-34 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET HOLDINGS--
 1969--(COMPANIES REPORTING ALSO FOR 1964)--CASH
 AND NEAR-CASH ITEMS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP IN BKGS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEN DEPS	C.D.'S	OTH. TIME & SAV DP IN BANKS	OTH. TIME & SAV DEPOSITS	TOTAL CASH & NEAR-CASH
BANK-MANAGED	91	54.6	16.7	70.6	0.0	0.0	0.0	78.3
I/A MANAGED	4	2.6	0.8	3.4	0.0	0.0	0.0	3.4
SELF MANAGED	13	2.5	26.6	29.2	2.0	10.0	0.0	41.1
MANAGED PROF. SHRS	12	10.2	9.3	19.5	0.0	0.0	204.7	224.2
UNMANAGED PROF. S	8	30.4	0.4	30.8	0.0	0.0	0.0	30.9
TOTAL	128	100.3	53.9	153.5	2.0	10.0	204.7	377.9

TABLE VIII-35 (PART A)
 CORPORATE PENSION-BENEFIT PLANS, ASSET HOLD-
 INGS--1964--GOVERNMENT SECURITIES AND NON-
 GOVERNMENT SHORT-TERM SECURITIES
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	LS GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHORT TRM FOREIGN	NONGOVT SHORT TRM TOTAL
BANK MANAGED									
1ST STRATUM 0-25	7	10.6	7.7	18.3	0.0	0.3	4.0	0.0	4.0
2ND STRATUM 25-50	7	2.7	9.8	12.5	0.0	0.0	5.9	0.3	6.2
3RD STRATUM 50-100	15	2.3	26.4	28.6	0.0	17.9	31.9	0.0	31.9
4TH STRATUM 100-200	38	56.3	83.8	140.0	0.1	30.2	57.5	2.3	60.6
5TH STRATUM 200-300	19	25.1	60.6	85.8	8.6	45.5	53.7	0.0	53.7
6TH STRATUM 300	20	47.2	268.0	315.2	0.1	18.7	76.6	0.0	76.6
TOTAL	106	144.2	456.3	600.4	8.8	112.5	229.6	2.6	232.9
I/A MANAGED	5	2.0	13.8	15.8	1.0	2.0	0.6	0.0	0.6
SELF-MANAGED	17	224.0	274.8	508.9	0.0	49.9	98.5	39.4	137.9
TOTAL	128	380.2	744.9	1125.1	9.8	164.4	328.7	42.0	371.4

TABLE VIII-35 (PART B)
 CORPORATE PENSION-BENEFIT PLANS ASSET HOLD-
 INGS--1964--GOVERNMENT SECURITIES AND NON-
 GOVERNMENT SHORT-TERM SECURITIES
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	91	118.5	165.8	284.2	9.9	73.4	206.0	0.3	207.0
I/A MANAGED	4	2.0	3.0	5.0	1.0	2.0	0.6	0.0	0.6
SELF MANAGED	13	188.5	245.1	433.6	0.0	49.9	62.1	39.4	101.5
MANAGED PROF. SHR.	12	70.9	73.7	144.6	0.0	39.1	59.3	2.3	61.6
UNMANAGED PROF. S	8	0.4	257.4	257.8	0.0	0.0	0.7	0.0	0.7
TOTAL	128	380.2	744.9	1125.1	9.9	164.4	328.7	42.0	371.4

TABLE VIII-36 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET HOLD-
INGS-1969--(COMPANIES REPORTING ALSO FOR
1964)--GOVERNMENT SECURITIES AND NON-
GOVERNMENT SHORT-TERM SECURITIES
(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	LS GOVT SHORT- TERM	LS GOVT LONG- TERM	LS GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHORT TRM FOREIGN	NONGOVT SHORT TRM TOTAL
BANK MANAGED									
1ST STRATUM 0 #25	7	0.0	2.0	2.0	0.0	2.4	28.9	0.0	28.9
2ND STRATUM 25 #50	7	0.0	0.9	0.9	0.0	0.0	56.7	0.0	56.7
3RD STRATUM 50 #100	15	9.2	12.2	21.5	0.0	14.8	119.1	0.0	119.1
4TH STRATUM 100#200	38	21.2	70.9	92.2	0.0	10.1	178.6	0.0	178.6
5TH STRATUM 200#300	15	27.4	9.0	36.3	6.0	29.2	143.3	0.0	143.3
6TH STRATUM 300	20	24.3	344.9	369.1	0.0	18.9	172.1	0.0	172.1
TOTAL	106	82.1	439.8	522.0	6.1	75.4	698.7	0.0	698.7
I/A MANAGED	5	9.6	2.4	11.9	0.9	1.1	15.0	0.0	15.0
SELF-MANAGED	17	240.4	225.2	465.5	3.5	59.7	55.2	79.2	134.4
TOTAL	128	332.0	667.4	999.4	17.3	136.2	768.9	79.2	848.1

TABLE VIII-36 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET HOLDINGS-
1969--(COMPANIES REPORTING ALSO FOR 1964)--GOVERNMENT
SECURITIES AND NON-GOVERNMENT SHORT-TERM SECURITIES
(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONG /T SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	91	79.6	50.7	130.2	6.1	53.2	635.2	0.0	635.2
I/A MANAGED	4	9.6	0.0	9.6	0.8	1.1	15.0	0.0	15.0
SELF MANAGED	13	196.7	182.2	378.9	3.5	59.7	51.6	79.2	130.8
MANAGED PROF.SHR	12	46.3	50.6	96.9	0.0	22.1	61.9	0.0	61.9
UNMANAGED PROF.S	8	0.0	383.8	383.8	0.0	0.0	5.3	0.0	5.3
TOTAL	128	332.0	667.4	999.4	10.3	136.2	768.9	79.2	848.1

TABLE VIII-37 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--NONGOVERNMENT LONG-TERM DEBT
(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK MANAGED									
1ST STRATUM 0 □25	7	0.2	0.1	0.3	13.9	12.0	25.9	3.5	29.7
2ND STRATUM 25 □50	7	0.7	6.7	7.4	39.4	143.6	183.0	7.8	158.2
3RD STRATUM 50 □100	15	5.5	4.7	10.2	112.4	317.4	429.8	10.0	449.9
4TH STRATUM 100□200	38	6.7	74.1	145.1	477.6	1013.8	1491.4	37.5	1674.0
5TH STRATUM 200□300	19	2.5	25.6	28.1	604.6	1283.7	1889.7	7.8	1925.6
6TH STRATUM 300	20	15.0	21.8	36.8	798.0	1456.8	2254.8	31.0	2322.5
TOTAL	106	30.5	133.0	227.8	2046.0	4227.2	6274.6	97.6	6599.9
I/A MANAGED	5	0.3	5.4	5.8	6.4	36.9	43.3	0.0	49.0
SELF-MANAGED	17	24.9	111.8	139.0	471.4	1023.6	1515.2	137.4	1791.6
TOTAL	128	55.7	250.2	372.6	2523.7	5287.7	7833.0	235.0	8440.6

TABLE VIII-37 (PART B)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS --1964--NONGOVERNMENT LONG-TERM DEBT
(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	91	25.9	120.2	210.4	1886.2	3962.3	5849.9	93.1	6153.3
I/A MANAGED	4	0.3	5.4	5.8	6.4	13.2	19.6	0.0	25.4
SELF-MANAGED	13	14.8	111.8	128.6	471.4	1018.1	1489.5	136.9	1755.0
MANAGED PROF. SHR	12	14.7	12.8	27.8	159.8	294.1	474.1	5.0	506.9
UNMANAGED PROF. S	8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	128	55.7	250.2	372.6	2523.7	2587.7	7833.0	235.0	8440.6

TABLE VIII-38 (PART A)
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO
FOR 1964)--NONGOVERNMENT LONG-TERM DEBT
(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT LS ISSUE W/EQUITY	OTHER LS ISSUE W/EQUITY	TOTAL LS ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK MANAGED									
1ST STRATUM 0 #25	7	3.6	20.6	24.2	11.5	32.0	43.5	4.3	72.1
2ND STRATUM 25 #50	7	0.0	25.6	30.7	30.1	88.1	118.2	12.2	161.1
3RD STRATUM 50 #100	15	5.5	30.6	37.2	69.3	202.8	272.1	10.5	319.7
4TH STRATUM 100 #200	38	21.7	92.1	180.3	372.1	711.7	1083.8	35.1	1299.2
5TH STRATUM 200 #300	19	10.7	113.6	124.2	462.6	800.2	1262.8	13.3	1400.3
6TH STRATUM 300	20	61.1	57.2	118.4	659.5	875.9	1535.4	56.3	1710.1
TOTAL	106	102.6	339.8	515.0	1605.1	2710.7	4315.7	131.7	4962.4
I/A MANAGED	5	0.5	1.9	2.4	3.4	14.3	19.7	0.0	22.1
SELF-MANAGED	17	31.7	206.3	251.5	572.2	1016.0	1588.1	135.3	1974.9
TOTAL	128	134.8	548.0	768.9	2180.6	3741.0	5923.6	267.0	6959.4

TABLE VIII-38 (PART B)
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1969--(COMPANIES REPORTING ALSO
 FOR 1964)--NONGOVERNMENT LONG-TERM DEBT

(IN MILLIONS, OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	91	56.1	312.9	481.5	1466.4	2523.0	3989.5	127.4	4598.4
I/A MANAGED	4	0.5	1.9	2.4	3.4	5.1	10.5	0.0	12.8
SELF MANAGED	13	30.9	203.4	247.8	572.2	979.4	1551.5	134.2	1933.6
MANAGED PROF.SHR	12	7.3	29.8	37.1	138.6	233.4	372.1	5.4	414.6
UNMANAGED PROF.S	8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	128	134.8	548.0	768.9	2180.6	3741.0	5923.6	267.0	6959.4

TABLE VIII-39 Part A
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--COMMON STOCK AND WARRANTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK MANAGED								
1ST STRATUM 0 □25	7	2.2	0.0	0.0	5.6	128.4	136.2	0.0
2ND STRATUM 25 □50	7	9.5	4.7	0.0	6.0	375.1	395.3	0.0
3RD STRATUM 50 □100	15	22.4	1.5	6.1	18.6	1001.2	1050.0	0.0
4TH STRATUM 100 □200	38	50.6	10.0	116.2	203.7	2127.2	2507.8	0.1
5TH STRATUM 200 □300	19	24.0	0.0	0.0	24.2	1747.4	1795.5	1.8
6TH STRATUM 300	20	106.9	15.8	201.8	1273.4	2034.4	3632.5	2.2
TOTAL	106	215.8	32.0	324.2	1531.5	7413.7	9517.3	4.2
I/A MANAGED	5	3.6	0.0	27.0	9.3	66.7	106.6	0.0
SELF-MANAGED	17	57.5	18.4	0.0	2640.6	3515.5	6232.1	1.0
TOTAL	128	276.9	50.4	351.2	4181.5	10996.0	15856.0	5.2

TABLE VII-39 Part B
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--COMMON STOCK AND WARRENTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	91	205.5	32.0	324.0	291.8	6683.7	7536.9	4.2
I/A MANAGED	4	3.6	0.0	0.0	1.3	66.7	71.5	0.0
SELF MANAGED	13	55.6	5.6	0.0	24.4	2809.8	2895.4	0.0
MANAGED PROF. SHR	12	12.3	12.8	27.0	2477.1	1046.3	3575.5	1.0
UNMANAGED PROF.S	8	0.0	0.0	0.2	1387.0	389.5	1776.7	0.0
TOTAL	128	276.9	50.4	351.2	4191.5	10996.0	15856.0	5.2

TABLE VIII-40 Part A
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO
FOR 1964)--COMMON STOCK AND WARRANTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FCREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT EC COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK MANAGED								
1ST STRATUM 0 □25	7	6.8	2.2	0.0	21.0	355.6	385.6	0.0
2ND STRATUM 25 □50	7	9.5	8.5	0.0	4.3	855.5	877.8	1.5
3RD STRATUM 50 □100	15	46.6	9.4	12.5	81.4	1811.3	1961.2	0.6
4TH STRATUM 100 □200	38	35.5	50.9	233.2	269.1	3608.1	4196.8	2.2
5TH STRATUM 200 □300	19	52.4	11.1	0.3	47.0	2968.6	3079.3	10.8
6TH STRATUM 300	20	80.1	32.6	280.9	1670.0	3997.8	6061.4	15.8
TOTAL	106	231.0	114.7	526.8	2092.7	13596.9	16562.1	30.9
I/A MANAGED	5	0.3	4.1	17.5	0.0	174.9	196.8	0.0
SELF-MANAGED	17	67.6	65.5	4.5	2635.5	4823.5	7596.6	0.0
TOTAL	128	298.9	184.3	548.9	4728.3	18595.2	24355.6	30.9

TABLE VII-40 Part B
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1969--(COMPANIES REPORTING ALSO
 FOR 1964)--COMMON STOCK AND WARRENTS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT EC COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	91	215.1	107.9	526.7	621.6	12602.9	14074.1	30.2
I/A MANAGED	4	0.3	4.1	1.2	0.0	174.9	180.5	0.0
SELF MANAGED	13	66.9	52.2	4.5	9.3	4290.4	4423.4	0.0
MANAGED PROF.SHR	12	16.5	20.1	16.3	2541.4	1156.3	3750.6	0.7
UNMANAGED PROF.S	8	0.0	0.0	0.1	1556.0	370.8	1927.0	0.0
TOTAL	128	298.9	184.3	548.9	4728.3	18595.2	24355.6	30.9

TABLE VIII-41 Part A
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1964--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK MANAGED							
1ST STRATUM 0 #25	7	1.4	2.7	4.1	0.0	4.1	3.1
2ND STRATUM 25 #50	7	5.6	12.8	18.4	0.0	18.4	6.9
3RD STRATUM 50 #100	15	23.5	40.8	64.4	0.0	64.4	19.9
4TH STRATUM 100#200	38	52.5	107.9	164.0	11.3	175.3	48.8
5TH STRATUM 200#300	19	48.4	62.9	146.0	0.0	151.4	35.2
6TH STRATUM 300	20	101.7	135.8	298.4	0.0	303.9	116.4
TOTAL	106	233.1	362.9	695.3	11.3	717.5	230.3
I/A MANAGED	5	0.0	1.1	1.1	0.0	1.1	0.0
SELF-MANAGED	17	39.0	220.5	259.5	0.0	259.5	364.1
TOTAL	128	272.1	584.5	955.9	11.3	978.1	594.4

TABLE VIII-41 Part B
CORPORATE PENSION-BENEFIT PLANS
ASSET HOLDINGS--1964--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	91	233.1	350.5	682.9	11.3	705.1	230.3
I/A MANAGED	4	0.0	1.1	1.1	0.0	1.1	0.0
SELF MANAGED	13	36.2	209.6	245.8	0.0	245.8	364.1
MANAGED PROF.SHR	12	2.8	23.3	26.1	0.0	26.1	0.1
UNMANAGED PROF.S	8	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	128	272.1	584.5	955.9	11.3	978.1	594.4

TABLE VIII-42 Part A
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1969--(COMPANIES REPORTING ALSO
 FOR 1964)--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK MANAGED 1ST STRATUM 0 #25	7	4.3	1.0	5.3	0.0	5.3	2.5
2ND STRATUM 25 #50	7	4.7	25.5	30.3	0.0	30.3	5.7
3RD STRATUM 50 #100	15	20.0	28.1	48.0	0.0	48.0	19.1
4TH STRATUM 100#200	38	52.2	107.5	169.7	6.9	176.6	58.8
5TH STRATUM 200#300	19	42.2	95.6	183.7	2.6	190.9	53.8
6TH STRATUM 300	20	164.7	146.0	382.0	3.9	390.0	143.9
TOTAL	106	288.2	403.7	819.1	13.4	841.2	283.8
I/A MANAGED	5	0.0	0.0	0.0	0.0	0.0	0.0
SELF-MANAGED	17	45.5	211.3	256.9	0.0	256.9	494.5
TOTAL	128	333.7	615.0	1075.9	13.4	1098.0	778.3

TABLE VIII-42 Part B
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO FOR
1964)--MORTGAGES AND REAL ESTATE

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	91	287.9	386.1	801.2	13.4	823.3	282.7
I/A MANAGED	4	0.0	0.0	0.0	0.0	0.0	0.0
SELF MANAGED	13	27.1	190.2	217.3	0.0	217.3	494.5
MANAGED PROF.SHR	12	18.7	38.7	57.4	0.0	57.4	1.1
UNMANAGED PROF.S	8	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	128	333.7	615.0	1075.9	13.4	1098.0	778.3

TABLE VIII-43 Part A
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1964--PREFERRED STOCK AND OTHER
ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK MANAGED									
1ST STRATUM 0 #25	7	0.5	0.6	1.3	0.0	0.0	0.0	10.8	10.8
2ND STRATUM 25 #50	7	1.9	1.2	3.4	0.0	0.0	0.0	11.8	11.8
3RD STRATUM 50 #100	15	6.0	5.5	11.5	0.0	0.0	0.9	13.8	14.7
4TH STRATUM 100#200	38	13.0	13.1	26.4	1.2	0.8	0.3	64.8	67.1
5TH STRATUM 200#300	19	6.2	10.7	16.9	0.0	0.0	0.0	24.1	24.1
6TH STRATUM 300	20	7.7	20.1	27.8	0.0	7.4	0.0	108.0	115.4
TOTAL	106	35.3	51.2	87.1	1.2	8.2	1.2	233.3	243.9
I/A MANAGED	5	0.3	0.5	0.8	0.0	6.9	0.0	13.9	20.8
SELF-MANAGED	17	9.7	52.1	61.8	49.0	31.3	0.3	94.9	175.6
TOTAL	128	45.3	103.8	149.6	50.2	46.5	1.5	342.1	440.3

TABLE VIII-43 Part B
 CORPORATE PENSION-BENEFIT PLANS, ASSET
 HOLDINGS--1964--PREFERRED STOCK AND OTHER ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRD US ISSUE	NONCONV'T PREFERRD US ISSUE	TOTAL PREFERRD	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	91	33.2	51.2	85.1	0.0	8.2	1.2	218.2	227.6
I/A MANAGED	4	0.3	0.4	0.7	0.0	0.0	0.0	10.3	10.3
SELF MANAGED	13	8.7	52.1	60.8	0.0	0.0	0.1	91.4	91.5
MANAGED PROF.SHR	12	3.0	0.1	3.1	50.2	27.6	0.3	18.4	96.4
UNMANAGED PROF.S	8	0.0	0.0	0.0	0.0	10.7	0.0	3.8	14.5
TOTAL	128	45.3	103.8	149.8	50.2	46.5	1.5	342.1	440.3

TABLE VIII-44 Part A
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO
FOR 1964)--PREFERRED STOCK AND OTHER ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LCANS	DUE FROM AFFILIAT CCOMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK MANAGED									
1ST STRATUM 0 □25	7	7.4	0.8	8.3	0.0	0.0	0.0	33.9	33.9
2ND STRATUM 25 □50	7	48.7	2.0	50.9	0.0	0.0	1.1	50.6	51.7
3RD STRATUM 50 □100	15	37.0	5.4	42.4	0.0	0.0	1.1	118.9	120.0
4TH STRATUM 100□200	38	69.2	4.0	73.2	0.0	1.4	1.1	314.9	317.3
5TH STRATUM 200□300	19	48.8	7.1	55.9	0.0	0.0	0.0	59.0	59.0
6TH STRATUM 300	20	80.5	5.2	85.7	0.0	0.0	0.0	441.6	441.6
TOTAL	106	291.6	24.5	316.3	0.0	1.4	3.3	1018.9	1023.5
I/A MANAGED	5	1.6	0.4	2.1	0.0	3.6	0.0	31.1	34.6
SELF-MANAGED	17	83.6	11.6	95.2	48.5	79.9	2.9	202.1	323.3
TOTAL	128	376.9	36.5	413.7	48.5	83.8	6.1	1252.0	1390.5

TABLE VIII-44 Part B
CORPORATE PENSION-BENEFIT PLANS, ASSET
HOLDINGS--1969--(COMPANIES REPORTING ALSO FOR
1964)--PREFERRED STOCK AND OTHER ASSETS

(IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	91	285.2	23.7	309.2	0.0	1.4	2.6	995.3	959.3
I/A MANAGED	4	1.6	0.0	1.6	0.0	0.0	0.0	29.4	29.4
SELF MANAGED	13	73.7	11.6	85.3	0.0	38.2	0.3	196.8	235.2
MANAGED PROF.SHR	12	16.3	1.2	17.5	48.5	28.8	3.2	22.9	103.4
UNMANAGED PROF.S	8	0.0	0.0	0.0	0.0	15.5	0.0	7.6	23.1
TOTAL	128	376.9	36.5	413.7	48.5	83.8	6.1	1252.0	1390.5

TABLE VIII-45 (PART A)
CORPORATE PENSION-BENEFIT PLANS--1969,
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

Account Type	No.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank Managed: 0-25	8	330.8	85.77	15.9	4.11	8.5	2.20	30.5	7.90	385.6	100.00
25-50	7	779.8	89.98	3.8	0.43	32.3	3.72	50.8	5.85	866.6	100.00
50-100	19	2119.1	86.78	64.6	2.64	46.6	1.90	211.6	8.66	2441.9	100.00
100-200	44	4291.2	91.88	31.3	0.66	93.7	2.00	254.2	5.44	4670.4	100.00
200-300	19	2759.4	92.15	22.4	0.74	54.3	1.81	158.2	5.28	2994.3	100.00
300	20	5738.1	95.76	28.0	0.46	84.5	1.40	141.5	2.36	5992.1	100.00
Bank Managed Total	117	16018.4	92.32	165.9	0.95	319.9	1.84	846.7	4.87	17350.9	100.00
Investment Adviser Managed	16	435.4	83.40	33.9	6.49	12.4	2.37	40.3	7.72	522.0	100.00
Self-Managed	22	6106.0	88.41	25.1	0.36	531.3	7.69	244.3	3.54	6906.8	100.00
Total	155	22559.8	91.04	225.0	0.91	863.5	3.48	1131.4	4.57	24779.7	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-45 Part B
CORPORATE PENSION-BENEFIT PLANS--1969
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK MANAGED	101	13596.3	92.07	138.5	0.93	296.3	2.00	735.3	4.97	14766.4	100.00
INVESTMENT ADVISER-MANAGED	15	420.8	83.22	33.9	6.70	11.3	2.24	39.6	7.82	505.7	100.00
MANAGED PROFIT-SHARING	13	1376.4	88.18	29.0	1.85	32.5	2.08	123.0	7.87	1560.8	100.00
UNMANAGED PROFIT-SHARING	9	2013.2	100.00	0.0	0.00	0.0	0.00	0.0	0.00	2013.2	100.00
SELF-MANAGED	17	5153.1	86.85	23.6	0.40	523.4	8.82	233.6	3.94	5933.6	100.00
TOTAL	155	22559.8	91.04	225.0	0.91	863.5	3.48	1131.4	4.57	24779.7	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-46, PART (A)
CORPORATE PENSION-BENEFIT PLANS -- 1964
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

Account Type	No.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank Managed: 0-25	7	110.6	85.23	0.6	0.45	14.3	11.00	4.3	3.30	129.8	100.00
25-50	7	347.3	87.85	1.5	0.36	25.7	6.50	20.9	5.27	395.4	100.00
50-100	15	887.7	84.55	9.2	0.88	89.9	8.56	63.1	6.00	1049.9	100.00
100-200	39	2309.3	88.73	21.4	0.82	174.7	6.71	97.0	3.72	2602.4	100.00
200-300	19	1692.8	90.76	13.2	0.70	127.0	6.80	32.1	1.71	1865.0	100.00
300	20	3287.2	90.57	27.0	0.74	219.9	6.06	95.0	2.61	3629.1	100.00
Bank Managed Total	107	8635.1	89.28	72.9	0.75	651.4	6.73	312.3	3.22	9671.7	100.00
Investment Adviser Managed	5	90.1	84.50	1.9	1.78	11.4	10.66	3.3	3.05	106.6	100.00
Self-Managed	18	3939.7	83.94	30.7	0.65	591.0	12.59	132.3	2.82	4693.7	100.00
Total	130	12664.8	87.51	105.4	0.73	1253.8	8.66	447.8	3.09	14471.9	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-46, PART (B)
 CORPORATE PENSION-BENEFIT PLANS -- 1964
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank-Managed	92	6722.7	87.39	69.6	0.90	626.0	8.13	274.2	3.56	7692.5	100.00
Investment Adviser Managed	4	59.5	83.28	1.9	2.66	7.6	10.67	2.4	3.39	71.5	100.00
Managed Profit-Sharing	12	1130.4	91.38	9.3	0.75	41.6	3.36	55.7	4.50	1237.0	100.00
Unmanaged Profit-Sharing	8	1769.3	99.72	0.0	0.00	4.9	0.27	0.0	0.00	1774.2	100.00
Self-Managed	14	2982.9	80.69	24.7	0.67	573.7	15.52	115.5	3.12	3696.7	100.00
Total	130	12664.8	87.51	105.4	0.73	1253.8	8.66	447.8	3.09	14471.9	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-47 (PART A)
CORPORATE PENSION-BENEFIT PLANS--1969
(COMPANIES REPORTING ALSO FOR 1964)
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

Account Type	No.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank Managed: 0-25	7	330.8	85.77	15.9	4.11	8.5	2.20	30.5	7.90	385.6	100.00
25-50	7	779.8	89.98	3.8	0.43	32.3	3.72	50.8	5.85	866.6	100.00
50-100	15	1728.3	88.35	29.4	1.50	29.3	1.49	169.1	8.64	1956.1	100.00
100-200	39	3887.9	91.89	29.8	0.70	73.5	1.73	239.8	5.66	4231.0	100.00
200-300	19	2759.4	92.15	22.4	0.74	54.3	1.81	158.2	5.28	2994.3	100.00
300	20	5738.1	95.76	28.0	0.46	84.5	1.40	141.5	2.36	5992.1	100.00
Bank Managed Total	107	15224.3	92.68	129.2	0.78	282.4	1.71	789.8	4.80	16425.7	100.00
Investment Adviser Managed	5	158.4	80.96	19.4	9.90	8.0	4.07	9.9	5.07	195.6	100.00
Self- Managed	18	5720.8	88.11	22.8	0.35	509.8	7.85	239.5	3.69	6492.9	100.00
Total	130	21103.5	91.30	171.4	0.74	800.1	3.46	1039.3	4.50	23114.3	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-47, PART (B)
CORPORATE PENSION-BENEFIT PLANS -- 1969 (Companies REPORTING IN 1964)
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK MANAGED	92	12893.9	92.47	103.3	0.74	266.5	1.91	678.9	4.86	13942.5	100.00
INVESTMENT ADVISER-MANAGED	4	143.8	80.22	19.4	10.80	6.9	3.87	9.2	5.11	179.3	100.00
MANAGED PROFIT-SHARING	12	1284.7	88.02	27.5	1.88	24.8	1.70	122.4	8.38	1459.4	100.00
UNMANAGED PROFIT-SHARING	8	1994.7	100.00	0.0	0.00	0.0	0.00	0.0	0.00	1994.7	100.00
SELF-MANAGED	14	4786.3	86.42	21.3	0.38	501.9	9.06	228.8	4.13	5538.3	100.00
TOTAL	130	21103.5	91.30	171.4	0.74	800.1	3.46	1039.3	4.50	23114.3	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-48

Value of Outstanding Common Stock
at Years End 1964 and 1969 -- by Exchange Listing

	1964		1969	
	\$ in Billions	%	\$ in Billions	%
Listed on NYSE	474	75.2	630	75.9
Listed on Amex	28	4.4	47	5.7
Not Listed	128	20.3	153	18.4
Total	630	100.0	830	100.0

TABLE VIII-49, PART (A)
CORPORATE PENSION-BENEFIT PLANS
TURNOVER AND ACTIVITY RATES
1965 - 1969

ACCOUNT TYPE	1965			1966			1967			1968			1969		
	N	TOV	ACT												
BANK MANAGED 1ST STRATUM \$0M - \$25M	7	12.68	24.08	7	14.54	24.92	7	50.56	61.60	7	52.26	61.32	7	56.49	63.64
2ND STRATUM \$25M - \$50M	7	12.04	16.83	7	10.54	18.35	7	21.60	30.86	7	27.71	34.21	7	34.77	40.43
3RD STRATUM \$50M - \$100M	15	10.30	17.38	17	10.76	18.41	17	19.65	25.89	19	23.50	30.98	19	23.98	32.33
4TH STRATUM \$100M - \$200M	39	8.71	13.11	39	9.86	14.93	43	14.93	20.73	44	15.28	20.91	44	19.57	25.08
5TH STRATUM \$200M - \$300M	18	6.42	11.04	18	6.42	12.08	18	13.28	18.41	18	17.56	23.47	18	21.94	26.82
6TH STRATUM \$300M ON UP	20	9.54	13.65	20	9.52	14.52	20	14.66	19.07	20	14.07	18.57	20	13.55	18.39
BANK MANAGED TOTAL	106	8.96	13.71	108	9.27	14.94	112	16.06	21.55	115	17.70	23.35	115	20.08	25.68
I/A MANAGED	5	19.57	27.36	6	32.80	39.10	6	28.26	34.44	13	39.57	45.48	14	47.67	55.87
SELF MANAGED	16	3.84	5.51	17	4.07	7.62	19	5.40	7.97	19	8.25	10.58	19	7.07	9.64
TOTAL	127	7.53	11.38	131	8.15	13.22	137	13.26	17.93	147	15.63	20.38	148	17.19	22.03

TABLE VIII-49, PART (B)
CORPORATE PENSION-BENEFIT PLANS
TURNOVER AND ACTIVITY RATES
1965 - 1969

ACCOUNT TYPE	1965			1966			1967			1968			1969		
	N	TOV	ACT												
BANK MANAGED	92	8.72	13.63	94	9.01	14.92	97	16.11	21.55	100	18.09	23.83	100	20.47	26.11
I/A MANAGED	4	23.07	32.21	5	39.02	45.85	5	31.28	38.21	12	42.71	49.09	13	49.37	56.87
SELF MANAGED	12	3.16	4.79	13	3.34	7.18	15	4.93	7.71	15	8.06	10.35	15	5.29	7.96
MANAGED PROFIT SHARING	11	9.16	12.55	11	10.55	13.52	12	19.46	23.80	12	22.27	25.95	12	31.44	34.88
UNMANAGED PROFIT SHARING	8	8.60	11.98	8	8.78	13.30	8	9.10	13.73	8	7.55	12.54	8	7.17	12.69
TOTAL	127	7.53	11.38	131	8.15	13.22	137	13.26	17.93	147	15.63	20.38	148	17.19	22.03

TABLE VIII-50, PART (A)
CORPORATE PENSION-BENEFIT PLANS
FEE AND EXPENSE RATES
1966 - 1969

ACCOUNT TYPE	1966			1967			1968			1969			1969*		
	N	FEE	EXP	N	FEE	EXP									
BANK MANAGED 1ST STRATUM \$0M-\$25M	6	.19%	.00%	6	.16%	.00%	6	.14%	.00%	6	.14%	.00%	6	.12%	.00%
2ND STRATUM \$25M-\$50M	6	.08%	.00%	7	.08%	.00%	7	.08%	.00%	7	.08%	.00%	7	.08%	.00%
3RD STRATUM \$50M-\$100M	15	.07%	.00%	16	.07%	.00%	18	.08%	.00%	18	.09%	.00%	18	.08%	.00%
4TH STRATUM \$100M-\$200M	34	.06%	.01%	38	.06%	.01%	39	.06%	.01%	39	.06%	.01%	39	.06%	.01%
5TH STRATUM \$200M-\$300M	18	.04%	.00%	18	.04%	.00%	18	.05%	.00%	18	.05%	.00%	18	.05%	.00%
6TH STRATUM \$300M ON UP	18	.05%	.00%	18	.05%	.00%	18	.05%	.00%	18	.05%	.00%	18	.04%	.00%
BANK MANAGED TOTAL	97	.05%	.00%	103	.06%	.00%	106	.06%	.00%	106	.06%	.00%	106	.06%	.00%
I/A MANAGED	4	.12%	.02%	4	.11%	.03%	7	.12%	.02%	10	.14%	.02%	10	.13%	.02%
SELF MANAGED	8	.04%	.02%	9	.04%	.02%	9	.04%	.02%	8	.04%	.02%	8	.04%	.02%
TOTAL	109	.05%	.01%	116	.05%	.01%	122	.06%	.01%	124	.06%	.01%	124	.06%	.01%

* Fee and expense rates based on 1969, Form I-21, adjusted (blown-up) total assets.

TABLE VIII-50, PART (B)
CORPORATE PENSION-BENEFIT PLANS
FEE AND EXPENSE RATES
1966 - 1969

ACCOUNT TYPE	1966			1967			1968			1969			1969*		
	N	FEE	EXP	N	FEE	EXP									
BANK MANAGED	84	.06%	.00%	89	.06%	.00%	92	.06%	.00%	92	.06%	.00%	92	.06%	.00%
I/A MANAGED	4	.12%	.02%	4	.11%	.03%	7	.12%	.02%	10	.14%	.02%	10	.13%	.02%
SELF MANAGED	8	.04%	.02%	9	.04%	.02%	9	.04%	.02%	8	.04%	.02%	8	.04%	.02%
MANAGED PROFIT SHARING	8	.07%	.03%	9	.07%	.03%	9	.07%	.03%	9	.08%	.03%	9	.08%	.03%
UNMANAGED PROFIT SHARING	5	.01%	.01%	5	.01%	.01%	5	.00%	.01%	5	.00%	.01%	5	.00%	.01%
TOTAL	109	.05%	.01%	116	.05%	.01%	122	.06%	.01%	124	.06%	.01%	124	.06%	.01%

* Fee and expense rates based on 1969, Form I-21, adjusted (blown-up) total assets.

D. MULTIEMPLOYER PENSION-BENEFIT PLANS

1. Overview

a. Sampling procedures adopted

As with corporate pension-benefit plans, the Study's design called for a screening questionnaire (I-10) to large multiemployer plans to collect basic data and to identify separately managed accounts, followed by the stage-two questionnaires (I-36 and I-37) to a more refined sample of accounts. Twenty-three multiemployer pension-benefit plans (all of which were pension plans) received the screening questionnaire. These 23 plans reported 39 separately managed accounts having total assets of some \$3.5 billion and common stock and convertible securities of about \$1 billion. Table VIII-51 below shows the break down of this report into manager types.

The Study's stage-two sample consisted of 17 of the 23 plans having 23 accounts. Excluded were the insured account and all others having less than \$1 million in common stock.

b. General characteristics of large multiemployer plans

As was the case with corporate plans, multiemployer plans evidenced some recent movement to switch managers or add new managers. Nine of the 23 plans reported having replaced an outside manager or having hired one for the first time within the past five years. There was somewhat less concern with investment return. Fourteen of the 23 plans attempted to measure investment results and only eight used an outside person or firm to evaluate the manager. Table VIII-52 shows the results of the Study's question on use of outside actuarial firms.

The ranges of the rate of investment return assumed by the actuarial calculations of plans reporting are presented in Table VIII-53.

Table VIII-51
Multiemployer Pension-Benefit Plans
I-10 Sample Description

Manager Type	No of Accounts	Assets in Millions	Stock in Millions
Bank-managed	16	622.9	321.4
Investment adviser managed	11	435.8	249.3
Self-managed	11	1742.2	152.4
Insured	1	722.0	206.5
Total	39	3522.9	929.6

None of the plans reported that employer contributions varied according to investment results of the plan, which may contribute to the lower concern with investment results. These responses are depicted in Table VIII-54.

Three further characteristics of the stage-two sample accounts were studied: (1) the extent of investment authority possessed by the account manager, tabulated in Table VIII-55, (2) the frequency of account review by manager, presented in Table VIII-56 and (3) the extent to which brokerage commissions are designated by the client, shown in Table VIII-57.

None of the multiemployer pension-benefit plans reported passing through voting authority over employer stock to participants. Sixteen of the plans were classified as late vesting plans, six as intermediate and one as early.⁹¹

⁹¹ See sec. C.1.c above, for definition of early, intermediate and late vesting.

TABLE VIII-52
 MULTIEMPLOYER PLANS
 USE OF OUTSIDE ACTUARIAL FIRM

(PERCENT OF TOTAL ACCOUNTS)

ACCOUNT TYPE	NUMBER OF ACCOUNTS	NOT USED	FOR CALCULATIONS ONLY	CALCULATIONS AND CHOICE OF MEDIUM	CALCULATIONS AND REVIEW OF MANAGERS	OTHER
BANK-MANAGED	9	0.00	11.11	55.56	11.11	22.22
INVESTMENT ADVISER-MANAGED	6	0.00	33.33	33.33	33.33	0.00
SELF-MANAGED	4	25.00	50.00	25.00	0.00	0.00
TOTAL	19	5.26	26.32	42.11	15.79	10.53

TABLE VIII-53
 MULTIEMPLOYER PLANS, ACTUARIALLY ASSUMED
 ANNUAL RATE OF RETURN

ACCOUNT TYPE	NUMBER OF ACCOUNTS	<3%	≥3% ≤3.5%	>3.5% ≤4.0%	>4% ≤4.5%	>4.5% ≤5%	>5%
BANK-MANAGED	9	0.00	0.00	33.33	33.33	33.33	0.00
INVESTMENT ADVISER-MANAGED	6	0.00	0.00	66.67	16.67	16.67	0.00
SELF-MANAGED	3	0.00	0.00	33.33	33.33	0.00	33.33
TOTAL	18	0.00	0.00	44.44	27.78	22.22	5.56

TABLE VIII-54
 Multiemployer Plans
 Contributions Relation to
 Investment Results of the Plan

(Percent of Total Accounts)

Account Type	Number of Accounts	Contributions are a Fixed Percent of Payroll	Contributions Vary According to Plan Results	Contributions Vary not According to Plan Results
Bank-Managed	8	25.00	0.00	75.00
Investment Adviser-Managed	6	33.33	0.00	66.67
Self-Managed	3	66.67	0.00	33.33
Total	17	35.29	0.00	64.71

TABLE VIII-55
 Multiemployer Plans
 Investment Authority of Account Manager 1/

(Percent of Total Accounts)

Account Type	Number of Accounts	Sole Investment Authority	Authority for Day-to-Day Within Guidelines	Seldom Overruled But Must Consult Before Trades
Bank-Managed	9	0.00	44.44	55.56
Investment Adviser-Managed	6	0.00	16.67	83.33
Self-Managed	4	50.00	25.00	25.00
Total	19	10.53	31.58	57.89

1/ Investment Department for Self-Managed.

TABLE VIII-56
 Multiemployer Plans
 Frequency of Account Review by Manager 1/
 (Percent of Total Accounts)

Account Type	Number of Accounts	Daily <u>2/</u>	Weekly	Monthly	Quarterly	Annually	Other
Bank-Managed	9	11.11	11.11	33.33	44.44	0.00	0.00
Investment Adviser-Managed	6	66.67	33.33	0.00	0.00	0.00	0.00
Self-Managed	4	0.00	50.00	25.00	25.00	0.00	0.00
Total	19	26.32	26.32	21.05	26.32	0.00	0.00

1/ Investment Department for Self-Managed.

2/ Includes "Continuously."

TABLE VIII-57
 MULTIEmployer PLANS
 DESIGNATION OF BROKERAGE COMMISSIONS

(PERCENT OF TOTAL ACCOUNTS)

ACCOUNT TYPE	NUMBER OF ACCOUNTS	COMMISSIONS NOT DESIGNATED	LESS THAN 15%	15% TO 85%	MORE THAN 85%	NOT APPLICABLE
BANK-MANAGED	9	33.33	0.00	0.00	66.67	0.00
INVESTMENT ADVISER-MANAGED	6	0.00	0.00	50.00	16.67	33.33
SELF-MANAGED	4	0.00	0.00	0.00	0.00	100.00
TOTAL	19	15.79	0.00	15.79	36.84	31.58

2. Self-Administered Multiemployer Plans

Ultimately, only four plans which supplied responses to Study Form I-36 were classified as self-administered plans, none of which reported managing other long-term funds. The Study felt that this was an insufficient number of departments to warrant presentation of responses to questions on approaches to securities evaluation, uses of outside sources of information, and personnel composition of the department.

3. Investment Practices and Measures

In this section, the Study presents the results of studies of the investment practices of multiemployer pension-benefit plans. These studies essentially parallel the studies of corporate pension-benefit plans made for section C.3 of this chapter. Data concerning asset holdings, transactions and fees were collected from the accounts which received the second stage series of questionnaires. These data have permitted the preparation of tables setting forth in detail the composition of accounts according to the type of assets held and showing common stock holdings according to the exchange listing of issues held for two points in time, yearend 1964 and yearend 1969. In addition, tables showing common stock turnover and activity rates for each of the five years 1965 through 1969 and fee and expense rates for each of the four years 1966 through 1969 were prepared. Finally, analysis of growth in total assets and common stock holdings is presented.

a. Asset composition measures

(1) *By asset category.*—As explained in more detail in section C. 3 above, Form I-21 collected data on asset holdings of accounts by type of asset. Tables VIII-59 through -82, at the end of this section, present the results of this questionnaire for accounts of multiemployer pension-benefit plans.

Table VIII-59 and Table VIII-60 present respectively dollar amounts and percentages of total assets in major asset categories as reported for yearend 1969 for the 19 accounts in the Study's second stage sample which reported for that date. Each of the six columns of major categories is broken down into more detailed categories and the dollar amounts in these refined categories are reported on Tables VIII-61 through -66. Percentages have not been presented for the detailed categories. Columns and rows on the dollar-amount tables may not add exactly due to rounding, and on the detail tables some subcategories of assets may not add, in given rows, to the amount shown as a total for the category since some respondents did not break down the category as requested when reporting on Form I-21.

Because the 19 accounts which supplied 1969 yearend data were not all in existence at yearend 1964, in order to assess change over the five year period, the Study tabulated the 1964 and 1969 yearend reports of the 16 accounts which reported for 1964. The series of Tables, VIII-67 through -82 present these results. The nature of the tables is the same as Tables VIII-59 through -66; however, each table showing 1964 data is followed immediately by its 1969 counterpart. Thus, the odd numbered tables show 1964 data and the even numbered tables show

1969 data. The juxtaposition of these reports permits ready comparison of the values reported for purposes of estimating change in holding patterns and growth over the period studied. The first two of these tables, VIII-67 and -68, are summary tables showing dollar amounts. The next two tables, VIII-69 and -70, show percentages of total assets in the major categories based on the dollar amounts given in the first two tables. The next six pairs of tables, VIII-71 through -82, present dollar amounts and give, in turn, a more detailed look at the major categories presented on the summary tables.

TABLE VIII-58
 MULTIEMPLOYER PLANS ^{1/}
 GROWTH IN COMMON STOCK AND TOTAL ASSETS
 1964 to 1969

Account Type	Number of Accounts	1964 Common \$	1969 Common \$	Percentage Change	1964 Total \$	1969 Total \$	Percentage Change	Percentage Change in Ratio of Common to Total ^{2/}
Bank-Managed and Investment Adviser-Managed	12	128.3	333.3	+159.78%	388.5	713.6	+83.68%	+41.43%
Self-Managed	4	111.7	133.2	+19.25%	417.9	613.9	+46.90%	-18.82%
Total	16	239.9	466.6	+94.50%	806.4	1327.5	+64.62%	+18.15%

^{1/} Dollars in millions.

$$\supseteq \text{Rate} = \left[\frac{69 \text{ Common} \times 64 \text{ Total}}{69 \text{ Total} \times 64 \text{ Common}} - 1 \right]$$

(2) *Growth in common stock and total assets.*—The data presented in Table VIII-67 through -82 have been analysed to calculate growth of total assets and growth of common stock holdings within the group of 16 accounts over the five year period, yearend 1964 through yearend 1969. In addition, the change in the ratio of common stock to total assets over the period was measured. Table VIII-58 summarizes these calculations. The categories bank and investment adviser management have been consolidated on this table because one account within the group switched from bank to investment adviser management within the period. It should be cautioned that this analysis does not take into account the components of growth, contributions and investment return, and that the figures presented are not intended to and do not necessarily reflect the investment results of any of the types of managers or categories of accounts. An examination of the Table reveals that all categories of accounts experienced growth in both total assets and common stock over the five year period, and that for all categories except self-managed common stock grew faster than total assets.

(3) *Common stock held by exchange listing of issuer.*—On Form I-24, the Study collected data about the common stock holdings of particular accounts.⁹² Specifically, respondents were asked to give the market value of stock held in each of the following categories: NYSE listed securities; American Stock Exchange listed securities; stock of banks or insurance companies not listed on either the Amex or the NYSE; other common stock; and total.

Tables VIII-83, -84 and -85 present the values reported by multi-employer pension-benefit plan accounts. These tables follow the general pattern of the asset category tables. Table VIII-83 gives 1969 information for the 20 accounts which reported as of yearend 1969;

⁹² See Supp. Vol. II for a reproduction of Form I-24.

while Tables VIII-84 and -85 present respectively 1964 and 1969 year end values for the 18 accounts which reported first as of yearend 1964. Table VIII-48, presented in section C.3 above provides the proper background against which to view the figures reported on these tables. Again, this comparison reveals that these accounts hold a high percentage of their stock assets in NYSE-listed equities.

b. Common stock turnover and activity rates

Form I-26 provided annual data for 1965 through 1969 on gross purchases, sales and holdings of common equities. These data have permitted the Study to calculate common stock turnover (TOV) and activity (ACT) rates for the reporting accounts. These calculations have been made in the manner described in section C.3.b of this chapter in connection with corporate pension-benefit plan accounts. Table VIII-86 shows the weighted average TOV and ACT rates for each of the five years for reporting accounts. These figures confirm recent data showing an upward trend in these rates for all classes of accounts.

Because of the limited number of observations, no attempt was made to relate statistically turnover rate with various account characteristics as was done for corporate plan accounts.

c. Fee and expense rates

Using the same method as were used for corporate pension-benefit plan accounts, the Study used data collected on Form I-25 and other forms to calculate fee and expense rates for multiemployer pension-benefit plan accounts. The results are presented in Table VIII-87. Again, because of the limited number of usable observations, no attempt was made to relate fee rates with other account characteristics through statistical analyses.

TABLE VIII-59
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 SUMMARY (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	9	3.5	35.5	116.5	244.6	91.2	8.4	499.7
T/A MANAGED	6	6.9	24.6	98.2	231.6	77.2	9.0	447.5
SELF-MANAGED	4	126.1	55.8	41.2	133.2	248.9	8.7	613.9
TOTAL	19	136.5	115.8	225.8	609.4	417.4	26.2	1561.1

TABLE VIII-60
 MULTIPLEEMPLOYER PLANS, ASSET HOLDINGS--1969 -
 PERCENTAGES (PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
Bank-Managed	9	0.70	7.10	23.31	48.95	18.25	1.68	100.00
I/A Managed	6	1.54	5.50	21.94	51.75	17.25	2.01	100.00
Self-Managed	4	20.54	9.09	6.71	21.70	40.54	1.42	100.00
TOTAL	19	8.74	7.42	16.39	39.04	26.74	1.68	100.00

TABLE VIII-61
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 CASH AND NEAR CASH ITEMS (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.D.*S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	9	2.8	0.0	2.8	0.0	0.3	0.1	3.5
I/A MANAGED	6	0.7	5.0	5.7	0.0	0.9	0.3	6.9
SELF-MANAGED	4	0.0	35.3	35.3	90.8	0.0	0.0	126.1
TOTAL	19	3.5	40.3	43.8	90.8	1.3	0.4	136.5

TABLE VIII-62
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 GOVERNMENT AND NONGOVERNMENT SHORT-TERM
 SECURITIES (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	9	3.9	8.2	12.0	5.8	2.7	14.9	0.0	14.9
I/A MANAGED	6	13.5	4.8	18.3	0.7	4.2	1.4	0.0	1.4
SELF-MANAGED	4	1.0	0.9	1.9	37.5	4.7	11.8	0.0	11.8
TOTAL	19	18.4	13.8	32.2	44.0	11.6	28.1	0.0	28.1

TABLE VIII-63
 MULTIPLEEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 NONGOVERNMENT LONG-TERM DEBT (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	9	0.0	7.0	7.0	5.4	101.2	106.7	2.9	116.5
I/A MANAGED	6	0.7	37.2	38.6	2.2	56.8	59.0	0.5	98.2
SELF-MANAGED	4	0.0	0.0	0.0	0.0	21.3	21.3	0.0	41.2
TOTAL	19	0.7	44.1	45.6	7.6	179.4	187.0	3.4	255.8

TABLE VIII-64
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 COMMON STOCK AND WARRANTS

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT EC COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	9	2.7	0.0	0.0	0.0	241.5	244.2	0.4
I/A MANAGED	6	0.0	0.0	1.6	0.0	230.1	231.6	0.0
SELF-MANAGED	4	0.4	0.0	0.0	3.3	117.1	133.2	0.0
TOTAL	19	3.0	0.0	1.6	3.3	588.6	609.0	0.4

TABLE VIII-65
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 MORTGAGES AND REAL ESTATE

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	CTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	9	80.3	9.5	90.9	0.0	90.9	0.3
I/A MANAGED	6	35.8	23.2	59.5	1.0	70.6	6.6
SELF-MANAGED	4	0.0	218.1	218.1	0.0	218.9	30.1
TOTAL	19	116.1	250.8	368.5	1.0	380.4	37.0

TABLE VIII-66
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969 -
 PREFERRED STOCK AND OTHER ASSETS (IN MILLIONS
 OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
EANK-MANAGED	9	5.4	0.0	5.4	0.0	0.0	0.0	2.4	3.1
I/A MANAGED	6	5.4	0.5	6.0	0.0	0.0	0.0	3.1	3.1
SELF-MANAGED	4	0.1	1.1	4.4	0.0	0.0	0.0	1.6	4.3
TOTAL	19	10.9	1.7	15.8	0.0	0.0	0.0	7.1	10.4

TABLE VIII-67
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964 -
 SUMMARY (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	8	2.8	17.0	70.6	83.6	87.2	3.2	264.3
I/A MANAGED	4	2.5	6.8	43.5	44.7	24.7	2.0	124.2
SELF-MANAGED	4	100.0	23.0	24.1	111.7	154.3	4.9	417.9
TOTAL	16	105.3	46.8	138.2	239.9	266.1	10.2	806.4

TABLE VIII-68
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS ALSO REPORTING FOR 1964) - SUMMARY
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	7	3.1	26.1	82.1	151.9	83.1	6.3	352.7
I/A MANAGED	5	5.8	20.3	79.8	181.4	67.2	6.5	360.9
SELF-MANAGED	4	126.1	55.8	41.2	133.2	248.9	8.7	613.9
TOTAL	16	135.0	102.2	203.0	466.6	399.2	21.5	1327.5

TABLE VIII-69
 MULTIEMPLOYER PLANS, ASSET HOLDINGS--1964 -
 PERCENTAGES (PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
Bank-Managed	8	1.06	6.43	26.71	31.63	32.99	1.21	100.00
I/A Managed	4	2.01	5.48	35.02	35.99	19.89	1.61	100.00
Self-Managed	4	23.93	5.50	5.77	26.73	36.92	1.17	100.00
TOTAL	16	13.06	5.80	17.14	29.75	33.00	1.26	100.00

TABLE VIII-70
 MULTIPLE EMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS ALSO REPORTING FOR 1964) -
 PERCENTAGES (PERCENT OF TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOV'T LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	7	0.88	7.40	23.28	43.07	23.56	1.79	100.00
I/A MANAGED	5	1.61	5.62	22.11	50.26	18.62	1.80	100.00
SELF-MANAGED	4	20.54	9.09	6.71	21.70	40.54	1.42	100.00
TOTAL	16	10.17	7.70	15.29	35.15	30.07	1.62	100.00

TABLE VIII-71
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964 -
 CASH AND NEAR CASH ITEMS (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.O.*S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	8	2.4	0.2	2.6	0.0	0.1	0.1	2.8
I/A MANAGED	4	0.6	1.4	2.0	0.0	0.5	0.0	2.5
SELF-MANAGED	4	0.0	34.6	34.6	55.5	9.0	0.9	100.0
TOTAL	16	3.0	36.2	39.2	55.5	9.5	1.0	105.3

TABLE VIII-72
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) - CASH
 AND NEAR CASH ITEMS (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.O.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	7	2.7	0.0	2.7	0.0	0.3	0.1	3.1
I/A MANAGED	5	0.3	5.0	5.3	0.0	0.1	0.3	5.8
SELF-MANAGED	4	0.0	35.3	35.3	90.8	0.0	0.0	126.1
TOTAL	16	3.0	40.3	43.3	90.8	0.5	0.4	135.0

TABLE VIII-73
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964 -
 GOVERNMENT SECURITIES AND NONGOVERNMENT SHORT
 TERM SECURITIES (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	8	1.9	13.0	14.9	1.0	1.0	0.0	0.0	0.0
I/A MANAGED	4	2.0	3.4	5.4	0.2	1.1	0.1	0.0	0.1
SELF-MANAGED	4	6.1	14.1	20.2	0.0	2.8	0.0	0.0	0.0
TOTAL	16	10.0	30.5	40.5	1.3	4.9	0.1	0.0	0.1

TABLE VIII-74
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) - GOVERN-
 MENT SECURITIES AND NONGOVERNMENT SHORT-TERM
 SECURITIES (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	7	3.6	8.2	11.7	3.8	2.1	8.4	0.0	8.4
I/A MANAGED	5	13.3	3.7	17.0	0.7	1.2	1.4	0.0	1.4
SELF-MANAGED	4	1.0	0.9	1.9	37.5	4.7	11.8	0.0	11.8
TOTAL	16	17.9	12.7	30.6	42.0	8.0	21.6	0.0	21.6

TABLE VIII-75
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964 -
 NONGOVERNMENT LONG-TERM DEBT (IN MILLIONS
 OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT	OTHER	TOTAL	RESTRICT	OTHER	TOTAL	FOREIGN	TOTAL
		US ISSUE W/EQUITY	US ISSUE W/EQUITY	US ISSUE W/EQUITY	US ISSUE WO/EQUIT	US ISSUE WO/EQUIT	US ISSUE WO/EQUIT	ISSUERS	NONGOVT LT DEBT
BANK-MANAGED	8	0.0	0.8	0.8	0.0	63.5	63.5	6.3	70.6
I/A MANAGED	4	0.0	29.4	29.4	1.0	13.1	14.2	0.0	43.5
SELF-MANAGED	4	0.0	0.1	0.1	0.0	24.0	24.0	0.0	24.1
TOTAL	16	0.0	30.3	30.3	1.0	100.6	101.6	6.3	138.2

TABLE VIII-76
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) - NON-
 GOVERNMENT LONG-TERM DEBT (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER LS ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WC/EQUIT	TOTAL US ISSUF WC/EQUIT	FOREIGN ISSUERS	TOTAL NONGOVT LT DEBT
BANK-MANAGED	7	0.0	3.8	3.8	0.0	76.3	76.3	2.0	82.1
I/A MANAGED	5	0.7	37.2	38.6	2.2	38.5	40.6	0.5	79.8
SELF-MANAGED	4	0.0	1.2	1.2	0.0	40.0	40.0	0.0	41.2
TOTAL	16	0.7	42.2	43.6	2.2	154.7	156.9	2.5	203.0

TABLE VIII-77
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964
 COMMON STOCK AND WARRANTS (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	ADR'S & FORFIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	8	0.3	0.0	0.0	0.0	83.3	83.6	0.0
I/A MANAGED	4	0.0	0.0	1.0	0.0	43.7	44.7	0.0
SELF-MANAGED	4	0.4	0.0	0.0	3.0	108.3	111.7	0.0
TOTAL	16	0.6	0.0	1.0	3.0	235.3	239.9	0.0

TABLE VIII-78
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) -- COMMON
 STOCK AND WARRANTS (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUEFS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	7	1.1	0.0	0.0	0.0	150.9	151.9	0.0
I/A MANAGED	5	0.0	0.0	1.6	0.0	179.9	181.4	0.0
SELF-MANAGED	4	0.5	0.0	0.0	3.3	129.3	133.2	0.0
TOTAL	16	1.6	0.0	1.6	3.3	460.1	466.6	0.0

TABLE VIII-79
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1964 -
 MORTGAGES AND REAL ESTATE (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	8	78.2	8.8	87.1	0.0	87.1	0.1
I/A MANAGED	4	19.2	2.3	22.4	0.0	22.4	2.2
SELF-MANAGED	4	0.0	145.6	145.6	0.0	145.6	8.7
TOTAL	16	97.4	156.7	255.0	0.0	255.0	11.1

TABLE VIII-80
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) -
 MORTGAGES AND REAL ESTATE (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	7	76.0	6.0	82.1	0.0	83.1	0.0
I/A MANAGED	5	35.8	23.2	49.5	1.0	60.6	6.6
SELF-MANAGED	4	0.0	218.1	218.1	0.0	218.9	30.1
TOTAL	16	111.8	247.3	350.7	1.0	362.6	36.7

TABLE VIII-81
 MULTIPLE EMPLOYER PLANS, ASSET HOLDINGS - 1964 --
 PREFERRED STOCK AND OTHER ASSETS (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	8	0.7	1.6	2.3	0.0	0.0	0.0	0.9	0.9
I/A MANAGED	4	0.1	0.2	0.2	0.0	0.0	0.0	1.8	1.8
SELF-MANAGED	4	0.4	1.2	1.6	0.0	0.0	0.0	2.8	3.3
TOTAL	16	1.1	3.1	4.2	0.0	0.0	0.0	5.5	6.0

TABLE VIII-82
 MULTIEMPLOYER PLANS, ASSET HOLDINGS - 1969
 (ACCOUNTS REPORTING ALSO FOR 1964) -
 PREFERRED STOCK AND OTHER ASSETS (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS PCBLE FR BRCKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	7	4.4	0.0	4.4	0.0	0.0	0.0	1.9	1.9
I/A MANAGED	5	2.9	0.5	3.4	0.0	0.0	0.0	3.1	3.1
SELF-MANAGED	4	3.2	1.2	4.4	0.0	0.0	0.0	1.6	4.3
TOTAL	16	10.5	1.7	12.2	0.0	0.0	0.0	6.6	9.3

TABLE VIII-83
 MULTIEMPLOYER PENSION PLANS -- 1969
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK-MANAGED	10	256.5	93.64	6.2	2.26	4.9	1.78	6.4	2.32	273.9	100
INVESTMENT ADVISER MANAGED	6	212.1	91.83	1.4	0.59	4.8	2.07	12.7	5.51	231.0	100
SELF-MANAGED	4	136.8	96.90	2.4	1.72	1.3	0.88	0.7	0.48	141.1	100
TOTAL	20	605.4	93.71	10.0	1.55	10.9	1.69	19.8	3.06	646.0	100

Note: All dollar values in millions of dollars.

TABLE VIII-84
 MULTIEMPLOYER PENSION PLANS -- 1964
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK MANAGED	9	96.5	88.78	0.4	0.39	6.7	6.19	5.0	4.64	108.7	100
INVESTMENT ADVISER MANAGED	5	59.0	93.65	0.0	0.00	2.1	3.36	1.9	2.97	63.0	100
SELF-MANAGED	4	108.2	96.46	1.1	1.00	1.5	1.35	1.3	1.17	112.1	100
TOTAL	18	263.6	92.90	1.5	0.54	10.4	3.65	8.2	2.90	283.8	100

Note: All dollar values in millions of dollars.

TABLE VIII-85
 MULTIEMPLOYER PENSION PLANS -- 1969 (ACCOUNTS REPORTING ALSO IN 1964)
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK-MANAGED	8	191.7	93.43	4.8	2.36	4.4	2.12	4.3	2.08	205.1	100
INVESTMENT ADVISER MANAGED	6	212.1	91.83	1.4	0.59	4.8	2.07	12.7	5.51	231.0	100
SELF-MANAGED	4	136.8	96.90	2.4	1.72	1.3	0.88	0.7	0.48	141.1	100
TOTAL	18	540.6	93.64	8.6	1.50	10.4	1.80	17.7	3.06	577.3	100

Note: All dollar values in millions of dollars.

TABLE VIII-86
 MULTIEMPLOYER PLANS, TURNOVER AND ACTIVITY
 RATES 1965 - 1969

ACCOUNT TYPE	1965			1966			1967			1968			1969		
	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT
BANK MANAGED	9	6.29	10.16	9	16.51	23.13	10	13.89	20.37	10	12.10	23.43	10	13.04	21.81
I/A MANAGED	4	5.38	14.48	4	12.35	22.63	4	15.13	21.53	4	9.60	20.63	5	23.88	34.43
SELF MANAGED	4	3.75	10.36	4	0.66	4.16	4	0.97	3.78	4	2.32	6.11	4	5.42	13.20
TOTAL	17	5.09	12.15	17	9.64	15.69	18	9.75	14.99	18	8.70	17.73	19	14.35	23.40

TABLE VIII-87
 MULTIEMPLOYER PLANS
 FEE AND EXPENSE RATES
 1966 - 1969

ACCOUNT TYPE	1966			1967			1968			1969			1969*		
	N	FEE	EXP	N	FEE	EXP									
BANK MANAGED	6	.09%	.00%	6	.09%	.00%	6	.09%	.00%	7	.10%	.00%	7	.09%	.00%
I/A MANAGED	1	.05%	.52%	1	.05%	.44%	1	.04%	.04%	1	.04%	.45%	1	.04%	.37%
SELF MANAGED	0			0			0			0			0		
TOTAL	7	.09%	.10%	7	.08%	.09%	7	.08%	.00%	8	.09%	.08%	8	.08%	.07%

*Fee and expense rates based on 1969, Form I-21 Total assets.

E. STATE AND LOCAL GOVERNMENT RETIREMENT SYSTEMS

1. Overview

a. Sampling procedures adopted

State and local government retirement systems presented to the Study for examination a group of institutional portfolios of increasing significance for the equities markets. According to figures gathered by the Census Bureau, there were at year end 1967 over 2100 such systems, and at June 30, 1969 these systems held about \$48.6 billion in total assets and \$4.6 billion in corporate stocks. The assets of these systems are highly concentrated, the Census Bureau estimating that 100 systems hold approximately 90 percent of the assets of all systems.

The Study's screening questionnaire (I-9) was sent to 102 systems of which 95 responded. These 95 represented \$37.97 billion in total assets and \$4.29 billion in common stocks and convertible securities or about 78 percent of all assets and 91 percent of all common stock held by state and local government retirement systems. Table VIII-88 shows the extent to which both asset and stock holdings were concentrated within the 95 respondent systems. While each column shows the increasing percentages represented by the combined holdings of the first through eleventh systems, the same systems were not always largest in terms of both assets and stock so more than 11 systems are represented in the table.

TABLE VIII-88.—CONCENTRATION OF ASSETS AND COMMON STOCK AMONG STATE AND LOCAL GOVERNMENT SYSTEMS

Number of largest systems	Percent of sample's total assets	Percent of sample's common stock	Number of largest systems	Percent of sample's total assets	Percent of sample's common stock
1.....	10.17	8.73	7.....	44.17	46.25
2.....	17.95	16.25	8.....	47.28	50.05
3.....	24.84	23.77	9.....	49.38	53.61
4.....	30.59	30.61	10.....	51.37	57.10
5.....	36.02	36.37	11.....	53.25	60.02
6.....	40.55	41.86			

Table VIII-89 shows the asset and common stock holdings of the I-9 respondents by account manager type.

Table VIII-89
State and Local Government Systems
I-9 Sample Assets and Stock

Manager Type	Number of Accounts	Assets In Millions	Stocks In Millions
Bank-managed	14	8,689	908
I/A-managed	18	5,363	587
Self-managed	72	23,788	2,674
Insured	<u>1</u>	<u>131</u>	<u>124</u>
Total	105	37,971	4,293

The Study's stage-two detailed questionnaires were sent to accounts selected from the I-9 respondent accounts. All accounts ten percent or more invested in common stock and all accounts with more than \$100 million in common were selected.

b. General characteristics of large state and local government systems

One of the important characteristics of state and local government systems generally is that frequently they are or have been restricted by state law or regulation from investing in common stock. Sixteen of the 95 systems reporting were not permitted as of 1969 to invest any assets in common stock, and the 79 other systems which presently are permitted so to invest have become so on the average only recently. Table VIII-90 shows the percentage range of total assets which the 95 systems are presently permitted to invest in common stock.

TABLE VIII-90.

Percentage of assets permitted to be invested in common stock

18	-----	None.
11	-----	1 to 10.
13	-----	11 to 20.
25	-----	21 to 30.
13	-----	31 to 40.
8	-----	41 to 50.
1	-----	51 to 75.
6	-----	76 to 100.

By far the greater number of systems are limited to under 30 percent.

Another general characteristic of the state and local government systems in the Study's sample is that in general even the externally managed systems are presided over by boards of trustees. Most boards of trustees of externally managed state and local government retirement systems are composed of some appointees, some elected members and some *ex officio* members. In a typical example of a local government retirement system, the board is composed of three members appointed by the President of the Common Counsel for three years, three members elected by members of the retirement system for three years and the City Comptroller, *ex officio*. In a typical example of a state government retirement system the board is composed of three nonemployee citizens appointed by the Governor for six year terms, one of whom shall be an officer of a bank authorized to do business with the state, or a person of similar experience; three members of the system elected by members of the system for six year terms, one of whom shall be a teacher and the other two general employees; and the State Finance Director, *ex officio*.

The terms of office of appointees and elected members of systems sampled run from two years to six years, and are usually staggered. The number of trustees on the boards range from a sole trustee to ten trustees with seven being the most common number.

Vacancies due to death or resignation are filled by either an official appointment or a group election depending on whom the original selection was made by. Sometimes the current board members fill the vacancy on their own for the remainder of the unexpired term.

Perhaps because of the generally lower level of investment in common stock, state and local government systems were not as involved in the measurement of investment performance as their corporate counterparts. Only 22 of the 95 systems reported that they attempted to measure investment performance. Twenty-one reported the use of an outside person or firm to evaluate the system's manager. Tabulation of questionnaire responses reveals that outside actuarial firms are not employed to review managers, but frequently do participate in the choice of a funding medium for the system. These data are presented in Table VIII-91.

Table VIII-92 shows the percentage of accounts falling into ranges of actuarially assumed rates of return and Table VIII-93 shows the relationship of contributions to investment results of the plan. These data are consistent with the degree of interest shown in investment performance, with over 80 percent of the accounts assuming between 3 percent and 4.5 percent annual return and only about 16 percent of the accounts belonging to systems where employer contributions vary according to investment results.

Notwithstanding the above tabulations reflecting relatively low concern with investment results, 21 systems reported that managers had been changed or new outside managers hired for the first time within the past five years. These responses may reflect systems entering equity investment for the first time hiring outside equity specialists. Certainly, the high rate of growth of investment in common stock revealed on Table VIII-101 below, suggests that there will be increasing interest in investment results as time progresses.

As was the case with corporate and multiemployer plans, the Study also tabulated state and local government systems' responses to questions on investment authority of account managers—Table VIII-94—frequency of account review by managers—Table VIII-95—amount of brokerage commissions designated by the client—Table VIII-96—and vesting status of the system—Table VIII-97. The tables are presented at the end of this section.

TABLE VIII-91
 STATE AND LOCAL GOVERNMENT PLANS
 USE OF OUTSIDE ACTUARIAL FIRMS

(PERCENT OF TOTAL ACCOUNTS)

ACCOUNT TYPE	NUMBER OF ACCOUNTS	NOT USED	FOR CALCULATIONS ONLY	CALCULATIONS AND CHOICE OF MEDIUM	CALCULATIONS AND REVIEW OF MANAGERS	OTHER
BANK-MANAGED	9	11.11	33.33	44.44	0.00	11.11
INVESTMENT ADVISER-MANAGED	11	0.00	0.00	81.82	0.00	18.18
SELF-MANAGED	23	0.00	21.74	69.57	0.00	8.70
TOTAL	43	2.33	18.60	67.44	0.00	11.63

TABLE VIII-92
 STATE AND LOCAL GOVERNMENT PLANS ACTUARIALLY
 ASSUMED ANNUAL RATE OF RETURN (PERCENT OF
 TOTAL ACCOUNTS)

ACCOUNT TYPE	NUMBER OF ACCOUNTS	<3.0%	≥3.0% ≤3.5%	>3.5% ≤4.0%	>4.0% ≤4.5%	>4.5% ≤5.0%	>5.0%
BANK-MANAGED	9	0.00	11.11	44.44	11.11	22.22	11.11
INVESTMENT ADVISER-MANAGED	11	0.00	18.18	36.36	27.27	18.18	0.00
SELF-MANAGED	23	0.00	17.39	34.78	34.78	13.04	0.00
TOTAL	43	0.00	16.28	37.21	27.91	16.28	2.33

TABLE VIII-93
 State and Local Government Plans
 Contributions Relation to
 Investment Results of the Plan

(Percent of Total Accounts)

Account Type	Number of Accounts	Contributions are a Fixed Percent of Payroll	Contributions Vary According to Plan Results	Contributions Vary not According to Plan Results
Bank-Managed	9	44.44	22.22	33.33
Investment Adviser-Managed	11	72.73	27.27	0.00
Self-Managed	23	91.30	8.87	0.00
Total	43	76.74	16.28	6.98

TABLE VIII-94
 State and Local Government Plans
 Investment Authority of Account Manager 1/

(Percent of Total Accounts)

Account Type	Number of Accounts	Sole Investment Authority	Authority for Day-to-Day Within Guidelines	Seldom Overruled But Must Consult Before Trades
Bank-Managed	9	0.00	66.67	33.33
Investment Adviser-Managed	11	9.09	27.27	63.64
Self-Managed	23	34.78	56.52	8.70
Total	43	20.93	51.16	27.91

1/ Investment Department for Self-Managed.

TABLE VIII-95
 State and Local Government Plans
 Frequency of Account Review by Manager 1/
 (Percent of Total Accounts)

Account Type	Number of Accounts	Daily <u>2/</u>	Weekly	Monthly	Quarterly	Annually	Other
Bank-Managed	9	11.11	22.22	33.33	33.33	0.00	0.00
Investment Adviser-Managed	11	9.09	45.45	36.36	9.09	0.00	0.00
Self-Managed	23	8.70	56.52	34.78	0.00	0.00	0.00
Total	43	9.30	46.51	34.88	9.30	0.00	0.00

1/ Investment Department for Self-Managed.

2/ Includes "Continuously."

TABLE VIII-96
 State and Local Government Plans
 Designation of Brokerage Commissions

(Percent of Total Accounts)

Account Type	Number of Accounts	Commissions not Designated	Less than 15%	15% to 85%	More than 85%	Not Applicable
Bank-Managed	9	44.44	11.11	11.11	11.11	22.22
Investment Adviser-Managed	11	27.27	0.00	9.09	54.55	9.09
Self-Managed	23	0.00	0.00	0.00	0.00	100.00
Total	43	16.28	2.33	4.65	16.28	60.47

TABLE VIII-97
 State and Local Government Plans
 Vesting Status of System

Account Type	Number of Accounts	Early Vesting	Intermediate Vesting	Late Vesting
Bank-Managed	9	44.44	11.11	44.44
Investment Adviser-Manager	11	45.45	18.18	36.36
Self-Managed	23	39.13	13.04	47.83
Total	43	41.86	13.95	44.19

2. Self-Administered State and Local Government Retirement Systems

a. The investment department

Nineteen of the 23 systems having self-administered accounts responded to portions of Form I-34, 12 reporting that their "Investment Department" managed more than one long-term funds account.

As was the case with corporate pension-benefit plan investment departments, the ranking of approaches to securities evaluation was "Fundamental Approach" first, "Economic Outlook" second, and "Technical" third.⁹³ Table VIII-98 shows the results.

TABLE VIII-98
IMPORTANCE OF APPROACHES TO SECURITIES EVALUATION FOR 23 SELF-ADMINISTERED SYSTEMS
(PERCENTAGE OF SYSTEMS)

Approach	Importance code ¹				
	1	2	3	4	5
Fundamental.....	68.42	26.32	5.26	0	
Technical.....	0	47.37	26.32	10.53	15.7
Economic outlook.....	42.11	47.37	5.26	5.26	
Other.....					15.7

¹ See sec. C.2.d, above for meaning of importance codes.

Unlike the pattern with corporate plan investment departments, however, the financial statements of issuers was not the most important source of external information. Information and recommendations purchased from investment advisers on a continuing or contractual basis was the most important. Table VIII-99 summarizes these results.

TABLE VIII-99
IMPORTANCE OF SOURCES OF RESEARCH AND INFORMATION TO 23 SELF-ADMINISTERED SYSTEMS
(PERCENTAGE OF SYSTEMS)

Source	Importance code ¹				
	1	2	3	4	5
Information and recommendations from broker-dealers purchased via commission dollars.....	26.32	31.68	21.05	0	21.95
Information and recommendations purchased from investment advisers on a continuing or contractual basis.....	47.37	21.05	5.26	0	26.32
Information and recommendations received from other research organization not included above (with or without compensation).....	5.26	5.26	47.37	26.32	15.79
Direct contact with security issuers.....	10.53	5.26	15.79	26.32	42.11
Financial statements of issuers.....	26.32	36.84	15.79	5.26	15.79
Others.....					21.05

¹ See sec. C.2.d.

Thirteen of the investment departments used an approved list for purchases, ten used such a list for sales and seven used one for holds. Seven departments had no analysts, four had one or two analysts and eight had more than two. Five departments had 12 analysts with advanced degrees in business, law or related fields. Nine departments had analysts responsible for covering issuers in one or more specific in-

⁹³ These approaches are defined in sec. C.2 above.

dustries. Seven departments stated that their analysts spend 0 to 20 percent of their time in personal contact with issuers, and four departments reported that their analysts spend 20 to 40 percent of their time in such contact. Table VIII-100 summarizes the responses to the question dealing with the composition of the investment department's personnel at yearend 1964 and 1969, and presents growth rates for various personnel categories.

TABLE VIII-100
PERSONNEL COMPOSITION OF 23 SELF-ADMINISTERED SYSTEMS' INVESTMENT DEPARTMENT, 1964 AND 1969

Employment category	Full-time equivalents		Growth rate (percent)
	Dec. 31, 1964	Dec. 31, 1969	
Account supervisors and portfolio managers.....	26.5	40.5	+52.83
Economic research staff.....	0	0	-----
Investment research staff.....	8.0	8.0	-----
Professional traders.....	0	4.0	(1)
Clerical, secretarial.....	42.0	53.0	+26.19
Executives (not included above).....	19.0	23.0	+21.05
Other.....	1.0	7.0	+600.00
Total.....	96.5	135.5	+40.41

¹ Indeterminate growth rate.

b. Policy regarding management of more than one account

In general, the responses of the systems having more than one account managed by their investment departments to questions regarding policy as to the allocation of purchases and sales of the same security by two or more accounts were brief and general, although some showed an awareness of some problems. The following responses were typical:

"None—except to attempt to provide an equitable balance."

"Investments acquired for two or more funds are allocated as fairly as possible, approximating average price for the day."

"Each fund participates in each day's purchases or sales (rounded to the nearest 100 shares) the funds' total shares percentage of the total shares to be purchased for all funds."

"Investment decisions and policies are never co-mingled and investment accounting is never co-mingled."

"Allocations are made on a pro-rata basis based in assets of the system."

"All prices are averaged."

Similar responses were given to the question on policy concerning the allocation of limited quantities of economically attractive securities:

"Attempt to provide an equitable balance."

"Very seldom a problem. Major factor in allocation of investments purchased its investible cash available since . . . /X/ has a much steadier cash flow their . . . /Y/."

"New stock issues are not purchased."

"Problem does not arise."

"Allocations are made on a pro-rata basis based on assets of the system."

"Do not deal in new issues."

c. Reasons for being internally managed

A majority of the responses to the question as to why the system had chosen to have its funds administered internally rather than externally by a professional manager such as a bank, insurance company

or investment adviser stated that state law required the system to be administered internally. For example:

"Constitutional provision and the state statute require that the fund be managed internally."

"Retirement system created by . . . [statute] for the purpose of administering the retirement program."

"Administered by State Statute."

"State law charges the retirement board with management of the portfolio and cannot be delegated."

"Required by Statute."

Some respondents gave reasons for preferring internal administration:

"The . . . Fund has its funds administered internally, rather than by an outside manager because:

(a) Legal Question: Under the present laws, it is questionable whether an outside manager could be granted the authority to invest retirement trust funds.

(b) Professional Board: The . . . Retirement Board has experienced and professional members who are very well informed on the investment opportunities.

(c) Professional Staff: The development of a professional investment staff would be more effective and economical over the long run than an outside manager."

"The Regents over the years have considered investible funds to be large enough to justify an internal staff."

"In the opinion of the State Board of Trustees the magnitude of the investments which must be made and the need for yield in excess of required rates in order to reduce the liability for unfunded past services can best be attained by the employment of a full time professional investment staff."

The fact that most internally managed systems feel constrained by statute from delegating authority over investments may account for the relatively high percentage which relied heavily on recommendations purchased from investment advisers on a continuing or contractual basis. See Table VIII-99. This may simply mean that these systems are complying with the letter of the state statutes by placing their own orders but in spirit are being managed by outside advisers.

3. Investment Practices and Measures

In this section, the Study presents the results of studies of the investment practices of state and local government retirement systems. These studies essentially parallel the studies of corporate pension-benefit plans made for section C.3. above. Data concerning asset holdings, transactions and fees were collected from the accounts which received the second stage series of questionnaires. These data have permitted the preparation of tables setting forth in detail the composition of accounts according to the type of assets held and showing common stock holdings according to the exchange listing of issues held for two points in time, year end 1964 and year end 1969. In addition, tables showing common stock turnover and activity rates for each of the five years 1965 through 1969 and fee and expense rates for each of the four years 1966 through 1969 were prepared. Finally, analysis of growth in total assets and common stock holdings is presented.

a. Asset composition measures

(1) *By asset category.*—As explained in more detail in section C. 3, above, Form I-21 collected data on asset holdings of accounts by type

of asset. Tables VIII-102 through -125, at the end of this section, summarize the results of this questionnaire for accounts of state and local government retirement systems.

Table VIII-102 and Table VIII-103 present respectively dollar amounts and percentages of total assets in major asset categories as reported for yearend 1969 for the 36 accounts in the Study's second stage sample which reported for that date. Each of the six columns of major categories is broken down into more detailed categories and the dollar amounts in these refined categories are reported on Tables VIII-104 through -109. Percentages have not been presented for the detailed categories. Columns and rows on the dollar-amount tables may not add exactly due to rounding, and on the detail tables some subcategories of assets may not add, in given rows, to the amount shown as a total for the category since some respondents did not break down the category as requested when reporting on Form I-21.

Because the 36 accounts which supplied 1969 yearend data were not all in existence at yearend 1964, in order to assess change over the five year period, the Study tabulated the 1964 and 1969 yearend reports of the 32 accounts which reported for 1964. The series of Tables, VIII-110 through -125, present these results. The nature of the tables is the same as Tables VIII-102 through -109; however, each table showing 1964 data is followed immediately by its 1969 counterpart. Thus, the even numbered tables show 1964 data and the odd numbered tables show 1969 data. The juxtaposition of these reports permits ready comparison of the values reported for purposes of estimating change in holding patterns and growth over the period studied. The first two of these tables, VIII-110 and -111, are summary tables showing dollar amounts. The next two tables, VIII-112 and -113, show percentages of total assets in the major categories based on the dollar amounts given in the first two tables. The next six pairs of tables, VIII-114 through -125, present dollar amounts and give, in turn, a more detailed look at the major categories presented on the summary tables.

(2) *Growth in common stock and total assets.*—The data presented in Tables VIII-110 through -125 have been analyzed to calculate growth of total assets and growth of common stock holdings within the group of 32 accounts over the five year period, yearend 1964 through yearend 1969. In addition, the change in the ratio of common stock to total assets over the period was measured. Table VIII-101 summarizes these calculations. It should be cautioned that this analysis does not take into account the components of growth, contributions and investment return, and that the figures presented are not intended to and do not necessarily reflect the investment results of any of the types of managers or categories of accounts. An examination of the Table reveals that all categories of accounts experienced growth in total assets and high growth in common stock over the five year period, and that for all categories the ratio of common stock to total assets increased substantially.

TABLE VIII-101
 STATE AND LOCAL GOVERNMENT PLANS ^{1/}
 GROWTH IN COMMON STOCK AND TOTAL ASSETS
 1964 to 1969

Account Type	Number of Accounts	1964 Common \$	1969 Common \$	Percentage Change	1964 Total \$	1969 Total \$	Percentage Change	Percentage Change in Ratio of Common to Total ^{2/}
Bank-Managed	8	180.0	740.5	+311.39%	3249.1	5416.5	+66.71%	+146.75%
Investment Adviser-Managed	9	76.1	413.1	+442.84%	2649.0	3938.3	+48.67%	+265.13%
Self-Managed	15	506.1	1643.9	+224.82%	4816.7	7940.0	+64.84%	+ 97.05%
Total	32	763.5	2797.6	+266.42%	10714.7	17294.8	+61.41%	+126.93%

^{1/} Dollars in millions.

^{2/} See Table VIII-17, *supra*, for formula.

(3) *Common stock held by exchange listing of issuer.*—On Form I-24, the Study collected data about the common stock holdings of particular accounts.⁹⁴ Specifically, respondents were asked to give the market value of stock held in each of the following categories: NYSE listed securities; American Stock Exchange listed securities; stock of banks or insurance companies not listed on either the Amex or the NYSE; other common stock; and total.

Tables VIII-126 through -130 present the values reported by state and local government retirement system accounts. These tables follow the general pattern of the asset category tables. Table VIII-126 gives 1969 information for the 37 accounts which reported as of yearend 1969; while Tables VIII-84 and -85 present respectively 1964 and 1969 yearend values for the 27 accounts which reported holding common stock at yearend 1964. Table VIII-129 shows the 1969 yearend picture for the six accounts which, although in existence at yearend 1964, held no stock then. Table VIII-130 presents yearend 1969 data for all 33 accounts existing at yearend 1964. Table VIII-48, presented in section C.3 above, provides the proper background against which to view the figures reported on these tables. Again, this comparison reveals that these accounts hold a very high percentage of their stock assets in NYSE-listed equities.

b. Common stock turnover and activity rates

Form I-26 provided annual data for 1965 through 1969 on gross purchases, sales and holdings of common equities. These data have permitted the Study to calculate common stock turnover (TOV) and activity (ACT) rates for the reporting accounts. These calculations have been made in the manner described in section C.3.b above in connection with corporate pension-benefit plan accounts. Table VIII-131 shows the weighted average TOV and ACT rates for each of the five years for reporting accounts. The gap between activity and turnover rates throughout the period reflects the extent to which these accounts have been net acquirers of common stock. The jump in turnover rate in 1969 may indicate that these accounts are now becoming increasingly active traders.

Because of the limited number of observations, no attempt was made to relate statistically turnover rate with various account characteristics as was done for corporate plan accounts.

c. Fee and expense rates

Using the same methods as were used for corporate pension-benefit plan accounts, the Study used data collected on Form I-25 and other forms to calculate fee and expense rates for state and local government retirement system accounts. The results are presented in Table VIII-132. Again, because of the limited number of usable observations, no attempt was made to relate fee rates with other account characteristics through statistical analyses.

⁹⁴ See Supp. Vol. II for a reproduction of Form I-24.

TABLE VIII-102
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - SUMMARY (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	9	276.1	1355.5	1886.5	890.0	1146.2	15.8	5570.2
T/A MANAGED	11	10.9	523.5	2091.1	439.3	869.4	163.3	4097.6
SELF-MANAGED	16	12.3	1115.8	4008.2	1671.4	1018.0	231.1	8057.0
TOTAL	36	299.4	2994.9	7985.9	3000.8	3033.6	410.2	17724.7

TABLE VIII-103
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - PERCENTAGES (PERCENT OF
 TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
Bank-Managed	9	4.96	24.33	33.87	15.98	20.58	0.28	100.00
I/A Managed	11	0.27	12.78	51.03	10.72	21.22	3.99	100.00
Self-Managed	16	0.15	13.85	49.75	20.74	12.63	2.87	100.00
TOTAL	36	1.69	16.90	45.06	16.93	17.12	2.31	100.00

TABLE VIII-104
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - CASH AND NEAR CASH ITEMS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.O.*S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	9	3.5	1.9	5.4	0.0	0.0	270.7	276.1
I/A MANAGED	11	0.1	9.7	9.8	0.0	0.2	0.0	10.9
SELF-MANAGED	16	0.0	7.1	9.0	0.0	0.0	0.2	13.2
TOTAL	36	3.7	18.7	24.2	0.0	0.2	271.0	299.4

TABLE VIII-105
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - GOVERNMENT SECURITIES
 AND NONGOVERNMENT SHORT-TERM SECURITIES
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LCCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
BANK-MANAGED	9	75.1	519.4	594.5	402.6	111.0	247.5	0.0	247.5
I/A MANAGED	11	7.5	290.8	298.3	76.9	99.8	48.5	0.0	48.5
SELF-MANAGED	16	5.3	512.8	543.4	216.5	193.6	154.3	0.0	162.8
TOTAL	36	87.9	1322.9	1435.7	696.1	404.3	450.3	0.0	458.8

TABLE VIII-106
STATE AND LOCAL GOVERNMENT PLANS, ASSET
HOLDINGS - 1969 - NONGOVERNMENT LONG-TERM
DEBT (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	9	0.0	41.7	41.8	164.0	593.4	1844.1	0.6	1886.5
I/A MANAGED	11	60.6	20.7	84.4	529.3	1469.9	1996.1	10.2	2091.1
SELF-MANAGED	16	1.2	17.3	19.9	9.8	2999.1	3893.3	39.5	4008.2
TOTAL	36	61.7	79.6	146.6	703.1	5062.4	7733.5	50.3	7985.9

TABLE VIII-107
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - COMMON STOCK AND WARRANTS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	9	0.0	25.1	0.0	0.0	546.2	890.0	0.0
I/A MANAGED	11	54.0	14.0	7.2	0.0	364.2	439.3	0.0
SELF-MANAGED	16	15.3	0.2	48.6	0.0	1579.7	1671.3	0.1
TOTAL	36	69.3	39.3	55.8	0.0	2490.1	3000.7	0.1

TABLE VIII-108
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - MORTGAGES AND REAL ESTATE
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE wO/EQUIT	MORTGAGE wO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	9	169.9	6.1	1129.9	16.3	1146.2	0.0
I/A MANAGED	11	761.1	48.9	838.5	0.0	839.1	30.3
SELF-MANAGED	16	340.1	535.4	893.5	114.4	1007.9	10.1
TOTAL	36	1281.1	590.4	2861.8	130.7	2993.1	40.4

TABLE VIII-109
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 - PREFERRED STOCK AND OTHER
 ASSETS (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NON-CONV'T. PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	9	11.8	0.0	11.8	0.0	0.0	0.0	0.4	4.0
I/A MANAGED	11	23.3	7.2	30.6	1.1	0.0	0.0	131.7	132.8
SELF-MANAGED	16	11.0	1.1	25.1	32.4	0.0	0.0	146.5	206.0
TOTAL	36	46.2	8.2	67.4	33.5	0.0	0.0	278.6	342.8

TABLE VIII-110
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - SUMMARY (IN MILLIONS OF
 DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	8	167.3	1208.4	806.9	180.0	882.6	3.9	3249.1
I/A MANAGED	9	18.0	549.8	1783.0	76.1	154.1	67.9	2649.0
SELF-MANAGED	15	16.8	1333.3	2066.2	507.4	791.6	101.4	4816.7
TOTAL	32	202.1	3091.6	4656.1	763.5	1828.3	173.2	10714.7

TABLE VIII-111
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO FOR
 1964) - SUMMARY (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NCNGCVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	8	275.5	1352.3	1886.5	740.5	1146.2	15.4	5416.5
I/A MANAGED	9	8.7	483.1	2027.5	413.1	846.3	159.7	3938.3
SELF-MANAGED	15	10.7	1083.7	3952.7	1644.0	1018.0	230.8	7940.0
TOTAL	32	294.9	2919.1	7866.8	2797.6	3010.5	406.0	17294.8

TABLE VIII-112
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - PERCENTAGES (PERCENT OF
 TOTAL ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
Bank-Managed	8	5.15	37.19	24.83	5.54	27.16	0.12	100.00
I/A Managed	9	0.68	20.76	67.32	2.87	5.82	2.56	100.00
Self-Managed	15	0.35	27.68	42.90	10.53	16.43	2.11	100.00
TOTAL	32	1.89	28.85	43.46	7.13	17.06	1.62	100.00

TABLE VIII-113
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO
 FOR 1964) - PERCENTAGES (PERCENT OF TOTAL
 ASSETS)

ACCOUNT TYPE	N	CASH	GOVTS & SHORT- TERM	NONGOVT LONG- TERM	COMMON & WARRANTS	MORTGAGE REAL ESTATE	OTHER ASSETS	TOTAL ASSETS
BANK-MANAGED	8	5.09	24.97	34.83	13.67	21.16	0.28	100.00
I/A MANAGED	9	0.22	12.27	51.48	10.49	21.49	4.06	100.00
SELF-MANAGED	15	0.13	13.65	49.78	20.71	12.82	2.91	100.00
TOTAL	32	1.71	16.88	45.49	16.18	17.41	2.35	100.00

TABLE VIII-114
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - CASH AND NEAR CASH ITEMS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.D.'S	OTH. TIME & SAV DP IN BANKS	OTH. TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	8	0.3	1.7	2.0	0.0	0.0	164.7	167.3
COOPERATIVELY MANAGED	9	0.1	11.5	11.5	0.0	0.0	1.1	18.0
SELF-MANAGED	15	0.0	7.9	7.9	8.0	0.0	0.1	16.8
TOTAL	32	0.5	21.1	21.8	8.0	0.0	165.9	202.1

TABLE VIII-115
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO
 FOR 1964) - CASH AND NEAR CASH ITEMS (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CURRENCY DEMAND DP M-BKS	CURRENCY DEMAND DP ELSE	TOTAL CURRENCY DEM DEPS	C.O.'S	OTH.TIME & SAV DP IN BANKS	OTH.TIME & SAV DEPOSITS	TOTAL CASH & NEARCASH
BANK-MANAGED	8	2.9	1.9	4.8	0.0	0.0	270.7	275.5
I/A MANAGED	9	0.1	7.4	7.5	0.0	0.2	0.0	8.7
SELF-MANAGED	15	0.0	7.1	7.4	0.0	0.0	0.2	10.7
TOTAL	32	3.1	16.4	19.7	0.0	0.2	271.0	294.9

TABLE VIII-116
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - GOVERNMENT SECURITIES
 AND NONGOVERNMENT SHORT-TERM SECURITIES
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHRT TRM FOREIGN	NONGOVT SHRT TRM TOTAL
ANK-MANAGED	8	6.6	899.0	905.6	161.9	64.9	76.0	0.0	76.0
7A-MANAGED	9	17.1	370.7	377.8	89.6	79.1	3.3	0.0	3.3
SELF-MANAGED	15	270.6	653.6	924.1	291.9	111.7	19.6	0.0	19.6
TOTAL	32	284.2	1923.3	2207.5	523.5	255.7	104.8	0.0	104.8

TABLE VIII-117

STATE AND LOCAL GOVERNMENT PLANS, ASSET
HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO
FOR 1964) - GOVERNMENT SECURITIES AND NON-
GOVERNMENT SHORT-TERM SECURITIES (IN
MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	US GOVT SHORT- TERM	US GOVT LONG- TERM	US GOVT TOTAL	US STATE & LOCAL GOVT	FOREIGN GOVT	NONGOVT SHORT- TERM	NONGOVT SHORT TRM FOREIGN	NONGOVT SHORT TRM TOTAL
BANK-MANAGED	8	75.1	519.4	594.5	402.6	111.0	244.2	0.0	244.2
I/A MANAGED	9	0.8	276.0	276.8	64.0	95.3	47.1	0.0	47.1
SELF-MANAGED	15	5.3	512.8	518.1	209.3	193.6	154.3	0.0	154.3
TOTAL	32	81.2	1308.2	1389.3	675.9	399.8	445.6	0.0	454.0

TABLE VIII-118
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - NONGOVERNMENT LONG-TERM
 DEBT (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT US ISSUE W/EQUITY	OTHER US ISSUE W/EQUITY	TOTAL US ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WO/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
ANK-MANAGED	8	0.0	1.7	1.7	48.6	377.5	805.2	0.0	806.9
LA MANAGED	9	0.0	2.1	2.1	342.0	1438.5	1780.5	0.4	1783.0
ELF-MANAGED	15	0.0	1.8	2.6	7.6	946.5	2062.9	0.6	2066.2
TOTAL	32	0.0	5.6	6.4	398.2	2762.5	4648.7	1.1	4656.1

TABLE VIII-119
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO FOR
 1964) - NONGOVERNMENT LONG-TERM DEBT (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	RESTRICT LS ISSUE W/EQUITY	OTHER LS ISSUE W/EQUITY	TOTAL LS ISSUE W/EQUITY	RESTRICT US ISSUE WO/EQUIT	OTHER US ISSUE WC/EQUIT	TOTAL US ISSUE WO/EQUIT	FOREIGN ISSUERS	TOTAL NONGOV'T LT DEBT
BANK-MANAGED	8	0.0	41.7	41.8	164.0	593.4	1844.1	0.6	1886.5
I/A MANAGED	9	60.6	12.7	69.3	529.3	1414.3	1940.6	10.2	2027.5
SELF-MANAGED	15	1.2	17.3	27.4	9.8	2999.1	3893.3	39.5	3952.7
TOTAL	32	61.7	71.6	138.5	703.1	5006.8	7678.0	50.3	7866.8

TABLE VIII-120
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - COMMON STOCK AND WARRANTS
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
ANK-MANAGED	8	0.0	10.3	0.0	0.0	93.1	180.0	0.0
TRA-MANAGED	9	25.5	0.0	10.3	0.0	40.4	76.1	0.0
ELF-MANAGED	15	1.2	0.0	15.8	35.8	454.0	506.8	0.6
TOTAL	32	26.7	10.3	26.1	35.8	587.4	762.9	0.6

TABLE VIII-121
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO FOR
 1964) - COMMON STOCK AND WARRANTS (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	ADR'S & FOREIGN ISSUERS	RESTRICT ED U.S. ISSUER	INVESTMT COMPANY SHARES	AFFILIAT ED COMP- ANY SHS.	OTHER U.S. ISSUERS	TOTAL COMMON STOCK	WARRANTS RIGHTS & OPTIONS
BANK-MANAGED	8	0.0	25.1	0.0	0.0	356.7	740.5	0.0
I/A MANAGED	9	35.0	14.0	7.2	0.0	356.9	413.1	0.0
SELF-MANAGED	15	15.3	0.2	48.6	0.0	1579.7	1643.9	0.1
TOTAL	32	50.3	39.3	55.8	0.0	2333.3	2797.5	0.1

TABLE VIII-122
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - MORTGAGES AND REAL ESTATE
 (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE WO/EQUIT	MORTGAGE WO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
ANK-MANAGED	8	162.9	7.5	864.7	17.8	882.6	0.0
FA-MANAGED	9	84.5	31.3	125.8	23.4	139.1	15.0
ELF-MANAGED	15	167.0	368.0	536.8	128.6	665.4	126.2
TOTAL	32	415.1	407.7	1517.3	169.8	1687.1	141.2

TABLE VIII-123
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO
 FOR 1964) - MORTGAGES AND REAL ESTATE (IN
 MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	MORTGAGE 1- TO 4- FAMILY	OTHER MORTGAGE wO/EQUIT	MORTGAGE wO/EQUIT TOTAL	MORTGAGE WITH EQUITY	TOTAL MORTGAGE	REAL ESTATE OWNED
BANK-MANAGED	8	169.9	6.1	1129.9	16.3	1146.2	0.0
I/A MANAGED	9	752.3	34.6	825.3	0.0	826.0	30.3
SELF-MANAGED	15	350.1	535.4	893.5	114.4	1007.9	10.1
TOTAL	32	1272.3	576.1	2838.7	130.7	2970.0	40.4

TABLE VIII-124
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1964 - PREFERRED STOCK AND OTHER
 ASSETS (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED US ISSUE	NONCONV'T PREFERRED US ISSUE	TOTAL PREFERRED	POLICY LOANS	DUE FROM AFFILIAT COMPANY	ACCOUNTS RCBLE FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
ANK-MANAGED	8	1.5	1.2	2.7	0.0	0.0	0.0	1.2	1.2
TA-MANAGED	9	0.6	11.7	12.2	0.9	0.0	0.0	54.8	55.7
ELF-MANAGED	15	1.5	13.9	15.4	7.0	0.0	0.0	79.0	85.9
TOTAL	32	3.6	26.8	30.4	7.9	0.0	0.0	135.0	142.8

TABLE VIII-125
 STATE AND LOCAL GOVERNMENT PLANS, ASSET
 HOLDINGS - 1969 (ACCOUNTS REPORTING ALSO
 FOR 1964) - PREFERRED STOCK AND OTHER
 ASSETS (IN MILLIONS OF DOLLARS)

ACCOUNT TYPE	N	CONVERT. PREFERRED LS ISSUE	NONCONV'T PREFERRED LS ISSUE	TOTAL PREFERRED	PCLICY LCANS	DUE FROM AFFILIAT CCMPANY	ACCOUNTS RECEI FR BROKERS	ALL OTHER	OTHER ASSETS TOTAL
BANK-MANAGED	8	11.8	0.0	11.8	0.0	0.0	0.0	0.0	3.6
I/A MANAGED	9	19.7	7.2	26.9	1.1	0.0	0.0	131.7	132.8
SELF-MANAGED	15	11.0	1.1	24.8	32.4	0.0	0.0	146.5	206.0
TOTAL	32	42.5	8.2	63.5	33.5	0.0	0.0	278.2	342.4

TABLE VII-126
STATE & LOCAL GOVERNMENT FUNDS -- 1969
HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK-MANAGED	9	979.7	98.23	4.4	0.44	7.8	0.78	5.4	0.53	997.4	100.00
INVESTMENT ADVISER MANAGED	11	474.0	92.15	1.1	0.21	21.0	4.08	3.6	0.70	514.4	100.00
SELF-MANAGED	17	1657.2	96.51	6.1	0.36	49.7	2.89	4.2	0.24	1717.2	100.00
TOTAL	37	3110.9	96.78	11.7	0.36	78.6	2.44	13.2	0.41	3214.3	100.00

Note: All dollar values in millions of dollars.

TABLE VII-127
 STATE & LOCAL GOVERNMENT FUNDS -- 1964
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK-MANAGED	7	185.5	97.65	0.1	0.05	4.3	2.28	0.0	0.00	190.0	100.00
INVESTMENT ADVISER MANAGED	7	83.5	94.78	0.0	0.00	3.7	4.20	0.8	0.91	88.1	100.00
SELF-MANAGED	13	448.0	92.14	2.1	0.43	34.5	7.10	1.8	0.37	486.2	100.00
TOTAL	27	717.0	93.81	2.1	0.27	42.5	5.57	2.6	0.35	764.2	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-128
 STATE & LOCAL GOVERNMENT FUNDS -- 1969 (ACCOUNTS REPORTING ALSO IN 1964)
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
BANK-MANAGED	7	805.7	99.10	0.8	0.09	1.5	0.13	5.4	0.66	813.0	100.00
INVESTMENT ADVISER MANAGED	7	171.0	94.58	1.1	0.61	4.1	2.27	3.6	1.99	180.8	100.00
SELF-MANAGED	13	1619.0	96.56	5.6	0.33	49.2	2.97	2.9	0.17	1676.7	100.00
TOTAL	27	2595.8	97.20	7.5	0.28	55.5	2.08	11.8	0.44	2670.5	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-129
 STATE AND LOCAL GOVERNMENT FUNDS -- 1969 (NO STOCK IN 64)
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank-Managed	1	31.6	90.60	0.1	0.36	3.1	9.04	0.0	0.00	34.9	100.00
Investment Adviser Managed	2	277.0	94.63	0.0	0.00	15.7	5.37	0.0	0.00	292.7	100.00
Self-Managed	3	36.4	94.06	0.5	1.32	0.5	1.29	1.3	3.34	38.7	100.00
Total	6	345.0	94.19	0.6	0.17	19.4	5.29	1.3	0.35	366.3	100.00

Note: All dollar values in millions of dollars.

TABLE VII-130
 STATE AND LOCAL GOVERNMENT FUNDS -- 1969 (ALL 64)
 HOLDINGS OF COMMON STOCK BY EXCHANGE LISTING

ACCOUNT TYPE	NO.	NYSE LISTED		AMEX LISTED		BANKS & INS. COS.		OTHER		TOTAL	
		\$	%	\$	%	\$	%	\$	%	\$	%
Bank-Managed	8	837.3	98.75	0.9	0.11	4.2	0.50	5.4	0.64	847.9	100.00
Investment Adviser Managed	9	718.1	95.98	5.0	0.67	21.5	2.87	3.6	0.48	748.2	100.00
Self-Managed	16	1395.3	96.18	2.2	0.15	49.0	3.38	4.2	0.29	1450.7	100.00
Total	33	3940.8	96.84	8.1	0.27	74.9	2.47	13.1	0.43	3036.8	100.00

Note: All dollar values in millions of dollars.

TABLE VIII-131
STATE AND LOCAL GOVERNMENT SYSTEMS, TURNOVER
AND ACTIVITY RATES, 1965 - 1969

ACCOUNT TYPE	1965			1966			1967			1968			1969		
	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT	N	TOV	ACT
BANK MANAGED	7	4.98	14.46	7	6.49	17.35	7	5.75	19.55	8	5.08	25.37	9	15.36	37.72
I/A MANAGED	7	9.38	15.48	7	9.74	20.87	10	14.62	18.80	10	8.00	18.59	10	33.28	48.04
SELF MANAGED	11	1.34	13.99	12	1.80	13.42	13	5.40	13.04	15	3.32	14.92	16	6.68	16.74
TOTAL	25	3.03	14.25	26	3.58	14.99	30	3.57	15.15	33	4.20	17.87	35	11.66	26.03

TABLE VIII-132
STATE AND LOCAL GOVERNMENT SYSTEMS, FEE
AND EXPENSE RATES, 1966 - 1969

ACCOUNT TYPE	1966			1967			1968			1969			1969*		
	N	FEE	EXP	N	FEE	EXP									
BANK MANAGED	1	.00%	.00%	1	.00%	.00%	1	.00%	.00%	2	.04%	.00%	2	.03%	.00%
I/A MANAGED	3	.02%	.10%	3	.02%	.10%	3	.02%	.11%	3	.02%	.14%	3	.02%	.10%
SELF MANAGED	3	.00%	.00%	3	.00%	.00%	3	.00%	.00%	3	.00%	.00%	3	.00%	.00%
TOTAL	7	.01%	.02%	7	.00%	.02%	7	.00%	.02%	8	.01%	.01%	8	.01%	.01%

*Fee and expense rates based on 1969, Form I-21 Total assets.

F. EDUCATIONAL ENDOWMENTS

1. Overview

a. Background—the “Universe” defined

The decision to undertake a study of educational endowments was made with the knowledge that the larger endowments were very large indeed. As an institutional portfolio type, endowments were felt to rank behind only public and private pension-benefit plans as a constituent of the competition among institutional investment managers for the sale of their services. A number of major difficulties were presented in undertaking a study of these institutional portfolios. First, the lack of recent and complete reporting made it difficult to identify the largest endowments;⁹⁵ further, there was no information on how or whether institutions divided their endowments into separate accounts for investment management purposes; finally no ready source of information existed on the extent to which endowments consisted of funds upon which severe restrictions as to investment existed—“limited endowment”—and funds not severely restricted as to investment.

For these reasons the Study again employed a two-page process of data-collection and questionnaire design.⁹⁶ From a number of sources a group of 74 educational institutions believed to have the largest endowments was selected to receive the screening questionnaire, Form I-11.⁹⁷ This form was designed to provide the Study with information on how each endowment was divided between limited and unlimited funds, and within the latter on the extent to which separate investment accounts are used. A more detailed, data-intensive set of questionnaires was later sent to a sample of the separately managed accounts. One by-product of the second stage was substantial revision of the classification of account managers within the stage-two sample,⁹⁸ which then was used to “correct” the data collected in the first stage. Throughout this chapter, data based on stage one as corrected will be presented.

Based on I-11, the Study’s 74 educational institutions possessed total assets approaching \$8.6 billion and common stock and convertible securities of about \$5.7 billion. According to a 1968 NYSE report, 1967 endowment assets were about \$12.25 billion. If one assumes a ten percent growth rate, by June 1969, the date as of which I-11 data were reported, total assets would have reached about \$14.15 billion; thus, the I-11 sample of 74 had about 60 percent of the assets of all educational endowments. Table VIII-133 shows the breakdown of total asset and common stock of both the stage-one and stage-two samples by manager type.

⁹⁵ For purposes of this Study, an educational institution was defined as any public or private college, university, secondary school or non-profit research institute. “Endowment” of such an institution was defined to include all of the invested funds including “true endowment” (funds, the principal of which the institution considers not to be legally expendable), “restricted endowment” (funds, the principal or income of which can be used only for specific narrow purposes) and “unrestricted endowment.”

⁹⁶ This process is described more fully in the app. A.

⁹⁷ See Supp. Vol. II for a reproduction of Form I-11.

⁹⁸ The Study’s data from I-11 showed that the 74 institutions had 147 accounts, divided into 65 bank managed accounts, 41 investment adviser managed and 41 self-managed, from which a sample of 19 bank, 17 investment adviser and 22 self-managed accounts were selected. Forms I-42 and I-43, the second stage, resulted in the consolidation of four accounts into two, the splitting of one account into two and produced the following new configuration: 146 original accounts consisting of 65 bank managed, 46 investment adviser managed and 35 self-managed; and a second-stage sample of 19 bank-managed, 22 investment adviser managed and 16 self-managed. Of course, 89 of the original accounts did not receive the stage two forms, so the Study cannot be certain that similar errors of classification are not present therein. Appendix A to this chapter contains more detailed descriptions concerning this classification difficulty.

TABLE VIII-133
 EDUCATIONAL ENDOWMENTS, DESCRIPTION OF STAGE-
 ONE AND STAGE-TWO SAMPLES (\$ THOUSANDS)

	Bank Accounts	I/A Accounts	Self-Mgd. Accounts	Totals
1.1 Number of accounts from I-11	65	46	35	146
1.2 Total assets from I-11	1,621,798	4,024,108	2,938,775	8,584,681
1.3 Total C. Stock & Conv. from I-11	1,118,245	2,724,161	1,904,628	5,747,034
2.1 Number of Accounts Sampled	19	22	16	57
2.2 Total Assets of Sample	1,168,599	3,644,995	2,716,072	7,529,666
2.3 Total C. Stock & Conv. in Sample	815,239	2,510,150	1,785,647	5,111,036
Ratios				
2.1 /1.1	29%	48%	46%	39%
2.2 /1.2	72%	91%	96%	84%
2.3 /1.3	73%	92%	94%	89%

b. Limited assets

As defined above, limited endowment assets are those assets with respect to which severe limitations on investment exists. As of June 30, 1969 from the sample of 74 only 2.5 percent of total assets fall in this category. Of this 2.5 percent, over one half is concentrated in three institutions. Forty-nine, or two thirds of all endowments sampled, had less than one million dollars in limited assets. Limited assets appear to be insignificant on a unit basis as well. Only seven of the endowments sampled had six percent or more of assets in limited assets. Only two institutions reported significant amounts of limited assets. These institutions average \$187 million in total endowment assets, of which a weighted average of 24 percent is limited assets. Table VIII-134 summarizes these data.

TABLE VIII-134

 EDUCATIONAL INSTITUTION LIMITED ASSETS FROM SCREENING QUESTIONNAIRE
 (MARKET VALUE, JUNE 30, 1969)

Range of Limited Assets (\$millions)	Number of Institutions	Total Limited Assets (\$thousands)	Total Limited C. Stock & Conv. Securities (\$thousands)	Total of All Assets (\$thousands)
0	28	0	0	2,833,003
>0 ≤ 1	21	6,436	2,490	1,167,547
>1 ≤ 5	14	26,460	13,603	2,326,828
>5 ≤ 10	5	36,644	23,137	1,078,079
>10 ≤ 20	3	33,155	20,786	466,881
>20	3	113,263	56,639	928,147
TOTALS	74	215,958	116,655	8,800,485
Limited Assets/ Unlimited Assets %				
0	28	0	0	2,833,003
>0 ≤ 3	30	39,324	22,719	3,855,704
>3 ≤ 6	9	65,971	37,221	1,658,950
>6	7	110,663	56,715	452,828
TOTALS	74	215,958	116,655	8,800,485

c. Institutions' separately managed account structure

Tables VIII-135 and -136 read together give a good summary of the way the 74 institutions split (or do not split) their unlimited endowments for management purposes. In the range from \$20 to \$40 million, institutions tend to have single accounts and tend to have these managed by banks.

Institutions having between \$40 and \$80 million in unlimited assets also tend not to split their assets but more frequently choose investment adviser management. The range between \$80 and \$160 million shows a great deal of splitting of endowment into separately managed accounts, and a continued tendency toward investment adviser management for the single and double accounts which are the large accounts.

Compared to corporate pension-benefit plans, large endowments appear less likely to choose bank management. In particular the largest institutions reported relatively small portions of their funds managed by bank trust departments. Overall, investment advisers have \$4 billion of endowment assets under management compared to \$1.6 billion in banks.

Table VIII-137 shows that, in general, most (88 percent) of the endowment assets are in accounts of over \$40 million. Bank management trails in number of accounts and total assets managed. In fact, of all accounts over \$40 million in assets, banks manage only 13 percent of the assets while investment advisers manage 41 percent of the assets.

TABLE VIII-135
 DESCRIPTION OF EDUCATIONAL INSTITUTIONS'
 ACCOUNTS FROM SCREENING QUESTIONNAIRE -
 BY INSTITUTION, RANGE OF UNLIMITED ASSETS
 (MARKET VALUES, \$ THOUSANDS, JUNE 30, 1969)

	>0 ≤ 20,000	>20,000 ≤ 40,000	>40,000 ≤ 80,000	>80,000 ≤ 160,000	>160,000 ≤ 320,000	>320,000	Totals
# Institutions	13	11	17	21	5	7	74
# Bank Accounts	7	5	17	31	3	2	65
Total Bank Acct. Assets	51,855	164,406	272,142	923,364	201,100	8,931	1,621,798
Total Bank Acct. C Stock & Conv. Securities	36,696	121,556	185,423	636,893	131,100	6,577	1,118,245
# I/A Accounts	5	7	8	20	2	4	46
Total I/A Acct. Assets	54,101	93,559	362,087	1,185,017	212,020	2,117,324	4,024,108
Total I/A Acct. C Stock & Conv. Securities	34,824	73,766	254,996	842,258	109,549	1,408,768	2,724,161
# Self Managed Accounts	4	4	8	10	4	5	35
Total Self Managed Assets	13,591	96,080	295,704	264,950	676,840	1,591,610	2,938,775
Total Self Managed C Stock & Conv. Securities	9,838	76,282	175,658	199,544	483,168	960,138	1,904,628
Totals							
# Accounts	16	16	33	61	9	11	146
Total Assets	119,547	354,045	929,933	2,323,331	1,089,960	3,717,865	8,584,681
Total C Stock & Conv. Securities	81,358	271,604	616,077	1,678,695	723,817	2,375,483	5,747,034

TABLE VIII-136
 FURTHER DESCRIPTION OF EDUCATIONAL INSTITUTION
 ACCOUNT STRUCTURE - BY INSTITUTIONAL RANGE OF
 UNLIMITED ASSETS (MARKET VALUES, \$ THOUSANDS,
 JUNE 30, 1969)

	>0 ≤ 20,000	>20,000 ≤ 40,000	>40,000 ≤ 80,000	>80,000 ≤ 160,000	>160,000 ≤ 320,000	>320,000	Totals
I. # of Institutions	14	11	17	20	5	7	74
II. Number of Bank Accounts	7	5	17	31	3	2	65
II.1 Number of Accounts of Single Account Institutions	4	5	3	3	0	0	14
II.2 Number of Accounts of Two Account Institutions	3	0	2	1	0	0	7
II.3 Number of Accounts of Other Institutions	0	0	12	27	3	2	44
III. Number of I/A Accounts	5	7	8	20	2	4	46
III.1 Number of Accounts of Single Account Institutions	5	1	6	5	0	2	19
III.2 Number of Accounts of Two Account Institutions	0	0	0	4	2	2	8
III.3 Number of Accounts of Other Institutions	0	6	2	11	0	0	19
IV. Number of Self-Managed Accounts	-	4	8	10	4	5	35
IV.1 Number of Accounts of Single Account Institutions	1	3	5	1	2	2	14
IV.2 Number of Accounts of Two Account Institutions	3	0	1	1	2	2	9
IV.3 Number of Accounts of Other Institutions	0	1	2	8	0	1	12
V. Totals	16	16	33	61	9	11	146
V.1 Number of Accounts of Single Account Institutions	10	9	13	9	2	4	47
V.2 Number of Accounts of Two Account Institutions	6	0	4	6	4	4	24
V.3 Number of Accounts of Other Institutions	0	7	16	46	3	3	75

TABLE VIII-137
 DESCRIPTION OF EDUCATIONAL INSTITUTIONS'
 ACCOUNTS FROM SCREENING QUESTIONNAIRE - BY
 ACCOUNTS, RANGE OF UNLIMITED ASSETS (MARKET
 VALUE, \$ THOUSANDS, JUNE 30, 1969)

	>0 ≤ 10,000	>10,000 ≤ 20,000	>20,000 ≤ 40,000	>40,000 ≤ 80,000	>80,000 ≤ 160,000	>160,000	Totals
# of Bank Accounts	30	6	13	8	8	0	65
Total Assets	60,733	83,719	395,988	456,875	624,483	0	1,621,798
Total Common Stock & Conv. Securities	33,858	59,216	265,994	309,228	449,949	0	1,108,245
# of I/A Accounts	9	10	4	10	10	3	46
Total Assets	37,312	136,088	106,094	548,337	1,107,677	2,088,100	4,024,108
Total Common Stock & Conv. Securities	21,186	97,412	49,854	405,497	741,606	1,408,606	2,724,161
# of Self Managed Accts.	11	6	4	5	2	7	35
Total Assets	22,805	91,514	125,921	272,578	205,783	2,220,174	2,938,775
Total Common Stock & Conv. Securities	5,768	59,479	95,056	165,624	163,075	1,415,626	1,904,628
Totals							
# of Accounts	50	22	21	23	20	10	146
Total Assets	120,850	311,321	628,003	1,278,290	1,937,943	4,308,274	8,584,681
Total Common Stock & Conv. Securities	60,812	216,107	410,904	880,349	1,354,630	2,824,232	5,747,034

d. Legal background

The principal federal law which affects educational endowments is the Internal Revenue Code. Like private foundations, endowments generally are exempt from taxation on the investment income generated by their assets.⁹⁹ Of course, they must abide by the securities laws in their investment activities. In general, however, the local law relative to charitable trusts, wills, nonprofit institutions, etc. is the major component of an endowment's legal environment. Attention has been directed recently to the question of whether and to what extent endowments may expend some or all of the principal and/or capital gains of their funds.¹⁰⁰ Of the accounts in our stage-two sample 65 percent stated that none of their current funds revenues came from realized capital gains and/or principal.¹⁰¹

e. General characteristics of large endowments

Some of the general characteristics of large endowments already have been discussed—size, in terms of assets and stock holdings, and use of external investment managers for all or a portion of the endowment's accounts. The Study sought to measure in a general way the extent of "performance consciousness" on the part of endowments in the stage-two sample. The results tabulated in Table VIII-138 below reveal that only nine percent of the accounts sampled do not have their rate of return calculated. Over 50 percent of the accounts have the rate of return calculated for each interval between valuation dates and about five percent more frequently.¹⁰² The Table also reveals by whom performance was measured; in most cases measures are provided by the educational institution itself or the manager, rather than a third-party agent.

Table VIII-139 shows the extent to which accounts in the stage-two sample were of endowments which use an outside firm to evaluate the manager and of endowments which have changed or added a manager within the past five years.

Table VIII-140 shows the degree of investment authority given managers and Table VIII-141 shows the frequency with which the accounts are reviewed by the managers.

In an attempt to assess the relative importance of the endowment to the institution's current fund revenues, the Study asked respondents to indicate the percentage of current fund revenues derived from the endowment in the form of (1) dividends and other income, (2) realized capital gains and/or principal. These results are shown in Tables VIII-142 and -143 respectively.

⁹⁹ See sec. G below which discusses the tax laws and private foundations.

¹⁰⁰ See W. Cary & C. Bright, *The Law and the Lore of Endowment Funds* (1969) for general background to this issue.

¹⁰¹ See Tables VIII-142 and -143, below.

¹⁰² From the questionnaires, it was learned that the common stock of accounts are valued at least monthly for 62 percent of the accounts and quarterly for the remaining 38 percent. A majority (56 percent) of bank-managed accounts are valued quarterly, while 70 percent of the investment adviser and self-managed accounts are valued monthly.

Table VIII-138
Endowments
Measurement of Investment Performance
(Percent of Total Accounts)

Account Type	Number of Accounts*	Investment Performance is Measured By						Rate is Calculated			
		Ed. Inst.		Agent		Manager		Each Internal Valuation Between Dates	Less Frequently	More Frequently	NOT
		YES	NO	YES	NO	YES	NO				
Bank-Managed	18	66.67	33.33	0.00	94.44	66.67	33.33	50.00	38.89	5.56	5.56
Investment Adviser-Managed	20	80.00	20.00	15.00	65.00	70.00	30.00	50.00	40.00	5.00	5.00
Self-Managed	17	82.35	17.65	5.88	70.59	-	-	52.94	23.53	5.88	17.65
Total	55	76.36	23.64	7.27	76.36	47.27	21.82	50.91	34.55	5.45	9.09

*Maximum number presented. The fact that percentages in some yes-no combinations do not add to 100 can be attributed to the failure of some respondents to answer particular questions.

Table VIII-139
 Endowments
 Use of Outside Firms and Managers
 (Percent of Total Accounts)

Account Type	Number of Accounts	Use of Outside Firm to Evaluate Investment Manager		Number of Accounts	Replaced or Hired One or More Outside Managers Within 5 Years	
		Yes	No		Yes	No
Bank-Managed	18	27.78	72.22	18	16.67	83.33
Investment Adviser-Managed	20	30.00	70.00	20	50.00	50.00
Self-Managed	17	17.65	82.35	--	--	--
Total	55	25.45	74.55	38	34.21	65.79

Table VIII-140
 Endowments
 Investment Authority of Account Manager 1/
 (Percent of Total Accounts)

Account Type	Number of Accounts	Sole Investment Authority	Authority for Day-to-Day Within Guidelines	Seldom Overruled But Must Consult Before Trades
Bank-Managed	18	11.11	44.44	44.44
Investment Adviser-Managed	20	5.00	65.00	30.00
Self-Managed	16	6.25	87.50	6.25
Total	54	7.41	64.81	27.78

1/ Investment Department for Self-Managed.

Table VIII-141
 Endowments
 Frequency of Account Review by Manager 1/
 (Percent of Total Accounts)

Account Type	Number of Accounts	Daily <u>2/</u>	Weekly	Monthly	Quarterly	Annually	Other
Bank-Managed	18	11.11	16.67	44.44	27.78	0.00	0.00
Investment Adviser-Managed	20	10.00	45.00	35.00	10.00	0.00	0.00
Self-Managed	17	11.76	35.29	29.41	17.65	5.88	0.00
Total	55	10.91	32.73	36.36	18.18	1.82	0.00

1/ Investment Department for Self-Managed.

2/ Includes "Continuously."

Table VIII-142
 Endowments
 Percentage of 1968 - 69 Fiscal Year's
 Current Funds Revenues Derived
 From Dividends and Other Income

(Percent of Total Accounts)

Account Type	Number of Accounts	0%	>0% ≤5%	>5% ≤10%	>10% ≤20%	>20% ≤30%	>30%
Bank-Managed	18	0.00	22.22	11.11	22.22	16.67	27.78
Investment Adviser-Managed	20	0.00	5.00	25.00	30.00	25.00	15.00
Self-Managed	17	0.00	29.41	29.41	29.41	0.00	11.76
Total	55	0.00	18.18	21.82	27.27	14.55	18.18

Table VIII-143
 Endowments
 Percentage of 1968 - 69 Fiscal Year's
 Current Funds Revenues Derived
 From Realized Capital Gains and/or Principal

(Percent of Total Accounts)

Account Type	Number of Accounts	0%	>0% ≤5%	>5% ≤10%	>10% ≤20%	>20% ≤30%	>30%
Bank-Managed	18	72.22	11.11	11.11	5.56	0.00	0.00
Investment Adviser-Managed	20	55.00	30.00	5.00	5.00	5.00	0.00
Self-Managed	17	70.59	11.76	11.76	5.88	0.00	0.00
Total	55	65.45	18.18	9.09	5.45	1.82	0.00