TABLE I.—NUMBER OF COMMON STOCKS HELD AND AVERAGE MARKET VALUE PER HOLDING AMONG THE LARGEST MUTUAL FUNDS,[1] DEC. 31, 1963, TO DEC. 31, 1966

Name of mutual fund	Number of common stocks held			Average market value per holding		
	1963	1966	Percent increase (decrease)	1963 (in thousands)	1966 (in thousands)	Percent increase (decrease)
1. Investors Mutual, Inc.[2]	134	111	(17.2)	$10,010	$12,997	29.8
2. Massachusetts Investment Trust	100	103	3.0	18,381	19,204	4.5
3. Wellington Fund, Inc.[3]	106	133	25.5	9,285	8,802	(5.2)
4. Dreyfus Fund, Inc	133	157	18.0	3,716	8,778	136.2
5. United Accumulative Fund	140	71	(49.3)	3,986	10,980	175.5
6. Affiliated Fund, Inc.[4]	155	154	(.6)	5,273	7,264	37.8
7. Fundamental Investors, Inc	117	87	(25.6)	6,305	11,582	83.7
8. Insurance Securities Trust Fund	95	138	45.3	12,154	7,637	(37.2)
9. Fidelity Trend Fund, Inc	77	113	46.8	1,200	6,715	459.5
10. Investment Co. of America	114	125	9.6	2,360	4,051	71.6
11. National Investors Corp	133	129	(3.0)	2,780	4,141	48.9
12. Hamilton Funds, Inc.[5]	106	81	(23.6)	2,844	4,776	67.9
13. Television-Electronics Fund, Inc.[4]	107	94	(12.1)	3,062	3,786	23.6
14. Chemical Fund, Inc	53	55	3.8	5,585	7,117	27.4
15. George Putman Fund of Boston	107	87	(18.7)	2,085	2,881	38.2
16. Dividend Shares, Inc.[4]	99	99	------------	3,238	3,307	2.1
17. State Street Investment Corp	105	122	16.2	1,901	2,550	34.1
18. American Mutual Fund, Inc.[4]	76	96	26.3	2,232	2,929	31.2
19. Boston Fund, Inc.[6]	107	87	(18.7)	2,044	2,163	5.8
20. Financial Industrial Fund, Inc.[3]	110	83	(24.5)	2,169	3,553	63.8

[1] Includes the 20 largest funds managed by different investment advisers.
[2] As of Sept. 30, 1963, and 1966.
[3] As of Nov. 30, 1963, and 1966.
[4] As of Oct. 31, 1963, and 1966.
[5] As of Oct. 31, 1963.
[6] As of Jan. 31, 1964, and 1967.

INCREASE IN CONCENTRATION

Table I, infra, compares, for 20 of the largest funds, the number of common stockholdings and their average market value at the end of 1963 and 1966. Between 1963 and 1966 ten of these funds increased the number of common stocks in their portfolios, while nine decreased the number, and in one case the number remained unchanged. During this period of fund growth 18 of the 20 funds increased the average value of each holding. In part these increases are due to rising markets. In most instances, however, funds are placing more money in individual stocks than they have done in the past. For instance, Fidelity Trend Fund, whose assets increased from $106.1 million in 1963 to $983.1 million in 1966, increased the number of common stocks in its portfolio from 77 to 113, an increase of almost 47 percent. In 1963, however, the average amount held of each stock was only $1.2 million and in 1966 this had increased more than 4½ fold to $6.7 million. The largest mutual fund, Investors Mutual Inc., during this period decreased the number of common stocks in its portfolio 17 percent and increased its average holding about 30 percent.

STUDY OF QUARTERLY DATA

Table II shows that in the second quarter of 1966 the NYSE Composite Index decreased 5.09 percent. The price of all ten of the most heavily purchased stocks fared better than this index, and the prices of seven out of ten of the most heavily sold stocks fared worse than this index. The median of the most heavily purchased stocks increased 10.0 percent, while the median of the most heavily sold stocks decreased 6.7 percent.