Mr. CONABLE. Here is another question I believe will be yours, Dr. Ackley. You will recall we had some rather shocking statistics on the percentage increase in private bond issues and municipal bond issues in the first half of 1967 over 1966. Those statistics by themselves look rather alarming.

May I ask you, was 1966 a bad year?

Mr. ACKLEY. No, as I recall——

Mr. CONABLE. Was it a typical year?

Mr. ACKLEY. Let us see if we can get some statistics on that. Is your question related to the volume of corporate securities offered in 1966? It showed a very susbtantial increase, over $2 billion over 1965. Gross proceeds of corporate securities offered for cash were just under $16 billion in 1965 and $18.1 billion in 1966.

Mr. CONABLE. Has there been an increase in a fairly straight line or at least a regular progression in corporate offerings in the past recent years?

Mr. ACKLEY. There have been fluctuations, fluctuations primarily in the offering of common stocks. If we take bonds and notes——

Mr. CONABLE. The issuance of common stock bears only an indirect relation to the interest rate, does it not?

Mr. ACKLEY. Certainly 1966 appears to have been a record year in most respects in terms of offerings of corporate and State and local securities, so that the further increase in 1967 is above an already very high figure.

Mr. CONABLE. I wanted to be sure about that because we were talking about a percentage increase over 1966. We did not know whether 1966 was a big year or not.

Perhaps this is for Mr. Schultze. We have been talking about deficits ranging between $16 billion and $28 billion. We are talking about the net deficit at the end of the year, are we not?

Mr. SCHULTZE. The deficit for the full year.

Mr. CONABLE. In other words, in a typical year if we are talking about a $28 billion deficit we have as of April or May in that year a $38 billion deficit, do we not?

Mr. SCHULTZE. No, sir; I don't quite follow that. I am sorry.

Mr. CONABLE. Don't we have wide seasonal variations in the deficit, to the extent of $10 billion?

Mr. SCHULTZE. My recollection is that what normally happens in terms of the debt increase is that you get most of it in the first half of the year. Let me consult on that for a moment—I'm told there is normally a surplus of about $7 billion in the last 3 months of the fiscal year.

The CHAIRMAN. If you will yield to me, Mr. Conable, bear in mind that the peak in the fiscal year 1967 was set at $336 billion as the limit. The $358 billion on top of the $336, you see, would serve to take care of a peak sometime during the fiscal year of $358 billion. Would that be $22 billion peak or what? I don't know. That is what the Secretary said he was going to help us on a little bit.

Mr. SCHULTZE. The last 3 months of the fiscal year you would get a reduction of about $7 billion in the debt.

Mr. CONABLE. I want to know what we are talking about. We are not talking about the debt ceiling, we are talking about the deficit. Now, if you will refer to the monthly statement of receipts and ex-