

TABLE II-8.—RATIOS OF MARKET TO BOOK VALUES FOR SECURITY INVESTMENTS OF NONINSURED PENSION FUNDS OF NONPROFIT ORGANIZATIONS AND CORPORATIONS, SELECTED YEARS, 1951-64

	1951	1955	1960	1964
Nonprofit organizations, end of year:				
U.S. Government securities.....	0.97	0.97	0.98	0.94
Corporate and other bonds.....	.98	1.00	.94	.98
Preferred stock.....	.99	1.05	.89	.98
Common stock.....	1.21	1.67	1.62	1.60
Corporations, end of year:				
U.S. Government securities.....	(1)	.98	.99	.99
Corporate bonds.....	(1)	.98	.93	.97
Preferred stock.....	(1)	1.02	.92	1.02
Common stock.....	(1)	1.62	1.47	1.58

Source: Same as tables II-6 and II-7.

¹ Not available.

and is comparable with the book-value panels of tables II-6 and II-7. The main difference between insured and noninsured portfolios is in common stock and mortgages. In 1964, agency insurance companies held 3.6 percent of their assets in common stock and 36.8 percent in mortgages, and the corresponding percentages were 26.2 and 13.2 for noninsured funds for nonprofit organizations. The discrepancy between insured and corporate noninsured was even greater. Information is not now available for the separate accounts of insured pension reserves; but, it is probable that if their portfolio were substituted for that of all insurance company assets, the discrepancy between insured and noninsured pension fund portfolios would be smaller.

TABLE II-9.—PERCENTAGE DISTRIBUTION OF PORTFOLIOS OF INSURED PENSION FUNDS, AGENCY INSURANCE COMPANIES, AND TIAA-CREF, SELECTED YEARS, 1951-64

	1951	1955	1960	1964
Agency life insurance companies, end of year:				
Cash and deposits.....	1.6	1.4	1.1	1.0
U.S. Government securities.....	16.2	9.5	5.4	3.8
Corporate and other bonds ¹	41.9	43.3	43.6	41.7
Preferred stock.....	2.1	1.9	1.5	1.7
Common stock.....	1.2	2.1	2.7	3.6
Mortgages.....	28.2	32.5	34.8	36.8
Other assets.....	8.8	9.3	10.9	11.4
Total assets.....	100.0	100.0	100.0	100.0
TIAA-CREF, end of year: ²				
Cash and deposits.....	.7	.6	.4	.2
U.S. Government securities.....	1.5	1.2	.7	.3
Corporate and other bonds ¹	40.5	41.0	34.9	29.9
Preferred stock.....	1.6	.8	.3	(3)
Common stock.....	(3)	5.2	16.3	27.0
Mortgages.....	52.9	48.4	43.9	39.7
Other assets.....	2.8	2.8	3.5	2.9
Total assets.....	100.0	100.0	100.0	100.0

Source: Based on Life Insurance Fact Books and annual reports of TIAA-CREF. See app. II.

¹ See table II-6, note 1.² CREF was established in 1952; therefore, 1951 figures include only TIAA.³ Less than 0.05 percent.

Teachers Insurance & Annuity Association is a limited-eligibility life insurance company concentrating on insured pension plans. Its companion organization, College Retirement Equities Fund, was established in 1952 to provide variable pension annuities, and its assets are, therefore, all invested in common stock. The 1951 distribution is for TIAA alone and shows a considerably larger proportion of assets