

CHAPTER XI

CHARACTERISTICS AND PRICE IMPACTS OF BLOCK TRADING IN COMMON STOCK LISTED ON NYSE

A. INTRODUCTION

The preceding chapter dealt with all forms of institutional trading in common stocks. The most dramatic effect, however, of increased institutional securities transactions has been the growth of block trading. This chapter describes the characteristics of block trades, the processes by which such trades are assembled and executed and their price impacts. Because of limitations on the Study's resources, only block trades in common stocks listed on the New York Stock Exchange ("NYSE") are considered. Although block trades on the NYSE itself are analyzed in the greatest depth, the chapter also deals with block trades in NYSE-listed stocks in all other markets as well.

A definition of block trade is necessary. The term could be defined as a securities transaction that, because of its size or other characteristics, requires special handling. For example, the Commission has previously defined a block trade as "a transaction in which a member firm, by reason of the size of the order in relationship to conditions in the exchange auction market, reasonably concludes that it is in the interest of the customer to search and negotiate for a matching interest on the other side of the market (including negotiating as principal with the customer) rather than to accept or submit a bid or offer in the ordinary course of the auction market."¹ National securities exchanges, however, do not keep records sufficient to determine the application of this definition to particular transactions. Moreover, the definition by its own terms is inapplicable to third market transactions. For the purposes of this chapter an arbitrary definition must be selected.

The NYSE defines block trades in terms of the number of shares involved and keeps records of all transactions of 10,000 shares or more. Regional stock exchanges similarly define block trades in terms of the number of shares involved but keep records of transactions down to lower amounts. The Study's analyses of block trades will deal with transactions in excess of a given number of shares (depending on the market involved). In analyzing these transactions an attempt will be made to isolate those objective characteristics that require special treatment in execution.

A number of the practices described in this chapter pose actual or potential regulatory problems. In some cases pertinent regulatory provisions are cited, and existing interpretations of them may be

¹ Securities Exchange Act Release No. 8791 (Dec. 31, 1969), p. 4.

described. No comprehensive attempt, however, has been made to point out all such situations; and no attempt at all has been made to resolve any regulatory matters. That will be done in the recommendations phase of the Study. Thus, the absence of discussion of regulatory problems in connection with any practice described in this chapter should not be taken as an implication that none exists.

B. EXTENT AND GENERAL CHARACTERISTICS

1. Data Used

General volume statistics on block trading in NYSE-listed stocks are regularly collected by the Commission and by the NYSE. The NYSE data is regularly reported by it to the Commission. In addition to these data sources, the Study purchased machine processable data on NYSE block trades from Vickers Associates, Inc., and collected additional new data from regional stock exchanges and third market firms in response to questionnaires.

a. *Vickers cards*

The NYSE collects information on all transactions of 10,000 shares or more on that exchange, including openings.² This data is published by Vickers Associates, Inc., and was made available to the Study in punch card form by Vickers for the period July 1, 1968, to September 30, 1969. There was a total of 17,172 such block trades. For each block trade the punch card contained the date, the price of the block, the price of the prior trade, the number of shares and whether the block was crossed. A block trade is considered to be a cross if the same broker-dealer represented the entirety of both the purchase and sale sides, or if it lost only a small part of one side to the floor; for example, to the specialist or the specialist's book.^{2a}

b. *Collected by the Study*

Neither Vickers nor any other service keeps similar data about individual block trades on the regional stock exchanges or in the third market. The Study collected data on such trades directly from the regional exchanges and third market firms. These data, together with a comparable subsample of the Vickers data for the same time periods, were used for comparison of block trading in different markets.

Data about individual transactions are not regularly kept in convenient form by these respondents. Since it would have been overly burdensome to collect data from them about all block trades for the entire period covered by the Vickers cards, the Study decided instead to take a four week sample of the block trades in the List A³ stocks traded on the NYSE. The four weeks selected were September 9-13

² According to a one-week survey by the NYSE, see sec. C.1.a, below, only 9.2 percent of all transactions of 5,000 or more shares on that exchange are openings. Of these openings, almost half have a single transaction that accounts for at least 90 percent of the shares involved. Presumably, nonblock openings constitute even a smaller proportion of all transactions of 10,000 or more shares. Thus, it is unlikely that the inclusion of nonblock openings has led to any significant distortions.

^{2a} See sec. C.2.b., below, with respect to some inaccuracy in the application of this definition of a cross.

³ See ch. X, app. A, above. Although List A is not strictly a random sample of NYSE-listed stocks, the Study does not believe that any biases that may exist in the sample are substantial.

and November 12-15, 1968, and June 16-20 and August 18-22, 1969.⁴ The selection criteria were whether the week was before or after December 5, 1968,⁵ the movement of the Dow Jones Industrial Average and the volume of trading on the NYSE. The characteristics of each week selected were as follows:

Week	Dow Jones Industrial Average	NYSE volume (shares)
Sept. 9-13, 1968.....	-4.04	51,045,000
Nov. 12-15, 1968.....	+6.90	62,876,000
June 16-20, 1969.....	-18.68	56,457,000
Aug. 18-22, 1969.....	+16.37	50,303,000

Although the data concerning block trades on the regional stock exchanges and in the third market are limited to these four weeks, the Study was able to obtain data on trades down to 2,000 shares in size, as contrasted with the 10,000 share minimum for the Vickers cards.⁶

(1) *Form I-18*.—Every broker-dealer that makes over-the-counter markets in common stocks listed on the NYSE must file quarterly transaction reports with the Commission on Form X-17A-9(2). All nonmarket-makers must file quarterly reports with the Commission on Form X-17A-9(3) with regard to any over-the-counter transactions in common stock listed on the NYSE involving \$25,000 or more and between a public buyer and a public seller. Form I-18 was sent to every broker-dealer that had filed a report on either Form X-17A-9(2) or Form X-17A-9(3) for any quarter in which one of the four reporting weeks fell. In addition, the questionnaire was sent to one broker-dealer that arranges such transactions on a retainer basis⁷ and another firm that advertised itself as engaging in similar business. The form was sent to a total of 38 firms, of which 15 replied that they had reportable transactions during the period studied. Another broker-dealer did report some transactions, but they were excluded from the analysis because the broker-dealer is a wholly-owned subsidiary of a mutual fund management company, and all the transactions were for the fund.

For each block trade the Study obtained the name of the stock, the date of the block trade, the type of transaction (principal at risk, riskless principal or agency) and the market in which it was executed.⁸

⁴ The two weeks in 1968 contained only four trading days each.

⁵ Customer-directed giveups were abolished by most national securities exchanges on that date, and a volume discount was included in their commission rate schedules. See ch. XIII, B.5, below. The two weeks in 1968 may not be wholly representative of trading patterns prior to December 5, 1968. The Board of Governors of the NYSE approved the changes on October 10, 1968; and they were actively discussed throughout that year. The Study, however, had planned to co-ordinate its data with related data collected by the Federal Reserve Board. Moreover, it would have been necessary to go back into 1967 to select weeks in which trading patterns were entirely unaffected by the proposed changes.

⁶ Respondents were instructed to aggregate as a single block trade all executions that occurred at or about the same time and were part of the same transaction, even though the executions might have been separately confirmed and/or separately printed on a stock exchange ticker tape. Since the main tape print of a NYSE block trade usually accounts for almost the entire block, the NYSE and regional data can be compared without significant distortions.

⁷ Although this broker-dealer's activities are often referred to as "fourth market," that term is better used for transactions that do not involve any broker-dealer whatsoever. See sec. C.5, below.

⁸ The questionnaire included any block trades on national securities exchanges by the third market firms.

For each purchaser or seller that participated in the block trade the Study ascertained the number of shares purchased or sold, the price per share (after the addition or deduction of any broker-dealer charges), the name of any other adviser or institution that placed the order and whether the third market firm had investment discretion over the account and/or received any special fees for investment advice.

A total of 801 third market block trades was reported on Form I-18. There were an additional 17 agency trades executed on registered securities exchanges,⁹ two riskless principal trades in which one side was executed over-the-counter and the other side on an exchange and 29 principal-at-risk transactions executed on exchanges.

(2) *Form I-19.*—This questionnaire was sent to the seven regional stock exchanges on which stocks listed on the NYSE are traded. Five of these exchanges had reportable transactions during the four weeks.

For each regional stock exchange block trade the Study requested the name of the stock, the date of the trade, the number of shares, the price per share,¹⁰ whether the exchange had a specialist assigned to the stock and, if so, the number of shares purchased or sold by the specialist. If the same broker-dealer was on both the purchase and sale sides of all or any part of the block trade, the regional stock exchange was requested to furnish the name of the broker-dealer and the number of shares that it "crossed." This broker-dealer was to be the one actually responsible for bringing the block trade to that exchange—not necessarily the broker-dealer(s) that executed and/or cleared it.

The total number of block trades reported on Form I-19 was 880.

2. Growth of NYSE Trades over Time

As an important market factor, block trading is a relatively recent phenomenon. The NYSE has maintained statistics on transactions involving 10,000 or more shares since the fourth quarter of 1964. As Table XI-1 indicates, the dollar volume of NYSE block trades increased almost elevenfold in absolute magnitude from that quarter to the third quarter of 1970, and its percentage of total NYSE dollar volume more than septupled. Prior to the third quarter of 1970 it appeared that the percentage of total NYSE dollar volume might be leveling off. The large increase in that quarter, however, casts doubt upon any such conclusion.¹¹

⁹ Two of these were crosses by third market firms that were members of the exchange of execution.

¹⁰ This is the price before the addition or subtraction of any broker-dealer charges—that is, the price printed on the regional exchange's ticker tape, if it had one.

¹¹ The average size of NYSE block trades has not increased much over time. In 1965 it was 22,230 shares. In 1969 it was 26,570 shares.

TABLE XI-1

Quarterly Dollar Volume of NYSE Block Trades
and Percent of Total NYSE Dollar Volume

<u>Quarter</u>	<u>Dollar Volume (Millions)</u>	<u>Percent of Total NYSE Dollar Volume</u>
1964 IV	298	2.1
1965 I	470	2.9
II	480	2.9
III	429	2.6
IV	479	2.0
1966 I	723	2.6
II	829	3.0
III	830	3.8
IV	921	4.3
1967 I	1,326	4.5
II	1,585	5.1
III	1,659	5.4
IV	2,237	6.7
1968 I	2,034	6.5
II	3,206	7.8
III	3,092	9.4
IV	4,629	11.7
1969 I	4,083	12.1
II	4,031	11.8
III	3,516	12.4
IV	3,987	11.9
1970 I	3,458	12.7
II	2,629	10.4
III	3,288	14.8

The dramatic increase in block trading volume can be contrasted with the relatively much smaller increase in other sizes of transactions on the NYSE. For example, from the first quarter of 1967 to the abnormally low third quarter of 1970, the number of block transactions increased by 259 percent while the number of 100-share transactions decreased by 38 percent (Table XI-3). During the same period the number of shares in block transactions increased by 229 percent (Table XI-4).

Block trades are most easily initiated by institutional investors that manage large portfolios rather than large numbers of small portfolios. The two most important large portfolios are those of pension funds and mutual funds. The proportion of all stock held in these types of portfolios has been increasing, as have the activity rates of these portfolios (Table XI-5). Nevertheless, the increase in the volume of block trading has been considerably greater than the increase in the activity of these types of portfolios. From the first quarter of 1965 to the third quarter of 1970 the ratio of the combined common stock activity of pension funds and mutual funds to NYSE block volume fell from 5.1-to-1 to 2.0-to-1 (Table XI-6). Thus, it is highly unlikely that the increase in NYSE block trading resulted solely from the increased activity of pension funds and mutual funds. Rather, it seems that the ratio of the total activity of these portfolio types, and possibly others as well, to the dollar volume of block trades has fallen sharply over the last few years. In other words, a larger proportion of their total trading is now done in blocks.

3. Markets Used

The only comprehensive data on the percentage of the total volume in NYSE-listed stocks that is executed on the NYSE itself, on the regional stock exchanges and in the third market are for the last quarter of 1967 through the last quarter of 1968. As shown on the following table, the NYSE's proportion of that volume remained fairly constant during that period at about 88 percent of the total. The regional stock exchanges accounted for about 8 percent and the third market for 3 to 4 percent.

TABLE XI-2.—PERCENTAGES OF TOTAL SHARE VOLUME IN STOCKS LISTED ON THE NEW YORK STOCK EXCHANGE
[Including preferred stock and rights]

Quarter	NYSE	Regional exchanges	Third market †	Secondary distributions
1967 : IV.....	88.1	7.9	3.0	0.9
1968 : I.....	88.6	7.5	3.4	0.4
II.....	88.2	7.7	3.0	0.8
III.....	87.8	8.0	3.5	0.6
IV.....	87.7	7.8	4.0	0.5

† Common stocks only.

Source: Regular reports to the Commission by the NYSE, regional exchanges and third market dealers.

Since the first quarter of 1969 the percentage relationship of third market to NYSE share volume has continued to grow from 4.0 percent to 5.9 percent in the second quarter of 1970 (Table XI-7). Weekly samples of the NYSE, four largest regional stock exchanges and

12 largest third market firms indicate that third market volume increased even more in the third quarter of 1970, and regional exchange volume in all listed securities has increased over its level during the first quarter of 1968 (Table XI-8).

The data collected by the Study exhibit a lower degree of concentration on the NYSE of the block volume in common stocks listed on that exchange. As shown in more detail in Table XI-9, the NYSE accounted for 66 percent of the number of block trades (10,000 shares or more) in NYSE-listed stocks in 1968 and 69 percent of the number of shares in these transactions. In 1968 the regional stock exchanges accounted for 19 percent of the number of block trades and 16 percent of the number of shares. That year the third market had 15 percent of the number of block trades and 16 percent of the number of shares.

The NYSE's proportion of block volume in its stocks declined in 1969. In that year it had 57 percent of the number of block trades and 65 percent of the number of shares. The respective figures for the regional exchanges were 21 percent of the number of blocks and 18 percent of the number of shares. The figures for the third market were 22 percent of the blocks and 17 percent of the shares. Both the regionals and the third market increased their proportions of the total block volume over their 1968 levels.¹²

4. Size Distribution

There are no dramatic differences among the NYSE, the regional exchanges and third market with respect to the size distribution of all transactions of 10,000 or more shares in those markets.

In 1968, 74 percent of the NYSE blocks and 39 percent of the NYSE block shares were in blocks of 10,000 to 25,000 shares. Seventy-six percent of the regional blocks and 44 percent of the regional block shares and 76 percent of the third market blocks and 41 percent of the third market block shares were also in that category. Comparable figures for 1969 were 75 percent of the NYSE blocks and 39 percent of the NYSE block shares, 78 percent of the regional blocks and 45 percent of the regional block shares, and 86 percent of the third market blocks and 56 percent of the third market block shares. The proportion of NYSE block trades in excess of 25,000 shares tends to be greater than the proportion in the other markets. Otherwise, with the exception of the third market in 1969, when the proportion of blocks in the 10,000 to 25,000 share category increased substantially, the markets did not differ greatly in the size distribution of their block trades of 10,000 shares or more when measured by the number of shares (Tables XI-10 to XI-15).

The above relationships also hold when block trades in the three markets are classified in terms of the dollar amounts involved (Tables XI-16 to XI-21).¹³

¹² Although the difference between the two years results primarily because of the difference between the first week of the sample and the other three and may not have great statistical significance, it is confirmed by comparable figures for the trading in all listed securities during different weeks (Table XI-8).

¹³ The significant decrease in total dollar size for all markets between 1968 and 1969 appears to have been accounted for largely by the decrease in the price of most stocks in those markets.

5. Day-to-Day Variations in the Number of Stocks Involved in NYSE Block Trades

On an average day during the period July 1, 1968, to late September 1969 one or more block trades occurred on the NYSE in 50 different stocks. Block trades occurred on that exchange in at least 15 different stocks every day. On 73 days block trades occurred in 41 or fewer stocks. At the other extreme, block trades occurred in 63 or more different stocks on 44 days (Table XI-22).¹⁴

The decision of an institution to engage in a block trade may arise from some event unique to itself; for example, a research report by its own analyst or an increase in withdrawals of funds. It may also arise from some event applicable to other institutions as well; for example, a research report by a broker-dealer or news affecting a particular company or industry. The distribution of days according to the number of stocks involved in block trades varies from the distribution that would be expected from chance if (1) the expected number of stocks in which block trades took place was the same on every day, and (2) all block trades in a single stock arising from a single such "triggering event" occurred on the same day.¹⁵ It is substantially flatter—that is, there are more days with few or many stocks—than would be expected from chance (Tables XI-22 and XI-23). Consequently, one or both of the two assumptions must be invalid.

To test the first of the two assumptions a regression analysis was run between the number of List A stocks involved in NYSE block trades on a given day and various characteristics of the day. It was found that the average number of stocks per day increased by 24 percent from 1968 to 1969. A positive relationship was found with daily share volume in the List A stocks, and a weak inverse relationship was found with the change in share volume from the previous day. On the average, there were two fewer stocks involved in NYSE block trades on Monday than on other days (Table XI-24).¹⁶ The existence of such relationships between the number of stocks involved in NYSE block trades on a given day and other characteristics of the day indicates that the expected number of stocks involved in NYSE block trades is not the same on every day. The analysis described in this paragraph does not, however, indicate whether all block trades in a single stock arising from a single triggering event occur on the same day.

A further test was made to ascertain whether the actual distribution of days according to the difference between the actual and expected number of List A stocks involved in NYSE block trades matched the distribution that would be expected if all block trades arising from a single triggering event occurred on the same day. In

¹⁴ Similar day-to-day variations occurred in List A stocks. On the average day 22 of them were involved in block trades (Table XI-23).

¹⁵ Under the assumptions stated in the text the distribution of days should follow the Poisson probability law. See E. Parzen, *Modern Probability Theory and Its Applications*, 251-254 (1960).

¹⁶ There also was a statistically insignificant tendency for more stocks to be involved on Thursdays, which was unrelated to whether the previous day was one of the Wednesdays in 1968 when the NYSE was closed.

calculating the expected number of days the relationships revealed in the previous regression analysis were utilized. A close agreement between the actual and expected differences was in fact found (Table XI-25). This result strongly supports the hypothesis that block trades in a single stock resulting from a given triggering event tend to occur on one day and are not spread out over subsequent days. Any clustering of block trades tends to occur within a single day.¹⁷ Moreover, the close fit between the two sets of numbers confirms the results of the first regression and indicates that no other variables that are strongly related to the daily number of stocks involved in block trades were omitted from the analysis.

6. Day-to-Day Variations in Price

The Study calculated the difference between the price of transactions of 10,000 shares or more in all markets and the previous day's closing price on the NYSE in the pertinent stock. This analysis was *not* intended to measure the price impact of block trades.¹⁸ It was only for comparative purposes to ascertain whether block trades in one of the markets systematically trade with price differences dissimilar to those in the others.

The analysis indicates that block trades on the regional exchanges and in the third market tend to trade with smaller price differences from the previous day's close on the NYSE than block trades executed on the NYSE itself.¹⁹ There is also some tendency for the larger block trades to trade further away from the previous day's close than the smaller ones. Neither of these relationships is constant, however; and no findings of particular significance are indicated by the analysis (Tables XI-26 to XI-31).

7. Average Price Per Shares of Shares Traded

Although the value per share of all shares traded on the NYSE differs considerably from all shares traded in the third market, and possibly on the regional exchanges as well,²⁰ there is no such difference in transactions of 10,000 shares or more. This probably arises because block trading on the NYSE, like all third market trading, is primarily institutional. The share-weighted average value per share of the shares traded on the NYSE was \$44.13. The comparable figures for the regional exchanges and the third market were, respectively, \$43.33 and \$43.45. Although there were substantial differences among these markets when the 1968 and 1969 transactions are considered separately, there is no particular pattern to these differences. It is likely that they arise merely because of variations in the sample (Table XI-32).

¹⁷ The test used is not extremely sensitive. Consequently, there may be some weak relationships among block trades in the same stock on separate days that do not show up. See, for example, sec. C.2.d, below.

¹⁸ See pt. D, below, for that analysis.

¹⁹ This is probably explained in most part by the reluctance of institutions, regional members and/or third market firms to trade on the regional exchanges and in the third market outside the current range for the day on the NYSE. See secs. S.3.d and C.4.f, below.

²⁰ In 1969 the share-weighted average values per share of all shares traded on the NYSE and in the third market were, respectively, \$40.84 and \$45.86. The comparable figures for 1968 were \$43.96 and \$49.98.

TABLE XI-3

NEW YORK STOCK EXCHANGENo. of Transactions

	TOTAL	ODD-LOT	100 SHARE	200 SHARE	300-900	1,000-9,900	10,000 & Over
<u>1967</u>		(a)	(b)	(b)	(b)	(b)	(b)
1st Q	7,660,611	2,561,187	3,068,492	858,424	982,452	188,671	1,385
2nd Q	7,476,156	2,493,858	2,934,628	836,482	997,720	202,818	1,650
3rd Q	7,537,662	2,492,434	2,968,386	852,540	1,013,946	208,631	1,725
4th Q	7,785,351	2,513,421	3,092,474	891,578	1,067,696	218,257	1,925
<u>1968</u>							
1st Q	7,098,816	2,373,848	2,711,732	793,828	1,002,794	214,623	1,991
2nd Q	8,918,065	2,891,905	3,394,888	1,021,408	1,309,188	297,723	2,953
3rd Q	6,838,625	2,287,993	2,543,760	765,678	1,002,906	235,623	2,665
4th Q	7,586,607	2,479,485	2,814,616	855,826	1,146,536	286,499	3,645
<u>1969</u>							
1st Q	6,280,631	2,119,471	2,237,522	681,010	978,290	260,848	3,490
2nd Q	6,292,138	2,084,176	2,181,602	692,338	1,036,796	293,303	3,923
3rd Q	5,623,965	1,742,323	1,958,348	624,954	701,646	233,251	3,443
4th Q	6,755,095	2,153,125	2,617,364	820,756	879,930	279,644	4,276
<u>1970</u>							
1st Q	5,115,875	1,672,939	1,876,424	619,992	703,258	239,312	3,450
2nd Q	5,530,651	1,627,141	2,070,680	719,920	838,938	270,388	3,584
3rd Q	5,069,156	1,347,693	1,887,340	707,584	838,060	283,916	4,563

(a) Odd-lot volume is reported to the SEC by the odd-lot dealers with both the number of shares purchased and the number of shares sold. The number of transactions is computed by dividing the total of purchases plus sales by 30, the historical average number of shares per odd-lot trade.

(b) Round-lot volume is reported to the SEC by the NYSE showing the number of trades at various sizes as printed on the ticker tape (not as cleared). The number of transactions is computed by doubling the total number of tape prints, which assumes one buyer and one seller per trade. This understates the number of parties to larger transactions. Round-lot totals include both offsetting transactions by the odd-lot dealers and trading by other members for their own accounts, estimated to average around 25 percent of the total.

TABLE XI-4

NEW YORK STOCK EXCHANGENo. of Shares (in millions)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	TOTAL	ODD-LOT	ROUND-LOT	100 SHARE	200 SHARE	300-9,900	10,000 & Over
	(a)	(b)	(c)	(c)	(c)	(d)	(e)
<u>1967</u>							
1st Q	706.1	76.8	629.3	153.4	85.8	356.1	33.9
2nd Q	711.7	74.8	636.9	146.7	83.6	366.8	39.7
3rd Q	720.4	74.8	645.6	148.4	85.3	370.0	42.0
4th Q	754.0	75.4	678.6	154.6	89.2	381.1	53.8
<u>1968</u>							
1st Q	701.2	71.2	630.0	135.7	79.4	365.0	49.0
2nd Q	931.8	86.8	845.0	169.7	102.1	498.8	74.4
3rd Q	733.6	68.8	665.0	127.2	76.6	392.5	68.7
4th Q	865.9	74.4	791.5	140.7	85.6	465.5	99.7
<u>1969</u>							
1st Q	739.8	63.6	672.2	111.9	68.1	401.5	94.7
2nd Q	791.5	62.5	728.9	109.1	69.2	446.5	104.1
3rd Q	701.6	52.3	649.3	97.9	62.5	392.7	96.2
4th Q	860.9	64.6	796.3	130.9	82.1	476.3	107.1
<u>1970</u>							
1st Q	702.8	50.2	652.6	93.8	62.0	393.2	103.6
2nd Q	756.8	48.8	708.0	103.5	72.0	437.3	95.2
3rd Q	790.0	40.4	749.6	94.4	70.8	462.8	121.6

(a) Total of columns (2) and (3).

(b) Total odd-lot shares purchased and sold, as reported to the SEC by the odd-lot dealers.

(c) Total round-lot shares sold, as printed on the ticker tape and reported by the NYSE to the SEC.

(d) Residual of column (3) less columns (4), (5) and (7).

(e) Total number of shares as tabulated by Vickers Associates, Inc., from block trade reports to the NYSE at the specialist post.

TABLE XI-5

Stockholding and Common Stock Activity Rates of Private
Noninsured Pension Funds and Open-end Investment Company

	<u>Year</u>					
	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
<u>Year End Stockholdings</u> (billions of dollars)						
Private Noninsured Pension Funds	33.5	39.7	38.5	49.5	59.3	57.9
Open-end Investment Companies	26.7	33.5	31.2	42.8	50.9	45.0
Total Stock Outstanding	619.2	674.6	587.3	707.8	761.3	
<u>Common Stock Activity Rates</u>						
Private Noninsured Pension Funds	10.8	11.3	12.7	18.2	18.9	22.3
Open-end Investment Companies	18.7	21.2	33.5	42.3	46.6	49.8
NYSE	13.6	14.5	19.3	23.0	22.3	19.6

TABLE XI-6

Ratio of Common Stock Activity of Noninsured Pension Funds
and Open-end Investment Companies to Block Trades on the NYSE

Quarter	Common Stock Activity of Noninsured Pension Funds and Open-end Investment Companies (millions of dollars)	Value of NYSE Block Trading (millions of dollars)	Ratio of (1)/(2)
1965 I	2,385	470	5.1
II	2,310	480	4.8
III	2,303	429	5.4
IV	2,975	479	6.2
1966 I	3,658	723	5.1
II	3,928	829	4.7
III	3,500	830	4.2
IV	3,553	921	3.9
1967 I	4,715	1,326	3.6
II	6,213	1,585	3.9
III	5,608	1,659	3.4
IV	5,123	2,237	2.3
1968 I	5,555	2,034	2.7
II	7,573	3,206	2.4
III	7,393	3,092	2.4
IV	8,975	4,639	1.9
1969 I	8,290	4,083	2.0
II	9,080	4,031	2.3
III	7,698	3,516	2.2
IV	8,640	3,987	2.2
1970 I	7,830	3,458	2.3
II	6,193	2,629	2.4
III	6,500	3,288	2.0

TABLE XI-7

Percentage Relationship of Third Market Share Volume
to Share Volume on the New York Stock Exchange.

<u>Quarter</u>	<u>Percentage</u>
1965 I	3.1
II	2.8
III	2.7
IV	2.3
1966 I	2.5
II	2.4
III	2.8
IV	2.9
1967 I	2.7
II	3.0
III	3.0
IV	3.1
1968 I	3.5
II	3.2
III	3.6
IV	4.2
1969 I	4.0
II	4.5
III	5.4
IV	5.7
1970 I	6.4
II	5.9

TABLE XI-8

Weekly Round Lot Volume in All Listed Stocks on the NYSE, on the Four Largest Regional Stock Exchanges and by the 12 Largest Third Market Firms

Size of Transaction and First Day of Week	Dow Jones Industrial Average at Beginning and End of Week	Number of Transactions			Number of Shares (000)		
		NYSE	Regionals	O-T-C 1/	NYSE	Regionals	O-T-C 1/
			(4)	(12)		(4)	(12)
<u>(10,000 Sha. & Up)</u>							
5-20-68	899.04 - 895.28	284	44	96	7,045	994	1,862
11-18-68	963.51 - 967.06	300	79	85	7,200	1,454	1,377
5-19-69	965.29 - 947.45	311	90	108	7,771	1,990	2,377
11-17-69	846.36 - 823.13	271	53	116	6,413	1,282	2,064
5-18-70	703.08 - 662.17	316	73	113	8,901	1,929	2,212
9-21-70	760.13 - 761.77	477	127	200	12,777	3,032	4,456
<u>(5,000 to 9,999 Sha)</u>							
5-20-68		619	67	131	NA	405	715
11-18-68		718	79	158	NA	448	906
5-19-69		739	100	136	NA	605	793
11-17-69		735	64	150	NA	389	886
5-18-70		563	76	136	NA	471	785
9-21-70		1,029	99	271	NA	712	1,632
<u>(1,000 to 4,999 Sha)</u>							
5-20-68		9,449	711	935	NA	1,212	1,532
11-18-68		9,526	712	976	NA	1,194	1,551
5-19-69		9,391	762	786	NA	1,270	1,456
11-17-69		9,182	470	911	NA	838	1,549
5-18-70		10,143	602	1,046	NA	950	1,775
9-21-70		15,147	1,082	1,244	NA	1,806	2,246
<u>(300 to 900 Sha)</u>							
5-20-68		39,352	NA	1,111	NA	NA	526
11-18-68		36,290	NA	1,180	NA	NA	562
5-19-69		30,346	NA	879	NA	NA	447
11-17-69		30,344	NA	1,317	NA	NA	606
5-18-70		35,591	NA	1,682	NA	NA	760
9-21-70		46,059	NA	1,761	NA	NA	1,491
<u>(200 Sha)</u>							
5-20-68		39,013	NA	767 2/	7,802	NA	152 2/
11-18-68		34,191	NA	751 2/	6,838	NA	154 2/
5-19-69		27,610	NA	553 2/	5,522	NA	138 2/
11-17-69		27,294	NA	955	5,459	NA	196
5-18-70		29,822	NA	1,208	5,964	NA	248
9-21-70		38,675	NA	1,326	7,750	NA	288
<u>(100 Sha)</u>							
5-20-68		128,152	NA	1,753 3/	12,815	NA	181 3/
11-18-68		112,577	NA	1,960 3/	11,258	NA	206 3/
5-19-69		86,173	NA	1,430 3/	8,617	NA	177 3/
11-17-69		70,505	NA	2,181	7,050	NA	230
5-18-70		86,247	NA	2,825	8,625	NA	300
9-21-70		99,933	NA	2,657	9,992	NA	283
<u>Total Round-Lot</u>							
5-20-68		216,869	NA	4,823	64,758	7,136	4,968
11-18-68		193,602	NA	5,110	63,285	7,678	4,756
5-19-69		154,570	NA	3,892	56,814	7,891	5,388
11-17-69		138,331	NA	5,630	54,247	10,858	5,531
5-18-70		162,682	NA	7,010	59,680	7,492	6,080
9-21-70		201,320	NA	7,459	83,422	10,457	10,396

1/ All 12 not included in every week.

2/ 200-299 shares

3/ 100-199 shares

TABLE XI-9

BLOCK TRADES (10,000 OR MORE SHARES) IN ALL MARKETS
 COMPARATIVE VOLUME
 (NUMBER OF BLOCK TRADES, NUMBER OF SHARES AND PERCENTAGES OF TOTALS)

YEAR	WEEK	DATE	DOW-JONES INDUSTRIAL INDEX	NYSE NUMBER OF BLOCK TRADES	REGIONAL EXCHANGES OF BLOCK TRADES	THIRD MARKET OF BLOCK TRADES	ALL MARKETS OF BLOCK TRADES	NYSE NUMBER OF SHARES	REGIONAL EXCHANGES NUMBER OF SHARES	THIRD MARKET NUMBER OF SHARES	ALL MARKETS NUMBER OF SHARES
1968	SEPT 9-13	SEPT 9	UP	24 75.00%	6 18.75%	2 6.25%	32 100.00%	508,500 81.97%	91,000 14.67%	20,800 3.35%	620,300 100.00%
1968	SEPT 9-13	SEPT 10	DOWN	30 81.08%	4 10.81%	3 8.10%	37 100.00%	744,700 84.89%	76,500 8.72%	56,000 6.38%	877,200 100.00%
1968	SEPT 9-13	SEPT 12	DOWN	40 78.43%	5 9.80%	6 11.76%	51 100.00%	1,349,000 74.02%	83,300 4.57%	390,000 21.40%	1,822,300 100.00%
1968	SEPT 9-13	SEPT 13	UP	30 63.82%	10 21.27%	7 14.89%	47 100.00%	760,800 56.76%	469,700 35.04%	109,700 8.18%	1,340,200 100.00%
1968	SEPT 9-13			124 74.25%	25 14.97%	18 10.77%	167 100.00%	3,363,000 72.16%	720,500 15.46%	576,500 12.37%	4,660,000 100.00%
1968	NOV 12-15	NOV 12	UP	29 64.44%	10 22.22%	6 13.33%	45 100.00%	706,600 66.66%	212,300 20.03%	141,000 13.30%	1,059,900 100.00%
1968	NOV 12-15	NOV 13	UP	29 50.00%	16 27.58%	13 22.41%	58 100.00%	1,133,600 66.16%	343,400 20.04%	236,200 13.78%	1,713,200 100.00%
1968	NOV 12-15	NOV 14	DOWN	34 68.00%	7 14.00%	9 18.00%	50 100.00%	713,200 58.78%	98,000 8.07%	402,100 33.14%	1,213,300 100.00%
1968	NOV 12-15	NOV 15	UP	39 58.20%	15 22.38%	13 19.40%	67 100.00%	1,168,400 69.78%	233,500 13.94%	272,400 16.26%	1,674,300 100.00%
1968	NOV 12-15			131 59.54%	48 21.81%	41 18.63%	220 100.00%	3,721,800 65.74%	887,200 15.67%	1,051,700 18.57%	5,660,700 100.00%

TABLE XI-9 cont.

BLOCK TRADES (10,000 OR MORE SHARES) IN ALL MARKETS
COMPARATIVE VOLUME
(NUMBER OF BLOCK TRADES, NUMBER OF SHARES AND PERCENTAGES OF TOTALS)

YEAR	WEEK	DATE	DOW-JONES INDUSTRIAL INDEX	NYSE NUMBER OF BLOCK TRADES	REGIONAL EXCHANGES NUMBER OF BLOCK TRADES	THIRD MARKET NUMBER OF BLOCK TRADES	ALL MARKETS NUMBER OF BLOCK TRADES	NYSE NUMBER OF SHARES	REGIONAL EXCHANGES NUMBER OF SHARES	THIRD MARKET NUMBER OF SHARES	ALL MARKETS NUMBER OF SHARES
1968				255 65.89%	73 18.86%	59 15.24%	387 100.00%	7,084,800 68.64%	1,607,700 15.57%	1,628,200 15.77%	10,320,700 100.00%
1969	JUNE 16-20	JUNE 16	DOWN	22 57.89%	5 13.15%	11 28.94%	38 100.00%	908,600 80.19%	82,000 7.23%	142,400 12.56%	1,133,000 100.00%
1969	JUNE 16-20	JUNE 17	DOWN	19 57.57%	8 24.24%	6 18.18%	33 100.00%	906,900 76.43%	184,000 15.50%	95,600 8.05%	1,186,500 100.00%
1969	JUNE 16-20	JUNE 18	UP	25 65.78%	7 18.42%	6 15.78%	38 100.00%	740,800 56.61%	265,700 20.30%	301,900 23.07%	1,308,400 100.00%
1969	JUNE 16-20	JUNE 19	DOWN	38 67.85%	11 19.64%	7 12.50%	56 100.00%	1,213,200 71.24%	390,000 22.90%	99,600 5.84%	1,702,800 100.00%
1969	JUNE 16-20	JUNE 20	DOWN	36 52.17%	20 28.98%	13 18.84%	69 100.00%	1,647,200 45.18%	386,000 26.95%	398,986 27.85%	1,432,186 100.00%
1969	JUNE 16-20			140 59.82%	51 21.79%	43 18.37%	234 100.00%	4,416,700 65.30%	1,307,700 19.33%	1,038,486 15.35%	6,762,886 100.00%
1969	AUG 18-22	AUG 18	UP	19 73.07%	1 3.84%	6 23.07%	26 100.00%	467,600 67.41%	85,000 12.25%	141,000 20.32%	693,600 100.00%
1969	AUG 18-22	AUG 19	UP	33 62.26%	8 15.09%	12 22.64%	53 100.00%	917,400 73.85%	117,700 9.47%	207,000 16.66%	1,242,100 100.00%
1969	AUG 18-22	AUG 20	DOWN	36 52.17%	12 17.39%	21 30.43%	69 100.00%	999,500 65.15%	172,000 11.21%	362,650 23.63%	1,534,150 100.00%

TABLE XI-9 cont.

BLOCK TRADES (10,000 OR MORE SHARES) IN ALL MARKETS
COMPARATIVE VOLUME
(NUMBER OF BLOCK TRADES, NUMBER OF SHARES AND PERCENTAGES OF TOTALS)

YEAR	WEEK	DATE	DOW-JONES INDUSTRIAL INDEX	NYSE NUMBER OF BLOCK TRADES	REGIONAL EXCHANGES NUMBER OF BLOCK TRADES	THIRD MARKET NUMBER OF BLOCK TRADES	ALL MARKETS NUMBER OF BLOCK TRADES	NYSE NUMBER OF SHARES	REGIONAL EXCHANGES NUMBER OF SHARES	THIRD MARKET NUMBER OF SHARES	ALL MARKETS NUMBER OF SHARES
1969	AUG 18-22	AUG 21	UP	15 40.54%	8 21.62%	14 37.83%	37 100.00%	316,800 54.37%	103,600 17.78%	162,200 27.84%	582,600 100.00%
1969	AUG 18-22	AUG 22	UP	17 50.00%	13 38.23%	4 11.76%	34 100.00%	462,300 55.38%	311,700 37.34%	60,700 7.27%	834,700 100.00%
1969	AUG 18-22			120 54.79%	42 19.17%	57 26.02%	219 100.00%	3,163,600 64.73%	790,000 16.16%	933,550 19.10%	4,887,150 100.00%
1969				260 57.39%	93 20.92%	100 22.07%	453 100.00%	7,580,300 65.06%	2,097,700 18.00%	1,972,036 16.92%	11,650,036 100.00%
				515 61.30%	166 19.76%	159 18.92%	840 100.00%	14,665,100 66.74%	3,705,400 16.86%	3,600,236 16.38%	21,970,736 100.00%

TABLE XI-10

NEW YORK STOCK EXCHANGE BLOCK TRADES* (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY NUMBER OF SHARES
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 JULY 1, 1968, TO SEPTEMBER 30, 1969

YEAR	SAME BROKER-DEALER ON BOTH SIDES*	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
1968	NO	442 22.59%	1,132 57.87%	263 13.76%	50 2.55%	36 1.84%	28 1.43%	1,956 100.00%
1968	YES	145 14.51%	463 46.34%	235 23.52%	48 4.80%	49 4.90%	59 5.90%	999 100.00%
1968		597 19.96%	1,595 53.97%	503 17.02%	98 3.31%	85 2.87%	87 2.94%	2,955 100.00%
1969	NO	797 23.35%	1,996 58.48%	402 11.77%	83 2.43%	60 1.75%	75 2.19%	3,413 100.00%
1969	YES	198 17.27%	672 45.06%	355 23.79%	97 6.50%	66 4.42%	104 6.97%	1,492 100.00%
1969		995 20.28%	2,668 54.39%	757 15.43%	180 3.66%	126 2.56%	179 3.64%	4,905 100.00%
		1,582 20.12%	4,263 54.21%	1,260 16.07%	278 3.53%	211 2.68%	266 3.39%	7,860 100.00%

* For all or substantially all shares.

TABLE XI-11

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY NUMBER OF SHARES
 (NUMBER OF SHARES AND PERCENTAGE)
 JULY 1, 1968, TO SEPTEMBER 30, 1969

YEAR	SAME BROKER-DEALER ON BOTH SIDES*	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
1968	NO	4,420,000 10.22%	17,893,800 41.41%	9,658,900 22.35%	3,040,100 7.08%	3,262,300 7.54%	4,916,200 11.37%	43,211,300 100.00%
1968	YES	1,450,000 3.34%	7,997,576 20.92%	8,649,200 22.91%	2,938,350 7.74%	4,466,200 11.83%	12,344,400 32.70%	37,745,176 100.00%
1968		5,870,000 7.25%	25,791,376 31.85%	18,307,100 22.61%	5,978,900 7.41%	7,728,500 9.54%	17,260,600 21.32%	80,956,476 100.00%
1969	NO	7,370,000 10.34%	31,187,700 40.49%	14,573,522 18.83%	5,120,400 6.66%	5,376,555 6.98%	12,853,200 16.68%	77,020,777 100.00%
1969	YES	1,390,000 3.33%	11,549,100 19.43%	13,207,587 22.25%	6,701,700 10.11%	6,085,000 10.25%	20,533,400 34.59%	59,356,787 100.00%
1969		9,900,000 7.29%	42,736,800 31.33%	27,711,100 20.71%	11,131,500 8.16%	11,461,555 8.40%	33,386,600 24.48%	136,377,564 100.00%
		15,320,000 7.27%	63,528,176 31.53%	46,018,200 21.17%	17,130,400 7.98%	19,190,055 8.82%	50,647,200 23.30%	217,334,040 100.00%

* For all or substantially all shares.

TABLE XI-12

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY NUMBER OF SHARES
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

YEAR	EXCHANGE NAME	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
1968	BOSTON	3 17.64%	7 41.17%	5 35.29%	.00%	1 5.88%	.00%	17 100.00%
1968	DETROIT	2 33.33%	3 50.00%	.00%	.00%	1 16.66%	.00%	6 100.00%
1968	MIDWEST	14 56.00%	10 40.00%	1 4.00%	.00%	.00%	.00%	25 100.00%
1968	PACIFIC COAST	5 38.46%	1 7.69%	4 30.76%	3 23.07%	.00%	.00%	13 100.00%
1968	PHILA-BALT-WASH	8 61.53%	3 23.07%	1 7.69%	.00%	1 7.69%	.00%	13 100.00%
1968		32 43.24%	24 32.43%	12 16.21%	3 4.05%	3 4.05%	.00%	74 100.00%
1969	BOSTON	1 20.00%	3 60.00%	1 20.00%	.00%	.00%	.00%	5 100.00%
1969	MIDWEST	8 29.57%	14 57.14%	2 7.14%	1 3.57%	1 3.57%	.00%	28 100.00%
1969	PACIFIC COAST	15 39.47%	12 31.57%	7 18.42%	.00%	1 2.63%	3 7.89%	38 100.00%
1969	PHILA-BALT-WASH	10 45.45%	8 36.36%	4 18.18%	.00%	.00%	.00%	22 100.00%
1969		34 36.55%	30 41.73%	14 19.75%	1 1.07%	2 2.15%	3 3.22%	93 100.00%
		56 39.52%	43 37.72%	25 19.56%	4 2.30%	5 2.99%	3 1.79%	167 100.00%

TABLE XI-13

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 --- / FREQUENCY DISTRIBUTION OF BLOCK SIZES BY NUMBER OF SHARES
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

YEAR	EXCHANGE NAME	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
1968	BOSTON	30,000 6.13%	124,400 25.66%	235,300 48.54%	.00%	95,000 19.59%	.00%	484,700 100.00%
1968	DETROIT	20,000 11.40%	58,300 33.25%	.00%	.00%	97,000 55.33%	.00%	175,300 100.00%
1968	MIDWEST	140,000 45.78%	135,800 44.40%	30,000 9.81%	.00%	.00%	.00%	305,800 100.00%
1968	PACIFIC COAST	50,000 12.32%	19,000 4.68%	142,800 35.20%	193,800 47.78%	.00%	.00%	405,600 100.00%
1968	PHILA-BALT-WASH	80,000 31.21%	51,300 20.01%	30,000 11.70%	.00%	95,000 37.06%	.00%	256,300 100.00%
1968		320,000 19.65%	388,800 23.88%	438,100 26.91%	193,800 11.90%	287,000 17.63%	.00%	1,627,700 100.00%
1969	BOSTON	10,000 10.83%	52,300 56.66%	30,000 32.50%	.00%	.00%	.00%	92,300 100.00%
1969	MIDWEST	80,000 14.52%	247,900 45.02%	88,700 16.10%	54,000 9.80%	80,000 14.52%	.00%	550,600 100.00%
1969	PACIFIC COAST	150,000 13.75%	183,900 16.86%	263,500 24.16%	.00%	85,000 7.79%	408,000 37.41%	1,090,400 100.00%
1969	PHILA-BALT-WASH	100,000 27.44%	130,200 35.72%	134,200 36.82%	.00%	.00%	.00%	364,400 100.00%
1969		340,000 16.20%	614,300 29.28%	516,400 24.61%	54,000 2.57%	165,000 7.86%	408,000 19.44%	2,097,700 100.00%
		560,000 17.71%	1,003,100 26.92%	954,500 25.62%	247,800 6.65%	452,000 12.13%	408,000 10.95%	3,725,400 100.00%

TABLE XI-14

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES FOR EACH TYPE OF TRANSACTION BY NUMBER OF SHARES
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

TYPE OF TRANSACTION	YEAR	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
AGENCY	1968	7 30.43%	12 52.17%	3 13.04%	.00%	.00%	1 4.34%	23 100.00%
AGENCY	1969	5 27.77%	10 55.55%	1 5.55%	1 5.55%	1 5.55%	.00%	18 100.00%
AGENCY		12 29.26%	22 53.65%	4 9.75%	1 2.43%	1 2.43%	1 2.43%	41 100.00%
PRINCIPAL AT RISK	1968	7 25.00%	14 50.00%	7 25.00%	.00%	.00%	.00%	28 100.00%
PRINCIPAL AT RISK	1969	25 47.16%	22 41.50%	5 9.43%	1 1.88%	.00%	.00%	53 100.00%
PRINCIPAL AT RISK		32 39.50%	36 44.44%	12 14.81%	1 1.23%	.00%	.00%	81 100.00%
RISKLESS PRINCIPAL	1968	.00%	5 62.50%	1 12.50%	1 12.50%	.00%	1 12.50%	8 100.00%
RISKLESS PRINCIPAL	1969	15 46.87%	12 37.50%	1 3.12%	3 9.37%	.00%	1 3.12%	32 100.00%
RISKLESS PRINCIPAL		15 37.50%	17 42.50%	2 5.00%	4 10.00%	.00%	2 5.00%	40 100.00%
		59 36.41%	75 46.29%	18 11.11%	6 3.70%	1 .61%	3 1.85%	162 100.00%

TABLE XI-15

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES FOR EACH TYPE OF TRANSACTION BY NUMBER OF SHARES
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

TYPE OF TRANSACTION	YEAR	10,000 SHARES	10,001-25,000 SHARES	25,001-50,000 SHARES	50,001-75,000 SHARES	75,001-100,000 SHARES	OVER 100,000 SHARES	ALL BLOCK TRADES
AGENCY	1968	70,000 11.70%	209,700 35.06%	103,300 17.27%	.00%	.00%	215,000 35.95%	598,000 100.00%
AGENCY	1969	50,000 11.30%	177,300 40.08%	40,000 9.04%	75,000 16.95%	100,000 22.60%	.00%	442,300 100.00%
AGENCY		120,000 11.53%	387,000 37.20%	143,300 13.77%	75,000 7.20%	100,000 9.61%	215,000 20.66%	1,040,300 100.00%
PRINCIPAL AT RISK	1968	70,000 13.78%	224,700 44.25%	213,000 41.95%	.00%	.00%	.00%	507,700 100.00%
PRINCIPAL AT RISK	1969	250,000 31.02%	317,550 39.41%	186,100 23.09%	52,086 6.46%	.00%	.00%	805,736 100.00%
PRINCIPAL AT RISK		320,000 24.36%	542,250 41.28%	399,100 30.38%	52,086 3.96%	.00%	.00%	1,313,436 100.00%
RISKLESS PRINCIPAL	1968	.00%	92,500 17.70%	50,000 9.56%	60,000 11.48%	.00%	320,000 61.24%	522,500 100.00%
RISKLESS PRINCIPAL	1969	150,000 19.45%	180,100 23.35%	26,000 3.37%	195,000 25.29%	.00%	219,900 28.52%	771,000 100.00%
RISKLESS PRINCIPAL		150,000 11.59%	272,600 21.07%	76,000 5.87%	255,000 19.71%	.00%	539,900 41.73%	1,293,500 100.00%
		590,000 16.17%	1,201,850 32.95%	618,400 16.95%	382,086 10.47%	100,000 2.74%	754,900 20.69%	3,647,236 100.00%

TABLE XI-16

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY TOTAL MONEY INVOLVED
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 JULY 1, 1969, TO SEPTEMBER 30, 1969

YEAR	SAME BROKER-DEALER ON BOTH SIDES *	UNDER \$100,000	\$100,000- \$199,999	\$200,000- \$299,999	\$300,000- \$399,999	\$400,000- \$499,999	\$500,000- \$799,999	\$800,000- \$999,999	\$1,000,000 AND OVER	ALL BLOCK TRADES
1968	NO	2 .10%	93 4.75%	169 8.64%	272 10.92%	478 22.39%	308 15.74%	211 10.78%	533 27.24%	1,956 100.00%
1968	YES		2 .00%	34 2.0%	48 3.46%	160 4.94%	131 16.01%	115 13.11%	509 50.95%	999 100.00%
1968		2 .06%	95 3.21%	203 6.85%	260 9.44%	598 20.23%	439 14.85%	326 11.03%	1,042 35.26%	2,955 100.00%
1969	NO	10 .29%	145 4.24%	403 11.91%	474 13.86%	819 23.96%	499 14.62%	307 8.99%	756 22.15%	3,413 100.00%
1969	YES		8 .00%	47 3.13%	117 7.84%	271 18.16%	205 13.73%	163 10.92%	681 45.64%	1,492 100.00%
1969		10 .20%	153 3.11%	450 9.17%	591 12.04%	1,000 22.22%	704 14.35%	470 9.58%	1,437 29.29%	4,905 100.00%
		12 .15%	248 3.15%	553 8.32%	341 11.69%	1,688 21.47%	1,143 14.54%	796 10.12%	2,479 31.53%	7,860 100.00%

* For all or substantially all shares.

TABLE XI-17

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY TOTAL MONEY INVOLVED
 (CATEGORIES TO NEAREST \$1,000 - FIGURES WITHIN CATEGORIES TO NEAREST \$100,000 AND PERCENTAGE)
 JULY 1, 1968, TO SEPTEMBER 30, 1969

YEAR	SAME BROKER-DEALER ON BOTH SIDES*	UNDER 100 (\$100,000)	100-199 (\$100,000)	200-299 (\$100,000)	300-399 (\$100,000)	400-599 (\$100,000)	600-799 (\$100,000)	800-999 (\$100,000)	1,000 AND OVER (\$100,000)	ALL BLOCKS (\$100,000)
1968	NO	2 .00%	162 .80%	440 2.17%	708 3.44%	2,182 10.73%	2,128 10.51%	1,886 9.32%	12,721 62.88%	20,229 100.00%
1968	YES		4 .00%	93 .49%	170 .91%	810 4.37%	917 4.89%	1,041 5.55%	15,714 93.81%	18,749 100.00%
1968		2 .00%	155 .42%	533 1.35%	878 2.75%	2,992 7.67%	3,045 7.81%	2,927 7.50%	28,435 72.95%	38,978 100.00%
1969	NO	9 .02%	257 .80%	1,069 3.35%	1,565 5.22%	4,015 12.59%	3,462 10.85%	2,727 8.55%	19,676 58.58%	31,880 100.00%
1969	YES		15 .05%	128 .51%	412 1.64%	1,338 5.33%	1,415 5.64%	1,462 5.83%	20,289 80.96%	25,059 100.00%
1969		9 .01%	272 .47%	1,197 2.10%	2,077 3.64%	5,353 9.40%	4,877 8.56%	4,189 7.35%	39,965 68.43%	56,939 100.00%
		11 .01%	438 .45%	1,730 1.80%	2,955 3.03%	9,245 9.70%	7,922 8.25%	7,116 7.41%	67,400 70.26%	95,917 100.00%

* For all or substantially all shares.

TABLE XI-18

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY TOTAL MONY INVOLVED
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

YEAR	EXCHANGE NAME	UNDER \$100,000	\$100,000- \$199,999	\$200,000- \$299,999	\$300,000- \$399,999	\$400,000- \$599,999	\$600,000- \$799,999	\$800,000- \$999,999	\$1,000,000 AND OVER	ALL BLOCK TRADES
1968	BOSTON	1 .00%	1 5.99%	1 5.88%	1 5.89%	4 .00%	1 23.52%	9 5.88%	17 52.94%	100.00%
1968	DETROIT	1 .00%	1 .00%	1 .00%	1 16.66%	2 16.66%	2 33.33%	2 .00%	6 33.33%	100.00%
1968	MIDWEST	1 .00%	5 4.00%	1 20.00%	1 4.00%	11 44.00%	2 8.00%	2 8.00%	3 12.00%	25 100.00%
1968	PACIFIC COAST	1 .00%	1 .00%	3 7.69%	3 23.07%	1 .00%	3 7.69%	5 23.07%	13 38.46%	100.00%
1968	PHILA-BALT-WASH	1 .00%	1 .00%	2 7.69%	2 .00%	1 15.38%	2 7.69%	7 15.28%	13 53.84%	100.00%
1968		2 .00%	8 2.70%	6 10.81%	6 8.10%	14 18.91%	10 13.51%	8 10.81%	26 35.13%	74 100.00%
1969	BOSTON	1 .00%	1 .00%	1 .00%	1 20.00%	1 20.00%	1 20.00%	1 20.00%	1 20.00%	5 100.00%
1969	MIDWEST	1 .00%	3 3.57%	2 10.71%	2 7.14%	7 25.00%	6 21.42%	3 10.71%	6 21.42%	28 100.00%
1969	PACIFIC COAST	1 .00%	10 .00%	3 26.31%	6 7.89%	7 15.78%	7 18.42%	12 .00%	38 31.57%	100.00%
1969	PHILA-BALT-WASH	1 .00%	5 4.54%	5 22.72%	5 22.72%	3 13.63%	4 18.18%	2 9.09%	2 9.09%	22 100.00%
1969		2 .00%	18 2.15%	11 19.35%	11 11.82%	17 18.27%	18 19.35%	6 6.45%	21 22.58%	93 100.00%
		4 .00%	26 2.39%	17 15.56%	17 10.17%	31 18.56%	28 16.76%	14 8.38%	47 28.14%	167 100.00%

TABLE XI-19

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES BY TOTAL MONEY INVOLVED
 (NEAREST \$1,000 AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

YEAR	EXCHANGE NAME	UNDER 100 (\$1,000)	100-199 (\$1,000)	200-299 (\$1,000)	300-399 (\$1,000)	400-599 (\$1,000)	600-799 (\$1,000)	800-999 (\$1,000)	1,000 AND OVER (\$1,000)	ALL BLOCKS (\$1,000)
1968	BOSTON	.00%	.59%	.87%	1.34%	.00%	10.23%	3.05%	83.90%	28,194 100.00%
1968	DETROIT	.00%	.00%	.00%	4.47%	8.31%	20.06%	.00%	67.14%	6,839 100.00%
1968	MIDWEST	.00%	1.08%	8.90%	2.57%	38.17%	9.04%	12.46%	27.75%	14,341 100.00%
1968	PACIFIC COAST	.00%	.00%	1.71%	6.67%	.00%	4.55%	18.13%	68.92%	14,932 100.00%
1968	PHILA-BALT-WASH	.00%	.00%	1.57%	.00%	5.62%	3.80%	10.55%	78.43%	16,538 100.00%
1968		.00%	3.23%	2,041 2.52%	2,049 2.53%	6,975 8.62%	6,864 8.49%	7,102 8.78%	55,490 68.63%	80,844 100.00%
1969	BOSTON	.00%	.00%	.00%	8.34%	12.25%	16.77%	19.65%	42.97%	4,351 100.00%
1969	MIDWEST	.00%	.72%	2.86%	2.75%	12.76%	15.05%	10.78%	55.03%	26,586 100.00%
1969	PACIFIC COAST	.00%	.00%	6.79%	2.53%	7.20%	12.91%	.00%	70.55%	37,516 100.00%
1969	PHILA-BALT-WASH	.00%	1.32%	9.72%	14.90%	12.77%	22.35%	14.80%	24.10%	12,114 100.00%
1969		.00%	3.55%	4,492 5.57%	3,851 4.77%	8,178 10.15%	12,284 15.24%	5,517 6.84%	45,890 56.95%	80,567 100.00%
		.00%	.67%	6,533 4.04%	5,900 3.65%	15,153 9.38%	19,148 11.86%	12,619 7.81%	101,380 62.80%	161,411 100.00%

TABLE XI-20

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES FOR EACH TYPE OF TRANSACTION BY TOTAL MONEY INVOLVED
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

TYPE OF TRANSACTION	YEAR	UNDER \$100,000	\$100,000-\$199,999	\$200,000-\$299,999	\$300,000-\$399,999	\$400,000-\$599,999	\$600,000-\$799,999	\$800,000-\$999,999	\$1,000,000 AND OVER	ALL BLOCK TRADES
AGENCY	1968	.00%	.00%	8.69%	4.34%	30.43%	4.34%	8.69%	43.47%	23 100.00%
AGENCY	1969	.00%	.00%	11.11%	.00%	38.88%	16.66%	16.66%	16.66%	18 100.00%
AGENCY		.00%	.00%	9.75%	2.43%	34.14%	9.75%	12.19%	31.70%	41 100.00%
PRINCIPAL AT RISK	1968	.00%	.00%	.00%	7.14%	21.42%	35.71%	14.28%	21.42%	28 100.00%
PRINCIPAL AT RISK	1969	.00%	.00%	7.54%	18.86%	32.07%	22.64%	1.88%	16.98%	53 100.00%
PRINCIPAL AT RISK		.00%	.00%	4.93%	14.81%	28.39%	27.16%	6.17%	18.51%	81 100.00%
RISKLESS PRINCIPAL	1968	.00%	.00%	.00%	.00%	.00%	37.50%	25.00%	37.50%	8 100.00%
RISKLESS PRINCIPAL	1969	.00%	.00%	9.37%	9.37%	21.87%	28.12%	12.50%	18.75%	32 100.00%
RISKLESS PRINCIPAL		.00%	.00%	7.50%	7.50%	17.50%	30.00%	15.00%	22.50%	40 100.00%
		.00%	.00%	6.79%	9.87%	27.16%	23.45%	9.87%	22.83%	162 100.00%

TABLE XI-21

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF BLOCK SIZES FOR EACH TYPE OF TRANSACTION BY TOTAL MONEY INVOLVED
 (NEAREST \$1,000 AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

TYPE OF TRANSACTION	YEAR	UNDER 100 (\$1,000)	100-199 (\$1,000)	200-299 (\$1,000)	300-399 (\$1,000)	400-599 (\$1,000)	600-799 (\$1,000)	800-999 (\$1,000)	1,000 AND OVER (\$1,000)	ALL BLOCKS (\$1,000)
AGENCY	1968	.00%	.00%	584 2.02%	364 1.26%	3,522 12.21%	788 2.73%	1,913 6.63%	21,662 75.12%	28,833 100.00%
AGENCY	1969	.00%	.00%	527 3.22%	.00%	3,713 22.73%	2,009 12.29%	2,592 15.86%	7,493 45.87%	16,334 100.00%
AGENCY		.00%	.00%	1,111 2.45%	364 .80%	7,235 16.01%	2,797 6.19%	4,505 9.97%	29,155 64.54%	45,167 100.00%
PRINCIPAL AT RISK	1968	.00%	.00%	.00%	690 2.81%	3,016 12.31%	7,037 28.73%	3,573 14.58%	10,174 41.54%	24,490 100.00%
PRINCIPAL AT RISK	1969	.00%	.00%	1,127 3.16%	3,573 10.02%	8,077 22.65%	8,238 23.10%	806 2.26%	13,831 38.79%	35,652 100.00%
PRINCIPAL AT RISK		.00%	.00%	1,127 1.87%	4,263 7.08%	11,093 18.44%	15,275 25.39%	4,379 7.28%	24,005 39.91%	60,142 100.00%
RISKLESS PRINCIPAL	1968	.00%	.00%	.00%	.00%	.00%	2,014 10.25%	1,877 9.55%	15,754 80.19%	19,645 100.00%
RISKLESS PRINCIPAL	1969	.00%	.00%	859 2.56%	986 2.94%	3,477 10.37%	6,132 18.29%	3,793 11.31%	18,265 54.50%	33,512 100.00%
RISKLESS PRINCIPAL		.00%	.00%	859 1.61%	986 1.85%	3,477 6.54%	8,146 15.32%	5,670 10.66%	34,019 63.99%	53,157 100.00%
		.00%	.00%	3,097 1.95%	5,613 3.54%	21,805 13.76%	26,218 16.54%	14,554 9.18%	87,179 55.01%	158,466 100.00%

TABLE XI-22

FREQUENCY OF DAYS, BY NUMBER OF NYSE STOCKS IN WHICH BLOCK TRADES OCCURRED

NUMBER OF STOCKS PER DAY		FREQUENCIES		CHI-SQUARE
MORE THAN	LESS THAN OR EQUAL TO	OBSERVED	EXPECTED *	
	15	0	0.00000	0.000
15	41	73	30.72	58.200
41	44	25	30.46	0.978
44	48	36	58.08	8.395
48	52	38	64.19	10.688
52	55	28	40.97	4.107
55	59	27	37.04	2.723
59	62	19	15.25	0.920
62	86	41	13.28	57.873
86	201	<u>3</u>	—	—
TOTALS		290		143.884

Average Number of Stocks Per Day = 50.2

* Calculated by Poisson probability law

TABLE XI-23

FREQUENCY OF DAYS BY NUMBER OF LIST A STOCKS IN WHICH BLOCK TRADES OCCURRED

Number of Stocks Per Day		FREQUENCIES		
MORE THAN	LESS THAN OR EQUAL TO	OBSERVED	EXPECTED*	CHI-SQUARE
0	16	55	33.90	13.131
16	18	29	33.46	0.594
18	20	38	44.76	1.021
20	23	59	72.65	2.564
23	25	28	40.52	3.869
25	27	35	29.14	1.180
27	30	21	23.80	0.330
30	45	24	11.77	12.717
45	201	1	—	—
TOTALS		290		35.406

Average Number of Stocks Per Day = 22.0

* Calculated by Poisson probability law

TABLE XI-24

Relationship Between Number of List A Stocks in Which Blocks,
 Occurred on a Given Day and Other Variables
 (Least squares regression)

Independent Variable	Estimated Coefficient	Standard Error	t-ratios
Day Sequence	0.021	.004	5.80***
Trading Volume	3.737	.250	14.95***
Previous Change in Volume	-0.473	.255	-1.85*
Monday	-1.946	.711	-2.735**
Thursday	0.644	.669	0.963
Constant Term	-1.736	1.756	-0.989

Standard error (adjusted) 4.477

Multiple correlation (adjusted) 0.700

Durbin-Watson statistic 1.7259

* Significant at 5 percent level

** Significant at 1 percent level

*** Significant at 0.05 percent level

TABLE XI-25

Frequency of Days by Percentage Difference Between Actual and Expected
Number of List A Stocks Involved in NYSE Block Trades

Value of E(t)* From	To	Frequency Observed	Frequency Expected	Chi-Square
-	-1.96	5	7.0750	0.6080
-1.96	-1.64	9	7.2165	0.4408
-1.64	-1.17	20	19.9515	0.0001
-1.17	-0.50	54	53.0738	0.0162
-0.50	0.0	63	54.1832	1.4347
0.0	0.50	54	54.1832	0.7056
0.50	1.17	51	53.0738	0.0810
1.17	1.64	19	19.9515	0.0454
1.64	1.96	6	7.2165	0.2051
1.96		8	7.0750	0.1209
Totals		283	283.0000	3.6583

* Let $m(t)$ be the number of stocks in which block trades are expected to occur on day t , and let $o(t)$ be the number in which block trades actually occur on day t .

$E(t) = \frac{o(t) - m(t)}{\sqrt{m(t)}}$ should follow the standardized normal probability law.

$$\sqrt{m(t)}$$

TABLE XI-26

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

			KEY TO PRICE DIFFERENCE GROUPS																														
GROUP 1	OVER 5.0 PERCENT LESS		GROUP 2	2.6 TO 5.0 PERCENT LESS		GROUP 3	1.1 TO 2.5 PERCENT LESS		GROUP 4	0.6 TO 1.0 PERCENT LESS		GROUP 5	0.1 TO 0.5 PERCENT LESS		GROUP 6	NO CHANGE		GROUP 7	0.1 TO 0.5 PERCENT MORE		GROUP 8	0.6 TO 1.0 PERCENT MORE		GROUP 9	1.1 TO 2.5 PERCENT MORE		GROUP 10	2.6 TO 5.0 PERCENT MORE		GROUP 11	OVER 5.0 PERCENT MORE		
DOWN-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS																			
DOWN	1968	NOV 14		5	2	3	3	5	3	5	4	3	1	34																			
DOWN	1968	SEPT 10	1	2	6	3	3	4	1	1	7	2		30																			
DOWN	1968	SEPT 12		7	11	3	3	4	2	3	4	2	1	40																			
DOWN	1968		1 .96%	14 13.46%	19 18.26%	9 8.65%	9 8.65%	13 12.50%	6 5.76%	9 8.65%	15 14.42%	7 6.73%	2 1.92%	104 100.00%																			
DOWN	1969	AUG 20	2	12	9	3	2	2	3			1	2	36																			
DOWN	1969	JUNE 16	1	2	6	3	1	4	1			4		22																			
DOWN	1969	JUNE 17	1	5	11	2								19																			
DOWN	1969	JUNE 19	3	5	11	4	1	8				3	3	38																			
DOWN	1969	JUNE 20	2	5	8	3	2	2	5	3	3	3		36																			
DOWN	1969		9 5.96%	29 19.20%	45 29.80%	15 9.93%	6 3.97%	16 10.59%	9 5.96%	3 1.98%	11 7.28%	8 5.29%		151 100.00%																			
DOWN			10 3.92%	43 16.86%	64 25.09%	24 9.41%	15 5.88%	29 11.37%	15 5.88%	12 4.70%	26 10.19%	15 5.88%	2 .78%	255 100.00%																			
UP	1968	NOV 12		1	1	6	1	4	3			1	9	3	29																		
UP	1968	NOV 13		1	3	2		4	6	5	6	2		29																			
UP	1968	NOV 15			5	2	4	2	3	6	5	9	3	39																			

TABLE XI-26 cont.

TABLE XI-24
 NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

KEY TO PRICE DIFFERENCE GROUPS

GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS
GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE
GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 9	1.1 TO 2.5 PERCENT MORE
GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE		

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
UP	1968	SEPT 9		2	3	3	1	2	1	2	4	5	1	24
UP	1968	SEPT 13		1	4	4	4	5		1	1	7	3	30
UP	1968		.00%	3.31%	10.59%	11.25%	6.62%	11.25%	8.60%	9.27%	11.25%	21.19%	6.62%	100.00%
UP	1969	AUG 18		2	3	4		3	1	1	4	1		19
UP	1969	AUG 19	1	3	4	4		2	3	3	6	5	2	33
UP	1969	AUG 21		1	2	1		4	1	5	1			15
UP	1969	AUG 22			5	2	4	1	1	2	1	1		17
UP	1969	JUNE 18	4	5		4	2	4	1	1	2	2		25
UP	1969		4.58%	10.09%	12.84%	13.76%	5.50%	12.84%	6.42%	11.00%	12.84%	8.25%	1.83%	100.00%
UP			5	16	30	32	16	31	20	26	31	41	12	260
			1.92%	6.15%	11.53%	12.30%	6.15%	11.92%	7.69%	10.00%	11.92%	15.76%	4.61%	100.00%
			15	59	94	56	31	60	35	38	57	56	14	515
			2.91%	11.45%	18.25%	10.87%	6.01%	11.65%	6.79%	7.37%	11.06%	10.87%	2.71%	100.00%

TABLE XI-27

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
(HUNDREDS OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
TWO WEEKS IN EACH YEAR

DOWN-JONES INDUSTRIAL INDEX	YEAR	DATE	KEY TO PRICE DIFFERENCE GROUPS											ALL BLOCKS
			GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	
DOWN	1968	NOV 14		2,203	205	345	1,013	854	700	686	692	324	110	7,132
DOWN	1968	SEPT 10	120	297	2,074	424	1,340	500	168	220	1,831	473		7,447
DOWN	1968	SEPT 12		6,398	2,200	500	637	695	685	651	1,164	415	145	13,490
DOWN	1968		120	8,898	4,479	1,269	2,990	2,049	1,553	1,557	3,687	1,212	255	28,069
			4.2%	31.70%	15.95%	4.52%	10.65%	7.29%	5.53%	5.54%	13.13%	4.31%	4.90%	100.00%
DOWN	1969	AUG 20	974	4,030	2,118	382	200	466	1,479		139	207		9,995
DOWN	1969	JUNE 16	162	401	4,337	497	110	1,324	134		2,121			9,086
DOWN	1969	JUNE 17	190	3,405	4,790	684								9,069
DOWN	1969	JUNE 19	2,152	981	3,440	1,940	142	2,610			397	470		12,132
DOWN	1969	JUNE 20	606	1,148	1,378	529	499	272	704	545	384	407		6,472
DOWN	1969		4,084	9,965	16,063	4,032	951	4,672	2,317	545	3,041	1,084		46,754
			8.73%	21.31%	34.35%	8.62%	2.03%	9.99%	4.95%	1.16%	6.50%	2.31%	4.00%	100.00%
DOWN			4,204	18,863	20,542	5,301	3,941	6,721	3,870	2,102	6,728	2,296	255	74,823
			5.61%	25.21%	27.45%	7.08%	5.26%	8.98%	5.17%	2.80%	8.99%	3.06%	4.34%	100.00%
UP	1968	NOV 12		205	507	1,293	100	817	430		130	2,234	1,350	7,066
UP	1968	NOV 13		5,310	506	239		995	1,136	835	1,230	1,085		11,336
UP	1968	NOV 15			3,431	1,451	1,075	241	1,437	1,126	1,149	1,444	330	11,684

TABLE XI-27 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
(HUNDREDS OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
TWO WEEKS IN EACH YEAR

			KEY TO PRICE DIFFERENCE GROUPS																														
GROUP 1	OVER 5.0 PERCENT LESS		GROUP 2	2.6 TO 5.0 PERCENT LESS		GROUP 3	1.1 TO 2.5 PERCENT LESS		GROUP 4	0.6 TO 1.0 PERCENT LESS		GROUP 5	0.1 TO 0.5 PERCENT LESS		GROUP 6	NO CHANGE		GROUP 7	0.1 TO 0.5 PERCENT MORE		GROUP 8	0.6 TO 1.0 PERCENT MORE		GROUP 9	1.1 TO 2.5 PERCENT MORE		GROUP 10	2.6 TO 5.0 PERCENT MORE		GROUP 11	OVER 5.0 PERCENT MORE		ALL BLOCKS
DOM-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11					ALL BLOCKS															
UP	1968	SEPT 9		1,307	326	658	133	414	104	615	573	855	100					5,085															
UP	1968	SEPT 13		1,787	1,196	747	729	1,265		164	174	1,068	478					7,608															
UP	1968		.00%	8,609	5,966	4,388	2,037	3,732	3,107	2,740	3,256	6,686	2,258					42,779															
				20.12%	13.94%	10.25%	4.76%	8.72%	7.26%	6.40%	7.61%	15.62%	5.27%					100.00%															
UP	1969	AUG 18		652	565	528		700	373	1,000	628	230					4,676																
UP	1969	AUG 19	831	559	1,154	2,463		300	1,320	346	739	936	526					9,174															
UP	1969	AUG 21		127	356	119		468	304	1,544	250					3,168																	
UP	1969	AUG 22			2,049	496	1,030	114	100	274	360	200					4,623																
UP	1969	JUNE 18	3,682	790		691	366	846	400	100	249	284					7,408																
UP	1969		4,513	2,128	4,124	4,297	1,396	2,428	2,497	3,264	2,226	1,650	526					29,049															
			15.53%	7.32%	14.19%	14.79%	4.80%	8.35%	8.59%	11.23%	7.66%	5.68%	1.81%					100.00%															
UP			4,513	10,737	10,090	8,685	3,433	6,160	5,604	6,004	5,482	8,336	2,784					71,828															
			6.28%	14.94%	14.04%	12.09%	4.77%	8.57%	7.80%	8.35%	7.63%	11.60%	3.87%					100.00%															
			8,717	29,600	30,632	13,986	7,374	12,881	9,474	8,106	12,210	10,632	3,039					146,651															
			5.94%	20.18%	20.88%	9.53%	5.02%	8.78%	6.46%	5.52%	8.32%	7.24%	2.07%					100.00%															

TABLE XI-28

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

			KEY TO PRICE DIFFERENCE GROUPS												
GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS							GROUP 6	NO CHANGE		
GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE							GROUP 9	1.1 TO 2.5 PERCENT MORE		
GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE												
GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE												
DOWN-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS	
DOWN	1968	NOV 14		1	1	1				2	2			7	
DOWN	1968	SEPT 10				3				1				4	
DOWN	1968	SEPT 12						1			2	2		5	
DOWN	1968		.00%	6.25%	25.00%	6.25%	6.25%	.00%	18.75%	25.00%	12.50%	.00%	.00%	100.00%	
DOWN	1969	AUG 20	1	1	3	2	1	2	2					12	
DOWN	1969	JUNE 16					2	1	1			1		5	
DOWN	1969	JUNE 17		2	3	1	1	1						8	
DOWN	1969	JUNE 19		1	3	1	1		2	2	1			11	
DOWN	1969	JUNE 20			6	5	2	4			3			20	
DOWN	1969		1	4	15	9	7	8	5	5	2			56	
			1.78%	7.14%	26.78%	16.07%	12.50%	14.28%	8.92%	8.92%	3.57%	.00%	.00%	100.00%	
DOWN			1	5	19	10	8	8	8	9	4			72	
			1.38%	6.94%	26.38%	13.88%	11.11%	11.11%	11.11%	12.50%	5.55%	.00%	.00%	100.00%	
UP	1968	NOV 12					1		2	2	1	3	1	10	
UP	1968	NOV 13			4				1	2	6	1	2	16	
UP	1968	NOV 15			2	1				4	3	3	2	15	

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TABLE XI-28 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

		KEY TO PRICE DIFFERENCE GROUPS																				
GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS	GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE	GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 9	1.1 TO 2.5 PERCENT MORE	GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE	ALL BLOCKS
DOM-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS								
UP	1968	SEPT 9								1		5		6								
UP	1968	SEPT 13		1	1	1	3		1			2	1	10								
UP	1968		.00%	1.75%	12.28%	5.26%	5.26%	5.26%	17.54%	10	10	14	5	57								
										17.54%	24.56%	8.77%	1.75%	100.00%								
UP	1969	AUG 18			1									1								
UP	1969	AUG 19				2	1	2	1		1	1		8								
UP	1969	AUG 21	1		1	1		1			2	2		8								
UP	1969	AUG 22		1	2				1	2	2	3	2	13								
UP	1969	JUNE 18			3				1	1	1	1		7								
UP	1969		1	1	7	3	1	3	3	5	6	5	2	37								
			2.70%	2.70%	18.91%	8.10%	2.70%	8.10%	8.10%	13.51%	16.21%	13.51%	5.40%	100.00%								
UP			1	2	14	6	4	6	13	15	20	10	3	94								
			1.06%	2.12%	14.89%	6.38%	4.25%	6.38%	13.82%	15.95%	21.27%	10.63%	3.19%	100.00%								
			2	7	33	16	12	14	21	24	24	10	3	166								
			1.20%	4.21%	19.87%	9.63%	7.22%	8.43%	12.65%	14.45%	14.45%	6.02%	1.80%	100.00%								

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TABLE XI-29

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REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
(NUMBER OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
TWO WEEKS IN EACH YEAR

KEY TO PRICE DIFFERENCE GROUPS

GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS
GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE
GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 9	1.1 TO 2.5 PERCENT MORE
GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE		

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
DOWN	1968	NOV 14		10,000	10,000	38,000			20,000	20,000				98,000
DOWN	1968	SEPT 10			66,500				10,000					76,500
DOWN	1968	SEPT 12					12,100			50,000	21,200			83,300
DOWN	1968		.00%	10,000 3.87%	76,500 29.67%	38,000 14.74%	12,100 4.69%	.00%	30,000 11.63%	70,000 27.15%	21,200 8.22%	.00%	.00%	257,800 100.00%
DOWN	1969	AUG 20	10,000	10,000	50,800	32,500	26,000	22,700	20,000					172,000
DOWN	1969	JUNE 16					38,000	18,000	10,000		16,000			82,000
DOWN	1969	JUNE 17		64,000	89,000	10,000	11,000	10,000						184,000
DOWN	1969	JUNE 19		10,000	130,000	124,000	41,000		40,000	28,500	16,500			390,000
DOWN	1969	JUNE 20			120,000	92,500	23,000	110,500		40,000				386,000
DOWN	1969		10,000 .82%	84,000 6.91%	389,800 32.10%	259,000 21.33%	139,000 11.44%	161,200 13.27%	70,000 5.76%	68,500 5.64%	32,500 2.67%	.00%	.00%	1,214,000 100.00%
DOWN			10,000 .67%	94,000 6.38%	466,300 31.68%	297,000 20.17%	151,100 10.26%	161,200 10.95%	100,000 6.79%	138,500 9.41%	53,700 3.64%	.00%	.00%	1,471,800 100.00%
UP	1968	NOV 12				10,000		66,300	30,000	10,000	31,000	65,000		212,300
UP	1968	NOV 13			120,700			10,000	24,000	152,300	10,000	26,400		343,400
UP	1968	NOV 15			96,500	10,000			47,000	30,000	30,000	20,000		233,500

TABLE XI-29 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

GROUP 1	OVER 5.0 PERCENT LESS	KEY TO PRICE DIFFERENCE GROUPS									GROUP 3	1.1 TO 2.5 PERCENT LESS	GROUP 6	NO CHANGE	GROUP 9	1.1 TO 2.5 PERCENT MORE	
		GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE								
GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
UP	1968 SEPT 9											10,000		81,000			91,000
UP	1968 SEPT 13		97,000	95,000	34,000	90,500			27,200				115,000		11,000		469,700
UP	1968		97,000 0.0%	312,200 7.18%	54,000 23.12%	90,500 4.00%	76,300 6.70%	138,200 5.65%	192,300 10.23%	267,000 14.24%	111,400 19.77%		267,000 8.25%	111,400 0.81%			1,349,900 100.00%
UP	1969 AUG 18			85,000													85,000
UP	1969 AUG 19				24,000	10,000	33,700	10,000					30,000	10,000			117,700
UP	1969 AUG 21	11,500		14,000	10,000		10,000			31,700	26,400						103,600
UP	1969 AUG 22		38,000	30,000					11,400	23,300	20,000	169,000	20,000				311,700
UP	1969 JUNE 18			220,000					11,200	10,500	14,000	10,000					265,700
UP	1969	11,500 1.30%	38,000 4.30%	349,000 39.49%	34,000 3.84%	10,000 1.13%	43,700 4.94%	32,600 3.68%	65,500 7.41%	90,400 10.22%	189,000 21.38%	20,000 2.26%					883,700 100.00%
UP		11,500 .51%	135,000 6.04%	661,200 29.60%	88,000 3.93%	100,500 4.49%	120,000 5.37%	170,800 7.64%	257,800 11.54%	357,400 16.00%	300,400 13.44%	31,000 1.38%					2,233,600 100.00%
		21,500 .56%	229,000 6.18%	1,127,500 30.42%	385,000 10.39%	251,600 6.79%	281,200 7.58%	270,800 7.30%	396,300 10.69%	411,100 11.09%	300,400 8.10%	31,000 .83%					3,705,400 100.00%

TABLE XI-30

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES) |
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

		KEY TO PRICE DIFFERENCE GROUPS													
GROUP 1	OVER 5.0 PERCENT LESS			GROUP 2	2.6 TO 5.0 PERCENT LESS			GROUP 3	1.1 TO 2.5 PERCENT LESS			GROUP 6	NO CHANGE		
GROUP 4	0.6 TO 1.0 PERCENT LESS			GROUP 5	0.1 TO 0.5 PERCENT LESS			GROUP 8	0.6 TO 1.0 PERCENT MORE			GROUP 9	1.1 TO 2.5 PERCENT MORE		
GROUP 7	0.1 TO 0.5 PERCENT MORE			GROUP 11	OVER 5.0 PERCENT MORE										
GROUP 10	2.6 TO 5.0 PERCENT MORE														
DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS	
DOWN	1968	NOV 14		2		3				1	1	2		9	
DOWN	1968	SEPT 10				1		2						3	
DOWN	1968	SEPT 12			2		1			1	2			6	
DOWN	1968		.00%	11.11%	16.66%	16.66%	16.66%	.00%	11.11%	16.66%	11.11%	.00%	.00%	100.00%	
DOWN	1969	AUG 20		2	4	1	5			6	3			21	
DOWN	1969	JUNE 16		1	1	1	4	3	1					11	
DOWN	1969	JUNE 17				3	1	1				1		6	
DOWN	1969	JUNE 19					1	1	3	1			1	7	
DOWN	1969	JUNE 20				2	1	1	2	2		3		13	
DOWN	1969		.00%	5.17%	12.06%	10.34%	20.68%	12.06%	20.68%	10.34%	6.89%	1.72%	.00%	100.00%	
DOWN			.00%	6.57%	13.15%	11.84%	19.73%	9.21%	18.42%	11.84%	7.89%	1.31%	.00%	100.00%	
UP	1968	NOV 12		1	1					1	1	1	1	6	
UP	1968	NOV 13			1	2	1			2	2	5		13	
UP	1968	NOV 15							3	4			5	13	

TABLE XI-30 cont.

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCKS IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	KEY TO PRICE DIFFERENCE GROUPS											ALL BLOCKS	
			GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11		
UP	1968	SEPT 9					1			1					2
UP	1968	SEPT 13				1			1		2	1		2	7
UP	1968		.00%	1 2.43%	2 4.87%	3 7.31%	2 4.87%	4 9.75%	7 17.07%	6 14.63%	7 17.07%	6 14.63%	3 7.31%	41 100.00%	
UP	1969	AUG 18		1	1			1			3			6	
UP	1969	AUG 19		1	1	1			1	3		4	1	12	
UP	1969	AUG 21			2	3	2			3		3	1	14	
UP	1969	AUG 22				1	1			2				4	
UP	1969	JUNE 18		2	1						1	4	1	9	
UP	1969		.00%	4 8.88%	5 11.11%	5 11.11%	4 8.88%	1 2.22%	11 24.44%	1 2.22%	11 24.44%	3 6.66%	.00%	45 100.00%	
UP			.00%	5 5.81%	7 8.13%	8 9.30%	6 6.97%	5 5.81%	18 20.93%	7 8.13%	18 20.93%	9 10.46%	3 3.48%	86 100.00%	
			.00%	10 6.17%	17 10.49%	17 10.49%	21 12.96%	12 7.40%	32 19.75%	16 9.87%	24 14.81%	10 6.17%	3 1.85%	162 100.00%	

TABLE XI-31

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS
GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE
GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 9	1.1 TO 2.5 PERCENT MORE
GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE		

			KEY TO PRICE DIFFERENCE GROUPS											
DOWN-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
DOWN	1968	NOV 14		262,700		53,000				18,900	15,000	52,500		402,100
DOWN	1968	SEPT 10			26,000		30,000							56,000
DOWN	1968	SEPT 12			332,000		11,000		20,000	27,000				390,000
DOWN	1968		.00%	30.97%	42.21%	6.24%	4.83%	.00%	4.58%	4.95%	6.19%	.00%	.00%	848,100 100.00%
DOWN	1969	AUG 20		72,600	45,100	13,600	112,550		65,200	53,600				362,650
DOWN	1969	JUNE 16		10,000	12,400	20,000	40,000	45,000	15,000					142,400
DOWN	1969	JUNE 17				30,600	15,000	40,000			10,000			95,600
DOWN	1969	JUNE 19					10,000	10,000	30,000	20,000		29,600		99,600
DOWN	1969	JUNE 20			62,086	10,000	219,900	20,000	22,000	20,000	45,000			398,986
DOWN	1969		.00%	7.51%	10.87%	6.75%	36.15%	10.46%	12.02%	8.51%	5.00%	2.69%	.00%	1,099,236 100.00%
DOWN			.00%	17.73%	24.52%	6.53%	22.51%	5.90%	8.78%	6.96%	5.52%	1.52%	.00%	1,947,336 100.00%
UP	1968	NOV 12		50,000	11,200				30,000	20,000	10,000	20,000		141,000
UP	1968	NOV 13			10,000	42,300	16,800		31,500	39,600	96,000			236,200
UP	1968	NOV 15						50,000	68,000			134,400	20,000	272,400

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TABLE XI-31 cont.

THIRD MARKET BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES FROM PREVIOUS DAY'S CLOSING PRICE ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE DIFFERENCE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

		KEY TO PRICE DIFFERENCE GROUPS																				
GROUP 1	OVER 5.0 PERCENT LESS	GROUP 2	2.6 TO 5.0 PERCENT LESS	GROUP 3	1.1 TO 2.5 PERCENT LESS	GROUP 4	0.6 TO 1.0 PERCENT LESS	GROUP 5	0.1 TO 0.5 PERCENT LESS	GROUP 6	NO CHANGE	GROUP 7	0.1 TO 0.5 PERCENT MORE	GROUP 8	0.6 TO 1.0 PERCENT MORE	GROUP 9	1.1 TO 2.5 PERCENT MORE	GROUP 10	2.6 TO 5.0 PERCENT MORE	GROUP 11	OVER 5.0 PERCENT MORE	ALL BLOCKS
DDW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11									
UP	1968	SEPT 9					10,000			10,800												20,800
UP	1968	SEPT 13				27,000		10,000		31,700	10,000		31,000									109,700
UP	1968		.00%	50,000 6.40%	21,000 2.69%	69,300 8.88%	26,800 3.43%	60,000 7.69%	129,500 16.60%	102,100 13.08%	116,000 14.86%	154,400 19.79%	51,000 6.53%									780,100 100.00%
UP	1969	AUG 18		60,000	10,000		39,000		32,000													141,000
UP	1969	AUG 19		25,000	11,400	10,000		14,600	80,000		51,000	15,000										207,000
UP	1969	AUG 21			30,900	35,000	20,000		33,300		30,000	13,000										162,200
UP	1969	AUG 22				20,000	20,700		20,000													60,700
UP	1969	JUNE 18		150,000	20,000					15,900	63,000	100,000										348,900
UP	1969		.00%	235,000 25.54%	72,300 7.86%	65,000 7.06%	79,700 8.66%	14,600 1.58%	165,300 17.97%	15,900 1.72%	144,000 15.65%	128,000 13.91%	.00%									919,800 100.00%
UP			.00%	285,000 16.76%	93,300 5.48%	134,300 7.90%	106,500 6.26%	74,600 4.39%	294,800 17.34%	118,000 6.94%	260,000 15.29%	282,400 16.61%	51,000 3.00%									1,699,900 100.00%
			.00%	630,300 17.28%	570,886 15.65%	261,500 7.16%	544,950 14.94%	189,600 5.19%	465,900 12.77%	253,600 6.95%	367,500 10.07%	312,000 8.55%	51,000 1.39%									3,647,236 100.00%

TABLE XI-32

Block Trades (10,000 or More Shares) in All Markets

Average (Share Weighted) Value of Shares Traded

Market	1968	1969	1968-1969
NYSE	\$48.15	\$41.75	\$44.13
Regional Exchanges	\$49.67	\$38.40	\$43.33
Third Market	\$44.82	\$42.35	\$43.45

C. MECHANICS OF BLOCK TRADING

1. Data Used

a. Collected by the NYSE

During the week of September 8–12, 1969, the NYSE conducted a survey of all transactions of 5,000 or more shares executed on that exchange. For each such transaction it ascertained the extent to which “the other side”²¹ was made up by institutional customers of the firm handling the order, other customers of that firm, the specialist’s book, other brokers, block positioning by the firm, transactions for the specialist’s own account and transactions for the odd-lot dealers. Data on a total of 660 such transactions were collected, and the sample was broken down into four different groups: (1) all trades of 5,000 or more shares, (2) all trades of 10,000 or more shares, (3) all trades of 5,000 or more shares except for openings, and (4) all trades of 5,000 or more shares except for openings in which the tape print exceeded the largest component transaction by 10 percent or more.²² The results of this unpublished survey were furnished to the Study by the NYSE.

b. Collected by the Study(1) *NYSE block trades*

(a) *Selection of the sample.*—For in-depth studies of block trading on the NYSE a stratified random sample of 194 block trades on that exchange was selected.

For each of the 93 stocks used in the market-maker survey,²³ the Vickers cards²⁴ were used to prepare a list of all reported NYSE transactions of 10,000 or more shares from July 1, 1968, to September 30, 1969. There were 3,051 such block trades. From this list two block trades of \$1 million or more in value were randomly selected for each stock, unless there was only one such block trade in the stock, in which case it alone was selected. Block trades of this size account for 32 percent of all transactions of 10,000 or more shares on the NYSE and 70 percent of the total dollar value of such transactions. In addition, 15 stocks out of the 93 were selected at random. From each of these stocks two additional block trades under \$1 million in value were selected. Finally, all unselected blocks over \$10 million in value were added to the sample, except when a randomly selected block in the same stock had been handled by the same broker-dealer at about the same time.²⁵

Prior to sending out any questionnaires the block trade originally selected was replaced with another in the following situations:

- (1) The Study was unable to determine the identity of the broker-dealer primarily responsible for handling it,
- (2) It was part of the opening trade,

²¹ This is apparently equivalent to the side of the transaction opposite to that of the party that initiated the trade—that is, the “passive side.” See sec. C.2.a. below.

²² See sec. B.1.a. above, for the effect of including openings.

²³ See ch. XII, app. A, below.

²⁴ See sec. B.1.a. above.

²⁵ The reason for this exception was the possibility of double reporting and resulting confusion if the broker-dealer was still in the course of disposing of a position from the first block at the time the second was executed.

The identity of the broker-dealer(s) that handled the transaction was obtained from records of all NYSE block trades kept by that exchange and furnished to the Study. These are the records from which the Vickers cards are prepared.

(3) It appeared to be a layoff transaction related to a previous block trade already selected, or

(4) It appeared to be a layoff transaction related to a previous block trade *not* already selected.²⁶

In situations (1) to (3) the block trade in the same stock that met the selection criteria and was closest in time to the original block trade was substituted. In situation (4) the previous block trade was substituted.

Form I-15 was then sent out requesting data on a total of 199 block trades. In a small number of cases, the respondents initially reported to the Study that they had not been involved in the block trade, that the Study's information about the trade was erroneous or that their records of the transaction were missing. In two such situations other block trades were substituted by applying the same criteria used to make substitutions prior to mailing the questionnaires. In five such situations the blocks were simply deleted because of time pressures, thereby reducing the final sample to 194.

Since the stocks used in the market-maker survey did not constitute a random sample of NYSE stocks, and because a fixed number of block trades was selected for each of those stocks, the sample of block trades \$1 million and over and the sample under \$1 million are not truly random samples. Consequently, for some analyses further tests were run to ascertain the effect of NYSE volume on the results.²⁷ Since variations in NYSE volume did not affect the results in most cases where it might be expected to do so, it is unlikely that any major inaccuracies could arise from treating these two samples as though they were randomly selected.

As finally analyzed, there were 155 block trades in the \$1 million and over sample,²⁸ 29 in the under-\$1 million sample and nine in the over-\$10 million sample. The latter two samples are too small to yield definite figures about the extent of participation by different types of parties. Consequently, although such figures have been routinely computed on the tables, they will generally not be discussed in the text. Despite the small size of these samples, however, they may still be used to discuss the general effect of block size on certain characteristics of block trades, particularly when the direction, and possibly the magnitude as well, of the differences between the two samples is consistent with other data or interview results. When appropriate in this respect, the two samples will be discussed in the text.

(b) *Form I-15*.—Detailed data concerning the sample of NYSE block trades was collected in two stages.

In the first stage Form I-15 was sent to the broker-dealer primarily responsible for putting the trade together—that is, the “block trade assembler.” In most cases the block trade assembler was identified from the records of the NYSE²⁹ by application of the following criteria:

(1) If one or more firms “crossed” (was on both sides of) at least part of the block, the Study selected the firm that crossed the greatest number of shares.

²⁶ This was determined by checking the records of block trades kept by the NYSE for every block trade in the same stock within the preceding seven calendar days, as well as any unusually large block trade in the same stock within the previous few months.

²⁷ These tests will be described at the same time as the pertinent analyses.

²⁸ One additional block was deleted from this sample because of technical problems.

²⁹ See subsec. C.1.b(1) (a), above.

(2) If no firm crossed part of the block, and the specialist accounted for all or most of one side of the block trade, the Study selected the firm that accounted for all or most of the other side.

(3) If neither of the above was applicable, the Study selected the firm that accounted for the greatest portion of the sell side (unless one of the other firms involved in the block trade was particularly active in the stock at the time of the block trade).

Fifty-eight block trade assemblers received Form I-15. One firm was requested to respond for 24 different blocks, and three other firms were given 10 or more blocks on which to report. Twenty-seven firms had only one block trade each on their list, and another 21 firms had less than five.

The block trade assembler was requested to complete Form I-15 not only for the shares specified in the Vickers card but also for any other "transactions executed approximately simultaneously and as part of the same block trade (for example, transactions at different prices involving the specialist's book or broker-dealers in the crowd and transactions executed on a regional stock exchange) . . ."

Form I-15 consisted of three separate tables. The first table, which was due in a very short period of time, required a listing of all the direct participants on both sides of the block: the block trade assembler's customers, the block trade assembler itself (if it participated for its own account) and the broker-dealers on the other side. With respect to each such direct participant information was to be reported about the side of the transaction, whether its order was placed by an adviser or other institution different from it, whether the block trade assembler had investment discretion over the account and/or received special compensation for investment advice, the number of shares, the market in which that portion of the block trade was executed and whether floor brokerage (or floor brokerage and clearance), as distinguished from a full nonmember commission, was paid to the block trade assembler or to the specialist on that portion. Table II, due at a later date, requested information about prior transactions for the parties listed in Table I and the block trade assembler itself, brokerage commissions, initial bids or offers and the block trade assembler's own position in each of its accounts immediately prior to the block trade. Table III, due at the same time as Table II, requested information (similar to that on Table I) for all transactions within 30 days of the block trade by which the block trade assembler liquidated its position ("layoff transactions").

(c) *Form I-16.*—After receipt of Table I of Form I-15 confirming and/or redefining the size of the block trade, the second stage of the survey was begun. Form I-16 was sent to each of the 30 NYSE specialist units whose specialty stocks were involved in the sample of block trades. One unit was requested to complete the form for 21 block trades, and six other firms had 10 or more blocks in their stocks. Only three specialist units had as few as two blocks.

This form requested information about the specialist's inventory positions in the stock in each of its accounts on an hourly basis for two days before the block trade and for the day of the block trade. Daily closing positions were collected for the next four trading days. The form also requested the specialist unit's positions in each of its ac-

counts immediately before and after the block trade and the execution and limit prices of all orders on its book that were executed as part of the block.

(d) *Form I-17*.—Also in the second stage of this survey Form I-17 was sent to each broker-dealer reported on Table I of Form I-15 to have participated in the block trade to the extent of 500 or more shares. In addition it was sent to each hedge fund and each registered investment company with debt in its capital structure that was reported to have participated to any extent. One hundred sixty broker-dealers received the form. The number of other respondents was 37.

This questionnaire, which consisted of two tables, was similar in concept to Form I-15, except that Table I concerned only the respondent's own side of the trade.³⁰

(2) *Forms I-18 and I-19*.—Forms I-18 and I-19 collected information about all transactions of 2,000 shares or more in List A stocks in the third market and on the regional stock exchanges during two weeks in 1968 and two weeks in 1969.³¹

(3) *Form I-29*.—This questionnaire, unlike other questionnaires in the Study, was not statistically intensive. The 234 respondent institutions were to answer questions about their trading procedures and policies by checking appropriate boxes or in narrative form. Responses from this questionnaire have been used in various different portions of the Study. The questions pertinent to this section dealt with the extent to which and the reasons why institutions direct broker-dealers to execute their orders on regional stock exchanges and the extent to which and the reasons why they do or do not engage in stock transactions directly with other institutions, with the issuers of the stocks and with the employee benefit plans of those issuers.³²

2. NYSE Block Trades

a. Number of participants

In determining the number of participants in each NYSE block trade in the sample, the Study distinguished between the active and passive sides of the trades rather than the purchase and sale sides. The more anxious party or parties, usually as indicated by their acceptance of a discount or payment of a premium with respect to the last independent sale, will be referred to here as the active side. The other side of the transaction will be referred to as passive. Although prospective sellers are the anxious parties in a large majority of NYSE block trades, purchasers are on the active side in the remainder.³³

One way to distinguish between the active and passive sides is by ascertaining whether the block was executed on a minus or zero-minus tick (sellers active) or a plus or zero-plus tick (buyers active).

³⁰ The Study already knew the identities of the parties on the other side from Form I-15, and Form I-17 was only sent to them if they met the selection criteria.

³¹ See sec. B.1.b, above.

³² See ch. XIII.A.2, below, for a description of the respondent group and a further description of the questionnaire.

³³ See sec. D.1, below. Although the Study believes that the existence of a price concession is strongly indicative of the party that actually initiated the block trade, it is not necessarily so in all cases. Some institutions, particularly very large ones, may prefer to appear less anxious by waiting to be shown potential trades by the broker-dealers that service them rather than making the initial telephone calls themselves.

This method is not always accurate, particularly for small blocks, because market trends may be more influential on the block price than any factor related to the block itself. For example, even large blocks may be executed without a premium or discount if they do not necessitate any capital commitment by dealers. Finally, it is not always possible to ascertain the last independent sale. In any event, the tick of the blocks in the sample was not readily available to the Study in machine processable form at the time that they were analyzed for this part of the chapter.³⁴

A different method was used. In order to determine which side of each block trade was active and which was passive, the Study began with the assumption that the side with the fewer number of parties was the active one.³⁵ If the numbers of parties were equal, it was initially assumed that the buyers were on the passive side. The results obtained with these criteria were then examined visually for unusual situations, such as the specialist's book being on the side selected as the active one. Any corrections indicated by the visual examination were then made by reference to the tick (obtained from the Fitch sheet) and all other available information about the block. A spot check indicated that this method yielded substantially the same results as relying primarily on plus and minus ticks. Since this method was highly consistent with the ticks of these blocks, the Study concluded that it could be relied upon for zero-tick blocks as well.

Having identified the active and passive side of each block, the Study then determined the number of parties on each side.

Because the block trade assembler had been used as the focal point of the survey of NYSE block trades, the information collected had been geared to the knowledge available to that firm. Consequently, it was not possible to trace each part of the transaction back to the ultimate purchaser or seller and determine the total number of parties involved. Instead, the number of parties—that is, the number of customers and other broker-dealers—dealing directly with the block trade assembler was counted for each block trade. The number of parties dealing directly with the block trade assembler is probably substantially less than the total number of all ultimate purchasers and sellers. For example, one of the parties dealing directly with the block trade assembler might be a broker-dealer representing numerous customers of different types. On the other hand, it is also possible that a single institution, particularly a mutual fund, was represented in the transaction by more than one broker. On balance, however, understatement seems much more likely than overstatement.

In the \$1 million-and-over random sample 22 percent of the block trades involved more than one party even on the active side. A larger percentage of the block trades under \$1 million involve more than one party on that side. Comparable percentages weighted by the number of shares involved in the blocks do not vary substantially. Nor is there any great variance within each sample according to the number of shares involved (Tables XI-39 and XI-40).

³⁴ This information became available later and was used for the analyses in pt. D. See secs. D.1.b and D.4. below.

³⁵ If an institutional manager traded for more than one account, the manager was counted as the party.

By definition, the passive side of a block trade is composed of more parties than the active side. The differences found, however, are of a much greater magnitude than would be expected solely from the definition. In the random sample of blocks \$1 million and over, 90 percent of the blocks had more than one party on the passive side, 59 percent had more than five and 14 percent had more than 25. The blocks in the random sample under \$1 million tend to have fewer parties on the passive side. As contrasted with the active side, the direct and strong relationship between the size of the block and the number of parties is evidenced on the passive side both by a comparison of the percentages for number of blocks and number of shares and by the size groups within each sample (Tables XI-41 and XI-42).

The above figures for the number of parties dealing directly with the block trade assembler include both individual and institutional participation. The block trades were also analyzed to ascertain the number of institutions on the active and passive sides that dealt directly with the block trade assembler. These figures again probably understate the number of institutional participants. Unless the block trade assembler represented both sides of the transaction, the other side would be classified as one or more broker-dealers (not considered institutions for this purpose) even though all of the customers of those broker-dealers might be institutions. Even on the block trade assembler's own side of the transaction it might not be aware of the identity of the ultimate purchaser or seller if, for example, it was merely acting as floor broker for another NYSE member firm or was acting as agent for a nonmember broker-dealer. Even with these limitations, the analysis shows a large number of institutional participants in NYSE block trades.

In the sample of blocks \$1 million and over, 23 percent did not involve any institutions dealing directly with the block trade assembler on the active side, 63 percent involved one such institution and 14 percent involved more than one. Blocks under \$1 million appear somewhat less likely to have any institution on the active side. Thus, like the number of all parties, the percentage of block trades with only one institution on the active side is directly related to the dollar criterion for the sample. But the percentage of block trades with no institutional participation is inversely related. Again, neither a comparison of the percentage of shares nor reference to the size groups within each sample results in any substantial differences (Tables XI-43 and XI-44).

Some block trades involve a substantial number of institutions dealing directly with the block trade assembler on the passive side. Although 43 percent of the blocks in the \$1 million-and-over sample involved no institutions dealing directly on the passive side, and another 32 percent involved only one, the remaining 25 percent were widely distributed in terms of the number of institutions dealing directly with the block trade assembler. One of them, which was over 100,000 shares, involved more than 25 institutions dealing directly on the passive side. Six percent of the \$1 million-and-over blocks, including this one, involved more than 5 institutions on the passive side. The number of direct institutional participants on the passive side was somewhat smaller in the random sample under \$1 million. Of the

nine mammoth block trades over \$10 million, five involved more than five direct institutional participants on the passive side, and one involved more than 25. This apparent direct relationship between the size of block trade and the number of direct institutional participants tended to hold, although somewhat weakly, with respect to the size groups within the \$1 million-and-over sample and to the comparison of the percentage of block trades with the percentage of shares (Tables XI-45 and XI-46).

To sum up, the median NYSE block trade of \$1 million or more is assembled by matching the interest of one institution on the active side with the interest of 6 to 10 other parties, one an institution, on the other side. The institution on the passive side was likely found through the block trade assembler's upstairs telephone network. The larger is the size of the block trade, the greater is the number of parties, including institutions, that must be gathered on the passive side to offset the interests of the active institution, and the more complex the assembly process becomes.

The block trades under \$1 million appear to be somewhat different. A large number have more than one party even on the active side, and a majority have no institution dealing directly with the block trade assembler on the passive side. Both of these characteristics suggest a closer relationship to the floor of the NYSE—although not necessarily to the regular round lot market that takes place there—than is present in the larger blocks. That relationship will be explored in more detail below.³⁶

b. Same broker-dealer on both sides

The Vickers cards³⁷ specify whether or not each block trade on the NYSE was a "cross"—that is, whether the block trade assembler represented all of the passive side of the transaction (with the possible exception of a small portion "lost to the floor") as well as the active side. Vickers obtains this information from the NYSE records of block trades, which list the main broker-dealers on each side of the transaction and specify whether it was a cross, as so defined.³⁸

According to the information contained on the Vickers cards, 34 percent of the NYSE block trades in 1968 were crosses. In 1969, 30 percent were crosses. The percentage of the number of blocks that were crosses varied directly with the number of shares involved. Thus, in 1968 the percentage of crosses ranged from 25 percent of all blocks in the 10,000 share category to 68 percent of the blocks over 100,000 shares. In 1969 the percentages ranged from 20 percent of the blocks in the 10,000 share category to 58 percent of the blocks over 100,000 shares. Less than one-third of all transactions from 10,000 to 25,000 shares were crosses, further evidencing the possibility noted in the

³⁶ See sec. C.2.c., below.

³⁷ See sec. B.1.a., above.

³⁸ According to the NYSE, these are generally the broker-dealers clearing the transaction, rather than independent floor brokers that may actually have executed on their behalf. Prior to December 5, 1968, however, when one independent floor broker or correspondent firm executed on behalf of numerous clearing brokers, the name of the former was recorded.

The NYSE's criteria for determining whether a block trade is a cross are imprecise. Moreover, they are applied to a particular block trade by the block trade assembler involved rather than by the NYSE staff, which probably results in some inconsistency. Consequently, there is probably a good deal of imprecision in the statistics derived from the classification of block trades as crosses or not as crosses. It is not known, however, in what direction, if any, the Study's analyses might be distorted as a result.

preceding section that the assembly of smaller NYSE block trades bears a different relationship to the floor of the exchange (Table XI-47).

Comparable figures by the total number of shares involved in the blocks³⁹ do not vary significantly from the percentages of the number of blocks, except in the category of blocks over 100,000 shares, where the percentage crossed is higher (Table XI-47). This indicates that the blocks crossed are fairly evenly distributed within each size category.

The reason for the significant decrease from 1968 to 1969 in the percentage of crosses is not clear. The decreased commitment of capital by block positioning firms accompanying the adverse market conditions of 1969⁴⁰ may have made it more difficult for the block trade assemblers to assemble the other side directly. The decrease in the percentage of crosses is also consistent with numerous allegations made to the Study that the abolition of customer-directed giveups on December 5, 1968, led some institutional managers to refuse to deal with the block positioning firms.⁴¹ In such a case, an institution on the passive side might nevertheless participate in the block trade by arranging to be represented by another broker-dealer it preferred for reciprocal or other reasons.⁴² Such a substitution might be effected before the trade was arranged by suggesting that the preferred broker-dealer had an order, and the block trade assembler ought to call it. Or it might be done by having the preferred broker-dealer call the block trade assembler. It might also be effected by requesting the block trade assembler to "step out" of the institution's side of the trade after it had been arranged and to substitute the preferred broker-dealer.⁴³ Because of the investigatory methods that would have been required to ascertain the actual extent of such activities since the abolition of giveups, the Study did not attempt to do so.⁴⁴

c. Types of participants

One of the most important questions involving NYSE block trades is the relative role in those transactions of (1) the regular round lot market on the floor, (2) other broker-dealers found by the block trade assembler on the floor or as a result of floor contacts, (3) customers and other broker-dealers found by the block trade assembler through its upstairs telephone network and (4) broker-dealers—particularly the specialist unit and the block trade assembler itself—that inventory the stock and thereafter dispose of their positions through the regular

³⁹ Unlike Form I-19, the Vickers cards specify the total number of shares in a block that was a cross rather than the actual number of shares that were crossed. Consequently, the percentage figures by the number of shares in this section are not exactly comparable with the percentage figures collected by the Study for numbers of shares crossed in block trades on the regional stock exchanges. See sec. C.3.c, below.

⁴⁰ See ch. XII I.2.b. below.

⁴¹ For example, the president of one large mutual fund adviser recalled an attempt of his fund to sell 200,000 shares of a particular stock. There were other potential institutional sellers at the time, and a block positioner was attempting to "clean up the street" by assembling a block of 1,250,000 shares. Another mutual fund adviser insisted on disposing of its stock in small pieces through broker-dealers that sold its fund's shares rather than through the block positioner. Consequently, the entire block could not be assembled, and all the institutional sellers fed their stock into the market in small blocks with a severe price impact.

⁴² See ch. XIII.C.7, below.

⁴³ Similar allegations were made to the Study about block trades on the regional stock exchanges and in the third market.

⁴⁴ See ch. I.C, above.

round lot market and/or in transactions arranged upstairs. From the data collected it was possible to derive exact figures for the participation of the specialist and block trade assembler for their own accounts. It was also possible to derive specific figures for the participation of the block trade assembler's own customers.

A large proportion of the remainder of the passive side of block trades—and to a small extent of the active side—involved other member firms of the NYSE. The NYSE's own survey indicated this proportion to be 33 percent of the other side of all transactions 10,000 shares and over (including opening trades). Unfortunately, the records kept by broker-dealers did not enable the Study to distinguish exactly between trading with broker-dealers that happened to be in the vicinity of the post at the time of execution and those that came to the post for the express purpose of participating in the block trade as the result of prior arrangements either on the floor itself or through upstairs communications. Consequently, the Study separated the volume with other broker-dealers into several specific categories designed to distinguish as closely as possible between NYSE members participating as part of the regular round lot market and those participating as the result of downstairs or upstairs arrangements.

Orders on the specialist's book were represented at the specialist's post by the specialist himself. There is no indication that any substantial proportion of these orders were the result of prior upstairs negotiations, although some of them may have resulted from suggestions by the specialist to broker-dealers that had previously been active in the stock on the floor or from rumors of the impending block.⁴⁵

The odd lot dealers were represented at the post by their associated brokers. Since these associated brokers are regularly stationed at every trading post on the NYSE, and their participations are ordinarily quite small, prior upstairs negotiations with the block trade assembler seem unlikely.

All broker-dealers that were not members of the NYSE were obviously not on the floor at all and paid the block trade assembler a full nonmember commission on the basis of arrangements made between their upstairs offices.⁴⁶ Similarly, those member firms represented in the execution of the transaction by the block trade assembler itself almost certainly had made prior arrangements upstairs. There would be little reason for a member firm to pay floor brokerage to the block trade assembler if it were there at the post itself.⁴⁷

If the NYSE member was acting for an individual customer, it is reasonable to assume that the broker-dealer happened to be at the post.⁴⁸ The Study initially considered it safe to assume that transactions of less than 500 shares were for individual investors and did not inquire about the identity of the customers in transactions of that size. Data now reveal that there is a substantial proportion of institutional orders in that size range.⁴⁹ Consequently, some institutional transac-

⁴⁵ See subsec. C.2.c(4)(a), below.

⁴⁶ The nonmember broker-dealer may have been the block trade assembler. See ch. XIII.B.4, below.

⁴⁷ If a nonmember was a "captive" broker-dealer for an institution, its participation was treated as that of a direct institutional customer of the block trade assembler.

⁴⁸ It is possible, of course, that the broker-dealer solicited the order on the basis of rumors or advance notice about the impending block.

⁴⁹ See ch. XIII.C.4.a, below.

tions are mixed in with those that the Study assumed to be attributable to individuals. The entire category, however, of transactions under 500 shares and transactions reported to be for individuals is quite small.⁵⁰ Moreover, the execution of a small institutional order may well be attributable to the unarranged presence of the broker-dealer at the post anyway.

It is also possible to identify NYSE member firms participating for their own accounts that neither put the orders on the specialist's book nor paid floor brokerage to the block trade assembler. These broker-dealers may or may not have been at the specialist's post because of prior downstairs or upstairs arrangements.

Finally, there remain those transactions in which broker-dealers other than the block trade assembler represented either institutions or other NYSE members in transactions of 500 or more shares. It is not possible to ascertain whether such broker-dealers were at the post as the result of prior arrangements, but it is likely that a majority were.

The Study classified the participants in the sample of NYSE block trades into the categories described above. The results of that classification are shown in Tables XI-33 and XI-34. In addition, to ascertain the effect of any bias in the sample with respect to NYSE volume, the analysis was rerun for only those blocks whose stock was in the top 20 percent by NYSE volume during the month of the block.⁵¹ In most respects, the results of the second analysis did not differ significantly from the first (Tables XI-48 and XI-49). Those differences that were found are described where pertinent in following textual discussion of the principal tables.

⁵⁰ See subsec. C.2.c(4)(c), below.

⁵¹ See subsec. C.1.b(1)(a), above.

TABLE XI-33

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
PARTICIPANTS IN BLOCK TRADES (PASSIVE SIDE)
(NUMBER OF SHARES AND PERCENTAGE)

YEAR	POSITIONED BY BLOCK TRADE ASSEMBLER	BLOCK TRADE ASSEMBLER FOR DISCRE- TIONARY ACCOUNTS	BLOCK TRADE ASSEMBLER FOR OTHER INDIVIDUAL CUSTOMERS	BLOCK TRADE ASSEMBLER FOR OTHER INSTITU- TIONAL CUSTOMERS	SPECIALIST FOR OWN ACCOUNT	ODD LOT DEALER	ORDERS ON BOOK	OTHER BROKER- DEALERS FOR INDIVIDUAL CUSTOMERS	OTHER BROKER- DEALERS THAT PAID COMMISS- IONS	OTHER BROKER- DEALERS FOR OWN ACCOUNTS	OTHER BROKER- DEALERS FOR PROFES- SIONAL CUSTOMERS	TOTAL NUMBER OF SHARES ON SIDE
RANDOM (\$1MM-)												
1968	.00%	.00%	9,500 3.60%	59,800 22.66%	106,400 40.33%	1,600 .60%	22,600 8.56%	9,600 3.63%	.00%	.00%	54,300 20.58%	263,800 100.00%
1969	44,000 15.18%	12,100 4.17%	15,400 5.31%	92,900 32.05%	58,500 20.18%	.00%	13,900 4.79%	900 .31%	.00%	3,000 1.03%	40,100 13.83%	289,800 100.00%
	44,000 7.94%	12,100 2.18%	24,900 4.49%	152,700 27.58%	164,900 29.78%	1,600 .28%	36,500 6.59%	10,500 1.89%	.00%	3,000 .54%	94,400 17.05%	553,600 100.00%
RANDOM (\$1MM+)												
1968	830,700 22.07%	32,900 .87%	30,700 .81%	1,249,800 33.20%	588,900 15.64%	16,100 .42%	197,200 5.23%	20,700 .54%	99,300 2.63%	7,500 .19%	696,100 18.33%	3,763,900 100.00%
1969	1,892,800 23.84%	232,000 2.92%	22,400 .28%	3,290,500 41.45%	1,025,000 12.91%	39,800 .50%	451,800 5.69%	55,100 .69%	11,300 .14%	144,627 1.82%	772,300 9.72%	7,937,627 100.00%
	2,723,500 23.27%	264,900 2.26%	53,100 .45%	4,540,300 38.80%	1,613,900 13.79%	55,900 .47%	649,000 5.54%	75,800 .64%	110,600 .94%	152,127 1.30%	1,462,400 12.49%	11,701,527 100.00%
OTHER (\$10MM+)												
1968	337,400 24.42%	.00%	.300 .02%	785,300 56.83%	79,400 5.74%	2,900 .20%	36,200 2.62%	8,050 .58%	59,000 4.27%	57,700 4.17%	15,350 1.11%	1,381,600 100.00%
1969	327,600 20.74%	.00%	100 .00%	719,300 45.49%	53,400 3.38%	700 .04%	28,700 1.81%	90,000 5.69%	11,000 .69%	32,900 2.08%	316,300 20.03%	1,579,000 100.00%
	665,000 22.46%	.00%	400 .01%	1,503,600 50.78%	132,900 4.46%	3,600 .12%	64,900 2.19%	98,050 3.31%	70,000 2.36%	90,600 3.06%	331,650 11.20%	2,960,500 100.00%
	3,432,500 22.55%	277,000 1.82%	78,400 .51%	6,196,600 40.72%	1,911,600 12.56%	61,100 .40%	750,400 4.93%	184,350 1.21%	180,600 1.19%	245,727 1.61%	1,888,450 12.41%	15,215,727 100.00%

(1) *Block trade assembler's customers.*—In its survey the NYSE found that customers of the block trade assembler accounted for 47 percent of the other side of transactions of 10,000 shares or more (including opening trades), and that all such customers were institutions. The comparable figure found by the Study for block trades of \$1 million and over was 42 percent. The customers' participation in the block trades under \$1 million appears to be somewhat smaller. On the active side the block trade assembler's customers accounted for 93 percent of the shares in the random sample of blocks \$1 million and over. Again, the participation of the block trade assembler's customers in the smaller blocks appears to be somewhat less.

The Study also divided participation by the block trade assembler's own customers into three subcategories.

(a) *Discretionary accounts.*—Some block trading firms are also in the investment management business and carry accounts over which they have full investment discretion. Among the shares for the block trade assembler's own customers were transactions for these accounts.

On the passive side of blocks of \$1 million and over the block trade assembler's own discretionary accounts represented 2 percent of the total shares. Three of the six firms whose discretionary accounts made up this figure are major block positioning houses, and two others regularly engage in the activity. Of the eight block trades in which discretionary accounts participated on the passive side, four also involved positioning by the block trade assembler. Such participation necessarily served to reduce the number of shares that the block trade assembler was required to position to complete the trade.

On the active side the block trade assembler's discretionary accounts represented 5 percent of the total shares in the random sample \$1 million and over. In five out of the six blocks in which such discretionary accounts participated on the active side, the block trade assembler did not participate for its own account.

A potential conflict of interest exists when a block trade assembler places its discretionary accounts on the passive side of block trades. Insofar as the participation of such accounts eliminates or reduces the need for block positioning, it allows the block trade assembler to avoid a very risky and often unprofitable activity⁵² while at the same time increasing its commissions earned to the extent of that participation.⁵³ The block trade assembler may well be tempted to put its accounts into such transactions at unfavorable prices to earn the brokerage commissions on both those shares and the other shares in the block trade. On the other hand, it should be noted that in six of the eight blocks in which discretionary accounts participated substantially on the passive side, other institutions and/or the specialist were also willing to purchase stock at that price.

On the basis of the information reported two of the block trades appear to pose more real conflicts of interest.

In one transaction the block trade assembler made an initial bid⁵⁴

⁵² The discretionary accounts do not share the brokerage commissions and equivalents that offset the block positioner's trading losses. See sec. C.2.d and ch. XIII.2.e. below.

⁵³ The latter effect may be decreased pursuant to arrangements by which the firm reduces its advisory fee by all or a portion of the brokerage commissions earned on the account. See ch. XIII.D. below.

⁵⁴ See subsec. C.2.c(3), below.

for an entire block for its own account. This bid was apparently unacceptable to the seller. A discretionary account of the block trade assembler then bought the stock at a price 1 percent higher than the initial bid. The block trade assembler took none of the stock itself but earned almost \$29,000 in brokerage commissions on the two sides of the transaction.⁵⁵

In the other transaction a different block trade assembler bought the bulk of a block for its own account from its own discretionary accounts. The transaction was executed at a point, or 4 percent, discount from the last sale, which was itself half a point lower than the opening that day. The purchase price was sufficiently attractive that the specialist unit also bought almost 50,000 shares even though already slightly long at the time, the odd lot dealers bought the unusually large amount of 2,000 shares and the specialist's book took more than 14,000 shares. The price of the stock that day rose immediately after the block trade and closed up $\frac{3}{8}$, or 2 percent, from the block price. Indeed, the block trade assembler's discretionary accounts sold over 36,000 additional shares later during the day at higher prices. The block trade assembler, however, did not purchase stock for its own account at those higher prices. The price of the stock remained at the slightly higher level for several days. The block trade assembler laid off its position over the next three weeks and eventually suffered a trading loss slightly in excess of \$1,000, as compared to its commissions of almost \$25,000.

(b) *Other (nondiscretionary accounts) individual customers.*—Other individual customers of the block trade assembler represented a negligible proportion of the passive side of the block trades \$1 million and over. In the block trades under \$1 million, however, they were a small but significant factor. On the active side the individual customers accounted for 5 percent in the random sample \$1 million and over. In the smaller blocks their participation was again somewhat larger.

All these averages are somewhat misleading, however, because the participation by individuals is highly concentrated in a few block trades. On the passive side of all the blocks individual customers participated to the extent of 78,400 shares in 18 separate blocks. Yet in one block they accounted for 30,000 shares, in a second for 14,600 shares and in a third for 12,800 shares. On the active side individual customers of the block trade assembler accounted for 568,700 shares in only nine blocks. In one block trade they accounted for 375,200 shares, and in a second they accounted for 100,000 shares. The very large participations by individuals often involve a single wealthy individual or family.

(c) *Other (nondiscretionary accounts) institutional customers.*—The balance of the participation by the block trade assembler's own customers is by other institutions. On the passive side their participation is 39 percent of the random sample \$1 million and over. It appears from the other two samples that the larger is the block trade, the greater is the participation by institutional customers that occurs on the passive side. This corresponds with previous data that the

⁵⁵ This was one of the blocks in which there was no other substantial participation on the passive side, although the discretionary account did buy at the low for the day.

extent of crosses varies directly with the size of the NYSE block trades and is further indication of a greater relationship between the floor of the NYSE and the assembly of smaller blocks.⁵⁶

On the active side other institutional customers of the block trade assembler accounted for 83 percent of the shares in the random sample \$1 million and over. Again, the other two samples appear to evidence some direct relationship between the institutional proportion of the active side and the size of the block.

It should also be noted that in the random sample \$1 million and over, the percentage taken by other institutional customers increased from 33 percent to 41 percent on the passive side between 1968 and 1969 and from 79 percent to 85 percent on the active side. Similarly the percentage taken by other broker-dealers representing professional customers decreased during that period from 18 to 10 percent on the passive side, and from 4 to 1 percent on the active side. Contrary to the evidence with respect to crosses,⁵⁷ these figures indicate—although far from conclusively—that the use of “stepouts” and other methods for interposing a preferred broker between a block trade assembler and a potential institutional customer was probably not very great, at least in NYSE block trades, during the first nine months of 1969.

(2) *Specialist*.—The NYSE found that its specialists participated for their own account on the other side of transactions 10,000 shares or more (including openings) to the extent of 17 percent of the total shares. The Study found that NYSE specialist participation on the passive side was 14 percent in the random sample \$1 million and over. In the random sample under \$1 million specialist participation was substantially larger, and in the sample over \$10 million it was substantially smaller.⁵⁸ On the active side there was no specialist participation.⁵⁹ These figures should be compared with the 32 percent overall participation by specialists in one side or the other of all NYSE reported volume in 1969.

The difference in specialist participation rates among the three samples suggests a relationship between the size of the block trade and the NYSE specialist's participation. Scatter diagrams of all 193 blocks confirm that such a relationship exists. Specialist participation represents a much higher percentage of the shares in smaller blocks than in larger ones.⁶⁰ Moreover, that relationship is curvilinear with the curve flattening out at about the \$2 million level (Figures XI-1 and XI-2). That flattening out could occur because of the limited capital of many NYSE specialists. It could also occur because the assembly process for small blocks is different from that for others, and the specialist plays a greater role in the former than in the latter.

⁵⁶ See secs. C.2.a and C.2.b, above.

⁵⁷ See sec. C.2.b, above.

⁵⁸ In the stocks in the top 20 percent by NYSE volume, specialist participation in he under \$1 million sample was even higher (Table XI-48).

⁵⁹ The fact that no participation was found on the active side indicates that the bulk of the specialist positions accumulated in block trades is usually disposed of in the ordinary course of small transactions in the regular round lot market. Although no data were collected about the specialist's actual dispositions, specialists known for their willingness to participate in block trades have confirmed that they rarely dispose of their large positions by means of subsequent block trades. The analysis of market behavior following unusual position changes by specialists suggests that they dispose of their large positions fairly slowly. See ch. XII.F, below.

⁶⁰ The NYSE study also confirms this relationship. It found a 32 percent participation rate for its specialists in all transactions of 5,000 to 9,999 shares (including openings). The inclusion of openings appears to have little effect on the numbers.

Individual specialist units varied greatly in the extent to which they participated in the sample of block trades. Of the 30 specialist units involved, two had a participation rate of 50 percent, two had a participation rate of 47 percent, one had a participation rate of 37 percent and one had a participation rate of 21 percent. Of the remaining specialist units, seven had participation rates from 10 to 20 percent, 14 had participation rates under 10 percent and three did not participate at all. One of the specialist units with a very high participation rate accounted for 27 percent of the total specialist participation. If the blocks in which this specialist unit was involved are not considered, the remaining specialists had a participation rate of 11 percent in blocks of \$1 million and over.⁶¹ The largest position taken by any specialist was 31,000 shares of a \$260.00 stock, or \$8,138,000.

The differences among specialist units with respect to their participation in block trades in their specialty stocks conform closely to other data about the overall depth of participation by these specialists in their markets. If the 30 specialist units involved in the sample of NYSE block trades are divided into three groups according to the average size of their day-to-day position changes,⁶² the group with the largest overall position changes had a participation rate of 22 percent in all of the block trades. The middle group had a participation rate of 11 percent, and the group with the smallest overall position changes had a participation rate of 5 percent.

Specialist participation in block trades is not always desired by the parties. On occasion, specialists will insist upon participating at the same price even though both sides of a cross have been put together entirely with public customers. When the specialist attempts to participate in a "clean cross," the block trade assembler will sometimes take the trade to a regional stock exchange to avoid being "broken" by the NYSE specialist.⁶³ More often an accommodation will be worked out on the floor among the specialist and the other broker(s) involved: The specialist will be allowed to participate, and the participation of the public customer(s) on the same side of the trade will be reduced accordingly.

Unless the specialist is willing to better the price of the block trade, such undesired participation would seem to be contrary to the NYSE rules with regard to priority and precedence and possibly the prohibition against overdealing as well.⁶⁴ On the other hand, NYSE specialists argue that they should have a right to participate in the block trade because they will be required to supply stock in the after-market in accordance with their obligation to provide continuity of prices.⁶⁵ They also argue that they would have been willing to participate at the outset if the block trade assembler had come to them directly rather than searching for the other side through its upstairs telephone

⁶¹ The deletion of this firm would not substantially change the results for the other two samples.

⁶² See ch. XII.C.2.b. below.

⁶³ Even if the block trade assembler were willing to supply extra stock to satisfy the specialist by going short, it could not do so if the block trade was on a minus or zero-minus tick. See Rule 10a-1 under the Securities Exchange Act of 1934.

⁶⁴ NYSE Rules 72 and 104. It is not clear whether the NYSE would consider it overdealing even if the specialist was willing to better the price by $\frac{1}{8}$ for all or part of the block.

⁶⁵ NYSE Rule 104.

network to earn brokerage commissions on both sides. Block trade assemblers, however, have told the Study about asking specialists to participate at the outset but finding them willing to do so only after a clean cross had already been assembled.

In addition to the specialist unit's participation in the block trade for its own account, it is common for the block trade assembler to allow the specialist to "write out" all or a portion of the block trade as floor broker and thereby collect floor brokerage on that portion as well. Payments of floor brokerage to the specialist when the block trade assembler's own floor partner or independent floor broker is physically at the trading post are a form of giveup (noncustomer-directed), since the block trade assembler's own representative could easily write the floor ticket himself. Such writeouts amounted to 7 percent of the total shares in the NYSE block trade sample and 8 percent of the shares within the block trade assembler's control (including those taken by the specialist unit) (Table XI-50).

The Special Study described the writeout practice and stated that specialists receive such floor brokerage for acting as a "finder"—that is, they alerted the block trade assembler to the existence of other NYSE members that had shown interest on what would be the passive side of the prospective block trade.⁶⁶ This actually took place in one or two block trades included in the sample, and this Study has observed it in other block trades. Analysis of the entire sample, however, indicates that the percentage of the shares written out by the specialist is not significantly greater—indeed it is slightly less—when other broker-dealers participated for 10 percent or more of the passive side of the block trade (and *could* have been "found" by the specialist) than when they did not (and *could not* have been so "found") (Table XI-50).

There are weak correlations, however, between the percentage of shares written out by the specialist, on the one hand, and both its participation in the transaction for its own account and the block trade assembler's participation for its own account, on the other (Tables XI-51 and XI-52). The former correlation suggests that the block trade assembler may be sharing some of its brokerage commissions when the specialist unit participates.⁶⁷ The latter correlation suggests the possibility that the block trade assembler may be rewarding some NYSE specialists for their "assistance" either during the assembly process or in the aftermarket when the block trade assembler is disposing of its position. As indicated at the outset, however, these statistical relationships are weak. Moreover, block trade assemblers and specialists have continuing relationships with each other, and the writeouts given on any one block trade may reflect that continuing relationship as much as factors pertinent to the particular block trade. Nevertheless, it has been suggested to the Study that some writeouts are in fact for the purpose of obtaining "favorable" treatment. And

⁶⁶ Report of Special Study of Securities Markets of the Securities and Exchange Commission ("Special Study"), H.R. Doc. 95, 88th Cong., 1st Sess. (1963), pt. 2, 131-32.

⁶⁷ Floor brokerage is currently about 15 percent of the full nonmember commission rate on a 10,000 share trade of a \$40 stock. Accordingly, even if the block trade assembler allowed the specialist to write out the entire trade, it would only be sharing a small portion of its brokerage commissions. Moreover, the data indicate that the writeouts cover a fairly small portion of the trade even when the specialist participates for 5 percent or more of both sides of the trade—that is, 10 percent or more of the passive side (Table XI-51).

some specialists have told the Study that they accept such writeouts only when they participate in the block trade for their own account. Because of the noninvestigatory character of the Study,⁶⁸ it did not attempt to ascertain the extent, if any, of specialist writeouts that raise regulatory questions.

(3) *Block trade assembler*.—The NYSE found that the block trade assembler participated for its own account on the other side of block trades of 10,000 shares or more (including openings) to the extent of 3 percent of the shares. The Study found a substantially higher participation rate on the passive side of 23 percent in the random sample \$1 million and over and a very low participation rate in the random sample under \$1 million.⁶⁹ On the active side, the block trade assembler accounted for 2 percent in the random sample \$1 million and over, somewhat more in the random sample under \$1 million and none in the supplementary sample \$10 million and over.

On the passive side the block trade assembler participated for its own account in 79 of the 193 block trades.⁷⁰ In only two block trades did the block trade assembler sell short for its own account. The short positioning totaled 102,800 shares. The largest of all positions in the survey was a long position of 252,600 shares of a \$51.75 stock, or \$13,072,050.

The block trade assembler's participation on the active side was in eight different block trades for a total of 290,427 shares. Of these, 125,727 shares in five block trades were for arbitrage or conversion accounts, 139,700 shares in one block was the disposal of an existing block position and 25,000 shares in two blocks offset apparently unexpected selling interest on the passive side at the price selected for the block trade.

The participation rates of the 58 block trade assemblers involved in the survey varied widely. Thirty-nine did not block position at all on the passive side of the block trades in the sample.⁷¹ Another two participated for 10 percent of the shares or less; and six, for less than 20 percent of the shares. One firm had a participation rate of 66 percent. Seven additional firms had participation rates over 30 percent, and three other firms had participation rates over 20 percent. The five firms that had the five largest block positioning volumes in the sample had a combined participation rate of 31 percent and accounted for a total of 2,379,200 shares, or 71 percent of all the shares positioned in the sample.⁷²

Block positioners sometimes assume part of the market-making function when the NYSE specialist is not given the opportunity, is unable or decides not to do so. As indicated in the following table,

⁶⁸ See ch. I.C., above.

⁶⁹ In the block trades involving stocks in the top 20 percent of NYSE volume, block positioning represented an even smaller proportion of the passive side in blocks under \$1 million (Table XI-48). The Study's figure for block positioning in blocks of \$1 million and over, rather than that of the NYSE, is consistent with figures on all block positioning derived from aggregate data. See ch. XII.I.2.c. below.

⁷⁰ Not all of these were necessarily transactions to facilitate executions by customers. In three of the block trades, accounting for a total of 67,900 of the 3,432,500 shares in which the block trade assembler participated on the passive side, its participation was for either its arbitrage, conversion or error account rather than for its block positioning account. In a total sample of this size, however, these three blocks that do not represent true block positioning are insignificant, and their deletion would not substantially affect the overall participation rates.

⁷¹ For this purpose other forms of participation have not been counted.

⁷² Many of these percentages, especially the highest figures, are based on too small a sample for the figures relating to individual firms to be reasonably accurate.

the participation rate of the block trade assembler varies inversely with the participation rate of the specialist. The combined participation rate of the two is somewhat greater in the stocks of those specialists units that participate in their markets in depth than in the stocks of those that do not.⁷³ It may well be that, if a strong specialist agrees to participate along with it, a block trade assembler is willing to execute the trade without searching for the other side quite as exhaustively as it would otherwise. In the stocks of those specialists with large average daily position changes, the specialist had a substantial participation along with the block trade assembler in 17 out of the 21 block trades, or 81 percent. In the stocks of the specialist in the lowest group the comparable figures were 7 out of 14 block trades, or 50 percent.

TABLE XI-35.—PARTICIPATION RATES OF NYSE SPECIALISTS AND BLOCK TRADE ASSEMBLERS IN BLOCK TRADES ACCORDING TO AVERAGE-DAILY-POSITION-CHANGE CLASSIFICATION OF SPECIALIST

[In percent]

Average Daily Position Change	Specialist Participation Rate	Block Trade Assembler Participation Rate	Combined Participation Rate
High.....	22	17	39
Medium.....	11	26	37
Low.....	5	28	33
All.....	14	23	37

The capital commitment of block trade assemblers is not limited to the shares that they actually take into inventory at the time the transaction is executed on the NYSE. It has recently become increasingly common for at least some large firms to make bids and offers for entire blocks prior to searching extensively—or sometimes at all—for the other side. These initial bids and offers may well be for considerably more shares than are eventually positioned by the block trade assembler and may also be at prices different from the execution price. The purpose and significance of this practice is discussed in chapter XII.⁷⁴

Block trade assemblers do not regularly keep any records of their initial bids and offers. Consequently, the Study was unable to obtain statistics as to the extent of the practice. Personnel of certain block trade assemblers in the survey, however, were able to remember a total of 43 such initial bids and offers in the 193 blocks. The initial exposure of the block trade assemblers—that is, the number of shares for which the bid or offer was made minus the indications of interest on the other side at the time—was 67 percent of the total shares in those blocks, as compared to the 39 percent that was eventually positioned. The largest initial exposure was for 225,000 shares of a stock worth \$140.00 per share, for a total of \$31,500,000.⁷⁵ In 16 cases, the block was eventually executed at a price more favorable to the firm's original customer than the price at which the bid or offer was made. In those cases either the customer declined the initial bid or offer; or, although the customer had accepted it, the block trade assembler managed to obtain a better price from customers on the other side.

⁷³ See subsec. C.2.c(2), above.

⁷⁴ See ch. XII.I.3, below.

⁷⁵ The block trade assembler eventually positioned only 2,800 shares worth \$392,000.

In the latter event it passed that better price on to its first customer rather than buying the stock at the bid and immediately selling it on a riskless basis at the better price. In one block trade in the sample, for example, the seller received an additional \$500,000 from the block trade assembler (Table XI-53).⁷⁶

The number of shares reported as actually positioned may understate the capital commitment by the block trade assembler even if no initial bid or offer was made. The Study has heard that some block trade assemblers follow the practice of treating orders received within 10 minutes or so of the execution of the block trade as though they had been part of the passive side of the actual trade. Others apparently do so only if they were actually negotiating with the customer at the moment of the original execution. Indeed, blank order tickets may be pre-time-stamped to be used for this purpose. The NYSE has informed the Study that “[o]rders received by a block positioning firm after it has acquired a block position on the floor may not be incorporated, or treated in conjunction with such block acquisition transaction,” and that it is taking steps to enforce this rule.

(4) *Retail market.*

(a) *Specialist's book.*—In block trades of 10,000 shares or more (including opening trades) the NYSE's survey found that the specialist's book accounted for 10 percent of the other side. In the Study's survey the specialist's book accounted for 6 percent of the passive side of blocks in the random sample \$1 million and over, about the same in the random sample under \$1 million and somewhat less in the supplementary sample \$10 million and over. Sixty-three of the blocks, slightly less than one-third, involved no book participation on the passive side. The largest proportion of book shares was 82 percent. On the active side the specialist's book accounted for a negligible proportion of the transaction in all samples.

The orders on the specialist's book that were executed as part of block trades carried varying limit or stop prices. In the random sample \$1 million and over, for example, 63 percent of the shares executed from the book had limits or stop prices at the same price as the block, 33 percent were limit orders to buy or stop orders to sell at prices above the block price for minus-tick blocks and 4 percent were at limit orders to sell or stop orders to buy at prices below the block price for plus-tick blocks (Table XI-54).

At first glance it might appear somewhat surprising that such a large proportion of the orders on the book are at the eventual “cleanup” price—that is, the price at which the bulk of the block is executed. Indeed, this fact suggests the possibility that such orders appear on the book immediately prior to and in the expectation of the block. According to one specialist, this is in part true: If a block is intensively shopped before it is successfully assembled, it is likely that other broker-dealers will hear of it and place orders on the book for their customers to take advantage of any discount (or premium), should the block eventually be executed.⁷⁷ Also, if a particular broker-dealer has been

⁷⁶ The agency relationship of the block trade assembler probably requires that the better price be passed on to its first customer. In any event, the tape print of the second half of a riskless principal transaction, if it was also executed on the NYSE, could alert the customer to what happened.

⁷⁷ See NYSE Rule 112.10(b). If there are too many such orders, the block trade assembler may take the trade to a regional stock exchange. See sec. C.3.e, below.

active in the crowd or on the book on what will be the passive side of the block, it may be alerted by the specialist to the possibility of the block.⁷⁸ Although one could also imagine reasons why institutional orders might appear on the specialist's book immediately before the block trade, a cursory visual inspection of the completed questionnaires indicated that most broker-dealers that placed orders on the book were acting either for individual customers or for their own accounts.

Orders on the book may cluster at the cleanup price even though placed there before and not as a result of prior knowledge of the block. Of the 130 block trades in the Study's survey in which there was book participation, the cleanup price for 66, or more than 50 percent, was in round dollars and for another 30, or just under 25 percent, was at one-half. The Commission has previously found that book orders usually tend to predominate at these levels. Also, the block trade assembler would normally consider the current resistance level of the stock as a factor in negotiating the price of the block, and book orders have a tendency to cluster at such levels. Finally, if the block trade assembler had spoken to the specialist prior to the block to ascertain what he and the book would take at various prices, this could also be expected to have some influence on the price eventually set.

Limit orders to buy at prices above the price of a minus-tick block and limit orders to sell at prices below the price of a plus-tick block are ordinarily entitled to priority of execution.⁷⁹ A large percentage of such orders, however, as well as intervening stop orders, are not executed at the limit price or stop price but are "knocked down" (or up) to the cleanup price. For example, in the random sample of blocks \$1 million and over, 88 percent of the book orders were executed at the cleanup price and 12 percent were executed at prices worse than the cleanup price (Table XI-55).

The difference between the execution and limit prices of book orders participating in NYSE block trades arises in part because of NYSE Rule 104.10—the so-called "gapping" rule. This rule requires all limit orders on the specialist's book, except those at the current bid or offer, to be executed at the cleanup price, if prior to the trade the specialist discloses to the block trade assembler the combined amount that he and the book⁸⁰ will take at the cleanup price, and if the specialist unit subsequently participates for its own account in the block at that price. The adoption of this rule followed a finding by the Special Study⁸¹ that possible fiduciary problems were involved when the specialist participated at a better price than he obtained for his customers on the book. To the extent that the block is gapped, the limit orders receive better prices than their limits.

The existing NYSE gapping rule does not give the benefit of the cleanup price to any book order at the current bid or offer, apparently on the theory that a bid or offer once publicly made cannot be withdrawn.⁸² Nor is the specialist required to give the book the benefit of the cleanup price when he has not discussed the block prior to execu-

⁷⁸ This is one example of the way in which the specialist may act as a "finder." See subsec. C.2.c(2), above.

⁷⁹ NYSE Rule 72.

⁸⁰ A separate amount for the book may not be disclosed.

⁸¹ Pt. 2, p. 132.

⁸² This may also affect the price at which odd lot orders are executed.

tion, or when he does not participate for his own account at the cleanup price. The absence of specialist participation does remove—or at least ameliorate—the potential conflict of interest discussed in the Special Study.⁸³ The absence of prior discussion followed by specialist participation does not. Moreover, even if the specialist has no conflict of interest, the prohibition against his accepting “not held,” or discretionary, orders⁸⁴ prevents him from exercising normal brokerage discretion to withhold an order if he knows that a more advantageous execution will be available almost immediately.

The above discussion has related to limit orders on the book. Stop orders are treated differently. A stop order is ordinarily not executed as part of the block since the block participants are entitled to priority or precedence either because of price or of size. If, however, the block breaks through the stop price, the order becomes a market order for the next transaction. In such cases the Study has been told that the specialist will frequently buy in (or sell) the stock for his own account at the cleanup price as the transaction following the block. This may be contrary to the desires of the person placing the order, particularly if the market price immediately moves back in the direction of the preblock price.

Since stop orders are not executed as part of the block itself, many specialists did not report them to the Study on Form I-16. The Study was thus unable to develop comprehensive figures showing how stop orders fare in block trades. Some specialists, however, did volunteer unrequired reports on the execution of stop orders in eight of the block trades. In all of these block trades stop orders to sell were executed at the cleanup price, which was below the stop price in five of the blocks. Moreover, in six of them the market price rose immediately thereafter.⁸⁵

(b) *Odd lot dealers.*—Both the NYSE survey and the Study found that the odd lot dealers⁸⁶ had a very small participation in NYSE block trades. The NYSE study found that they accounted for a negligible percentage of the other side. The Study found that they accounted for about one-half of one percent of the passive side of block trades of \$1 million and over and a negligible percentage of the active side. On the passive side the odd lot dealers participated in 41 of the 193 blocks. Their largest such participation was 10,500 shares. In an additional 17 of the blocks their participation was 1,000 shares or more. In the remaining 23 blocks their participation was under 1,000 shares.

(c) *Other broker-dealers in the vicinity of the post.*—On the passive side other broker-dealers primarily representing individual customers not on the book accounted for 1 percent in the random sample of \$1 million and over. On the active side they accounted for a negligible amount.

⁸³ A potential conflict may arise even absent specialist participation, however, when the specialist is allowed to “write out” a large portion of the block trade. See subsec. C.2.c(2), above.

⁸⁴ See Section 11(b) of the Securities Exchange Act; NYSE Rule 123.44. Nevertheless, in the random sample of blocks \$1 million and over, although only 87 percent of the orders on the book were at the cleanup price in blocks in which the specialist unit did not participate for its own account, 94 percent of the book shares in those blocks were executed at the cleanup price.

⁸⁵ The American Stock Exchange allows its specialists to accept only stop *limit* orders and then only when the stop and limit prices are identical. Rule 154.04.

⁸⁶ Since the period studied, the two major odd lot dealers have merged.

Such participation on the passive side occurred in 52 of the 193 block trades. The largest participation was 23,100 shares. In one other block trade it amounted to 12,500 shares. In 15 other block trades it was 1,000 shares. The bulk of such participation, at least when the orders were relatively small in size, probably arose from the unprepared presence of the broker in the vicinity of the post at the time. In some cases, however, particularly those involving large orders, the broker could have been there because of rumors of an impending block or a message from the specialist.⁸⁷

Additional shares that many have been represented by broker-dealers that happened to be in the vicinity of the specialist's post are discussed in the next section but cannot be definitely identified.

(5) *Other broker-dealers not in the vicinity of the post.*—A majority but not all of the remaining 15 to 18 percent of the shares on the passive side and 1 to 7 percent of the shares on the active side was accounted for by other broker-dealers that were not in the vicinity of the post at all or were there as the result of prior arrangements, either downstairs or upstairs.

On the passive side transactions for other broker-dealers that either were not members of the NYSE or paid floor brokerage to the block trade assembler amounted to 1 percent in the random sample \$1 million and over. On the active side they amounted to 3 percent.

On the passive side other broker-dealers for their own accounts represented 1 percent of the shares in the random sample \$1 million and over and a somewhat larger proportion in the random sample \$10 million and over. Such participation occurred in 23 of the 193 blocks and, for all but two, was in the amount of 1,000 shares or over. The largest such participation was 57,700 shares. It was 10,000 shares or more in six other blocks. Although the data do not indicate for sure, it is likely that the majority of these shares was probably assembled upstairs. Other broker-dealers did not participate for their own accounts on the active side.

On the passive side other broker-dealers representing either institutions or still other broker-dealers accounted for the remaining 12 percent in the random sample \$1 million and over and a somewhat larger proportion in the random sample under \$1 million. The largest such participation was 366,800 shares. It was 10,000 shares or more in 33 additional blocks. In 58 other blocks it was under 10,000 shares.

On the active side other broker-dealers for professional customers participated in 12 of the 193 blocks. Each such participation was in excess of 1,000 shares, and nine were in excess of 10,000 shares. The largest was 69,900 shares. The participation rates in block trades of \$1 million and over was 2 percent.

Although it is not possible to tell from the data collected, it is likely that a large majority of these shares on both sides was arranged upstairs.

It is reasonably clear that the large majority of block trades of \$1 million and over is assembled over the block trade assembler's upstairs communications system. The floor of the NYSE, with the exception of the specialist in some blocks, has little to do with the process directly.

⁸⁷ See subsecs. C.2.c(2) and C.2.c(4) (a), above.

On the other hand, a number of different pieces of evidence from various sources has indicated that the assembly process for many smaller block trades may well be somewhat different. According to the Vickers cards based on NYSE data, there is proportionately larger participation by broker-dealers other than the block trade assembler in NYSE blocks of 25,000 shares (\$1 million of a \$40 stock) and under.⁸⁸ The Study's own sample of NYSE block trades indicates that blocks of this size often have more than one party on the active side and no direct institutional customer of the block trade assembler on the passive side.⁸⁹ Instead, there are other broker-dealers with substantial orders on the passive side.⁹⁰ The NYSE specialist participates quite extensively in block trades under \$2 million.⁹¹ Block positioning, on the other hand, does not appear to be very extensive in blocks under \$1 million.⁹² Finally, in the majority of the block trades in the sample under \$1 million the block trade assembler was a retail or research firm rather than one of the major block houses.

This combination of different bits of evidence is far from conclusive, particularly because of the small size (29 block trades) of the random sample under \$1 million.⁹³ Nevertheless, this evidence raises the possibility that small blocks up to some size—probably less than \$1 million—are frequently, and perhaps typically, assembled as a result of initial inquiries on the floor on the NYSE rather than over upstairs communication systems, and that the specialist plays a central role in the process, either as a participant for his own account and/or as a finder. This is not to say that such small block trades would be executed in the regular course of the round lot market rather than negotiated beforehand. It is only the location of at least the initial negotiations and the types of parties involved that appear to differ.

Interviews by the Study have confirmed the possibility about the assembly process for small block trades raised by the data and suggested that the breakpoint is in the area of \$500,000 (12,500 shares of a \$40 stock). If such a conclusion is accurate, it would be an important one. It would mean that at least some NYSE specialists do assume the bulk of the market-making function when they are able to participate directly in the assembly process.⁹⁴ Further hard data would be necessary, however, before reaching a definite conclusion in this regard.

⁸⁸ See sec. C.2.b, above.

⁸⁹ See sec. C.2.a and subsec. C.2.c(1), above.

⁹⁰ See subsec. C.2.c(5), above.

⁹¹ See subsec. C.2.c(2), above.

⁹² See subsec. C.2.c(3), above.

⁹³ The sample is too small to indicate the relationship between the size of the blocks within the sample and the characteristics noted above.

⁹⁴ Rule 113 of the NYSE prohibits a specialist from accepting an order in his specialty stock from an institution and from "popularizing" that stock. The NYSE has informed the Study by letter, that

"A specialist, who is offered and/or is already long a substantial amount of one of his specialty stocks, is not prohibited from communicating directly with an institution in order to ascertain its interest in acquiring such stock; subject to the condition that the institution is represented by another member organization as its agent."

According to a supplementary discussion with the NYSE, such communications may encompass conversations, for informational purposes, about the condition of the market in the specialty stock at the time, including a statement of what the specialist's bid or offer might be to any broker that wanted to trade a particular number of shares in the stock under the existing market conditions. The specialist may not, however, make a firm bid or offer to the institution or discuss the identity of the broker through which the institution might subsequently trade a block of that size. Most NYSE specialists are apparently unaware of these interpretations.

b. *Disposition of block positions*⁹⁵

(1) *Holding periods*.—Block positions acquired by block trade assemblers are held for substantial periods of time. In the random sample of block trades of \$1 million and over, only 12 percent of the shares in long positions was laid off on the same day as the block. Another 10 percent was laid off on the following calendar day. At the end of one week 56 percent of the positions remained. At the end of two weeks the remainder was 36 percent, and at the end of three weeks it was 22 percent. The block trade assemblers still had 7 percent of their positions 30 calendar days after the block (Table XI-56). Surprisingly, the relative NYSE volume level of the stock seemed to have little effect on the speed of the layoff process (Table XI-57).

(2) *Other side of layoff transactions*.—The majority of block positions is probably laid off to institutions, although substantial portions are also laid off through the regular round lot market, primarily to individuals. In block trades of \$1 million and over, institutional customers of block trade assemblers accounted for 2 percent of the layoff transactions within the first 30 days and 30 percent of the shares laid off. Other broker-dealers that purchased (or sold, in the case of short positions) 1,000 or more shares per transaction accounted for an additional 10 percent of the total layoff transactions within 30 days and 41 percent of the shares laid off. It is likely that a substantial portion of these layoffs to other broker-dealers were for their institutional customers, although the data collected by the Study do not provide a way of ascertaining this for sure (Tables XI-58 and XI-59).⁹⁶ The average transaction size in this category was 3,583 shares, which is substantially larger than the size in which individuals commonly participate (Table XI-60). Thus, the total layoffs to institutions in \$1 million-and-over block trades probably account for close to 70 percent of the shares.

A large portion of the remainder of the layoff transactions was apparently made either directly or indirectly through the regular round lot market, primarily to individual investors. Individual customers of the block trade assembler itself took a negligible percentage. The specialist, however, accounted for 2 percent of the transactions and 7 percent of the shares. The odd lot dealers accounted for 3 percent of the transactions and 1 percent of the shares. Other broker-dealers took 14 percent of the shares in transactions under 500 shares, accounting for 72 percent of the total layoff transactions. In transactions this small, their customers would usually have been individuals. In addition, other broker-dealers took 8 percent of the shares in transactions of 500 to 999 shares, which constituted 11 percent of the total transactions (Tables XI-58 and XI-59). Since the average transaction size in the last category was only 598 shares, a large percentage of these transactions may have been for individual customers, also (Table XI-60).⁹⁷

None of the layoff transactions was reported to be with discretionary accounts of the block trade assembler.

⁹⁵ Since not all of the blocks in any sample were positioned, the random sample under \$1 million and the supplementary sample over \$10 million provide too few observations for any meaningful statements.

⁹⁶ Such layoffs could involve stepouts. See sec. C.2.b, above.

⁹⁷ In this size range there are a substantial number of institutional orders. See ch. XIII.C.4.a, below.

With the exception of the specialist, the time of layoff transactions to these different groups during the first 30 days of the position follows a pattern with the public first and institutions last. In the random sample of \$1 million-and-over blocks, individual customers of the block trade assembler purchased (or sold) first—on the fifth day, on the average. On the sixth day, on the average, the odd lot dealers were on the other side of the layoff transactions. The average day for broker-dealers taking 500 to 999 shares was the seventh and for broker-dealers taking under 500 shares was the eighth. On the tenth day, on the average, layoffs were made to broker-dealers taking 1,000 or more shares, and on the twelfth day they were made to direct institutional customers of the block trade assembler. Finally, the specialist was on the other side of layoff transactions, on the average, on the thirteenth day. The share-weighted average for all layoff transactions within the first 30 days of the position was the tenth day (Table XI-61).

(3) *Size of layoff transactions.*—In the random sample of block trades of \$1 million and over, 75 percent of the block positioners' layoff transactions within 30 days of the block trade were under 500 shares. They accounted for 14 percent of the shares laid off in that period. Another 12 percent of the transactions and 9 percent of the shares were 500-to-999 share transactions, and 11 percent of the transactions and 33 percent of the shares were 1,000-to-9,999 share transactions. Finally, 2 percent of the transactions and 44 percent of the shares were themselves block trades of 10,000 shares or over (Tables XI-62 and XI-63).⁹⁸

As might be expected, the size of the layoff transaction varied with the type of party on the other side. The average layoff to odd lot dealers was 256 shares, to individual customers of the block trade assembler was 580 shares, to the specialist was 2,668 shares and to institutional customers of the block trade assembler was 11,422 shares. In the three broker-dealer categories by size of layoff transaction, the average transaction sizes were 162 shares, 598 shares and 3,583 shares. The average size of all layoff transactions was 842 shares (Table XI-60).

(4) *Markets used in layoff transactions.*—In block trades of \$1 million and over, 98 percent of the block trade assembler's layoff transactions and 90 percent of the shares involved in those transactions were executed on the NYSE. Two percent of the transactions and 11 percent of the shares were on regional stock exchanges. No layoffs were executed in the third market, although some may have been made to third market firms but executed on the NYSE or on a regional stock exchange.⁹⁹ The average transaction size of layoffs on the NYSE was 770 shares and of layoffs on the regional stock exchanges was 3,840 shares. It is apparent that most of the layoffs on the regional stock exchanges were made to institutions or to other broker-dealers representing institutions, presumably for the reasons discussed later.¹⁰⁰

⁹⁸ On the basis of these figures, for every three block trades in this size category there was a block layoff transaction by the block trade assembler.

⁹⁹ NYSE Rule 394 would require permission from the exchange for such a transaction. The exception in subsection (b) is not applicable to transactions for the member firm's own account.

¹⁰⁰ See sec. C.3.e, below.

(5) *Use of the NYSE specialist.*—Of those layoffs made on the NYSE from block trades of \$1 million and over, 37 percent of the transactions and 22 percent of the shares were executed through the specialist. The block positioner utilizes the specialist either by placing limit orders on the specialist's book or by giving him an order to do a certain percentage of the volume. The remainder of the layoff transactions was executed either by the block trade assembler's own floor broker or by an independent floor broker on its behalf (Table XI-65).

NYSE specialists are prohibited from accepting not held orders—orders that are neither limited as to price nor required to be executed immediately (market orders).¹⁰¹ The NYSE does not, however, consider an order to do a specified percentage of the volume to be a not held order.¹⁰² Block trade assemblers told the Study that most layoffs through the specialist are accomplished by such orders. This is another example of the close relationships that exist between the specialist and block trade assembler in the block trading process.¹⁰³

(6) *Subsequent increases in position.*—Although a block trade assembler is normally anxious to dispose of its position as quickly as possible, it will occasionally engage in subsequent transactions that increase rather than decrease that position. Twelve different block trade assemblers included in the Study's survey engaged in such transactions. Forty-five transactions for a total of 8,311 shares were under 500 shares, 17 for a total of 9,700 shares were from 500 to 999 shares, 42 for a total of 134,500 shares were from 1,000 to 9,999 shares and 16 for a total of 480,200 shares were themselves block trades of 10,000 shares or more (Table XI-66).

The larger transactions probably occurred when additional sellers (or buyers, in the case of a short position) came to the block trade assembler after the execution of the block with additional stock for sale. In such a case, the block trade assembler had the option of positioning that stock or of seeing it disposed in the market in a manner that might affect the round lot price of the stock adversely to the block trade assembler's efforts to dispose of its own position with as little loss as possible. The block trade assembler is virtually forced to assume this additional position. Also, the block trade assembler may have made assurances to its customers on the passive side that the block would be "cleaned up" and not continue to overhang the market. Positioning additional stock, particularly blocks and particularly from the same seller,¹⁰⁴ would probably be necessary to keep the customers on the passive side satisfied.

The smaller transactions, on the other hand, are more likely to be initiated by the block trade assembler itself. The chances are slim, indeed, that an individual or another broker-dealer with less than 500 shares to sell, for example, would call a large broker-dealer with predominately institutional customers merely because that firm had recently executed a large block in the stock. More likely such an order

¹⁰¹ See subsec. C.2.c(4) (a), above.

¹⁰² Memorandum from NYSE Floor Department to all Members and Member Organizations (January 17, 1969).

¹⁰³ See subsec. C.2.c(2), above.

¹⁰⁴ If the seller has numerous individual managers, its trading department may not have been able to ascertain the full size of its selling interest.

would be routed down to the floor of the NYSE by the seller's regular broker to be executed in the normal course. The stock would then be purchased by the block trade assembler only if it was actively bidding for the stock in the crowd or hitting offers as they were made.

Subsequent increases in positions by block trade assemblers raise serious questions under existing statutes and rules. Rule 10b-6 under the Securities Exchange Act in essence prohibits, with certain stated exceptions, the acquisition of securities by a person in the process of distributing the same securities. No definitive ruling has ever been made by the Commission whether or in what circumstances the disposition of a block position is a distribution.¹⁰⁵

In addition, Section 9(a) of the Securities Exchange Act generally prohibits manipulation, which includes purchasing or selling a security for the purpose of affecting the market to induce others to trade, unless exempted by some rule of the Commission. The application of this statutory provision to subsequent increases in position by block trade assemblers must also be considered.¹⁰⁶

With respect to both of these legal provisions, considerable confusion exists among block trade assemblers about their right to increase their positions, particularly in small transactions in the regular round lot market. This confusion apparently accounts for the presence of some but not many transactions in the Study's survey. Thus, transactions of this nature are made by block trade assemblers but are not very frequent. It should be noted, however, that except in one block trade, the transactions so reported in the sample were all at or below the price of the original block.

(7) *Profit or loss on block positions.*—The NYSE has interpreted its antirebate rules to preclude layoffs by block trade assemblers on the same day as the block trade except at a profit. Exception from this ruling may be obtained by prior permission of a floor governor who has determined "that the firm has established a risk position in the security. . . ." The theory behind the ruling is that expected losses in riskless-principal trades might otherwise be used by the block trade assembler to rebate part of the commission on a block trade to a customer.

Either this ruling is not very effective, or permission by the floor governor is frequently granted in the case of true risk positions. Seventy-nine percent of the same-day layoff transactions for 39 percent of the shares are at a better price than the block trade. Eleven percent of the transactions for 59 percent of the shares, however, are at the same price; and 10 percent of the transactions for 2 percent of the shares are at a loss. Indeed, the average size of the break-even transaction is 6,419 shares, indicating that such layoffs are normally made to institutions (either directly or through other brokers)—the very situation that would seem to lend itself most to anticipated losses on riskless transactions (Table XI-67).¹⁰⁷ The Study has been told that

¹⁰⁵ In response to requests for interpretation the Division of Trading and Markets has taken the position that such a disposition may or may not constitute a distribution according to the particular circumstances involved. The most important circumstances are number of persons to whom block is offered and/or the number and size of the layoff transactions.

¹⁰⁶ See also NYSE Rule 410, which limits the disposition of stock acquired on plus and zero-plus ticks.

¹⁰⁷ This figure was derived by dividing the total number of shares by the total number of transactions.

the NYSE ruling is not strictly enforced. In any event, to the extent that the need to seek prior approval inhibits the block positioner from minimizing its losses in true risk situations because of time, paperwork or the possible disclosure of its position, it increases the overall risk of block positioning. The Study was not able, however, to ascertain the extent to which any such inhibition actually exists.

On their overall layoff activities block trade assemblers suffer trading losses—before consideration of the commission equivalents from positioned shares which are recorded in separate accounts on their books.¹⁰⁸ The following table shows summary profit and loss figures for the block trades in the Study's sample. Prior positions were marked to the market at the price of the block. The position remaining at the close of the thirtieth calendar day was marked to the market as of that time.

¹⁰⁸ See ch. XII.I.2.e, below.

TABLE XI-36

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 PROFITS OR LOSSES BY BLOCK POSITIONERS WITHIN THIRTY DAYS
 (THOUSANDS OF DOLLARS)
 MINUS DEBITED LOSS

NOTE: PRIOR POSITIONS HAVE BEEN MARKED TO THE MARKET AS OF THE TIME OF THE BLOCK TRADE. POSITIONS REMAINING AT THE CLOSE OF THE THIRTIETH DAY HAVE BEEN MARKED TO THE MARKET AS OF THAT TIME.

YEAR	PRIOR POSITION	PARTICIPATION	LATER INCREASES	TOTAL BASIS	LATER DECREASES	POSITION LEFT	TRADING PROFIT	GROSS COMMS'N	GIVEUPS	NET COMMS'N	NET PROFIT
RANDOM (\$1MM-)											
1968		\$174		\$174	\$167		\$-7	\$6		\$6	\$-1
1969		\$1,685		\$1,685	\$1,649		\$-38	\$27		\$27	\$-10
		\$1,859		\$1,859	\$1,915		\$-45	\$33		\$33	\$-11
RANDOM (\$1MM+)											
1968	\$25	\$32,300	\$3,902	\$36,227	\$33,295	\$2,870	\$-62	\$906	\$56	\$850	\$788
1969	\$5,689	\$54,514	\$6,865	\$67,064	\$61,307	\$5,414	\$-345	\$1,398		\$1,398	\$1,053
	\$5,714	\$86,814	\$10,767	\$103,293	\$94,602	\$8,284	\$-407	\$2,304	\$56	\$2,248	\$1,841
OTHER (\$10MM+)											
1968		\$6,477	\$12,027	\$18,504	\$16,332	\$1,383	\$-789	\$1,098	\$211	\$887	\$98
1969		\$17,180		\$17,180	\$15,420	\$1,734	\$-26	\$579		\$579	\$553
		\$23,657	\$12,027	\$35,684	\$31,752	\$3,117	\$-815	\$1,677	\$211	\$1,466	\$651
	\$5,714	\$112,330	\$22,794	\$140,836	\$128,169	\$11,401	\$-1,267	\$4,014	\$267	\$3,747	\$2,481

With these accounting assumptions, in the random sample \$1 million and over the trading loss was \$407,000, or slightly less than one-half of one percent of the amount positioned. Of the 66 blocks in this sample that were positioned, 31 resulted in a trading profit, 25 resulted in a trading loss and 10 were even. The largest trading profit in all three samples on a single block trade was \$186,000. The largest single trading loss was \$764,000.¹⁰⁹

The market was considerably worse during the portion of the study period occurring in 1969 than in the portion occurring in 1968. In this context, trading losses in the random sample \$1 million and over in 1968 were \$62,000, or about one-fifth of one percent of the amount positioned. In 1969 they were \$345,000, or slightly over one-half of one percent of the amount positioned. If only the block trades in stocks in the top 20 percent of the NYSE volume are considered, the 1968 loss changes to a profit rate of about three-fourths of one percent, and the 1969 loss rate rises to 1 percent (Table XI-68).

In this sample trading losses only offset part of the brokerage commissions, leaving a net profit of \$1,841,000, or 2 percent of the amount positioned and 82 percent of the brokerage commissions net of giveups. It should be noted that these figures are not net profits and losses. They do not include all the variable costs of block trading, such as interest and salesman's compensation, or any allocation of the fixed costs, such as telephone lines and back office personnel.¹¹⁰

The abolition of customer-directed giveups by the NYSE as of December 5, 1968, eliminated the deduction between gross and net brokerage commissions. The institution of a volume discount on that date, however, also decreased the gross commissions and therefore the net commissions as well. In 1968 the net commissions represented 3 percent of the amount positioned in the random sample \$1 million and over as against 2 percent in 1969. The net profit fell from 93 to 75 percent of the net commissions. Because 1969 was a year in which the market fell substantially, it is not possible to ascertain the extent to which the reduced profit rates resulted from this decline or from the possible inability of a block positioner to preserve its profits by increasing its spread to compensate for a decrease in commissions.¹¹¹

3. *Regional Exchange Block Trades*¹¹²

a. *Concentration by exchange*

As shown in the following table the distribution of total regional exchange block trades (2,000 or more shares) among the regional stock exchanges has changed substantially since December 5, 1968.

¹⁰⁹ These figures are not substantially different if only block trades in stocks in the top 20 percent of NYSE volume are considered (Table XI-68).

¹¹⁰ See ch. XIII.B, below, for a general discussion of the profitability of institutional brokerage business.

¹¹¹ See ch. XII.I, below, for a fuller discussion of this point as well as more comprehensive data on trading profits and losses.

¹¹² See subsec. B.1.b(1), above, for a description of the data base.

TABLE XI-37.—DISTRIBUTION OF TOTAL REGIONAL EXCHANGE BLOCK VOLUME (2,000 OR MORE SHARES) IN NYSE LISTED STOCKS AMONG REGIONAL STOCK EXCHANGES

Exchange	1968		1969		1968-69	
	Blocks	Shares	Blocks	Shares	Blocks	Shares
Boston.....	16.98	23.40	6.70	5.19	12.27	14.02
Detroit.....	11.32	11.78	0.25	0.15	6.25	5.79
Midwest.....	37.10	27.05	46.15	34.28	41.25	30.78
Pacific Coast.....	20.36	22.97	31.76	45.08	25.57	34.27
Philadelphia-Baltimore-Washington.....	14.26	15.00	15.14	15.30	14.66	15.15
Total ¹				100.00		

¹ Numbers may not total exactly due to rounding.

From 1968 to 1969 the number of blocks executed on the Boston Stock Exchange ("BSE") decreased by about 67 percent and the number of shares, by about 76 percent. Although the block trades on that exchange were larger in size than the average for all regional exchanges in 1968, in 1969 they were about the same as the average. Between the two years block volume on the Detroit Stock Exchange ("DSE") became virtually nonexistent. The Midwest Stock Exchange ("MSE") increased its proportion of the block volume by about 5 percent and its proportion of the share volume by about 35 percent, indicating a moderate increase in the size of the blocks traded there. The Pacific Coast Stock Exchange ("PSE") increased its proportion of the number of blocks by about 32 percent and almost doubled its proportion of the share volume. The Philadelphia-Baltimore-Washington Stock Exchange's ("PBWSE") share of the block volume did not undergo any significant change between the two periods. If only regional exchange block trades over 10,000 shares are considered, the shifts by percentage of shares from 1968 to 1969 among the regional stock exchanges become even more striking. The BSE dwindled from 35 percent to 5 percent. The DSE went from 12 percent to nothing. The MSE doubled from 13 percent to 27 percent; and the PSE almost doubled, rising from 27 percent to 59 percent. The PBWSE stayed fairly stable, going from 13 percent to 15 percent (Tables XI-73 to XI-77).

Data on all regional exchange transactions (in NYSE-listed and other stocks) during one week late in 1969 and two weeks in 1970 indicate that the BSE's share of 10,000 or-more-share transactions in NYSE-listed stocks has continued to shrink, the MSE's has shrunk slightly and the PBWSE's has increased substantially while the PSE's share has decreased substantially (Table XI-69).

b. *Specialist participation*¹¹³

Specialists on regional stock exchanges participated in 31 percent of all block trades (2,000 or more shares) on those exchanges for 13 percent of the total number of shares involved. Even if the DSE, which has no specialists, is excluded, the regional specialist participation rate was still 13 percent of the total shares. There were wide varia-

¹¹³ This section deals only with specialist activities. Some regional specialists, particularly NYSE member firms maintain separate block trading departments in which they also engage in block positioning. See, e.g., In the matter of SEC Rate Structure Investigations of National Securities Exchanges, Commission File No. 4-144 ("SEC Rate Hearings"), pp. 1229-1233.

tions, however, among the different regional exchanges. The BSE had no specialist participation whatsoever in the block trades done there. Specialists on the MSE participated in 53 percent of the blocks for 28 percent of the shares. Specialists on the PSE participated in 26 percent of the blocks for 9 percent of the shares. Finally, specialists on PBWSE participated in 18 percent of the blocks for 6 percent of the shares (Table XI-70).

The fact that the participation rate by number of shares is always lower than the participation rate by the number of blocks could arise because the regional specialists only participate for a percentage of each block, and/or because their participation is concentrated in the smaller blocks. Breakdowns of the above figures by size of block trade indicate that the latter is primarily the case. Specialist participation by number of blocks ranges from 36 percent in the 2,000 to 5,000 share category to no participation in the blocks over 100,000 shares. On the other hand the participation rate by number of blocks is only 1.3 times the participation rate by number of shares in the 2,000 to 5,000 share category. In the 10,001 to 25,000 share category (the largest category in which there is any specialist participation) it is 4.5 times as great (Tables XI-71 to XI-77). This indicates that in the smaller blocks the regional specialist accounts for substantially all of one side of the block trade. As the block increases in size, his participation rate by the percentage of shares decreases.

If only trades over 10,000 shares are considered, the share participation rate for all regional exchanges was 2 percent, both including and excluding the DSE. The share participation rates for the individual regional exchanges were 5 percent for the MSE, 1 percent for the PSE and none for the BSE and PBWSE (Tables XI-73 to XI-77).

In addition to participation for his own account, the regional specialist may also act as a floor broker to bring together two regional upstairs members with institutional orders on opposite sides, particularly when the upstairs firms do not want to deal directly because of their close identification with the customer.¹¹⁴ Some regional specialists have told the Study that they are in a better position to perform this service than the NYSE specialist because they are not usually as busy, and their normal trading activities would be less likely to interfere with the orders.¹¹⁵

c. *Same broker-dealer on both sides*

A large proportion of the block trades (2,000 or more shares) on regional stock exchanges are crosses—that is, the same broker-dealer represented all or any part of both sides of the transaction.¹¹⁶ For all regional exchanges considered together, crosses constituted 26 percent of the number of blocks and 43 percent of the number of shares. Among exchanges there was a wide variation in the figures that they reported to the Study. On the DSE crosses accounted for 96 percent of the blocks and 99 percent of the shares. At the other extreme, on the MSE the crosses were reported to account for 5 percent of the blocks and 7 percent of the shares. On the three other regional exchanges report-

¹¹⁴ For example, this could arise if the member firm was executing the order for a mutual fund that it managed.

¹¹⁵ See also SEC Rate Hearings, pp. 4406-4407.

¹¹⁶ This definition of a cross differs from that used by the NYSE. See sec. B.1.a, above.

ing block trades crosses accounted for approximately one-third of the block trades and approximately 57 percent of the shares (Table XI-70).

Unlike specialist participation rates,¹¹⁷ the percentage rates by shares for crosses are greater than the percentage rates by number of block trades. The inference that crosses are more prevalent in the larger block trades than in the smaller is confirmed by a breakdown by size of block trade. Only 20 percent of the blocks in the 2,000 to 5,000 share category were crosses; all of the blocks over 100,000 shares were crosses. Similarly, although the percentage of shares crossed in only 1.7 times the percentage of blocks crossed in the 2,000 to 5,000 share category, the same broker-dealer represented all the shares on both sides of the blocks over 100,000 shares (Tables XI-71 to XI-77).

If only regional exchange block trades over 10,000 shares are considered, 62 percent of the shares was reported as crossed. The BSE reported 77 percent, the DSE reported 100 percent and the MSE reported 12 percent. On the PSE, 75 percent of the shares was reported as crossed. The comparable figure for the PBWSE was 66 percent (Tables XI-73 to XI-77).

With the exception of a large number of trades by a single broker-dealer on the DSE in 1968, virtually all of the block trades on the regional stock exchange that were crosses were executed by broker-dealers that were dual members of the regional exchange and the NYSE.¹¹⁸ If these DSE crosses are excluded, the figures for regional crosses by NYSE members are 92 percent of the total regional crosses and 88 percent of the shares in those trades (Table XI-78). It is obvious that broker-dealers do not execute crosses on the regional stock exchanges simply because they are not members of the NYSE, or vice versa.

d. *Relation to NYSE range*

The great majority of block trades (2,000 or more shares) on the regional stock exchanges are within the range of the high and low prices for the stock that day on the NYSE. The proportion of all block trades falling within the range was 92 percent, and proportion of all shares within the range was 83 percent. As indicated by the difference between the two percentages, the larger trades tended to fall outside the range to a greater extent than the smaller ones. There is no other particular pattern to trading outside the range. On days in which the Dow-Jones Industrial Index fell, 3 percent of the blocks and 10 percent of the shares were below the low while 5 percent of the blocks and 3 percent of the shares were above the high—most of these within 1 percent of the high. On days in which the Dow-Jones Industrial Index rose, the blocks outside the range were only slightly more evenly distributed, with 3 percent of the blocks and 11 percent of the shares above the high and 5 percent of the blocks and 7 percent of the shares below the low (Tables XI-79 and XI-80).

¹¹⁷ See sec. C.3.b. above.

¹¹⁸ Either because of sampling errors or a misunderstanding of the instructions to Form I-19 the reported crosses did not include any of the large number of block trades crossed on the BSE and the MSE in 1968 by two nonmembers of the NYSE. See SEC Rate Hearings, pp. 858, 915-917.

It is not entirely clear to what extent block trades on the regional stock exchanges can be meaningfully measured against the day's range on the NYSE. If the regional block represents a partial execution of a larger block executed primarily on the NYSE, it will almost necessarily fall within the range established by the primary portion of the block. It is highly unlikely that any customer would accept a split execution that yielded an inferior price for the regional portion. Even if the block is primarily executed on the regional exchange, enough shares may be executed on the NYSE to bring the high or low price for the day in line with the regional price—that is, all bids or offers on the NYSE at better prices will be “hit,” and a small portion of the block may be crossed there at the same price as the remainder on a regional stock exchange.¹¹⁹ The book on the NYSE is thus cleared to the block price, which would also occur if the entire block were executed on that exchange.

e. *Reasons for execution on regionals*

In the 1963 Special Study surveyed member firms of the regional stock exchanges and institutions about their reasons for executing transactions in dually traded NYSE-listed stocks on the regional exchanges.¹²⁰ This Study conducted a similar survey of institutions in 1969 to ascertain their current practices.

Of the 168 institutions questioned by the Study, 38 percent sometimes direct broker-dealers to execute orders in dually traded stocks on regional stock exchanges. The following table shows the extent to which the various institutional groups differ in this respect. A larger percentage of property and liability insurance companies and banks issue such directions than of other institutional groups. Investment advisers are about average in this respect. None of the foundations surveyed issued any such directions.

¹¹⁹ See, e.g., SEC Rate Hearings, pp. 683-684, 927-928, 5079.

¹²⁰ Pt. 2, pp. 858, 1086. See also SEC Rate Hearings, MSE Exhibit J.

TABLE XI-38

Extent to Which Institutions Direct Broker-Dealers To Execute
Orders in Dually Traded Stocks on Regional Stock Exchanges

<u>Type of Institution</u>	<u>Number of Respondents</u>	<u>Direct Regional Executions</u>	<u>Percentage That Direct Regional Executions</u>
Bank	49	24	49%
Endowment	15	4	27%
Foundation	9	0	0%
Investment Adviser	81	32	40%
Life Insurance	26	8	31%
Property and Liability Insurance	20	10	50%
Self-Administered Pension	<u>17</u>	<u>6</u>	<u>35%</u>
	168	82	38%

The reason most frequently given by all institutional groups for directing regional executions was the availability of a better price on the regional exchange. The next most frequent reason was the saving of local taxes, particularly the New York State stock transfer tax. The different trading hours of the PCSE were also given as a reason by many institutions, as was the reduction in price impact from split execution of a block between the NYSE and regional exchanges. Other reasons given by a few institutions were, in order of frequency, desire to deal on a local stock exchange, directions of customers, differences in public reporting of transactions and rules about commission sharing (Table XI-81).

Institutions were also asked by the Study to state the frequency with which they directed regional executions in specified sizes of orders. With the exception of odd lots, for which such directions were issued substantially less frequently,¹²¹ the frequency with which such directions were given did not vary significantly among the other order sizes. Consequently, although the above figures did not differentiate between block trades and other regional executions, the reasons for institutional direction of regional executions in general are also applicable to block trades. Several of these reasons deserve more detailed discussion. First, however, one additional reason not specifically included in the list should be mentioned.

The practice of some NYSE specialists to insist on participating in a clean cross without bettering the price has already been discussed.¹²² A number of institutions and broker-dealers have complained about this practice, and the institutions direct or allow their brokers to execute block trades on regional exchanges to avoid the NYSE specialist. Orders at better prices on the NYSE specialist's book or in the crowd at his post may also interfere with a clean cross, and NYSE member firms will sometimes take block trades to regional exchanges to avoid such participation also, although some firms do at least try to fill orders on the NYSE specialist's book.¹²³ If the NYSE member firm represents both sides of the transaction, there is a conflict between the interest of the side whose participation would be reduced and the side that would receive the better prices. The side whose participation would be reduced, however, may insist upon full participation or none at all, thereby giving the other side the option of foregoing a better price on part of the transaction or not trading.¹²⁴ Most institutions told the Study that they do not object to losing stock in reasonable amounts to public investors on the NYSE specialist's book, since they see a long run value in encouraging participation in the securities markets by individual investors.

The normal rate of the New York State transfer tax on stocks selling for more than \$20 per share is five cents per share.¹²⁵ This is about 22 percent of the current minimum stock exchange commission on 10,000 shares of a \$40 stock. The rate for nonresident individuals is gradually being reduced to 50 percent of this amount by July 1, 1973;

¹²¹ Banks, which have more odd lots than any other institutional group, direct regional executions for them as frequently as for other sizes of orders. See ch. XIII.C.4.a, below.

¹²² See subsec. C.2.c(2), above.

¹²³ See, e.g., SEC Rate Hearings, pp. 683-684.

¹²⁴ See SEC Rates Hearings, p. 1084.

¹²⁵ N.Y. Tax L. § 270(2) (1970 Supp.).

but no such reduction is being made for nonresident institutions.¹²⁶ In addition, a daily limit on the tax with respect to a single order presently exists at \$1,250 and is gradually being lowered to \$350 by July 1, 1973.¹²⁷ This limitation applies irrespective of the residence of the taxpayer. When the limitation becomes fully effective, the transfer tax on 10,000 shares of a \$40 stock will be 15 percent of the current minimum stock exchange commission. On 100,000 shares it will be only 2 percent of the commission. The limitation applies, however, only to a "sale made within the state," while the tax itself applies to both sales and transfers within the state. Thus, if a block is sold on a regional stock exchange but the transfer agent is in New York State, a higher rate of transfer tax would be applicable than if the block was sold on the NYSE.

Differences in public reporting of transactions on regional stock exchanges arise because those exchanges either have no ticker tape, or the ticker tapes are not widely followed. The advantage to this lack of widespread, immediate public reporting as seen by a party to a regional transaction has been expressed as follows by a large fund adviser :

Undue activity on the New York Stock Exchange can attract traders; small to medium blocks can be traded on regional exchanges with little or no publicity. This is especially important when the fund(s) are taking a new position in a stock or are reducing a large position.

regional execution in this way :

Crosses can be effected regionally without basically effecting [sic] the "New York" market. Since the "New York" market is generally the criteria for trading on the regional exchanges, often the market can be preserved for future transactions in the same security. This is particularly important to a trust institution where it is usually impossible to coordinate the purchase or sale of a particular security for all trust accounts at the same time.

Broker-dealers also value the reduced public disclosure that regional executions of block trades give them. This is particularly true of block positioners. For example, in one large block trade a leading block positioner went short 65,100 shares on the PSE in order to complete a transaction of 470,000 shares. The block positioner then began to cover its short position at a profit on the NYSE, where the market had not been affected by the block trade. In this respect, another leading block positioner has explained the advantages of a regional execution in this way :

"Q. Why [do you execute on regionals] ?

"A. There are times when we do not want to print, for market reasons.

"Q. Would you explain that ?

"A. Yes. There are stocks that are relatively inactively traded on the New York, which are duly [sic] listed elsewhere. We know that a large block of that stock appearing on the tape on the New York Stock Exchange might—for instance, some people who are short the stock may see this large print. They may come in there and run the other way on us. So we do not want the activity on the tape in New York. We can do it out on a regional.

"Q. Is it fair to say then that you might then go to a regional exchange also, to avoid the publicity of the transaction having occurred ?

"A. I think that is saying the same thing, yes." ¹²⁸

Although the answer most frequently given by institutions for the execution of block trades on regional exchanges was the availability

¹²⁶ N.Y. Tax L. § 270-a(1) (1970 Supp.).

¹²⁷ N.Y. Tax L. § 270-a(2) (1970 Supp.).

¹²⁸ SEC Hearings, pp. 684-685.

of a better price and the reason least frequently given was rules about commission sharing, the data about actual regional block trades indicates that some misunderstanding may have been involved. Block trade assemblers will sometimes find small or medium sized orders on the floor of regional stock exchanges and will split the execution of the block between the regional exchanges and the NYSE to take advantage of these orders to attempt to reduce the total price impact of the block.¹²⁹ Most of these orders are probably for the regional specialist's own account.¹³⁰ But this was one of the other specific reasons frequently given by the institutions for regional executions and should not have been included in the general category of better price. Moreover, the large proportion of regional block trades that are crosses arranged by NYSE members could have been executed on any exchange where the stock was traded.¹³¹

The redistribution of block trading on regional exchanges that has occurred since the abolition of giveups is also pertinent here. Initially, the share of regional block volume declined sharply on the BSE and DSE, which were previously the most liberal with respect to giveups but do not allow institutional membership, while at the same time it increased sharply on the PSE, which allows at least some forms of institutional membership. The share of the MSE, however, whose giveup rules were never substantially more liberal than those of the NYSE and which limits institutional membership, also increased sharply. Now, as the PBWSE is becoming the main exchange for institutional membership, there is a substantial increase in the share of regional block volume on that exchange while the share of the PSE has declined, as has that of the MSE to a slight extent.¹³² Since specialist participation in block trades has actually decreased slightly from 1968 to 1969 on all regional exchanges, it is hardly likely that this redistribution of business has resulted from market-making activities by regional specialists (Table XI-70). Rather, with the exception of the MSE, the commission saving and commission sharing that results from the various different forms of institutional membership currently appears to be the most dynamic factor in the execution of block trades in dually traded stocks on the regional stock exchanges.¹³³

4. Third Market Block Trades

a. *Concentration by firm*

Third market block volume is highly concentrated. In both 1968 and 1969 one firm accounted for 44 percent of all block trades (2,000 or more shares) in the third market. In both years three other firms each accounted for 10 to 26 percent of the blocks. In 1968 these four firms

¹²⁹ See, e.g., SEC Rate Hearings, pp. 681-682.

¹³⁰ There is somewhat contradictory evidence about the extent of this practice, at least as far as orders by the regional specialist are concerned. In small block trades (2,000 or more shares) regional specialists, especially on the MWSE, often account for the entire block. See sec. C.3.b., above. On the other hand, the average NYSE price changes when the MWSE specialists have unusual position changes indicate that there are no NYSE block trades being executed at the same time. See ch. XII.F, below. Neither piece of evidence is particularly strong.

¹³¹ See sec. C.3.c., above. The same could be said about crosses executed on the NYSE by dual members.

¹³² See sec. C.3.a., below.

¹³³ See XIII.B.4 and XIII.D.2, below, for a detailed discussion of giveups and institutional membership on regional stock exchanges.

accounted for a total of 87 percent of the blocks, with the remaining business divided up in small pieces among eight additional firms. In 1969 the top four firms accounted for a total of 83 percent of the blocks, and the remaining business was divided into small pieces among 10 other firms, three new firms having executed blocks and one old firm not having executed any (Table XI-82).¹³⁴

When concentration in third market blocks is examined in terms of the number of shares, the distribution is somewhat different. The largest firm had only 28 percent of the block shares in 1968 and only 32 percent of the block shares in 1969, indicating that it deals primarily in the smaller size blocks. Two of the other large firms had significantly lower proportions of the number of shares, while the fourth such firm had a significantly higher proportion of the number of shares, particularly in 1968. The four firms together accounted for 78 percent of the block shares in 1968 and 66 percent in 1969. The remaining firms generally had higher proportions of the number of shares than of the number of blocks, although only one of those firms in one year accounted for more than 10 percent of the total shares (Table XI-83).¹³⁵

b. *Number of participants*

Third market block trades are less complex in structure than block-trades of similar size executed on the NYSE.¹³⁶ Only 20 of the third market block trades reported, constituting a total of 718,100 shares,¹³⁷ involved more than one party on either side. Of the 20 blocks involving multiple parties, in 13 there were two parties on one side, in four there were more than two parties on one side and in the remaining three there were two or more parties on each side. No block trade involved more than five parties on one side, and those five parties were individuals associated with the third market firm.¹³⁸

All of the third market blocks with more than one party on either side were executed primarily or completely on an agency or riskless principal basis and involved no substantial dealer positioning.¹³⁹ In one trade the third market firm positioned 400 out of 15,000 shares. In another, it positioned 500 out of 5,000. All of the remaining multiparty block trades were clean crosses.

¹³⁴ See sec. B.1.b, above, for a description of the four-week sample upon which this section is based. One former major NYSE block positioner, which resigned its exchange memberships in mid-1969, is included only in the fourth week. Another former large NYSE firm that entered the third market after the fourth week is not included at all. In 1970 the market share of the third market has increased substantially. See sec. B.3, above. Consequently, the data presented in this section may not be representative of the block trading currently taking place in the third market.

¹³⁵ One firm was a member of the NYSE during the first of two sample weeks in 1969. Nevertheless, it accounted for 5 percent of the total shares for both weeks in that year. See ch. XII.I.2, below, for comparable data on the concentration of member firm block positioning.

¹³⁶ See sec. C.2.a, above.

¹³⁷ One of the 20 was 320,000 shares and involved only two buyers and one seller.

¹³⁸ The next largest number was three.

¹³⁹ The Study did not collect information about initial bids or offers in third market block trades comparable to the information collected with respect to NYSE block trades. See subsec. C.2.c(3), above. Consequently, on the basis of the data collected, it is not possible to state the frequency, if any, with which third market firms make such bids or offers in the process of assembling block trades. One third market firm has told the Study that it does make such bids and offers.

c. *Types of customers*

Banks and investment advisers (including mutual fund accounts) represented the great majority of the share volume in block trades (2,000 or more shares) in the third market in both 1968 and 1969. Banks represented 26 percent of such volume in 1968 and 33 percent in 1969. Investment advisers represented 57 percent in 1968 and 44 percent in 1969. Foundations and both types of insurance companies increased their block volume in the third market significantly in 1969, although together still accounting for only 10 percent of the total. The only other group with significant third market block volume in either year was broker-dealers other than third market firms, accounting for 5 percent in 1968 and 6 percent in 1969 (Table XI-84).

d. *Principal v. agency*

Seventy-five percent of the third market block trades (2,000 or more shares) and 52 percent of the shares in those block trades were executed on a principal-at-risk basis. The remaining 25 percent of the blocks and 48 percent of the shares were either agency or riskless principal.¹⁴⁰ The agency and riskless principal trades predominated in the larger size block trades while the principal-at-risk transactions predominated in the smaller ones. For example, in the 2,000-to-5,000 share category principal-at-risk transactions accounted for 84 percent of the blocks and 81 percent of the shares. These percentages decreased sharply at the 5,000 share level and again at the 25,000 share level. For all block trades over 25,000 shares (\$1 million of a \$40 stock), principal-at-risk transactions represented about one-half of the total number of blocks and about one-fourth of the total block shares. Only one principal-at-risk transaction in excess of 50,000 shares and none in excess of 75,000 shares were reported (Tables XI-21, XI-22 and XI-85).

Among the third market firms there is a wide variation both in the commitment of capital to principal-at-risk transactions and the confirmation of nonrisk transactions either as agent or as riskless principal. Of the 15 firms reporting blocks, nine reported one or more principal-at-risk transactions. All firms but one, however, reported either agency or riskless principal transactions. Four of them reported no agency transactions, five reported no riskless principal transactions and the remainder reported both. For the predominant firm in the business 96 percent of its total blocks and 95 percent of its total shares were on a principal-at-risk basis, and the rest were riskless principal. None were agency. For the three other large firms combined, 72 percent of their total blocks and 49 percent of their total shares were principal at risk, 12 percent of the blocks and 14 percent of the shares were agency and 16 percent of the blocks and 37 percent of the shares were riskless principal (Tables XI-82 and XI-83).

e. *Commission rates and riskless principal spreads*

On agency and riskless principal trades the difference between the price paid by the buyer and the price received by the seller is the

¹⁴⁰ A riskless principal transaction is one "in which a broker-dealer who neither is a primary market maker nor has a bona fide inventory position elects to execute a customer's purchase order by buying from another broker-dealer and reselling to the customer (or the reverse in the case of a customer's sale order) on a 'net' basis without disclosure of markup or commission." Special Study, pt. 2, p. 676.

amount of the total broker-dealer charges for both sides, or spread¹⁴¹ In 1968 the average spread between the two sides per 100 shares was \$27.24 when weighted by the number of blocks and \$26.46 when weighted by the number of shares. The share-weighted figure was only 31 percent of the then stock exchange minimum commission of \$43.00 on each side for 100 shares of a \$48.00 stock.¹⁴² The average spread per 100 shares for third market block trades in 1968 did not systematically vary to any great extent in relation either to the number of 100-share lots involved or the price of the stock (Tables XI-86 to XI-89).¹⁴³ By comparison, the minimum commission rate then in effect on the NYSE ranged from \$27.00 per 100 shares on each side for a \$20.00 stock to \$49.00 per 100 shares on each side for a \$100.00 stock but also did not vary in relation to the number of 100-share lots involved.

On December 5, 1968, all stock exchanges instituted a volume discount for every 100-share lot after the first 10.¹⁴⁴ Thus, for those shares after the first 1,000 of each order the minimum commission was reduced on each side of a block trade in a \$48.00 stock from \$43.00 to \$27.00 per 100 shares. Including the first 1,000 shares, the rates would be somewhat higher. The spread sizes for block trades in the third market, however, did not change appreciably. The average spread weighted by the number of blocks only fell from \$27.24 to \$26.64, and the average spread weighted by the number of shares rose from \$26.46 to \$29.93. These small differences could easily be accounted for by sample variations rather than a change in charges in response to the institution of the stock exchange volume discount. In any event, the share-weighted average spread in the third market in 1969 was still only 55 percent of two NYSE minimum commissions for 100 shares of a \$48.00 stock after the first 1,000 shares and a somewhat smaller percentage of the NYSE commissions on the whole order. It is apparent that the gap between the third market spread and the stock exchange minimum commission was still sufficiently large to make the third market executions very attractive as a way of saving commissions. Again in 1969, the average third market spreads did not show any systematic correlation either with the price of the stock or the number of 100-share lots involved (Tables XI-90 to XI-93).¹⁴⁵

f. *Relation to NYSE range*

As in the case of the regional stock exchanges,¹⁴⁶ a large majority of the block trades (2,000 or more shares) in the third market were

¹⁴¹ In agency transactions it was not possible from the data collected to compute the separate amount charged to each side. In the third market, it is not uncommon for the confirmations to be written in such a way that one party pays more than half of, or the entire, spread between the two sides. (For example, when the buyer pays 44¼ and the seller receives 43¾, the transaction may be confirmed at 44¼ net to the buyer and 44¼ less a ½ commission to the seller.) In any event, it probably does not make any real economic difference to the parties which way the total spread is distributed between the two sides so long as the total amount paid by the purchaser and the net amount received by the seller are unchanged. See ch. XIII.1.3, below. The parties, however, may be concerned about the relation between the price stated on the confirmation before commissions and the price at which the stock was trading on the NYSE at the time. See sec. C.4.f, below.

¹⁴² This was the share-weighted average price of the shares reported in the sample of third market block trades. See sec. B.7, above.

¹⁴³ The average spread (weighted by the number of shares) varied from \$23.89 to \$33.87, depending upon the price of the stock, and from \$22.99 to \$32.01, depending upon the number of shares involved. There was, however, no apparent relationship with either price per share or the number of shares. The variation is apparently due to the size of the sample.

¹⁴⁴ See ch. XIII.B.5.b, below.

¹⁴⁵ Although share-weighted average spread sizes vary from \$22.00 to \$35.75 according to price per share and from \$21.75 to \$50.00 according to the number of 100-share lots, the variances do not appear to be related systematically to these factors.

¹⁴⁶ See sec. C.3.d, above.

within the range of the high and low prices for the stock that day on the NYSE. Although a smaller proportion of third market block trades than of regional trades was within the NYSE range—83 percent of the blocks as against 92 percent and 72 percent of the shares as against 83 percent, this difference is at least partially explicable by the nature of the prices that were collected by the Study. Over half of the third market block trades was principal at risk.¹⁴⁷ and the prices reported to the Study for those blocks are net of commissions but do include a dealer's spread. The regional block prices, however, are before the addition or deduction of any broker-dealer charges. Since a minimum stock exchange commission was roughly equal to 1 percent of the price of the stock in 1968 and three-fifths of one percent of the price of the stock in 1969 (for a \$48.00 stock), it is also appropriate to compare the figures for the third market block trades within 1 percent of the NYSE range with the figures for regional block trades exactly within the range.¹⁴⁸ On this basis the comparative figures are 98 percent for the third market as against 92 percent for the regional exchanges with respect to the number of blocks within the NYSE range and 91 percent for the third market as against 83 percent for the regionals with respect to the number of shares (Tables XI-79, XI-80, XI-94, and XI-95).

The number of third market block trades falling outside of 1 percent of the NYSE range is too small to show any differences between the high and low ends of the price group spectrum, either for all days or for days on which the Dow Jones Industrial Index rose compared to those on which it fell. Nor does there seem to be any significant variation in the frequency of third market blocks coming within the NYSE range on days on which the index rose as compared to those on which it fell (Tables XI-94 and XI-95).

There are three possible reasons why third market block trades virtually always fall within the NYSE range—or at least within 1 percent of it:

- (1) Third market firms almost always quote prices within the range already established for the day,
- (2) Customers will almost never accept a bid or offer from a third market firm that is not within the range already established, or
- (3) Related executions on the NYSE have the effect of bringing the third market block within range.

Third market firms told the Study that their bids and offers are usually very close to the last sale on the NYSE, and, somewhat inconsistently, that the reluctance of their customers to trade with them outside the NYSE range is a serious impediment to their business.¹⁴⁹ Institutional customers of the third market firms have emphasized the second reason more than the first.¹⁵⁰ The Study has also been told of instances in which third market firms have made bids below the low so far that day on the NYSE, have told the customer that they would remain firm even if the price on the NYSE changed somewhat and

¹⁴⁷ See sec. C.4.d, above.

¹⁴⁸ The comparison with third market block trades within 1 percent of the range is not entirely accurate either, both because the volume discount substantially reduced stock exchange block commissions in 1969, and because the Study has compared the mean between the buyer's and seller's prices for agency and riskless-principal third market transactions against the range, thereby eliminating broker-dealer charges.

¹⁴⁹ The Study has also been told by third market firms that institutional reluctance to execute outside the NYSE range has recently diminished somewhat.

¹⁵⁰ In reporting institutional preferences for within-range executions, the Study does not mean to express any judgment about their soundness.

then bought the balance of a block after the customer (or possibly the third market firm itself) had sold a portion of the block on the NYSE, bringing the third market bid within the NYSE range. And the Study witnessed one case in which an institution withheld a small part of a block to sell on the NYSE, "knocking down" the price on that exchange to the price at which the bulk of the block was executed in the third market. As in the case of NYSE trades similarly related to block trades on regional exchanges, execution of a portion of the third market block on the NYSE takes care of the book there. It is not possible to ascertain from the data collected by the Study the relative importance of these three reasons why third market block trades virtually never deviate from the NYSE range.

g. Use of exchange markets

All of the figures previously stated for third market block trades exclude transactions by third market firms on the NYSE or on the regional stock exchanges. Such transactions were reported on Form I-18.¹⁵¹ Because of the sample size and the relatively small number of these transactions, it would not be meaningful to express them as percentages of total third market block trading. Consequently, they will be described in terms of number and size to give some idea of their nature and importance.

Three third market firms bought a total of 25,700 shares in nine separate principal-at-risk block transactions (2,000 or more shares) on the NYSE. Four firms, including two from the first group, sold 197,900 shares in 14 such transactions on that exchange.¹⁵² One of these firms purchased an additional 24,500 shares as principal at risk in eight block transactions and sold 13,100 shares in four such block transactions on a regional exchange of which it was a member.

A smaller number of nonrisk transactions on securities exchanges was also reported. Six firms reported five agency purchases for a total of 16,900 shares on the NYSE and nine agency sales for a total of 34,600 shares. In only one such case did the third market firm collect any fee (five cents per share) from its customer in addition to the minimum commission charged by the NYSE member to which the order was given.¹⁵³ One firm also executed two agency crosses for a total of 10,100 shares on a regional stock exchange of which it was a member. The same firm bought 2,000 shares in the third market and sold it on a regional exchange of which it was a member at a markup of 40 cents per share, including commissions. Another firm bought 11,500 shares on a regional stock exchange of which it was not a member and sold them in the third market in a riskless principal transaction at a point of 20 cents per share above its cost, including commissions.

Rule 394(a) of the NYSE prohibits its members from trading listed securities in the third market without the permission of the exchange. Rule 394(b) of that exchange exempts certain agency (not principal) orders, but only after a fairly complicated procedure to insure that the third market price is better has been followed. Rule 394 has been the subject of substantial controversy, and very few off-board executions

¹⁵¹ See subsec. B.1.b(2), above.

¹⁵² One sale was for 100,000 shares, and another was for 49,000 shares.

¹⁵³ This was almost an additional 30 percent of the applicable minimum commission.

have in fact taken place pursuant to the exemption.¹⁵⁴ Consequently, third market firms see only a small portion of the total block volume in NYSE-listed stocks. Only three third market block purchases from NYSE members for a total of 10,300 shares and two such sales for a total of 5,000 shares were reported for the four weeks studied.

Although regional exchanges have rules that are similar in concept to NYSE Rule 394, they are generally not as strict.¹⁵⁵ Consequently, there was a significant amount of third market volume reported between third market firms and member firms of regional stock exchanges that do not also belong to the NYSE.¹⁵⁶ Regional-only members of all major regional stock exchanges were reported to be involved in these transactions. Seven third market firms reported a total of 29 third market principal-at-risk block purchases from regional-only members for a total of 102,300 shares and 19 such sales for a total of 67,500 shares. In addition, eight third market firms reported 12 such agency or riskless principal block purchases for a total of 76,900 shares and 14 such sales for a total of 118,300 shares. The grand total of 365,000 shares in the third market with regional-only members represents 77 percent of the total reported third market block volume with other broker-dealers.¹⁵⁷

h. Reasons for execution in third market

Various subsidiary reasons for institutional use of the third market for block transactions can be stated—for example, ability to deal directly with the market-maker and obtain an immediate execution, more expeditious clearance because individual investors and their brokers are not involved and absence of any public reporting of individual transactions.¹⁵⁸ It is clear, however, that the most important reason for execution in the third market during the period studied was the cost savings in the ability to deal net with a market-maker on a principal basis, primarily in small and medium-sized blocks, and the substantially lower charges by third market firms in riskless block trades of larger size involving few parties.¹⁵⁹ Because of the small amount of dealer participation in the very large block trades during the period studied, however, the third market apparently made smaller inroads

¹⁵⁴ Compare, e.g., SEC Rate Hearings, pp. 3904-4003, with SEC Rate Hearings, pp. 5107-5149.

¹⁵⁵ The MSE requires permission from the president of the exchange upon a written application. Art. XXII, Rule 6. Such permission is "automatically granted on a showing of a better price available off board." SEC Rate Hearings, Further Prepared Testimony on Behalf of the MSE, p. 17. The PSE exempts its members with regard to institutional orders originating and consummated outside the State of California if they are registered with the exchange as market-makers. (A requirement that the member not have an office within the state was recently eliminated.) Rule XIII, sec. 7(a). Five of its members are so registered. In addition, the PSE exempts without prior permission transactions with market-makers satisfying better price requirements similar to those of NYSE Rule 394 and, without regard to price, such transactions offsetting onboard transactions initiated by other members. Rule XIII, secs. 4-5. The other regional exchanges have no such express exemption but apparently liberally grant permission to go offboard. The Cincinnati Stock Exchange has recently allowed third market firms to become odd lot dealers on that exchange, and the largest third market firm has done so. By-laws, sec. 26(g).

¹⁵⁶ The NYSE applies Rule 394 to its members regardless of the origination of the transaction.

¹⁵⁷ See sec. C.4.c., above.

¹⁵⁸ Regional stock exchanges do not prohibit their specialists from dealing directly with institutions. See sec. C.3.e, above, for a discussion of public reporting. One third market firm, which was formerly a block positioner on the NYSE, is reported to have given the disclosure of block trades on the ticker tape as an example of the "inflexibility" that led it to resign from exchange membership. *Wall Street Journal*, July 10, 1969, p. 2. See generally ch. XIII.C.4.b, below.

¹⁵⁹ See secs. C.4.b and C.4.e, above.

with respect to the complicated multiparty transactions handled by member firm block positioners.¹⁶⁰

And in the case of some banks, even the cost savings are retained by the money manager rather than passed on to the investor.¹⁶¹

Although third market block trading has existed principally because of the cost savings it offers, one disturbing possibility should be noted. Because of the absence of public reporting and the absence of an opportunity for orders at better prices to displace negotiated transactions, block trades in situations without arm's length bargaining may pose somewhat greater potentialities for abuse in the third market.¹⁶² A money manager wishing to reward a broker dealer for other services and not caring how he does it could arrange a "sweetheart deal" (a principal transaction at an excessive or inadequate price) with the broker-dealer or a conduit in the third market.¹⁶³ The Study heard a number of allegations about such conduct but, in view of its non-investigatory character,¹⁶⁴ did not attempt to follow them up.¹⁶⁵ Consequently, the Study does not know whether such abuses are in fact taking place.¹⁶⁶

5. Fourth Market Block Trades

In recent years there has been some discussion of the possibility that institutions might trade directly with each other and without the use of broker-dealers. Such transactions might appropriately be called the "fourth market" to distinguish them from over-the-counter transactions in listed or unlisted securities with the use of broker-dealers.¹⁶⁷

¹⁶⁰ See secs. C.4.b and C.4.d, above. See also SEC Rate Hearings, p. 1506. Since the ability to assemble a multiparty block trade for which a dealer capital commitment is needed may depend on the ability to offer a substantial discount or premium from last sale to the passive side, institutional unwillingness to trade in the third market outside the NYSE range could be an inhibiting factor with respect to structurally complicated block trades in that market. See sec. C.4.f, above, and ch. XII.I.3, below. It has also been claimed by third market firms that their customers do not give them sufficient time to find the other side because of fear of missing the NYSE market. Although a multiparty block trade that is part agency and part principal at risk is more complicated in structure than a pure agency trade without multiple parties, it does not necessarily take more skill or time to assemble.

¹⁶¹ See ch. XIII.C.2.a, below.

¹⁶² This is not to say that the usually formalistic auction that presently takes place on the NYSE is an effective one with respect to block trades, or that public reporting and/or an effective auction are absolute guarantees against breaches of fiduciary duty.

¹⁶³ Similarly, for example, block positioning on the NYSE for mutual funds by a seller of those funds also involves the potentiality of nonarm's length bargaining.

¹⁶⁴ See ch. I.C., above.

¹⁶⁵ In some cases informal inquiries were made of the broker-dealers mentioned, but they denied any misconduct. In one case a third market firm did confirm that it had been attempting to credit the brokerage commissions on its NYSE layoff transactions against the reciprocal obligations (for fund sales) of its mutual fund clients to the member firms that executed layoffs. According to the broker-dealer, it has abandoned this practice, and in any event it denied that the third market block trades from which the layoff transactions arose were at unfair prices.

¹⁶⁶ The fact that most third market block trades are within the day's range on the NYSE is some evidence that any such conduct, if taking place, is not widespread. See sec. C.4.f, above.

¹⁶⁷ There has been a tendency also to apply the term "fourth market" to transactions involving a broker-dealer intermediary that is paid on a retainer basis rather than on a transaction basis. The term would be more useful if it was limited to direct institutional transactions not involving any broker-dealer whatsoever. This should be true regardless of whether the broker-dealer intermediates between the institutions personally by telephone or provides them with a computerized communications network into which they can insert their own messages. The Commission has proposed a rule that assumes the registration as broker-dealers of certain types of automated systems through which trading actually takes place. Proposed Rule 15c2-10 under the Securities Exchange Act, Securities Exchange Act Release No. 8661 (Aug. 4, 1969). Institutional Networks, Inc. ("Instinet"), for example, has so registered. If the term "fourth market" is limited as suggested, such automated systems should be considered part of the third market.

Form I-29¹⁶⁸ requested information from more than 300 institutions about their use of the fourth market both in dealings with other institutions and in dealings with issuers and employee benefit plans of issuers. Eighty-four percent of the institutions stated that they had never directly contacted another institution to inquire about interest in buying or selling a block of stock. The small minority of institutions that had ever made such inquiries did it very infrequently and usually under unusual circumstances, such as the swapping of preferred stocks to realize tax losses. In many cases the institutions stated that the inquiries had not been fruitful. Only one-third of the institutions had ever contacted issuers or their employee benefit plans (Table XI-96). The examples cited were again mostly special circumstances, such as sales of preferred stocks with sinking fund requirements and holdings in small, closely held or local corporations with previous relationships to the institution. The frequency of such transactions was also very low.

It is apparent that the fourth market does not presently play a significant role in institutional trading. The reason most frequently offered by institutions for not checking other institutions is the importance of anonymity. They do not wish to expose their interest to possible competitors. For example, a number of the institutions that did report contacts with other institutions on Form I-29 mentioned that they did so only *after* hearing that the other institutions had an interest on the *opposite* side.

The registration provisions of the Securities Act of 1933 effectively preclude an issuer and at least some employee benefit plans of issuers from competing with an institution that wishes to sell the issuer's stock. Absent an exemption, they may sell their stock only after registration. Although anonymity is therefore less important in this situation, there was little difference in frequency between the scattered fourth market transactions reported with issuers and their employee benefit plans and those reported with other institutions. This may arise because of limitations placed on the quantity, prices and timing of purchases of its own stock by an issuer or by at least some employee benefit plans of that issuer. Some confusion apparently exists among institutions and issuers, as well as within the securities industry, about the applicability of these limitations to unsolicited block purchases. On July 13, 1970, the Commission noticed for comment proposed Rule 13e-2 and a proposed amendment to Rule 10b-6, both under the Securities Exchange Act, that would eliminate this confusion.¹⁶⁹ The proposed rule would expressly exempt, among other things, from the limitations on purchases by issuers and their employee benefit plans, transactions of \$250,000 or more at a price no higher than the current market.

6. Automation

In 1963 the Special Study foresaw the potential for improvement of the securities markets through automation and made strong recommendations that these developing procedures be utilized.¹⁷⁰ Since that

¹⁶⁸ See subsec. C.1.b(3), above.

¹⁶⁹ Securities Exchange Act Release No. 8930.

¹⁷⁰ Pt. 2, pp. 351-358.

time major efforts have been made to automate communications, execution and clearance. Developments such as the NASD's automated quotations system (NASDAQ), the NYSE's central certificate system (CCS), the PSE's automated odd lot system (COMEX) and Paine, Webber, Jackson & Curtis' automated over-the-counter market making system (Computrade) are not specially designed to facilitate block trading and will not be described here. Three major systems, however, were planned primarily to facilitate institutional trading in common stocks, particularly block trading, and are presently in operation.¹⁷¹

a. *AutEx*

The system owned by AutEx Service Corporation is solely a communications and information retrieval system. It began operation on August 1, 1969, and as of July 31, 1970, had 129 subscribers. Of the 55 broker-dealer subscribers, 39 were member firms of the NYSE, and 10 were members of major regional stock exchanges but not the NYSE. Of the 74 institutional subscribers, 25 were banks, 33 were investment advisers (including mutual funds) and eight were insurance companies.

Only broker-dealer subscribers may broadcast indications of interest to all other subscribers to the AutEx system. These indications set forth the side and size¹⁷² of the interest and the broker-dealer's own name. The information is visually displayed on the terminals of all or selected other subscribers, who may contact the broker-dealer named either directly or through their own brokers or may notify the broker-dealer to contact them. Once an initial contact has been made, all future communications are made by ordinary telephone or teletype. The transaction may thereafter be executed on a stock exchange or over-the-counter, according to the desires of the purchasers and sellers and the rules of any stock exchanges to which the brokers belong. AutEx requests that transactions resulting from contacts established on the system be voluntarily reported to it. Those transactions that are so reported without a request for confidentiality are in turn reported to all subscribers. In addition to its communications function, AutEx also provides for the retrieval of messages previously entered by the subscriber and others.

During the month of July 1970, 6,462 indications of interest on the purchase side (of which 3,743 were small, 2,525 were medium and 194 were large) and 5,726 indications on the sell side (of which 3,574 were small, 1,890 were medium and 262 were large) were entered on the AutEx system. Of these, 4,301 indications, or 35 percent of the total interest messages, were entered by the four largest users of the system, all of which are third market firms but two of which also are active in unlisted securities. AutEx estimates that during that month at least 184 transactions for a total of 1,840,000 shares were executed as a result of contacts established on the system. Of these, approximately 77 for a total of 938,400 shares involved the major third market subscribers (not necessarily in listed securities). The largest transaction in number of

¹⁷¹ To varying extents other securities are also included in the systems.

¹⁷² Actual share amounts are not entered. Rather, three categories are used: small for 1,000 to 5,000 shares, medium for 5,000 to 20,000 shares and large for 20,000 shares and over.

shares ever executed as a result of contacts established through AutEx was 150,000 shares worth a total of \$4.4 million. The largest transaction in dollars was 102,000 shares worth \$4.7 million.

b. *BAS*

The NYSE's Block Automation System (BAS) is also purely a communications and information retrieval system, but it is limited to stocks listed on that exchange. BAS began operation on February 1, 1970, and, as of July 31, 1970, had a total of 181 subscribers. As required, all 122 broker-dealer subscribers were member firms of the NYSE, and 13 of them were specialist units on that exchange. Of the 59 institutional subscribers, 21 were banks, 15 were investment advisers and 9 were insurance companies.

Both institutional and NYSE member subscribers may enter indications of interest in BAS, although the former must name a member firm to represent them. Until recently, however, BAS differed from AutEx: Instead of visually displaying all indications of interest to other subscribers, it matched such indications and notified the two parties involved when such a match had occurred. The only information displayed to other subscribers prior to the matching was the name of the stock. The matching was done purely on the basis of size and priority in time, because the system did not contain any price information.¹⁷³ Since the names of brokers were not displayed until a match, the two parties could not attempt to use the same broker. BAS has now added the option of displaying to all or selected other subscribers the side of the transaction, the name of the broker-dealer and the exact number of shares. All transactions resulting from matching must be reported to the NYSE but these reports are not disseminated to all the subscribers.¹⁷⁴ In its information retrieval phase, BAS makes available general market and block information, as well as previous entries into the system.

In the month of July 1970, 922 indications of interest on the purchase side for about 10.2 million shares and 966 indications on the sale side for about 10.7 million shares were entered on BAS. Of these, 252 resulted in matches. The matches in turn resulted in a total of 39 initial transactions amounting to about 332,700 shares.¹⁷⁵ Two hundred sixty of the indications, 32 of the matches and three transactions involved an NYSE specialist. The largest transaction that BAS is aware to have been executed as a result of a match is 40,000 shares.

c. *Instinet*

The system owned by Institutional Networks Corporation¹⁷⁶ is the only one of the three that performs execution as well as communications and information retrieval functions. It is designed to perform the

¹⁷³ By entering indications of interest, however, subscribers are supposed to indicate their willingness to trade within 2 percent of the current market price on the NYSE.

¹⁷⁴ Unlike AutEx, however, all—or virtually all—executions resulting from BAS matches are executed on the NYSE or regional stock exchanges and reported by them, although not identified as BAS matches.

¹⁷⁵ The contacts established by the match may also lead to additional subsequent transactions.

¹⁷⁶ See sec. C.5, above.

execution function at costs that are generally less than stock exchange minimum commissions. Instinet began operation on December 15, 1969, and had 22 subscribers on July 31, 1970. Two of the subscribers were major third market firms. Of the remaining 20 institutional subscribers, seven were banks, nine were investment advisers and four were insurance companies.

All subscribers may make entries in the Instinet system. They may enter indications of interest stating the side and either the number of shares or the price. They may also enter firm orders stating all three. The information may either be broadcast to all or selected other subscribers, or it may be placed in the "book" maintained in the system. A code to preserve anonymity is specified for the subscriber making the entry. Other subscribers may either communicate with the former by teletype in narrative form, negotiate with it by means of programmed messages and/or accept firm bids or offers thereby executing transactions. Reports of all executions are disseminated to all subscribers at the end of the day. The only information that may be retrieved from Instinet by all subscribers is the current book.

During the month of July 1970, 623 indications of interest were entered on the purchase side, and 946 indications were entered on the sell side. In addition, 223 firm bids for 1.1 million shares and 189 firm offers for 757,800 shares were also entered. Of these, 37 of the bids for 312,100 shares and 54 of the offers for 269,300 shares were entered by the two major third market firms subscribing to the system. The indications of interest and firm bids and offers resulted in 67 transactions for a total of 256,300 shares. Of these, 58 transactions for 224,700 shares involved the two third market firms.¹⁷⁷ The largest transaction in number of shares ever executed on Instinet was 35,000 shares worth a total of \$665,000. The largest transaction in dollars was 25,000 shares worth a total of about \$1.1 million.

In the month surveyed, most of the Instinet executions originated in indications of interest by the third market firms followed by teletype negotiations. It has been reported that subscribers have been reluctant to enter firm orders in the book close to the market because of the necessity of constantly watching and readjusting them. Consequently, most firm orders are not right at the market and are rarely "hit." The Study was told that the programmed messages do not appear to be sufficiently flexible for complex negotiation, and typing out narrative messages on the teletype for this purpose is too time consuming. Thus, some subscribers have requested a supplementary telephonic communication system. Rather than jeopardize the anonymity of the system, which the institutional subscribers consider quite important, Instinet has developed more flexible programmed messages. It is also taking other steps to try to make computerized trading more responsive to the preferences of its institutional subscribers.

¹⁷⁷ One of them has an equity interest in the system.

Figure XI-1

RELATIONSHIP BETWEEN NYSE SPECIALIST PARTICIPATION AND SIZE OF BLOCK TRADE

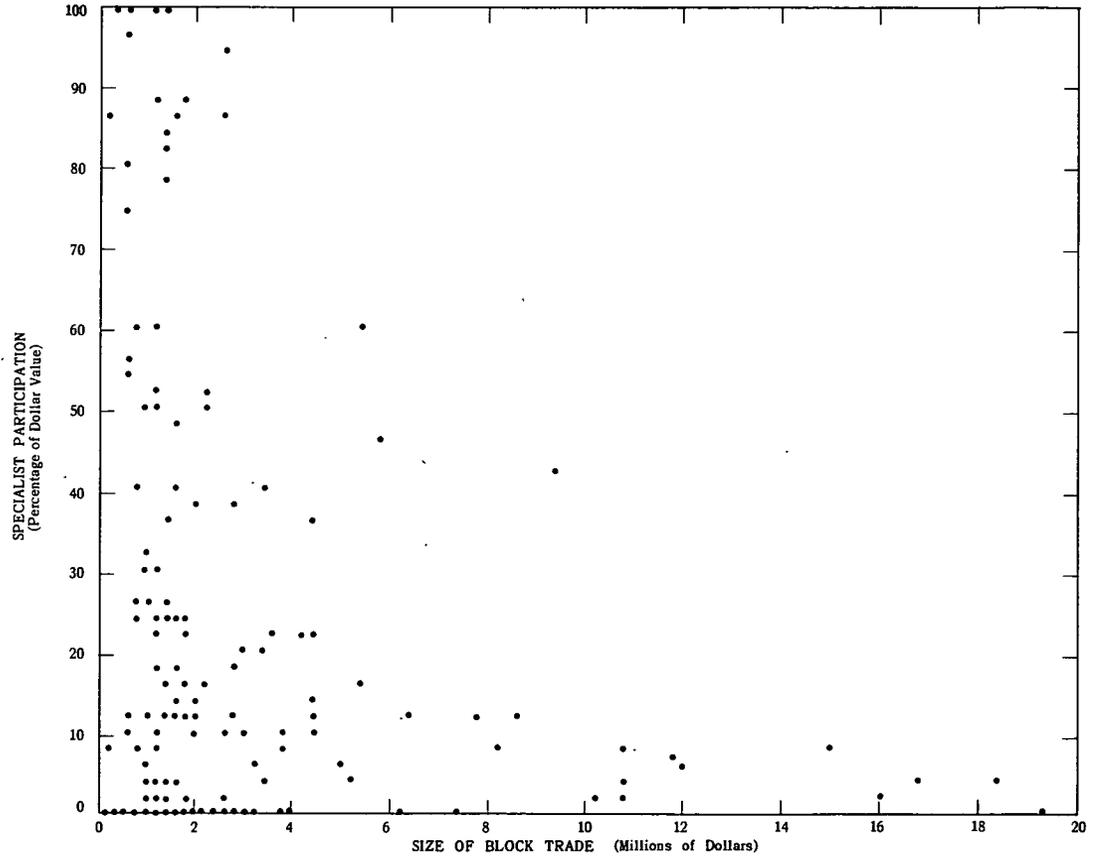


FIGURE XI-2

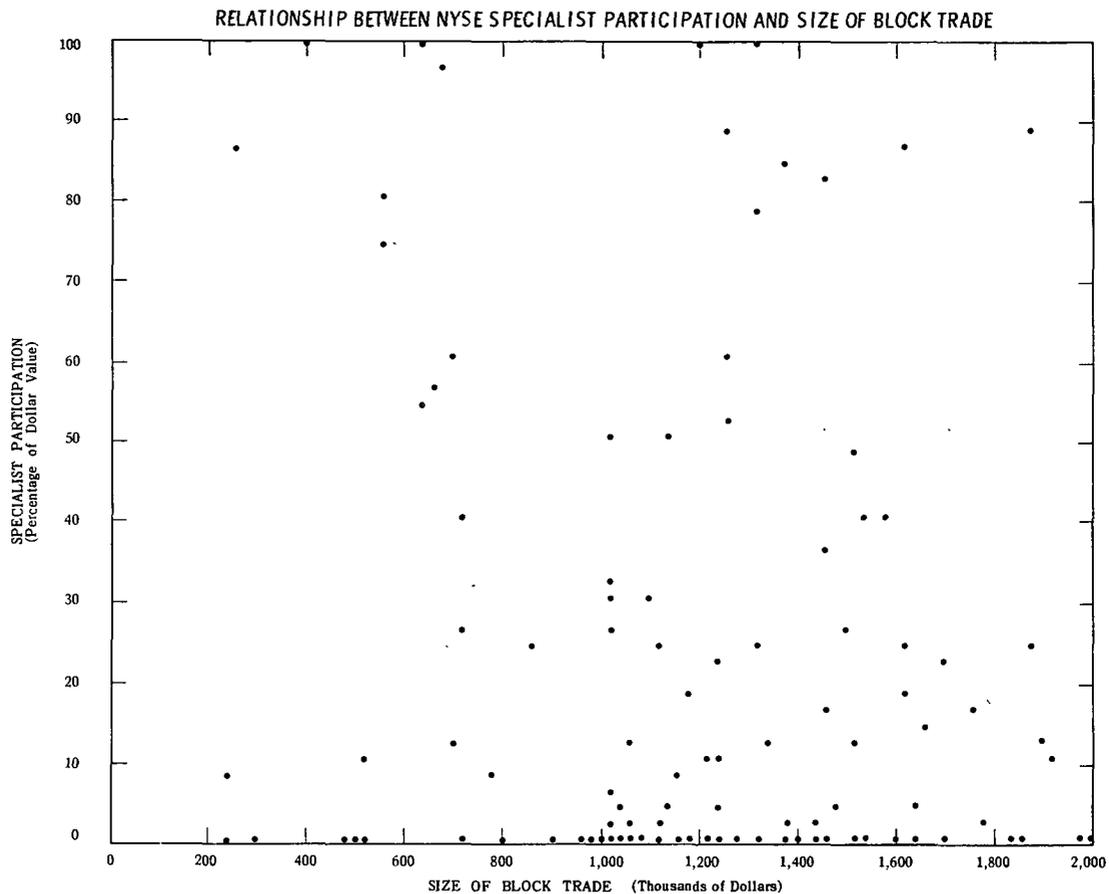


TABLE XI-39

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

KEY TO BLOCK SIZE GROUPS
 GROUP 1 10,000 SHARES
 GROUP 2 10,001-25,000 SHARES
 GROUP 3 25,001-50,000 SHARES
 GROUP 4 50,001-75,000 SHARES
 GROUP 5 75,001-100,000 SHARES
 GROUP 6 OVER 100,000 SHARES

SELECTION CRITERIA	SIZE GROUP	1 PARTY	2 PARTY	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS
RANDOM (\$1MM-)	1	2 66.66%	1 33.33%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	3 100.00%
RANDOM (\$1MM-)	2	11 57.89%	3 15.78%	3 15.78%	1 5.26%	.00%	1 5.26%	.00%	.00%	.00%	.00%	19 100.00%
RANDOM (\$1MM-)	3	4 57.14%	2 28.57%	.00%	.00%	.00%	1 14.28%	.00%	.00%	.00%	.00%	7 100.00%
RANDOM (\$1MM-)		17 58.62%	6 20.68%	3 10.34%	1 3.44%	.20%	2 6.89%	.00%	.00%	.00%	.00%	29 100.00%
RANDOM (\$1MM+)	1	3 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	3 100.00%
RANDOM (\$1MM+)	2	36 90.00%	2 5.00%	1 2.50%	1 2.50%	.00%	.00%	.00%	.00%	.00%	.00%	40 100.00%
RANDOM (\$1MM+)	3	34 72.34%	4 8.51%	3 6.38%	2 4.25%	1 2.12%	2 4.25%	1 2.12%	.00%	.00%	.00%	47 100.00%
RANDOM (\$1MM+)	4	14 73.68%	3 15.78%	1 5.26%	.00%	.00%	1 5.26%	.00%	.00%	.00%	.00%	19 100.00%
RANDOM (\$1MM+)	5	6 75.00%	2 25.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	8 100.00%
RANDOM (\$1MM+)	6	28 73.68%	1 2.63%	4 10.52%	1 2.63%	.00%	4 10.52%	.00%	.00%	.00%	.00%	36 100.00%
RANDOM (\$1MM+)		121 78.06%	12 7.74%	9 5.90%	4 2.58%	1 .64%	7 4.51%	1 .64%	.00%	.00%	.00%	155 100.00%
OTHER (\$10MM+)	3	.00%	.00%	.00%	1 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	1 100.00%

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TABLE XI-39 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

KEY TO BLOCK SIZE GROUPS
 GROUP 1 10,000 SHARES
 GROUP 2 10,001-25,000 SHARES
 GROUP 3 25,001-50,000 SHARES
 GROUP 4 50,001-75,000 SHARES
 GROUP 5 75,001-100,000 SHARES
 GROUP 6 OVER 100,000 SHARES

SELECTION CRITERIA	SIZE GROUP	1 PARTY	2 PARTY	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS
OTHER (\$10MM+)	6	7 87.50%	.00%	.00%	.00%	1 12.50%	.00%	.00%	.00%	.00%	.00%	8 100.00%
OTHER (\$10MM+)		7 77.77%	.00%	.00%	1 11.11%	1 11.11%	.00%	.00%	.00%	.00%	.00%	9 100.00%
		145 75.12%	19 9.32%	12 6.21%	6 3.10%	2 1.03%	9 4.66%	1 .51%	.00%	.00%	.00%	193 100.00%

TABLE XI-40

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

KEY TO BLOCK SIZE GROUPS
 GROUP 1 10,000 SHARES
 GROUP 2 10,001-25,000 SHARES
 GROUP 3 25,001-50,000 SHARES
 GROUP 4 50,001-75,000 SHARES
 GROUP 5 75,001-100,000 SHARES
 GROUP 6 OVER 100,000 SHARES

SELECTION CRITERIA	SIZE GROUP	1 PARTY	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS
RANDOM (\$1MM-)	1	200 96.66%	100 33.33%	0	0	0	0	0	0	0	0	300 100.00%
RANDOM (\$1MM-)	2	1,657 83.31%	434 10.53%	395 13.57%	174 4.25%	0	210 7.21%	0	0	0	0	2,910 100.00%
RANDOM (\$1MM-)	3	1,262 54.84%	713 30.68%	0	0	0	326 14.15%	0	0	0	0	2,301 100.00%
RANDOM (\$1MM-)	4	3,150 57.32%	1,297 23.53%	395 7.16%	174 2.25%	0	536 9.72%	0	0	0	0	5,511 100.00%
RANDOM (\$1MM+)	1	300 100.00%	0	0	0	0	0	0	0	0	0	300 100.00%
RANDOM (\$1MM+)	2	6,655 90.58%	341 4.64%	152 2.05%	159 2.73%	0	0	0	0	0	0	7,347 100.00%
RANDOM (\$1MM+)	3	12,749 75.35%	1,336 7.88%	950 5.65%	549 3.76%	300 1.77%	600 3.59%	400 2.36%	0	0	0	16,919 100.00%
RANDOM (\$1MM+)	4	4,557 72.53%	1,975 10.74%	700 5.93%	0	0	500 4.74%	0	0	0	0	11,792 100.00%
RANDOM (\$1MM+)	5	5,192 77.62%	1,686 22.57%	0	0	0	0	0	0	0	0	7,468 100.00%
RANDOM (\$1MM+)	6	54,075 73.52%	4,000 5.44%	5,431 11.47%	1,425 1.93%	0	5,589 7.60%	0	0	0	0	73,454 100.00%
RANDOM (\$1MM+)	7	84,052 75.77%	9,338 7.96%	10,239 4.73%	2,193 1.85%	300 .23%	6,758 5.76%	400 .34%	0	0	0	117,280 100.00%
OTHER (\$10M+)	3	0	0	0	393 100.00%	0	0	0	0	0	0	393 100.00%

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TABLE XI-40 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS
		1	2	3	4	5	6-10	11-15	16-20	21-25	25+		
GROUP 1 GROUP 4	10,000 SHARES 50,001-75,000 SHARES	1 PARTIES	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS	
OTHER (\$1MM+)	6	25,470 87.18%	.00%	.00%	.00%	3,743 12.91%	.00%	.00%	.00%	.00%	.00%	29,213 100.00%	
OTHER (\$10MM+)		25,470 86.62%	.00%	.00%	352 1.22%	3,743 12.64%	.00%	.00%	.00%	.00%	.00%	29,606 100.00%	
		116,641 76.56%	10,635 6.77%	10,634 6.97%	2,715 1.77%	4,043 2.55%	7,294 4.75%	410 .26%	.00%	.00%	.00%	152,397 100.00%	

TABLE XI-41

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

KEY TO BLOCK SIZE GROUPS
 GROUP 1 10,000 SHARES
 GROUP 4 50,001-75,000 SHARES
 GROUP 2 10,001-25,000 SHARES
 GROUP 5 75,001-100,000 SHARES
 GROUP 3 25,001-50,000 SHARES
 GROUP 6 OVER 100,000 SHARES

SELECTION CRITERIA	SIZE GROUP	1 PARTY	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS
RANDOM (\$1MM-)	1	1 33.33%	1 33.33%	1 33.33%	0	0	0	0	0	0	0	3 100.00%
RANDOM (\$1MM-)	2	3 15.78%	3 15.78%	1 5.26%	5 26.31%	1 5.26%	3 15.79%	1 5.26%	0	0	2 10.52%	19 100.00%
RANDOM (\$1MM-)	3	1 14.28%	1 14.28%	0	1 14.28%	1 14.28%	0	0	0	2 28.57%	1 14.28%	7 100.00%
RANDOM (\$1MM-)		5 17.24%	5 17.24%	2 6.89%	6 20.69%	2 6.89%	3 10.34%	1 3.44%	0	2 6.89%	3 10.34%	29 100.00%
RANDOM (\$1MM+)	1	0	1 33.33%	1 33.33%	0	0	1 33.33%	0	0	0	0	3 100.00%
RANDOM (\$1MM+)	2	7 17.50%	10 25.00%	3 7.50%	3 7.50%	3 7.50%	11 27.50%	0	0	2 5.00%	1 2.50%	40 100.00%
RANDOM (\$1MM+)	3	5 10.63%	4 8.51%	5 10.63%	7 14.89%	2 4.25%	12 25.53%	6 12.76%	0	1 2.12%	5 10.63%	47 100.00%
RANDOM (\$1MM+)	4	1 5.26%	1 5.26%	1 5.26%	0	2 10.52%	5 26.31%	1 5.26%	2 10.52%	2 10.52%	4 21.05%	19 100.00%
RANDOM (\$1MM+)	5	0	0	0	0	0	3 37.50%	3 37.50%	1 12.50%	0	1 12.50%	8 100.00%
RANDOM (\$1MM+)	6	3 7.69%	0	2 5.26%	2 5.26%	1 2.63%	4 10.52%	6 15.78%	4 10.52%	5 15.78%	1 26.31%	38 100.00%
RANDOM (\$1MM+)		16 10.32%	16 10.32%	12 7.74%	12 7.74%	8 5.16%	26 23.77%	16 10.32%	7 4.51%	11 7.09%	21 13.54%	155 100.00%
OTHER (\$10MM+)	3	0	0	0	0	0	1 100.00%	0	0	0	0	1 100.00%

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TABLE XI-41 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

GROUP 1 10,000 SHARES
 GROUP 4 50,001-75,000 SHARES

KEY TO BLOCK SIZE GROUPS
 GROUP 2 10,001-25,000 SHARES
 GROUP 5 75,001-100,000 SHARES

GROUP 3 25,001-50,000 SHARES
 GROUP 6 OVER 100,000 SHARES

SELECTION CRITERIA	SIZE GROUP	1 PARTY	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	ALL BLOCKS
OTHER (\$10MM+)	6	.00%	.00%	.00%	.00%	12.50%	25.00%	12.50%	.00%	12.50%	37.50%	100.00%
OTHER (\$10MM+)		.00%	.00%	.00%	.00%	11.11%	33.33%	11.11%	.00%	11.11%	33.33%	100.00%
		21	21	14	18	11	42	18	7	14	27	193
		10.88%	10.88%	7.25%	9.32%	5.69%	21.76%	9.32%	3.62%	7.25%	12.98%	100.00%

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS						
		1 PARTY	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES	10,000 SHARES GROUP 1		10,000-25,000 SHARES GROUP 2	25,001-50,000 SHARES GROUP 3	50,001-75,000 SHARES GROUP 4	75,001-100,000 SHARES GROUP 5	25,001-50,000 SHARES GROUP 3	OVER 100,000 SHARES GROUP 4
RANDOM (\$1MM-)	1	100 33.33%	100 33.33%	100 33.33%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	300 100.00%
RANDOM (\$1MM-)	2	421 14.46%	511 17.56%	247 8.48%	716 24.67%	161 5.53%	455 15.63%	120 4.12%	.00%	.00%	277 9.51%	2,910 100.00%							
RANDOM (\$1MM-)	3	255 11.08%	350 15.21%	.00%	258 11.21%	455 19.77%	.00%	.00%	.00%	626 27.20%	357 15.61%	2,301 100.00%							
RANDOM (\$1MM-)		776 14.98%	961 17.43%	347 6.29%	976 17.71%	616 11.17%	455 8.25%	120 2.17%	.00%	626 11.35%	634 11.50%	5,511 100.00%							
RANDOM (\$1MM+)	1	.00%	100 33.33%	100 33.33%	.00%	.00%	100 33.33%	.00%	.00%	.00%	.00%	300 100.00%							
RANDOM (\$1MM+)	2	1,592 20.44%	1,877 25.54%	540 7.34%	550 7.46%	551 7.49%	1,821 24.78%	.00%	.00%	387 5.26%	119 1.61%	7,347 100.00%							
RANDOM (\$1MM+)	3	2,043 12.77%	1,032 6.09%	1,659 9.80%	2,539 15.90%	549 3.24%	4,404 26.92%	2,335 13.97%	.00%	319 1.98%	2,039 12.05%	16,919 100.00%							
RANDOM (\$1MM+)	4	530 4.49%	560 4.74%	591 5.01%	.50%	1,441 12.22%	3,035 25.73%	501 4.24%	1,441 12.22%	1,245 10.72%	2,428 20.59%	11,792 100.00%							
RANDOM (\$1MM+)	5	.00%	.00%	.00%	.00%	.00%	2,851 38.17%	2,630 35.31%	995 13.32%	.00%	992 13.28%	7,469 100.00%							
RANDOM (\$1MM+)	6	4,597 6.39%	.00%	2,050 2.72%	3,434 4.67%	1,140 1.55%	7,153 9.73%	10,793 14.66%	13,033 17.74%	7,964 10.96%	23,220 31.61%	73,454 100.00%							
RANDOM (\$1MM+)		8,772 7.47%	3,569 3.04%	4,890 4.16%	6,523 5.55%	3,681 3.13%	19,364 16.51%	16,259 13.86%	15,469 13.18%	9,955 8.48%	28,798 24.55%	117,280 100.00%							
OTHER (\$10MM+)	3	.00%	.00%	.00%	.00%	.00%	393 100.00%	.00%	.00%	.00%	.00%	393 100.00%							

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TABLE XI-42 cont.

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF ALL PARTIES DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS
		1 PARTY	2 PARTIES	3 PARTIES	4 PARTIES	5 PARTIES	6-10 PARTIES	11-15 PARTIES	16-20 PARTIES	21-25 PARTIES	25+ PARTIES		
OTHER (\$10MM+)	6	.00%	.00%	.00%	.00%	1,400 4.79%	4,310 14.75%	6,280 21.49%	.00%	4,480 15.33%	12,743 43.62%	29,213 100.00%	
OTHER (\$10MM+)		.90%	.00%	.00%	.00%	1,400 4.72%	4,703 15.88%	6,280 21.21%	.00%	4,480 15.13%	12,743 43.04%	29,606 100.00%	
		9,548 6.26%	4,530 2.97%	5,237 3.43%	7,499 4.92%	5,697 3.73%	24,522 16.09%	22,659 14.86%	15,469 10.15%	15,061 9.88%	42,175 27.67%	152,397 100.00%	

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TABLE XI-43

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS												ALL BLOCKS
		GROUP 1 10,000 SHARES	GROUP 2 10,001-25,000 SHARES	GROUP 3 25,001-50,000 SHARES	GROUP 4 50,001-75,000 SHARES	GROUP 5 75,001-100,000 SHARES	GROUP 6 OVER 100,000 SHARES	GROUP 7 100,001-250,000 SHARES	GROUP 8 250,001-500,000 SHARES	GROUP 9 500,001-1,000,000 SHARES	GROUP 10 1,000,001-2,500,000 SHARES	GROUP 11 2,500,001-5,000,000 SHARES	GROUP 12 OVER 5,000,000 SHARES	
RANDOM (\$1MM-)	1	1 33.33%	1 33.33%	1 33.33%	0	0	0	0	0	0	0	0	0	3 100.00%
RANDOM (\$1M+)	2	6 31.57%	11 57.89%	1 5.26%	1 5.26%	0	0	0	0	0	0	0	0	19 100.00%
RANDOM (\$1MM-)	3	2 28.57%	2 28.57%	2 28.57%	0	0	0	1 14.28%	0	0	0	0	0	7 100.00%
RANDOM (\$1MM-)		9 31.03%	14 48.27%	4 13.79%	1 3.44%	0	0	1 3.44%	0	0	0	0	0	29 100.00%
RANDOM (\$1MM+)	1	0	3 100.00%	0	0	0	0	0	0	0	0	0	0	3 100.00%
RANDOM (\$1MM+)	2	11 27.50%	26 65.00%	2 5.00%	0	1 2.50%	0	0	0	0	0	0	0	40 100.00%
RANDOM (\$1M+)	3	10 21.27%	31 65.96%	3 6.38%	2 4.25%	1 2.12%	0	0	0	0	0	0	0	47 100.00%
RANDOM (\$1M+)	4	4 21.05%	12 63.15%	3 15.78%	0	0	0	0	0	0	0	0	0	19 100.00%
RANDOM (\$1M+)	5	2 25.00%	4 50.00%	2 25.00%	0	0	0	0	0	0	0	0	0	8 100.00%
RANDOM (\$1M+)	6	9 23.68%	21 55.26%	2 5.26%	4 10.52%	0	0	2 5.26%	0	0	0	0	0	38 100.00%
RANDOM (\$1M+)		36 23.22%	97 62.58%	12 7.74%	6 3.67%	2 1.29%	0	2 1.29%	0	0	0	0	0	155 100.00%
OTHR (\$1M+)	3	0	1 100.00%	0	0	0	0	0	0	0	0	0	0	1 100.00%

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TABLE XI-43 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS	
		NO INST'NS	1 INST'N	2 INST'NS	3 INST'NS	4 INST'NS	5 INST'NS	6-10 INST'NS	11-15 INST'NS	16-20 INST'NS	21-25 INST'NS	25+ INST'NS		
OTHER (\$10M+)	6	7	8	9	10	11	12	13	14	15	16	17	18	19
		.06%	87.50%	.00%	12.50%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	100.00%
OTHER (\$10M+)		8	9	10	11	12	13	14	15	16	17	18	19	20
		.00%	88.88%	.00%	11.11%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	100.00%
		45	119	16	8	2	3							193
		23.31%	61.65%	8.29%	4.14%	1.03%	.00%	1.55%	.00%	.00%	.00%	.00%	.00%	100.00%

TABLE XI-44

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS					
		GROUP 1 10,000 SHARES	GROUP 2 10,001-25,000 SHARES	GROUP 3 25,001-50,000 SHARES	GROUP 4 50,001-75,000 SHARES	GROUP 5 75,001-100,000 SHARES	GROUP 6 OVER 100,000 SHARES	1	2	3	4	5		6-10	11-15	16-20	21-25	25+
		NO INST'NS	INST'N	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS
RANDOM (\$1MM-)	1	100 33.33%	100 33.33%	100 33.33%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	300 100.00%
RANDOM (\$1MM-)	2	924 31.75%	1,716 58.56%	120 4.12%	150 5.15%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	2,910 100.00%
RANDOM (\$1MM-)	3	612 26.59%	650 28.24%	713 30.98%	.00%	.00%	.00%	326 14.16%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	2,301 100.00%
RANDOM (\$1MM-)		1,636 29.68%	2,466 44.74%	933 16.92%	150 2.72%	.00%	.00%	326 5.91%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	5,511 100.00%
RANDOM (\$1MM+)	1	.00%	300 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	300 100.00%
RANDOM (\$1MM+)	2	2,249 30.61%	4,558 62.03%	341 4.64%	.00%	199 2.70%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	7,347 100.00%
RANDOM (\$1MM+)	3	3,433 20.29%	11,629 68.73%	932 5.50%	655 3.97%	269 1.53%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	16,919 100.00%
RANDOM (\$1MM+)	4	2,381 20.19%	7,436 63.05%	1,975 16.74%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	11,792 100.00%
RANDOM (\$1MM+)	5	1,987 26.60%	3,795 50.91%	1,686 22.57%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	7,468 100.00%
RANDOM (\$1MM+)	6	14,749 20.07%	44,024 59.93%	5,000 6.30%	6,104 8.30%	.00%	.00%	3,577 4.86%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	73,454 100.00%
RANDOM (\$1MM+)		24,799 21.14%	71,742 61.17%	9,934 8.47%	6,760 5.76%	468 .39%	.00%	3,577 3.04%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	117,280 100.00%
OTHER (\$1MM+)	3	.00%	393 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	393 100.00%

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TABLE XI-44 cont.

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (ACTIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	NO INST'NS	KEY TO BLOCK SIZE GROUPS										ALL BLOCKS
			1 INST'N	2 INST'NS	3 INST'NS	4 INST'NS	5 INST'NS	6-10 INST'NS	11-15 INST'NS	16-20 INST'NS	21-25 INST'NS	25+ INST'NS	
OTHER (\$10MM+)	6		25,470		3,743								29,213
		.00%	87.18%	.00%	12.81%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	100.00%
OTHER (\$10MM+)			25,863		3,743								29,606
		.00%	87.35%	.00%	12.64%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	100.00%
		26,435	100,071	10,867	10,653	468		3,903					152,397
		17.34%	65.66%	7.13%	6.99%	.30%	.00%	2.56%	.00%	.00%	.00%	.00%	100.00%

TABLE XI-45 cont.

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (NUMBER OF BLOCKS AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS					
		GROUP 1 10,000 SHARES	GROUP 2 10,001-25,000 SHARES	GROUP 3 25,001-50,000 SHARES	GROUP 4 50,001-75,000 SHARES	GROUP 5 75,001-100,000 SHARES	GROUP 6 OVER 100,000 SHARES	1	2	3	4	5		6-10	11-15	16-20	21-25	25+
		NO INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS	INST'NS
OTHER (\$10M+)	6	1 12.50%	1 12.50%	1 12.50%		.00%	.00%	.00%		3 37.50%		1 12.50%	.00%	1 12.50%		1 12.50%	8 100.00%	
OTHER (\$10M+)		2 22.22%	1 11.11%	1 11.11%		.00%	.00%	.00%		3 33.33%		1 11.11%	.00%	1 11.11%		1 11.11%	9 100.00%	
		84 43.52%	61 31.60%	18 9.32%		8 4.14%	4 2.07%	2 1.03%		9 4.66%		2 1.03%	3 1.55%		2 1.03%	193 100.00%		

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TABLE XI-46

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	KEY TO BLOCK SIZE GROUPS											ALL BLOCKS	
		NO INST'NS	1 INST'N	2 INST'NS	3 INST'NS	4 INST'NS	5 INST'NS	6-10 INST'NS	11-15 INST'NS	16-20 INST'NS	21-25 INST'NS	25+ INST'NS		
RANDOM (\$1MM-)	1	200 66.66%	100 33.33%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	300 100.00%
RANDOM (\$1MM-)	2	1,658 50.97%	316 28.34%	203 6.97%	124 4.26%	.00%	.00%	109 3.74%	.00%	.00%	.00%	.00%	.00%	2,910 100.00%
RANDOM (\$1MM-)	3	370 37.80%	1,431 62.19%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	2,361 100.00%
RANDOM (\$1MM-)		2,723 49.50%	2,347 42.59%	203 3.68%	174 2.25%	.00%	.00%	109 1.97%	.00%	.00%	.00%	.00%	.00%	5,511 100.00%
RANDOM (\$1MM+)	1	300 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	300 100.00%
RANDOM (\$1MM+)	2	3,512 47.80%	2,956 40.23%	379 11.96%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	7,347 100.00%
RANDOM (\$1MM+)	3	7,296 43.12%	6,796 40.10%	698 4.12%	573 5.75%	.00%	.00%	656 3.87%	500 2.95%	.00%	.00%	.00%	.00%	16,919 100.00%
RANDOM (\$1MM+)	4	5,375 45.58%	2,015 17.09%	3,211 27.14%	.00%	.00%	501 4.24%	.00%	.00%	700 5.93%	.00%	.00%	.00%	11,792 100.00%
RANDOM (\$1MM+)	5	1,986 26.59%	2,652 39.19%	1,714 22.95%	.00%	.00%	.00%	916 12.26%	.00%	.00%	.00%	.00%	.00%	7,468 100.00%
RANDOM (\$1MM+)	6	20,578 38.01%	12,984 17.67%	7,754 10.55%	6,541 8.97%	4,934 6.73%	.00%	5,297 7.21%	7,237 9.85%	4,483 6.10%	.00%	.00%	3,596 4.89%	73,454 100.00%
RANDOM (\$1MM+)		39,047 33.29%	27,603 23.53%	14,246 12.14%	7,514 6.47%	5,485 4.67%	656 .55%	6,713 5.72%	7,937 6.76%	4,483 3.82%	.00%	.00%	3,596 3.06%	117,280 100.00%
OTHER (\$10MM+)	3	393 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	393 100.00%

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TABLE XI-46 cont.

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 NUMBER OF INSTITUTIONS DEALING DIRECTLY WITH BLOCK TRADE ASSEMBLER IN EACH BLOCK SIZE GROUP (PASSIVE SIDE)
 (HUNDREDS OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SIZE GROUP	NO INST'NS	KEY TO BLOCK SIZE GROUPS										
			1 INST'NS	2 INST'NS	3 INST'NS	4 INST'NS	5 INST'NS	6-10 INST'NS	11-15 INST'NS	16-20 INST'NS	21-25 INST'NS	25+ INST'NS	ALL BLOCKS
OTHER (\$10MM+)	6	2,000 6.84%	1,400 4.79%	2,310 7.90%	.00%	.00%	.00%	14,760 50.52%	.00%	5,000 17.11%	.00%	3,743 12.81%	29,213 100.00%
OTHER (\$10MM+)		2,393 8.08%	1,400 4.72%	2,310 7.80%	.00%	.00%	.00%	14,760 49.85%	.00%	5,000 16.88%	.00%	3,743 12.64%	29,606 100.00%
		44,166 28.98%	31,350 20.57%	16,759 10.99%	7,638 5.01%	5,425 3.59%	656 .43%	21,592 14.16%	7,937 5.20%	9,423 6.22%	.00%	7,339 4.81%	152,397 100.00%

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TABLE XI-47

New York Stock Exchange Block Trades (10,000 or More Shares)

Extent of Crosses (Same Broker-Dealer on All or Almost All of Both Sides) in Each Size Category

(Percentage of Numbers of Blocks and Shares)

Total Size of Block (Shares)	Number of Blocks		Number of Shares in Crossed Blocks*	
	1968	1969	1968	1969
10,000	24.70	19.90	24.70	19.90
10,001-25,000	29.03	25.19	30.62	27.02
25,001-50,000	46.72	46.90	47.24	47.66
50,001-75,000	48.98	53.89	48.99	53.92
75,001-100,000	57.65	52.38	57.79	53.09
Over 100,000	67.82	58.10	71.52	61.50
All Blocks	33.81	30.42	46.62	43.52

* Total number of shares in block rather than number of shares actually crossed.

TABLE XI-48

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 PARTICIPANTS IN BLOCK TRADES (PASSIVE SIDE)
 (NUMBER OF SHARES AND PERCENTAGE)
 (STOCKS IN THE TOP 20 PERCENT BY VOLUME)

YEAR	POSITIONED BY BLOCK TRADE ASSEMBLER	BLOCK TRADE ASSEMBLER FOR DISCRE- TIONARY ACCOUNTS	BLOCK TRADE ASSEMBLER FOR OTHER INDIVIDUAL CUSTOMERS	BLOCK TRADE ASSEMBLER FOR OTHER INSTITU- TIONAL CUSTOMERS	SPECIALIST FOR OWN ACCOUNT	ODD LOT DEALER	ORDERS ON BOOK	OTHER BROKER- DEALERS FOR INDIVIDUAL CUSTOMERS	OTHER BROKER- DEALERS THAT PAID COMMISS- IONS	OTHER BROKER- DEALERS FOR OWN ACCOUNTS	OTHER BROKER- DEALERS FOR PRCFES- SIONAL CUSTOMERS	TOTAL NUMBER OF SHARES ON SIDE
RANDOM (\$1MM-)												
1968	.00%	.00%	.00%	56,800 24.95%	100,400 44.11%	1,600 .70%	21,600 9.49%	4,800 2.10%	.00%	.00%	42,400 18.62%	227,600 100.00%
1969	11,200 7.00%	12,100 7.56%	.00%	54,300 33.93%	47,700 29.81%	.00%	3,700 2.31%	400 .25%	.00%	.00%	21,600 13.50%	160,000 100.00%
	11,200 2.88%	12,100 3.12%	.00%	111,100 28.66%	148,100 38.20%	1,600 .41%	25,300 6.52%	5,200 1.34%	.00%	.00%	64,000 16.51%	387,600 100.00%
RANDOM (\$1MM+)												
1968	681,800 21.44%	32,900 1.03%	30,700 .96%	1,127,400 35.52%	467,100 14.72%	9,800 .30%	155,200 4.89%	20,100 .63%	76,500 2.41%	7,500 .23%	564,200 17.78%	3,173,200 100.00%
1969	1,540,200 23.07%	232,000 3.47%	22,400 .33%	2,680,000 40.15%	908,170 13.60%	38,600 .57%	407,400 6.10%	42,100 .63%	11,300 .16%	142,627 2.13%	649,100 9.72%	6,673,827 100.00%
	2,222,000 22.56%	264,900 2.65%	53,100 .53%	3,807,400 38.66%	1,375,200 13.96%	48,400 .49%	562,600 5.71%	62,200 .63%	87,800 .89%	150,127 1.52%	1,213,300 12.32%	9,847,027 100.00%
OTHER (\$10MM+)												
1968	337,400 24.42%	.00%	300 .02%	785,300 56.83%	79,400 5.74%	2,900 .20%	36,200 2.62%	8,050 .58%	59,000 4.27%	57,700 4.17%	15,350 1.11%	1,381,600 100.00%
1969	327,600 20.74%	.00%	100 .00%	718,300 45.49%	53,400 3.38%	700 .04%	28,700 1.81%	90,000 5.69%	11,000 .69%	32,900 2.08%	316,300 20.03%	1,579,000 100.00%
	665,000 22.46%	.00%	400 .01%	1,503,600 50.78%	132,800 4.48%	3,600 .12%	64,900 2.19%	98,050 3.31%	70,000 2.36%	50,600 3.06%	331,650 11.20%	2,960,600 100.00%
	2,898,200 21.96%	277,000 2.09%	53,500 .40%	5,422,100 41.09%	1,656,100 12.55%	53,600 .40%	652,800 4.94%	165,450 1.25%	157,800 1.19%	240,727 1.82%	1,608,950 12.19%	13,195,227 100.00%

TABLE XI-49

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 PARTICIPANTS IN BLOCK TRADES (ACTIVE SIDE)
 (NUMBER OF SHARES AND PERCENTAGE)
 STOCKS IN THE TOP 20 PERCENT BY VOLUME

YEAR	POSITIONED BY BLOCK TRADE ASSEMBLER	BLOCK TRADE ASSEMBLER FOR DISCRE- TIONARY ACCOUNTS	BLOCK TRADE ASSEMBLER FOR OTHER INDIVIDUAL CUSTOMERS	BLOCK TRADE ASSEMBLER FOR OTHER INSTITU- TIONAL CUSTOMERS	SPECIALIST FOR OWN ACCOUNT	COO- LCT DEALER	CRDERS CN BOOK	OTHER BROKER- DEALERS FOR INDIVIDUAL CUSTOMERS	OTHER BROKER- DEALERS THAT PAID COMMISS- IONS	OTHER BROKER- DEALERS FOR OWN ACCOUNTS	OTHER BROKER- DEALERS FOR PROFES- SIONAL CUSTOMERS	TOTAL NUMBER OF SHARES ON SIDE
RANDOM (\$1M+)												
1968	31,100 13.66%	.00%	26,800 11.77%	134,000 58.97%	.00%	.00%	.00%	.00%	24,300 10.67%	.00%	11,400 5.00%	227,600 100.00%
1969	15,800 9.87%	.00%	10,000 6.25%	131,200 82.00%	.00%	.06%	300 .18%	100 .06%	.00%	.00%	2,500 1.56%	160,000 100.00%
	46,500 12.10%	.00%	36,800 9.49%	265,200 68.42%	.00%	.02%	300 .07%	100 .02%	24,300 6.26%	.00%	13,900 3.58%	387,600 100.00%
RANDOM (\$1M+)												
1968	19,400 .61%	41,900 1.22%	400,200 12.61%	2,485,500 78.32%	.00%	.00%	4,100 .12%	3,500 .11%	59,200 3.12%	.00%	119,400 3.76%	3,173,200 100.00%
1969	40,827 .61%	534,000 8.00%	101,700 1.52%	5,670,800 84.97%	.00%	.00%	.00%	3,500 .05%	223,700 3.35%	.00%	59,300 1.48%	6,673,827 100.00%
	60,227 .61%	575,500 5.84%	501,900 5.09%	8,156,300 82.83%	.00%	.00%	4,100 .04%	7,000 .07%	322,500 3.27%	.00%	218,700 2.22%	9,847,027 100.00%
OTHER (\$10M+)												
1968	.00%	33,700 2.43%	.00%	1,316,600 95.29%	.00%	.00%	9,700 .70%	.00%	.00%	.00%	21,600 1.56%	1,381,600 100.00%
1969	.00%	.00%	.00%	1,579,000 103.70%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	1,579,000 100.00%
	.00%	33,700 1.13%	.00%	2,895,600 97.80%	.00%	.00%	9,700 .32%	.00%	.00%	.00%	21,600 .72%	2,960,600 100.00%
	107,127 .81%	605,000 4.61%	538,700 4.08%	11,317,100 85.76%	.00%	.00%	14,100 .10%	7,100 .05%	347,200 2.63%	.00%	254,200 1.92%	13,195,227 100.00%

TABLE XI-50

NEW YORK STOCK EXCHANGE BLOCK TRADDS (10,000 OR MORE SHARES)
 SPECIALIST'S WRITEOUTS AS INFLUENCED BY PARTICIPATION FOR 5% OF MORE PERCENT OF SHARES BY B-D'S OTHER THAN ASSEMBLER OR SPECIALIST
 (NUMBER OF SHARES ON BOTH SIDES AND PERCENTAGE)

OTHER B-D PARTICIPATION	SELECTION CRITERIA	SHARES WRITTEN OUT	OTHER B-D'S SHARES	PERCENTAGE OF OTHER B-D'S	ASSEMBLER'S TOTAL SHARES	PERCENTAGE OF ASSEMBLER'S	TOTAL SHARES IN BLOCK	PERCENTAGE OF TOTAL SHARES
NO	RANDOM (\$1M+)	39,600	5,100	756.86%	495,300	7.79%	500,400	7.71%
NO	RANDOM (\$1MM+)	932,000	196,700	473.81%	12,438,700	7.40%	12,635,400	7.37%
NO	OTHER (\$10MM+)	230,000	37,300	616.67%	3,418,700	6.72%	3,656,000	6.65%
NO		1,200,600	239,100	502.13%	16,352,700	7.34%	16,591,800	7.23%
YES	RANDOM (\$1MM-)	35,700	141,100	25.30%	460,700	7.74%	601,800	5.93%
YES	RANDOM (\$1MM+)	671,400	2,516,027	26.67%	9,304,627	9.08%	10,920,654	6.20%
YES	OTHER (\$10MM+)	162,200	580,800	27.92%	1,984,400	9.60%	2,465,200	6.57%
YES		869,300	3,237,927	26.84%	10,649,727	8.14%	13,887,654	6.25%
		2,059,900	3,477,027	59.53%	27,002,427	7.66%	30,479,454	6.79%

TABLE XI-51

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
SPECIALIST'S WRITEOUTS AS INFLUENCED BY SPECIALIST'S PARTICIPATION FOR 5 OR MORE PERCENT OF SHARES
(NUMBER OF SHARES ON BOTH SIDES AND PERCENTAGE)

SPECIALIST PARTICIPATION	SELECTION CRITERIA	SHARES WRITTEN OUT	SPECIALIST'S SHARES	PERCENTAGE OF SPECIALIST'S	ASSEMBLER'S TOTAL SHARES	PERCENTAGE OF ASSEMBLER'S	TOTAL SHARES IN BLOCK	PERCENTAGE OF TOTAL SHARES
NO	RANDOM (\$1MM-)	20,100	2,400	837.50%	420,200	4.78%	504,000	3.98%
NO	RANDOM (\$1MM+)	768,300	220,400	343.59%	12,175,127	6.31%	13,806,654	5.56%
NO	OTHER (\$10MM+)	392,200	101,500	386.40%	5,238,100	7.48%	5,842,600	6.71%
NO		1,180,600	324,300	364.04%	17,833,427	6.62%	20,153,254	5.85%
YES	RANDOM (\$1MM-)	54,200	169,200	32.03%	535,800	10.11%	598,200	9.06%
YES	RANDOM (\$1MM+)	835,100	1,388,700	67.13%	8,568,200	9.74%	9,649,400	8.65%
YES	OTHER (\$10MM+)		31,300		65,000		78,600	
YES		889,300	1,599,200	55.95%	9,169,000	9.69%	10,326,200	8.61%
		2,059,500	1,913,500	108.17%	27,002,427	7.66%	30,479,454	6.79%

TABLE XI-52

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
SPECIALIST'S WRITEOUTS AS INFLUENCED BY BLOCK POSITIONING
(NUMBER OF SHARES ON BOTH SIDES AND PERCENTAGE)

BLOCK POSITIONED	SELECTION CRITERIA	SHARES WRITTEN OUT	SHARES POSITIONED	PERCENTAGE OF POSITIONED	ASSEMBLER'S TOTAL SHARES	PERCENTAGE OF ASSEMBLER'S	TOTAL SHARES IN BLOCK	PERCENTAGE OF TOTAL SHARES
NO	RANDOM (\$1MM-)	48,000			691,900	6.93%	783,400	6.04%
NO	RANDOM (\$1MM+)	584,700			8,455,100	6.91%	10,339,400	5.65%
NO	OTHER (\$10MM+)				65,000	.00%	78,600	.00%
NO		632,700			9,212,000	6.86%	11,211,400	5.94%
YES	RANDOM (\$1MM-)	26,300	40,800	28.93%	264,100	9.95%	308,800	8.51%
YES	RANDOM (\$1MM+)	1,018,700	3,000,527	33.95%	12,298,227	8.29%	13,116,654	7.76%
YES	OTHER (\$10MM+)	392,200	665,000	58.97%	5,238,100	7.48%	5,842,600	6.71%
YES		1,437,200	3,756,427	38.25%	17,790,427	8.07%	19,268,054	7.45%
		2,469,900	3,757,427	55.10%	27,002,427	7.66%	30,479,454	6.79%

TABLE XI-53

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 INITIAL BIDS AND OFFERS BY BLOCK TRADE ASSEMBLERS
 (NUMBER OF SHARES, DOLLARS AND PERCENTAGE OF FINAL SHARES)
 BLOCKS EXCLUDED IF NO RECORDS OF RECOLLECTION, OR IF NEITHER BID, OFFER NOR POSITION

BLOCK TRADE ASSEMBLER	BID OR OFFER	SHARES BID OR OFFERED	INDICATIONS OF INTEREST	INITIAL EXPOSURE	PRICE OF BID OR OFFER	SHARES POSITIONED	FINAL SHARES IN BLOCK	FINAL PRICE OF BLOCK
FIRM A	BID	40,827		40,827	\$67.00	40,826	40,826	\$67.00
FIRM A		40,827		100.00%		100.00%	100.00%	
FIRM B	NONE				\$4.00	62,100	100,000	\$32.00
FIRM B	NONE				0.00	37,000	172,000	26.00
FIRM B				0.00%		99,100	272,000	
FIRM C	BID	59,100	58,600	500	\$49.50		59,100	\$49.50
FIRM C	BID	99,700	65,400	34,300	27.25	57,300	99,700	27.25
FIRM C	BID	114,600	30,000	84,000	29.00	54,400	114,000	29.00
FIRM C	BID	72,000	52,000	20,000	21.00		72,000	21.00
FIRM C	OFFER	26,000		26,000	42.00		25,700	42.00
FIRM C	BID	126,400	98,900	27,500	48.00	7,500	126,400	48.00
FIRM C	BID	18,900	18,000	900	53.75		18,900	53.75
FIRM C	BID	448,500	86,700	361,800	24.00	20,400	448,000	24.00
FIRM C		964,100	409,600	554,500		139,600	963,800	
FIRM C				57.53%		14.48%	100.00%	
FIRM D	BID	60,000		60,000	\$23.75	4,000	69,100	\$23.88
FIRM D	BID	292,000	26,000	266,000	32.25	229,200	292,000	33.25
FIRM D	BID	111,600	300	111,300	32.00	106,000	111,600	32.25
FIRM D	BID	26,000	9,900	16,100	105.00	2,200	26,000	105.00
FIRM D	BID	102,300	50,000	52,800	56.00	36,800	102,800	57.00
FIRM D	BID	99,500	3,800	95,700	36.50	60,700	99,500	37.00
FIRM D	BID	25,000	10,000	15,000	74.25	2,500	25,000	74.25
FIRM D	BID	11,300		11,300	109.00	8,400	11,300	109.00
FIRM D	BID	25,800		25,800	30.00	13,700	25,800	30.00
FIRM D	BID	500,000	250,000	250,000	32.00	8,000	500,000	33.00
FIRM D	BID	400,000		400,000	51.50	252,600	400,000	51.75
FIRM D	BID	225,000		225,000	140.00	2,800	374,300	140.00
FIRM D	BID	30,000	25,500	4,500	124.50	5,000	30,000	124.75
FIRM D	OFFER	140,000		140,000	78.00	90,700	140,000	77.50
FIRM D	BID	200,000		200,000	54.00	188,000	200,000	54.00
FIRM D		2,249,000	375,500	1,873,500		1,010,600	2,407,400	
FIRM D				77.82%		41.97%	100.00%	
FIRM E	BID	50,900		50,900	\$28.00	30,900	50,900	\$28.63
FIRM E	BID	37,700		37,700	42.75	35,000	40,000	43.25
FIRM E	BID	39,600	30,000	9,600	39.50	5,400	39,600	40.00
FIRM E	BID	30,000		30,000	46.00		30,000	46.25
FIRM E	BID	35,000	20,500	14,500	113.00	9,800	29,900	114.00
FIRM E	BID	49,900		49,800	51.50		49,800	52.00
FIRM E		243,000	50,500	192,500		81,100	240,200	

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TABLE XI-53 cont.

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 INITIAL BIDS AND OFFERS BY BLOCK TRADE ASSEMBLERS
 (NUMBER OF SHARES, DOLLARS AND PERCENTAGE OF FINAL SHARES)
 BLOCKS EXCLUDED IF NO RECORDS OR RECOLLECTION, OR IF NEITHER BID, OFFER NOR POSITION

BLOCK TRADE ASSEMBLER	BID OR OFFER	SHARES BID OR OFFERED	INDICATIONS OF INTEREST	INITIAL EXPOSURE	PRICE OF BID OR OFFER	SHARES POSITIONED	FINAL SHARES IN BLOCK	FINAL PRICE OF BLOCK
				80.14%		33.76%	100.00%	
FIRM F	BID	56,900	50,000	6,900	\$20.50	1,100	57,000	\$20.50
	BID	33,000	5,000	28,000	37.50	26,600	35,000	37.50
FIRM F		89,900	55,000	34,900		27,700	92,000	
				37.93%		30.10%	100.00%	
FIRM G	NONE				\$.00	3,300	26,900	\$59.75
	NONE				.00	5,600	32,600	31.00
	NONE				.00	85,200	723,700	26.75
FIRM G						94,100	783,200	
				.00%		12.01%	100.00%	
FIRM H	BID	28,400		28,400	\$39.00	9,400	41,800	\$39.00
	BID	50,000		50,000	24.50	22,400	54,000	24.50
	BID	17,800		17,800	67.50		19,300	68.00
	BID	200,000		200,000	29.50	177,100	200,000	29.50
FIRM H		296,200		296,200		208,900	315,100	
				94.00%		66.29%	100.00%	
FIRM I	BID	200,000	22,600	177,400	\$19.25	172,000	200,000	\$19.25
	BID	15,900	8,200	7,700	63.75	7,700	16,000	63.75
	BID	31,700	22,700	9,000	139.00	9,000	32,800	139.00
	BID	42,800	26,500	16,300	44.00	16,300	43,100	44.00
	BID	96,500	35,400	61,100	26.25	61,100	100,000	26.25
	OFFER	14,400	3,300	11,100	115.25	12,100	15,000	115.25
	BID	85,500	73,500	12,000	59.50	17,000	86,000	59.50
	BID	186,300	164,300	22,000	72.00	22,000	187,200	72.00
FIRM I		673,100	356,500	316,600		317,200	680,100	
				46.55%		46.64%	100.00%	
FIRM J	BID	60,000	25,000	35,000	\$30.00	20,000	59,800	\$30.00
FIRM J		60,000	25,000	35,000		20,000	59,800	
				58.52%		33.44%	100.00%	
FIRM K	BID	15,000	11,300	3,700	\$88.50	3,700	16,500	\$88.50
FIRM K		15,000	11,300	3,700		3,700	16,500	
				22.42%		22.42%	100.00%	
		4,631,127	1,283,400	3,347,727		2,042,826	5,870,926	
				57.02%		34.79%	100.00%	

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TABLE XI-54

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES BETWEEN LIMIT PRICE OF ORDERS ON SPECIALIST'S BOOK AND CLEANUP PRICE OF BLOCK AS INFLUENCED BY SPECIALIST'S
 PARTICIPATION IN BLOCK FOR DOWN ACCOUNT
 (NUMBER OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SPECIALIST PARTICIPATED	7/8 OR MORE DOWN	3/4-5/8 DOWN	1/2-3/8 DOWN	1/4-1/8 DOWN	SAME	1/8-1/4 UP	3/8-1/2 UP	5/8-3/4 UP	7/8 OR MORE UP	ALL BOOK
RANDOM (\$1M-)	NO	.00%	.00%	.00%	.00%	3,300 86.84%	.00%	.00%	.00%	500 13.15%	3,800 100.00%
RANDOM (\$1M-)	YES	.00%	.00%	.00%	8,900 25.00%	26,800 58.42%	3,000 8.42%	1,700 4.77%	.00%	1,200 3.37%	35,600 100.00%
RANDOM (\$1M-)		.00%	.00%	.00%	9,900 22.58%	24,100 61.16%	3,000 7.61%	1,700 4.31%	.00%	1,700 4.31%	39,400 100.00%
RANDOM (\$1M+)	NO	.00%	.00%	.00%	5,800 4.65%	108,400 86.92%	10,500 8.42%	.00%	.00%	.00%	124,700 100.00%
RANDOM (\$1M+)	YES	500 .11%	11,200 2.47%	1,900 .42%	5,700 1.10%	253,000 56.01%	72,300 16.00%	77,100 17.06%	13,600 2.87%	17,700 3.91%	451,700 100.00%
RANDOM (\$1M+)		500 .08%	11,200 1.54%	1,900 .32%	10,800 1.87%	361,400 62.69%	82,800 14.35%	77,100 13.37%	13,000 2.25%	17,700 3.07%	576,400 100.00%
OTHER (\$10M+)	YES	.00%	.00%	.00%	.00%	11,700 23.21%	23,600 46.82%	6,500 12.89%	200 .39%	8,400 16.66%	50,400 100.00%
OTHER (\$10M+)		.00%	.00%	.00%	.00%	11,700 23.21%	23,600 46.82%	6,500 12.89%	200 .39%	8,400 16.66%	50,400 100.00%
		500 .07%	11,200 1.68%	1,900 .28%	19,700 2.95%	397,200 59.62%	109,400 16.42%	85,300 12.80%	13,200 1.98%	27,800 4.17%	666,200 100.00%

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 DIFFERENCES BETWEEN EXECUTION PRICE OF ORDERS ON SPECIALIST'S BOOK AND CLEANUP PRICE OF BLOCK AS INFLUENCED BY SPECIALIST'S
 PARTICIPATION IN BLOCK FOR OWN ACCOUNT
 (NUMBER OF SHARES AND PERCENTAGE)

SELECTION CRITERIA	SPECIALIST PARTICIPATED	7/8 OR MORE DOWN	3/4-5/8 DOWN	1/2-3/8 DOWN	1/4-1/8 DOWN	SAME	1/8-1/4 UP	3/8-1/2 UP	5/8-3/4 UP	7/8 OR MORE UP	ALL BOOK
RANDOM (\$1MM-)	NO	.00%	.00%	.00%	.00%	3,300 86.84%	.00%	.00%	.00%	500 13.15%	3,800 100.00%
RANDOM (\$1MM-)	YES	.00%	.00%	.00%	8,700 24.43%	22,300 62.64%	1,800 5.05%	1,600 4.49%	.00%	1,200 3.37%	35,600 100.00%
RANDOM (\$1MM-)		.00%	.00%	.00%	8,700 22.08%	25,600 64.97%	1,800 4.56%	1,600 4.06%	.00%	1,700 4.31%	39,400 100.00%
RANDOM (\$1MM+)	NO	.00%	.00%	.00%	.00%	117,100 93.90%	7,600 6.09%	.00%	.00%	.00%	124,700 100.00%
RANDOM (\$1MM+)	YES	1,200 .26%	12,300 2.72%	900 .17%	2,500 .55%	391,100 86.58%	5,100 1.12%	23,500 5.20%	4,100 .90%	11,100 2.45%	451,700 100.00%
RANDOM (\$1MM+)		1,200 .20%	12,300 2.13%	800 .13%	2,500 .43%	508,200 88.16%	12,700 2.20%	23,500 4.07%	4,100 .71%	11,100 1.92%	576,400 100.00%
OTHER (\$10MM+)	YES	.00%	.00%	.00%	.00%	43,400 86.11%	7,000 13.88%	.00%	.00%	.00%	50,400 100.00%
OTHER (\$10MM+)		.00%	.00%	.00%	.00%	43,400 86.11%	7,000 13.88%	.00%	.00%	.00%	50,400 100.00%
		1,200 .18%	12,300 1.84%	800 .12%	11,200 1.68%	577,200 86.64%	21,500 3.22%	25,100 3.76%	4,100 .61%	12,800 1.92%	666,200 100.00%

TABLE XI-56

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NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 BLOCK POSITION REMAINING AT END OF CALENDAR DAY
 (HUNDREDS OF SHARES AND PERCENTAGE OF SUBSEQUENT POSITION)

NOTE FIGURES DO NOT INCLUDE TRANSACTIONS FOR BLOCK POSITIONER'S ARBITRAGE, REGIONAL SPECIALIST AND/OR CONVERSION ACCOUNTS

SIDE AFTER	SELECTION CRITERIA	PARTICIPATION	POSITION AFTER	END OF BLOCK DAY	END OF DAY 2	END OF DAY 3	END OF DAY 4	END OF DAY 5	END OF DAY 6	END OF DAY 7	END OF DAY 14	END OF DAY 21	END OF DAY 30
LONG	RANDOM (\$1MM-)	496	496 100.00%	395 79.63%	283 57.05%	274 55.24%	56 11.29%	56 11.29%	56 11.29%	56 11.29%	28 5.64%	.00%	.00%
LONG	RANDOM (\$1MM+)	25,038	27,407 100.00%	24,143 88.09%	21,446 78.25%	21,443 78.23%	19,433 70.90%	18,449 67.31%	17,616 64.27%	15,239 55.60%	9,952 36.31%	5,952 21.71%	1,851 6.75%
LONG	OTHER (\$10MM+)	5,834	5,834 100.00%	4,131 70.80%	3,536 60.61%	3,276 56.15%	3,276 56.15%	2,853 48.90%	2,306 39.52%	2,127 36.45%	1,957 33.54%	867 14.86%	468 8.02%
LONG		31,368	33,737 100.00%	28,669 84.97%	25,265 74.88%	24,993 74.08%	22,765 67.47%	21,358 63.30%	19,978 59.21%	17,422 51.64%	11,937 35.38%	6,819 20.21%	2,319 6.87%
SHORT	RANDOM (\$1MM+)	-121	-121 100.00%	-101 83.47%	-31 25.61%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%
SHORT	OTHER (\$10MM+)	-907	-907 100.00%	-884 97.46%	-2 .22%	.00%	.00%						
SHORT		-1,028	-1,028 100.00%	-985 95.81%	-915 89.00%	-884 85.99%	-884 85.99%	-884 85.99%	-884 85.99%	-884 85.99%	-2 .19%	.00%	.00%
		30,340	32,709 100.00%	27,684 84.63%	24,350 74.44%	24,109 73.70%	21,881 66.89%	20,474 62.59%	19,094 58.37%	16,538 50.56%	11,935 36.48%	6,819 20.84%	2,319 7.08%

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TABLE XI-57

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 BLOCK POSITION REMAINING AT END OF CALENDAR DAY
 (HUNDREDS OF SHARES AND PERCENTAGE OF SUBSEQUENT POSITION)
 STOCKS IN TOP 20 PERCENT BY NYSE VOLUME

NOTE FIGURES DO NOT INCLUDE TRANSACTIONS FOR BLOCK POSITIONER'S ARBITRAGE, REGIONAL SPECIALIST AND/OR CONVERSION ACCOUNTS

SIDE AFTER	SELECTION CRITERIA	PARTICIPATION	POSITION AFTER	END CF BLCKC DAY	END OF DAY 2	END OF DAY 3	END OF DAY 4	END OF DAY 5	END OF DAY 6	END OF DAY 7	END OF DAY 14	END CF DAY 21	END OF DAY 30
LONG	RANDOM (\$1MM-)	168	168 100.00%	168 100.00%	56 33.33%	56 33.33%	56 33.33%	56 33.33%	56 33.33%	56 33.33%	28 16.66%	.00%	.00%
LONG	RANDOM (\$1MM+)	21,688	22,507 100.00%	19,544 86.83%	16,852 74.87%	16,967 75.36%	15,223 67.63%	14,239 63.26%	13,421 59.63%	12,327 54.76%	8,531 37.90%	4,693 20.85%	1,507 6.69%
LONG	OTHER (\$10MM+)	5,834	5,834 100.00%	4,131 70.80%	3,536 60.61%	3,276 56.15%	3,276 56.15%	2,853 48.90%	2,306 39.52%	2,127 36.45%	1,957 33.54%	867 14.86%	468 8.02%
LONG		27,690	28,509 100.00%	23,843 83.63%	20,444 71.71%	20,299 71.20%	18,555 65.08%	17,148 60.14%	15,783 55.36%	14,510 50.89%	10,516 36.88%	5,560 19.50%	1,975 6.92%
SHORT	RANDOM (\$1MM+)	-121	-121 100.00%	-101 83.47%	-31 25.61%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%
SHORT	OTHER (\$10MM+)	-507	-907 100.00%	-884 97.46%	-2 .22%	.00%	.00%						
SHORT		-1,028	-1,028 100.00%	-985 95.81%	-915 89.00%	-884 85.99%	-884 85.99%	-884 85.99%	-884 85.99%	-884 85.99%	-2 .19%	.00%	.00%
		26,662	27,481 100.00%	22,858 83.17%	19,529 71.06%	19,415 70.64%	17,671 64.30%	16,264 59.18%	14,899 54.21%	13,626 49.58%	10,514 38.25%	5,560 20.23%	1,975 7.18%

TABLE XI-58

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 OTHER SIDE OF BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK TRADE
 (NUMBER OF TRANSACTIONS AND PERCENTAGE OF ALL LAYOFFS WITHIN THIRTY DAYS)

YEAR	INDIVIDUAL CUSTOMERS	INSTITUTIONAL CUSTOMERS	SPECIALIST	ODD LOT DEALERS	B-D'S (1-499 SHARES)	B-D'S (500-999 SHARES)	B-D'S (1000 OR MORE SHARES)	TOTAL TRANSACTIONS
RANDOM (\$1MM-)								
1968	.00%	2 14.28%	.00%	.00%	11 78.57%	.00%	1 7.14%	14 100.00%
1969	.00%	.00%	6 22.22%	.00%	14 51.85%	.00%	7 25.92%	27 100.00%
	.00%	2 4.87%	6 14.63%	.00%	25 60.97%	.00%	8 19.51%	41 100.00%
RANDOM (\$1MM+)								
1968	.00%	18 1.34%	17 1.27%	39 2.91%	1,018 76.08%	146 10.91%	100 7.47%	1,338 100.00%
1969	.25%	54 2.73%	57 2.89%	47 2.38%	1,365 69.21%	228 11.56%	216 10.95%	1,972 100.00%
	.15%	72 2.17%	74 2.23%	86 2.59%	2,383 71.99%	374 11.29%	316 9.54%	3,310 100.00%
OTHER (\$10MM+)								
1968	.00%	22 6.87%	1 .31%	1 .31%	207 64.68%	50 15.62%	39 12.18%	320 100.00%
1969	.00%	3 1.72%	9 5.17%	4 2.29%	103 59.19%	21 12.06%	34 19.54%	174 100.00%
	.00%	25 5.06%	10 2.02%	5 1.01%	310 62.75%	71 14.37%	73 14.77%	494 100.00%
	.13%	99 2.57%	90 2.34%	91 2.36%	2,718 70.68%	445 11.57%	397 10.32%	3,845 100.00%

TABLE XI-59

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 OTHER SIDE OF BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK TRADE
 (NUMBER OF SHARES AND PERCENTAGE OF ALL LAYOFFS WITHIN THIRTY DAYS)

YEAR	INDIVIDUAL CUSTOMERS	INSTITUTIONAL CUSTOMERS	SPECIALIST	ODD LOT DEALERS	B-D'S (1-499 SHARES)	B-D'S (500-999 SHARES)	B-D'S (1000 OR MORE SHARES)	TOTAL SHARES LAID OFF
RANDOM (\$1MM-)								
1968	.00%	2,100 37.50%	.00%	.00%	1,500 26.78%	.00%	2,000 35.71%	5,600 100.00%
1969	.00%	.00%	5,600 12.72%	.00%	2,600 5.90%	.00%	35,800 81.36%	44,000 100.00%
	.00%	2,100 4.23%	5,600 11.29%	.00%	4,100 8.26%	.00%	37,800 76.20%	49,600 100.00%
RANDOM (\$1MM+)								
1968	.00%	127,000 16.35%	29,400 3.78%	10,000 1.28%	160,200 20.63%	87,500 11.26%	362,400 46.67%	776,500 100.00%
1969	2,900 .14%	695,400 34.59%	168,000 8.35%	12,011 .59%	225,700 11.22%	136,200 6.77%	769,900 38.30%	2,010,111 100.00%
	2,900 .10%	822,400 29.51%	197,400 7.08%	22,011 .78%	385,900 13.84%	223,700 8.02%	1,132,300 40.63%	2,786,611 100.00%
OTHER (\$10MM+)								
1968	.00%	236,950 58.05%	100 .02%	200 .04%	32,500 7.96%	28,400 6.95%	110,000 26.95%	408,150 100.00%
1969	.00%	155,000 50.09%	15,700 5.07%	700 .22%	15,900 5.13%	12,200 3.94%	109,900 35.52%	309,400 100.00%
	.00%	391,950 54.62%	15,800 2.20%	900 .12%	48,400 6.74%	40,600 5.65%	219,900 30.64%	717,550 100.00%
	2,900 .08%	1,216,450 34.22%	218,800 6.15%	22,911 .64%	438,400 12.33%	264,300 7.43%	1,390,000 39.11%	3,553,761 100.00%

TABLE XI-60

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 OTHER SIDE OF BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK TRADE
 (AVERAGE SIZE OF TRANSACTION IN NUMBER OF SHARES)

YEAR	OTHER INDIVIDUALS	INSTITUTIONAL CUSTOMERS	SPECIALIST	ODD LOT DEALERS	B-D'S (1- 499 SHARES)	B-D'S (500- 999 SHARES)	B-D'S (1000 OR MORE SHARES)	ALL LAYOFFS
RANDOM (\$1MM-)								
1968		1,050			136		2,000	400
1969			933		186		5,114	1,630
		1,050	933		164		4,725	1,210
RANDOM (\$1MM+)								
1968		7,056	1,729	256	157	599	3,624	580
1969	580	12,878	2,947	256	165	597	3,564	1,019
	580	11,422	2,668	256	162	598	3,583	842
OTHER (\$10MM+)								
1968		10,770	100	200	157	568	2,821	1,275
1969		51,666	1,744	175	154	581	3,232	1,778
		15,678	1,580	180	156	572	3,012	1,453
	580	12,287	2,431	252	161	594	3,501	924

TABLE XI-61

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 AVERAGE (WEIGHTED BY NUMBER OF SHARES) CALENDAR DAY ON WHICH BLOCK POSITIONERS EXECUTE LAYOFF TRANSACTIONS WITH EACH TYPE OF PARTY
 ON THE OTHER SIDE DURING THE FIRST THIRTY DAYS OF THE POSITION

NOTE THE DAY OF THE BLOCK IS DAY 1.

SELECTION CRITERIA	YEAR	INDIVIDUAL CUSTOMERS	INSTITUTIONAL CUSTOMERS	SPECIALIST	ODD LOT DEALERS	B-D'S (1- 499 SHARES)	B-D'S (500- 999 SHARES)	B-D'S (1000 OR MORE SHARES)	ALL LAYOFFS
RANDOM (\$1MM-)	1968		15.00			13.40		12.00	13.50
RANDOM (\$1MM-)	1969			2.13		2.15		2.93	2.78
RANDOM (\$1MM-)			15.00	2.13		6.27		3.41	3.99
RANDOM (\$1MM+)	1968		8.80	16.15	6.50	6.48	7.08	10.01	8.94
RANDOM (\$1MM+)	1969	4.90	13.01	13.01	5.90	8.52	7.44	9.29	10.65
RANDOM (\$1MM+)		4.90	12.36	13.48	6.17	7.67	7.30	9.52	10.17
OTHER (\$10MM+)	1968		10.27			8.10	7.71	10.74	10.04
OTHER (\$10MM+)	1969		1.03	2.88	2.00	3.16	3.56	2.30	1.79
OTHER (\$10MM+)			6.62	2.88	2.00	6.48	6.47	6.52	6.48
		4.90	10.51	12.42	6.01	7.53	7.17	8.88	9.34

TABLE XI-62

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SIZE OF BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK
 (NUMBER OF TRANSACTIONS AND PERCENTAGE)

YEAR	UNDER 100 SHARES	100-199 SHARES	200-299 SHARES	300-399 SHARES	400-499 SHARES	500-999 SHARES	1000-4999 SHARES	5000-9999 SHARES	10,000-24,999 SHARES	25,000 OR MORE SHARES	ALL LAYOFFS
RANDOM (\$1MM-)											
1968	.00%	50.00%	28.57%	.00%	.00%	7.14%	14.28%	.00%	.00%	.00%	100.00%
		7	4			1	2				14
1969	.00%	44.44%	11.11%	7.40%	7.40%	.00%	11.11%	14.81%	3.70%	.00%	100.00%
		12	3	2	2		3	4	1		27
	.00%	46.34%	17.07%	4.87%	4.87%	2.43%	12.19%	9.75%	2.43%	.00%	100.00%
		19	7	2	2	1	5	4	1		41
RANDOM (\$1MM+)											
1968	.00%	49.10%	17.41%	8.81%	3.73%	11.73%	7.32%	1.27%	.37%	.22%	100.00%
		657	233	118	50	157	98	17	5	3	1,338
1969	.05%	42.89%	17.80%	8.16%	3.57%	12.44%	10.81%	1.99%	1.63%	.66%	100.00%
		1	841	349	160	70	244	212	39	32	1,961
	.03%	45.41%	17.64%	8.43%	3.64%	12.16%	9.40%	1.70%	1.12%	.49%	100.00%
		1	1,498	582	278	120	401	310	56	37	3,299
OTHER (\$10MM+)											
1968	.00%	39.68%	13.23%	5.81%	6.13%	17.42%	12.58%	2.56%	1.61%	1.29%	100.00%
		123	41	18	19	54	39	7	5	4	310
1969	.00%	40.22%	13.79%	5.74%	4.02%	12.06%	17.24%	4.02%	1.72%	1.14%	100.00%
		70	24	10	7	21	30	7	3	2	174
	.00%	39.88%	13.43%	5.76%	5.37%	15.50%	14.26%	2.89%	1.65%	1.34%	100.00%
		193	65	28	26	75	69	14	8	6	484
	.03%	44.76%	17.10%	8.05%	3.87%	12.47%	10.04%	1.94%	1.20%	.58%	100.00%
		1	1,710	654	308	148	477	384	74	46	3,824

TABLE XI-63

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SIZE OF BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK
 (NUMBER OF SHARES AND PERCENTAGE)

YEAR	UNDER 100 SHARES	100-199 SHARES	200-299 SHARES	300-399 SHARES	400-499 SHARES	500-999 SHARES	1000-4999 SHARES	5000-9999 SHARES	10,000-24,999 SHARES	25,000 OR MORE SHARES	ALL LAYOFFS
RANDOM (\$1MM-)											
1968	.00%	700 12.50%	800 14.28%	.00%	.00%	700 12.50%	3,400 60.71%	.00%	.00%	.00%	5,600 100.00%
1969	.00%	1,200 2.72%	600 1.36%	600 1.36%	800 1.81%	.00%	4,800 10.90%	26,000 59.09%	10,000 22.72%	.00%	44,000 100.00%
	.00%	1,900 3.83%	1,400 2.82%	600 1.20%	800 1.61%	700 1.41%	8,200 16.53%	26,000 52.41%	10,000 20.16%	.00%	49,600 100.00%
RANDOM (\$1MM+)											
1968	.00%	65,700 8.46%	46,600 6.00%	35,400 4.55%	20,000 2.57%	94,000 12.10%	182,300 23.47%	109,100 14.05%	68,400 8.80%	155,000 19.96%	776,500 100.00%
1969	.11 .00%	84,100 4.18%	69,800 3.47%	48,000 2.38%	28,000 1.39%	145,400 7.23%	392,000 19.50%	246,300 12.25%	476,200 23.69%	520,300 25.88%	2,010,111 100.00%
	.11 .00%	149,800 5.37%	116,400 4.17%	83,400 2.99%	48,000 1.72%	239,400 8.59%	574,300 20.60%	355,400 12.75%	544,600 19.54%	675,300 24.23%	2,786,611 100.00%
OTHER (\$10MM+)											
1968	.00%	12,350 3.02%	8,200 2.09%	5,400 1.32%	7,600 1.86%	30,900 7.57%	75,500 18.49%	39,000 9.55%	61,000 14.94%	168,200 41.21%	408,150 100.00%
1969	.00%	7,600 2.26%	4,800 1.55%	3,000 .96%	2,800 .90%	12,200 3.94%	50,600 16.35%	37,400 12.08%	41,600 13.44%	150,000 48.48%	309,400 100.00%
	.00%	19,350 2.69%	13,000 1.81%	8,400 1.17%	10,400 1.44%	43,100 6.00%	126,100 17.57%	76,400 10.64%	102,600 14.29%	318,200 44.34%	717,550 100.00%
	.11 .00%	171,050 4.81%	130,800 3.68%	92,400 2.60%	59,200 1.66%	283,200 7.96%	708,600 19.93%	457,800 12.88%	657,200 18.49%	993,500 27.95%	3,553,761 100.00%

TABLE XI-64

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 MARKETS USED IN BLOCK POSITIONERS' LAYOFF TRANSACTIONS WITHIN THIRTY DAYS OF BLOCK
 (NUMBER OF TRANSACTIONS AND SHARES AND PERCENTAGE OF EACH)

YEAR	NYSE TRANSACTIONS	REGIONAL TRANSACTIONS	THIRD MARKET TRANSACTIONS	TOTAL TRANSACTIONS	NYSE SHARES	REGIONAL SHARES	THIRD MARKET SHARES	TOTAL SHARES
RANDOM (\$1MM-)								
1968	14 100.00%	.00%	.00%	14 100.00%	5,600 100.00%	.00%	.00%	5,600 100.00%
1969	27 100.00%	.00%	.00%	27 100.00%	44,000 100.00%	.00%	.00%	44,000 100.00%
	41 100.00%	.00%	.00%	41 100.00%	49,600 100.00%	.00%	.00%	49,600 100.00%
	1210							
RANDOM (\$1MM+)								
1968	1,327 99.17%	11 .82%	.00%	1,338 100.00%	713,600 91.89%	62,900 8.10%	.00%	776,500 100.00%
1969	1,905 96.60%	67 3.39%	.00%	1,972 100.00%	1,773,511 88.22%	236,600 11.77%	.00%	2,010,111 100.00%
	3,232 97.64%	78 2.35%	.00%	3,310 100.00%	2,487,111 89.25%	299,500 10.74%	.00%	2,786,611 100.00%
OTHER (\$10MM+)								
1968	295 92.18%	25 7.81%	.00%	320 100.00%	265,300 65.00%	142,850 34.99%	.00%	408,150 100.00%
1969	153 87.93%	21 12.06%	.00%	174 100.00%	116,900 37.78%	192,500 62.21%	.00%	309,400 100.00%
	448 90.68%	46 9.31%	.00%	494 100.00%	382,200 53.26%	335,350 64.73%	.00%	717,550 100.00%
	3,721 96.77%	124 3.22%	.00%	3,845 100.00%	2,918,911 82.13%	634,850 17.86%	.00%	3,553,761 100.00%

TABLE XI-65

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 USE OF SPECIALIST AS FLOOR BROKER FOR BLOCK POSITIONERS' LAYOFF TRANSACTIONS ON THE NYSE WITHIN THIRTY DAYS OF BLOCK TRADE
 (NUMBER OF TRANSACTIONS AND SHARES AND PERCENTAGE)

YEAR	SPECIALIST TRANSACTIONS	NONSPECIALIST TRANSACTIONS	ALL TRANSACTIONS	SPECIALIST SHARES	NONSPECIALIST SHARES	ALL SHARES
RANDOM (\$1MM-)						
1968	.00%	14 100.00%	14	.00%	5,600 100.00%	5,600 100.00%
1969	3 11.11%	24 88.88%	27	2,900 6.59%	41,100 93.40%	44,000 100.00%
	3 7.31%	38 92.68%	41	2,900 5.84%	46,700 94.15%	49,600 100.00%
RANDOM (\$1MM+)						
1968	262 19.74%	1,065 80.25%	1,327	111,700 15.65%	601,900 84.34%	713,600 100.00%
1969	924 48.50%	981 51.49%	1,905	445,111 25.09%	1,328,400 74.90%	1,773,511 100.00%
	1,186 36.69%	2,046 63.30%	3,232	556,811 22.38%	1,930,300 77.61%	2,487,111 100.00%
OTHER (\$10MM+)						
1968	196 66.44%	99 33.55%	295	61,000 22.99%	204,300 77.00%	265,300 100.00%
1969	54 35.29%	99 64.70%	153	16,100 13.77%	100,800 86.22%	116,900 100.00%
	250 55.80%	198 44.19%	448	77,100 20.17%	305,100 79.82%	382,200 100.00%
	1,439 38.67%	2,282 61.32%	3,721	636,811 21.81%	2,282,100 78.18%	2,918,911 100.00%

TABLE XI-66

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 TRANSACTIONS BY BLOCK POSITIONER THAT INCREASE EXISTING POSITION
 (NUMBER OF TRANSACTIONS AND SHARES IN EACH SIZE CATEGORY)

BLOCK POSITIONER	TRANSACTIONS 1-499 SHRS	SHARES 1-499 SHRS	TRANSACTIONS 500-999 SHRS	SHARES 500-999 SHRS	TRANSACTIONS 1000-9999 SHRS	SHARES 1000-9999 SHRS	TRANSACTIONS 10,000+ SHRS	SHARES 10,000+ SHRS
FIRM A	4	500			1	3,700		
FIRM B					1	2,000		
FIRM C	2	500	3	1,900	8	21,800	3	40,000
FIRM D	3	700	1	700	1	1,400		
FIRM E	9	1,711			2	9,700	2	54,500
FIRM F							2	113,900
FIRM G			1	500				
FIRM H					1	9,800	1	25,000
FIRM I	24	4,300	10	5,600	25	76,900	6	179,600
FIRM J	1	400	1	500				
FIRM K					1	7,100		
FIRM L	2	200	1	500	2	2,100	2	67,200
	45	8,311	17	9,700	42	134,500	16	480,200

TABLE XI-67

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 PROFIT OR LOSS BY BLOCK POSITIONERS ON LAYOFF TRANSACTIONS ON SAME DAY AS POSITION TAKEN
 (NUMBER OF TRANSACTIONS AND SHARES AND PERCENTAGE)

YEAR	PROFIT TRANSACTIONS	BREAK EVEN TRANSACTIONS	LOSS TRANSACTIONS	ALL TRANSACTIONS	PROFIT SHARES	BREAK EVEN SHARES	LOSS SHARES	ALL SHARES
RANDOM (\$1MM-)								
1969	9 100.00%	.00%	.00%	9 100.00%	10,100 100.00%	.00%	.00%	10,100 100.00%
	9 100.00%	.00%	.00%	9 100.00%	10,100 100.00%	.00%	.00%	10,100 100.00%
RANDOM (\$1MM+)								
1968	175 74.78%	7 2.99%	52 22.22%	234 100.00%	51,500 56.16%	28,800 31.40%	11,400 12.43%	91,700 100.00%
	185 85.25%	32 14.74%	.00%	217 100.00%	150,500 53.01%	133,400 46.98%	.00%	283,900 100.00%
1969	360 79.82%	39 8.64%	52 11.52%	451 100.00%	202,000 53.78%	162,200 43.18%	11,400 3.03%	375,600 100.00%
	17 62.96%	9 33.33%	1 3.70%	27 100.00%	11,000 43.91%	13,250 52.89%	800 3.19%	25,050 100.00%
OTHER (\$10MM+)								
1969	17 68.00%	8 32.00%	.00%	25 100.00%	11,000 5.64%	184,000 94.35%	.00%	195,000 100.00%
	34 65.38%	17 32.69%	1 1.92%	52 100.00%	22,000 9.99%	197,250 89.63%	800 .36%	220,050 100.00%
	403 78.71%	56 10.93%	53 10.35%	512 100.00%	234,100 38.64%	359,450 59.33%	12,200 2.01%	605,750 100.00%

TABLE XI-68

NEW YORK STOCK EXCHANGE BLOCK TRADES (10,000 OR MORE SHARES)
 PROFITS OR LOSSES BY BLOCK POSITIONERS WITHIN THIRTY DAYS
 (THOUSANDS OF DOLLARS)
 MINUS DENOTES LOSS
 ONLY STOCKS IN TOP 20 PERCENT BY NYSE VOLUME

NOTE: PRIOR POSITIONS HAVE BEEN MARKED TO THE MARKET AS OF THE TIME OF THE BLOCK TRADE. POSITIONS REMAINING AT THE CLOSE OF THE THIRTIETH DAY HAVE BEEN MARKED TO THE MARKET AS OF THAT TIME.

YEAR	PRIOR POSITION	PARTICI-PATION	LATER INCREASES	TOTAL BASIS	LATER DECREASES	POSITION LEFT	TRADING PROFIT	GROSS COMMS'N	GIVEUPS	NET COMMS'N	NET PROFIT
RANDOM (\$1MM-)											
1968		\$174		\$174	\$167		\$-6	\$6		\$6	
1969		\$701		\$701	\$707		\$5	\$17		\$17	\$22
		\$875		\$875	\$874		\$-1	\$23		\$23	\$22
RANDOM (\$1MM+)											
1968	\$4	\$26,564	\$3,282	\$29,849	\$27,776	\$2,274	\$208	\$803	\$56	\$747	\$950
1969	\$3,880	\$47,958	\$6,842	\$58,679	\$53,312	\$4,823	\$-529	\$1,274		\$1,274	\$737
	\$3,884	\$74,522	\$10,124	\$88,528	\$81,088	\$7,097	\$-321	\$2,077	\$56	\$2,021	\$1,687
OTHER (\$10MM+)											
1968		\$6,477	\$12,027	\$18,504	\$16,332	\$1,383	\$-789	\$1,098	\$211	\$887	\$98
1969		\$17,180		\$17,180	\$15,420	\$1,734	\$-26	\$579		\$579	\$553
		\$23,657	\$12,027	\$35,684	\$31,752	\$3,117	\$-815	\$1,677	\$211	\$1,466	\$651
	\$3,884	\$99,054	\$22,151	\$125,087	\$113,714	\$10,214	\$-1,137	\$3,777	\$267	\$3,510	\$2,360

TABLE XI-69

Regional Stock Exchange Volume in
All Stocks

<u>BOSTON STOCK EXCHANGE</u>	<u>NO. OF TRANSACTIONS</u>	<u>NO. OF SHARES</u>
<u>Week Beginning</u>		
<u>(10,000 shares and over)</u>		
11-17-69	8	115,000
5-18-70	2	35,800
9-21-70	5	56,000
(5,000 to 9,999 shares)		
11-17-69	9	60,700
5-18-70	4	27,100
9-21-70	6	34,300
(1,000 to 4,999 shares)		
11-17-69	25	49,400
5-18-70	15	24,200
9-21-70	35	61,600
<u>MIDWEST STOCK EXCHANGE</u>		
<u>Week Beginning</u>		
<u>(10,000 shares and over)</u>		
11-17-69	13	347,900
5-18-70	28	469,400
9-21-70	22	566,800
(5,000 to 9,999 shares)		
11-17-69	18	114,400
5-18-70	38	234,000
9-21-70	25	244,200
(1,000 to 4,999 shares)		
11-17-69	236	376,000
5-18-70	302	465,000
9-21-70	469	782,300

TABLE XI-69 cont.

Regional Stock Exchange Volume in
All Stocks

<u>PACIFIC COAST STOCK EXCHANGE</u>	<u>NO. OF TRANSACTIONS</u>	<u>NO. OF SHARES</u>
<u>Week Beginning</u>		
<u>(10,000 shares and over)</u>		
11-17-69	17	400,200
5-18-70	18	678,900
9-21-70	40	881,100
(5,000 to 9,999 shares)		
11-17-69	29	172,100
5-18-70	19	115,600
9-21-70	31	197,900
(1,000 to 4,999 shares)		
11-17-69	158	265,300
5-18-70	192	313,600
9-21-70	366	619,000
<u>PHILADELPHIA-BALTIMORE</u>		
<u>WASHINGTON EXCHANGE</u>		
<u>Week Beginning</u>		
<u>(10,000 shares and over)</u>		
11-17-69	15	419,100
5-18-70	25	745,300
9-21-70	60	1,528,200
(5,000 to 9,999 shares)		
11-17-69	8	42,500
5-18-70	15	94,800
9-21-70	37	235,600
(1,000 to 4,999 shares)		
11-17-69	51	147,181
5-18-70	93	146,700
9-21-70	60	170,500

TABLE XI-70

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES) EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) TWO WEEKS IN EACH YEAR								PAGE 1
EXCHANGE NAME	YEAR	TOTAL NUMBER OF BLOCK TRADES	SPECIALIST NUMBER OF BLOCKS AND PERCENTAGE OF TOTAL	NUMBER OF BLOCKS CROSSED AND PERCENTAGE OF TOTAL	TOTAL NUMBER OF SHARES	SPECIALIST NUMBER OF SHARES AND PERCENTAGE OF TOTAL	NUMBER OF SHARES CROSSED AND PERCENTAGE OF TOTAL	
BOSTON	1968	81	.00%	33 40.74%	719,500	.00%	490,700 68.20%	
BOSTON	1969	27	.00%	7 25.92%	169,700	.00%	54,200 31.93%	
BOSTON		108	.00%	40 37.03%	889,200	.00%	544,900 61.27%	
DETROIT	1968	54	.00%	52 96.29%	362,100	.00%	356,800 98.53%	
DETROIT	1969	1	.00%	1 100.00%	5,000	.00%	5,000 100.00%	
DETROIT		55	.00%	53 96.36%	367,100	.00%	361,800 98.55%	
MIDWEST	1968	177	88 49.71%	5 2.82%	831,600	274,300 32.98%	46,500 5.59%	
MIDWEST	1969	186	103 55.37%	14 7.52%	1,120,800	270,100 24.09%	94,700 8.44%	
MIDWEST		363	191 52.61%	19 5.23%	1,952,400	544,400 27.88%	141,200 7.23%	
PACIFIC COAST	1968	97	25 25.77%	32 32.98%	700,000	73,700 10.52%	370,600 52.94%	

TABLE XI-70 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES)							PAGE 2	
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES)								
TWO WEEKS IN EACH YEAR								
EXCHANGE NAME	YEAR	TOTAL NUMBER OF BLOCK TRADES	SPECIALIST NUMBER OF BLOCKS AND PERCENTAGE OF TOTAL	NUMBER OF BLOCKS CROSSED AND PERCENTAGE OF TOTAL	TOTAL NUMBER OF SHARES	SPECIALIST NUMBER OF SHARES AND PERCENTAGE OF TOTAL	NUMBER OF SHARES CROSSED AND PERCENTAGE OF TOTAL	
PACIFIC COAST	1969	128	33 25.78%	44 34.37%	1,473,800	121,300 8.23%	871,000 59.09%	
PACIFIC COAST		225	58 25.77%	76 33.77%	2,173,800	195,000 8.97%	1,241,600 57.11%	
PHILA-BALT-WASH	1968	68	19 27.94%	19 27.94%	461,100	53,400 11.58%	215,900 46.82%	
PHILA-BALT-WASH	1969	61	4 6.55%	22 36.06%	500,200	8,800 1.75%	252,600 50.49%	
PHILA-BALT-WASH		129	23 17.82%	41 31.78%	961,300	62,200 6.47%	468,500 48.73%	
		880	272 30.90%	229 26.02%	6,343,800	801,600 12.63%	2,758,000 43.47%	

TABLE XI-71

REGIONAL STOCK EXCHANGE BLOCK TRADES PAGE 1
 EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 2,000-5,000 SHARES
 (NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
 TWO WEEKS IN EACH YEAR
 (F DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1958		16	57		55,500	186,200
		.00%	28.07%	100.00%	.00%	29.80%	100.00%
BOSTON	1969		4	21		14,400	69,900
		.00%	19.04%	100.00%	.00%	20.60%	100.00%
BOSTON			20	78		69,900	256,100
		.00%	25.64%	100.00%	.00%	27.29%	100.00%
DETROIT	1968		38	40		128,300	133,600
		.00%	95.00%	100.00%	.00%	96.03%	100.00%
DETROIT	1969		1	1		5,000	5,000
		.00%	100.00%	100.00%	.00%	100.00%	100.00%
DETROIT			39	41		133,300	138,600
		.00%	95.12%	100.00%	.00%	96.17%	100.00%
MIDWEST	1968	73	2	140	181,900	6,500	443,700
		52.14%	1.42%	100.00%	40.99%	1.46%	100.00%
MIDWEST	1969	85	7	139	203,000	18,200	434,300
		61.15%	5.03%	100.00%	46.74%	4.19%	100.00%
MIDWEST		158	9	279	384,900	24,700	878,000
		56.63%	3.22%	100.00%	43.83%	2.81%	100.00%
PACIFIC COAST	1968	24	20	75	65,700	70,100	234,200
		32.00%	26.66%	100.00%	28.05%	29.93%	100.00%
PACIFIC COAST	1969	24	17	73	69,000	55,800	254,200
		32.87%	23.28%	100.00%			

TABLE XI-71 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES								PAGE 2
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 2,000-5,000 SHARES								
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)								
TWO WEEKS IN EACH YEAR								
(† DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)								
EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES	
					27.14%	21.95%	100.00%	
PACIFIC COAST		48 32.43%	37 25.00%	148 100.00%	134,700	125,900	488,400	
					27.57%	25.77%	100.00%	
PHILA-BALT-WASH	1968	18 37.50%	11 22.91%	48 100.00%	43,400	38,600	159,600	
					27.19%	24.18%	100.00%	
PHILA-BALT-WASH	1969	4 11.76%	9 26.47%	34 100.00%	8,800	30,300	102,100	
					8.61%	29.67%	100.00%	
PHILA-BALT-WASH		22 26.82%	20 24.39%	82 100.00%	52,200	68,900	261,700	
					19.94%	26.32%	100.00%	
		228 36.30%	125 19.90%	628 100.00%	571,800	422,700	2,022,800	
					28.26%	20.89%	100.00%	

PAGE 1

REGIONAL STOCK EXCHANGE BLOCK TRADES
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 5,001-10,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR

(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968	.00%	6	10		54,900	78,600
			60.00%	100.00%	.00%	69.84%	100.00%
BOSTON	1969	.00%	1	2		7,500	17,500
			50.00%	100.00%	.00%	42.85%	100.00%
BOSTON		.00%	7	12		62,400	96,100
			58.33%	100.00%	.00%	64.93%	100.00%
DETROIT	1968	.00%	10	10		73,200	73,200
			100.00%	100.00%	.00%	100.00%	100.00%
DETROIT	1969	+	+	+			
DETROIT		.00%	10	10		73,200	73,200
			100.00%	100.00%	.00%	100.00%	100.00%
MIDWEST	1968	11	1	26	78,300	10,000	222,100
		42.30%	3.84%	100.00%	35.25%	4.50%	100.00%
MIDWEST	1969	11	4	27	46,700	31,500	215,900
		40.74%	14.81%	100.00%	21.63%	14.59%	100.00%
MIDWEST		22	5	53	125,000	41,500	438,000
		41.50%	9.43%	100.00%	28.53%	9.47%	100.00%
PACIFIC COAST	1968	1	7	14	8,000	50,200	110,200
		7.14%	50.00%	100.00%	7.25%	45.55%	100.00%
PACIFIC COAST	1969	7	12	32	36,500	97,600	279,200
		21.87%	37.50%	100.00%			

TABLE XI-72 'cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES PAGE 2
 EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 5,001-10,000 SHARES
 (NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
 TWO WEEKS IN EACH YEAR
 (X DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
					13.07%	34.95%	100.00%
PACIFIC COAST		8 17.39%	19 41.30%	46 100.00%	44,500	147,800	389,400
					11.42%	37.95%	100.00%
PHILA-BALT-WASH	1968	1 6.66%	5 33.33%	15 100.00%	10,000	42,300	125,200
					7.98%	33.78%	100.00%
PHILA-BALT-WASH	1969	.00%	7 46.66%	15 100.00%	.00%	67,100	133,700
					.00%	50.18%	100.00%
PHILA-BALT-WASH		1 3.33%	12 40.00%	30 100.00%	10,000	109,400	258,900
					3.86%	42.25%	100.00%
		31 20.52%	53 35.09%	151 100.00%	179,500	434,300	1,255,600
					14.29%	34.58%	100.00%

TABLE XI-73

REGIONAL STOCK EXCHANGE BLOCK TRADES							
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 10,001-25,000 SHARES							
NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH							
TWO WEEKS IN EACH YEAR							
(* DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)							
EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968		5	7		90,000	124,400
		.00%	71.42%	100.00%	.00%	72.34%	100.00%
BOSTON	1969		2	3		32,300	52,300
		.00%	66.66%	100.00%	.00%	61.75%	100.00%
BOSTON			7	10		122,300	176,700
		.00%	70.00%	100.00%	.00%	69.21%	100.00%
DETROIT	1968		3	3		58,300	58,300
		.00%	100.00%	100.00%	.00%	100.00%	100.00%
DETROIT	1969						
		+	+	+	+	+	+
DETROIT			3	3		58,300	58,300
		.00%	100.00%	100.00%	.00%	100.00%	100.00%
MIDWEST	1968		2	10	4,100	30,000	135,800
		30.00%	20.00%	100.00%	3.01%	22.09%	100.00%
MIDWEST	1969		3	16	14,400	45,000	247,900
		31.25%	18.75%	100.00%	5.80%	18.15%	100.00%
MIDWEST			5	26	18,500	75,000	383,700
		30.76%	19.23%	100.00%	4.82%	19.54%	100.00%
PACIFIC COAST	1968			1			19,000
		.00%	.00%	100.00%	.00%	.00%	100.00%
PACIFIC COAST	1969		6	12	13,300	86,100	183,900
		8.33%	50.00%	100.00%			

TABLE XI-73 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES

PAGE 2

EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 10,001-25,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR
(* DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
					7.23%	46.81%	100.00%
PACIFIC COAST		1 7.69%	6 46.15%	13 100.00%	13,300	86,100	202,900
					6.55%	42.43%	100.00%
PHILA-BALT-WASH	1968	.00%	2 66.66%	3 100.00%	.00%	40,000	51,300
					.00%	77.97%	100.00%
PHILA-BALT-WASH	1969	.00%	3 37.50%	8 100.00%	.00%	47,000	130,200
					.00%	36.09%	100.00%
PHILA-BALT-WASH		.00%	5 45.45%	11 100.00%	.00%	87,000	181,500
					.00%	47.93%	100.00%
		9 14.28%	26 41.25%	63 100.00%	31,800	428,700	1,003,100
					3.17%	42.73%	100.00%

TABLE XI-74

REGIONAL STOCK EXCHANGE BLOCK TRADES
 EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 25,000-50,000 SHARES
 (NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
 TWO WEEKS IN EACH YEAR

PAGE 1

(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968	.00%	5 83.33%	6 100.00%	.00%	195,300 83.00%	235,300 100.00%
BOSTON	1969	.00%	.00%	1 100.00%	.00%	.00%	30,000 100.00%
BOSTON		.00%	5 71.42%	7 100.00%	.00%	195,300 73.61%	265,300 100.00%
DETROIT	1968	+	+	+	+	+	+
DETROIT	1969	+	+	+	+	+	+
DETROIT		+	+	+	+	+	+
MIDWEST	1968	1 100.00%	.00%	1 100.00%	10,000 33.33%	.00%	30,000 100.00%
MIDWEST	1969	1 50.00%	.00%	2 100.00%	5,000 5.63%	.00%	88,700 100.00%
MIDWEST		2 66.66%	.00%	3 100.00%	15,000 12.63%	.00%	118,700 100.00%
PACIFIC COAST	1968	.00%	3 75.00%	4 100.00%	.00%	112,800 78.99%	142,800 100.00%
PACIFIC COAST	1969	.00%	6 85.71%	7 100.00%		223,500	263,500

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TABLE XI-74 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 25,000-50,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR
(* DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

PAGE 2

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
					.00%	84,81%	100.00%
PACIFIC COAST		.00%	9 81.81%	11 100.00%		336,300	406,300
					.00%	82.77%	100.00%
PHILA-BALT-WASH	1968	.00%	.00%	1 100.00%			30,000
					.00%	.00%	100.00%
PHILA-BALT-WASH	1969	.00%	3 75.00%	4 100.00%		108,200	134,200
					.00%	80.62%	100.00%
PHILA-BALT-WASH		.00%	3 60.00%	5 100.00%		108,200	164,200
					.00%	65.89%	100.00%
		2 7.69%	17 65.38%	26 100.00%	15,000	639,800	954,500
					1.57%	67.02%	100.00%

PAGE 1

REGIONAL STOCK EXCHANGE BLOCK TRADES
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 50,001-75,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR
(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968	+	+	+	+	+	+
BOSTON	1969	+	+	+	+	+	+
BOSTON		+	+	+	+	+	+
DETROIT	1968	+	+	+	+	+	+
DETROIT	1969	+	+	+	+	+	+
DETROIT		+	+	+	+	+	+
MIDWEST	1968	+	+	+	+	+	+
MIDWEST	1969	1 100.00%	0 .00%	1 100.00%	1,000 1.85%	54,000 .00%	54,000 100.00%
MIDWEST		1 100.00%	0 .00%	1 100.00%	1,000 1.85%	54,000 .00%	54,000 100.00%
PACIFIC COAST	1968	0 .00%	2 66.66%	3 100.00%	0 .00%	137,500 70.94%	193,800 100.00%
PACIFIC COAST	1969						

TABLE XI-75 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES PAGE 2

EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 50,001-75,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR

(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
PACIFIC COAST		.00%	2 66.66%	3 100.00%		137,500	193,800
					.00%	70.94%	100.00%
PHILA-BALT-WASH	1968	+	+	+	+	+	+
PHILA-BALT-WASH	1969	+	+	+	+	+	+
PHILA-BALT-WASH		+	+	+	+	+	+
		1 25.00%	2 50.00%	4 100.00%	1,000	137,500	247,800
					.40%	55.48%	100.00%

TABLE XI-76

REGIONAL STOCK EXCHANGE BLOCK TRADES PAGE 1
 EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 75,001-100,000 SHARES
 (NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
 TWO WEEKS IN EACH YEAR
 (+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968	.00%	100.00%	100.00%	.00%	95,000	95,000
BOSTON	1969	+	+	+	+	+	+
BOSTON		.00%	100.00%	100.00%	.00%	95,000	95,000
DETROIT	1968	.00%	100.00%	100.00%	.00%	97,000	97,000
DETROIT	1969	+	+	+	+	+	+
DETROIT		.00%	100.00%	100.00%	.00%	97,000	97,000
MIDWEST	1968	+	+	+	+	+	+
MIDWEST	1969	.00%	.00%	100.00%	.00%	.00%	80,000
MIDWEST		.00%	.00%	100.00%	.00%	.00%	80,000
PACIFIC COAST	1968	+	+	+	+	+	+
PACIFIC COAST	1969	100.00%	.00%	100.00%	2,500		85,000

TABLE XI-76 cont.

PAGE 2

REGIONAL STOCK EXCHANGE BLOCK TRADES
EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OF 75,001-100,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR
(* DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
					2.94%	.00%	100.00%
PACIFIC COAST		1 100.00%	.00%	1 100.00%	2,500		85,000
					2.94%	.00%	100.00%
PHILA-BALT-WASH	1968	.00%	1 100.00%	1 100.00%		95,000	95,000
					.00%	100.00%	100.00%
PHILA-BALT-WASH	1969	*	*	*	*	*	*
PHILA-BALT-WASH		.00%	1 100.00%	1 100.00%		95,000	95,000
					.00%	100.00%	100.00%
		1 20.00%	3 60.00%	5 100.00%	2,500	287,000	452,000
					.55%	63.49%	100.00%

TABLE XI-77

PAGE 1

REGIONAL STOCK EXCHANGE BLOCK TRADES
 EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OVER 100,000 SHARES
 (NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
 TWO WEEKS IN EACH YEAR

(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
BOSTON	1968	+	+	+	+	+	+
BOSTON	1969	+	+	+	+	+	+
BOSTON		+	+	+	+	+	+
DETROIT	1968	+	+	+	+	+	+
DETROIT	1969	+	+	+	+	+	+
DETROIT		+	+	+	+	+	+
MIDWEST	1968	+	+	+	+	+	+
MIDWEST	1969	+	+	+	+	+	+
MIDWEST		+	+	+	+	+	+
PACIFIC COAST	1968	+	+	+	+	+	+
PACIFIC COAST	1969		3	3		408,000	408,000
		.00%	100.00%	100.00%			

TABLE XI-77 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES PAGE 2

EXTENT OF SPECIALIST PARTICIPATION AND CROSSES (SAME BROKER-DEALER ON BOTH SIDES) IN BLOCKS OVER 100,000 SHARES
(NUMBER OF BLOCKS AND SHARES AND PERCENTAGE OF EACH)
TWO WEEKS IN EACH YEAR

(+ DENOTES NO BLOCK TRADES OF THE SIZE SPECIFIED FOR THIS TABLE)

EXCHANGE NAME	YEAR	SPECIALIST BLOCKS	CROSSED BLOCKS	TOTAL BLOCKS	SPECIALIST SHARES	CROSSED SHARES	TOTAL SHARES
					.00%	100.00%	100.00%
PACIFIC COAST		.00%	3 100.00%	3 100.00%		408,000	408,000
					.00%	100.00%	100.00%
PHILA-BALT-WASH	1968	+	+	+	+	+	+
PHILA-BALT-WASH	1969	+	+	+	+	+	+
PHILA-BALT-WASH		+	+	+	+	+	+
		.00%	3 100.00%	3 100.00%		408,000	408,000
					.00%	100.00%	100.00%

TABLE XI-78

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT OF CROSSES (SAME BROKER-DEALER ON BOTH SIDES) BY NUMBER OF EXCHANGES OF WHICH BROKER-DEALER WAS A MEMBER
 TWO WEEKS IN EACH YEAR

PAGE 1

KEYS TO COLUMN HEADINGS

MEMBERSHIP GROUP 1 MEMBERS OF NO OTHER EXCHANGE TRADING STOCKS LISTED ON THE NEW YORK STOCK EXCHANGE
 MEMBERSHIP GROUP 2 MEMBERS OF OTHER EXCHANGES TRADING STOCKS LISTED ON THE NEW YORK STOCK EXCHANGE BUT NOT THAT EXCHANGE
 MEMBERSHIP GROUP 3 MEMBERS OF THE EXCHANGE OF EXECUTION AND THE NEW YORK STOCK EXCHANGE BUT NO OTHER EXCHANGE TRADING NEW YORK STOCKS
 MEMBERSHIP GROUP 4 MEMBERS OF THE NEW YORK STOCK EXCHANGE AND OTHER EXCHANGES TRADING NEW YORK STOCKS

EXCHANGE NAME	YEAR	GROUP 1 NUMBER OF CROSSES	GROUP 2 NUMBER OF CROSSES	GROUP 3 NUMBER OF CROSSES	GROUP 4 NUMBER OF CROSSES	TOTAL NUMBER OF CROSSES	GROUP 1 NUMBER OF SHARES CROSSED	GROUP 2 NUMBER OF SHARES CROSSED	GROUP 3 NUMBER OF SHARES CROSSED	GROUP 4 NUMBER OF SHARES CROSSED	TOTAL NUMBER OF SHARES CROSSED
BOSTON	1968	.00%	3.03%	.00%	32	33		5,000		485,700	490,700
					96.96%	100.00%	.00%	1.01%	.00%	98.98%	100.00%
BOSTON	1969	.00%	.00%	.00%	7	7	.00%	.00%	.00%	54,200	54,200
					100.00%	100.00%				100.00%	100.00%
BOSTON		.00%	2.50%	.00%	39	40	.00%	5,000	.00%	539,900	544,900
					97.50%	100.00%	.00%	.91%	.00%	99.08%	100.00%
DETROIT	1968	3	47	.00%	2	52	12,100	337,700		7,000	356,800
		5.76%	90.38%		3.84%	100.00%	3.39%	94.64%	.00%	1.96%	100.00%
DETROIT	1969	.00%	.00%	.00%	1	1	.00%	.00%	.00%	5,000	5,000
					100.00%	100.00%				100.00%	100.00%
DETROIT		3	47	.00%	3	53	12,100	337,700		12,000	361,800
		5.66%	88.67%		5.66%	100.00%	3.34%	93.33%	.00%	3.31%	100.00%
MIDWEST	1968	.00%	.00%	.00%	5	5	.00%	.00%	.00%	46,500	46,500
					100.00%	100.00%				100.00%	100.00%
MIDWEST	1969	.00%	.00%	4	10	14	.00%	.00%	37,500	57,200	94,700
				28.57%	71.42%	100.00%			39.59%	60.40%	100.00%
MIDWEST		.00%	.00%	4	15	19	.00%	.00%	37,500	103,700	141,200
				21.05%	78.94%	100.00%			26.55%	73.44%	100.00%

TABLE XI-78 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES) PAGE 2
 EXTENT OF CROSSES (SAME BROKER-DEALER ON BOTH SIDES) BY NUMBER OF EXCHANGES OF WHICH BROKER-DEALER WAS A MEMBER
 TWO WEEKS IN EACH YEAR

KEYS TO COLUMN HEADINGS
 MEMBERSHIP GROUP 1 MEMBERS OF NO OTHER EXCHANGE TRADING STOCKS LISTED ON THE NEW YORK STOCK EXCHANGE
 MEMBERSHIP GROUP 2 MEMBERS OF OTHER EXCHANGES TRADING STOCKS LISTED ON THE NEW YORK STOCK EXCHANGE BUT NOT THAT EXCHANGE
 MEMBERSHIP GROUP 3 MEMBERS OF THE EXCHANGE OF EXECUTION AND THE NEW YORK STOCK EXCHANGE BUT NO OTHER EXCHANGE TRADING NEW YORK
 STOCKS
 MEMBERSHIP GROUP 4 MEMBERS OF THE NEW YORK STOCK EXCHANGE AND OTHER EXCHANGES TRADING NEW YORK STOCKS

EXCHANGE NAME	YEAR	GROUP 1 NUMBER OF CROSSES	GROUP 2 NUMBER OF CROSSES	GROUP 3 NUMBER OF CROSSES	GROUP 4 NUMBER OF CROSSES	TOTAL NUMBER OF CROSSES	GROUP 1 NUMBER OF SHARES CROSSED	GROUP 2 NUMBER OF SHARES CROSSED	GROUP 3 NUMBER OF SHARES CROSSED	GROUP 4 NUMBER OF SHARES CROSSED	TOTAL NUMBER OF SHARES CROSSED
PACIFIC COAST	1968	.00%	.00%	3 9.37%	29 90.62%	32 100.00%	.00%	.00%	80,500 21.72%	290,100 78.27%	370,600 100.00%
PACIFIC COAST	1969	3 6.81%	4 9.09%	3 6.81%	34 77.27%	44 100.00%	27,800 3.19%	200,000 22.96%	9,600 1.10%	633,600 72.74%	871,000 100.00%
PACIFIC COAST		3 3.94%	4 5.26%	6 7.89%	63 82.89%	76 100.00%	27,800 2.23%	200,000 16.10%	90,100 7.25%	923,700 74.39%	1,241,600 100.00%
PHILA-BALT-WASH	1968	.00%	.00%	1 5.26%	18 94.73%	19 100.00%	.00%	.00%	5,300 2.45%	210,600 97.54%	215,900 100.00%
PHILA-BALT-WASH	1969	.00%	3 13.63%	.00%	19 86.36%	22 100.00%	.00%	37,000 14.64%	.00%	215,600 85.35%	252,600 100.00%
PHILA-BALT-WASH		.00%	3 7.31%	1 2.43%	37 90.24%	41 100.00%	.00%	37,000 7.89%	5,300 1.13%	426,200 90.97%	468,500 100.00%
		6 2.62%	55 24.01%	11 4.80%	157 68.55%	229 100.00%	39,900 1.44%	579,700 21.01%	132,900 4.81%	2,005,500 72.71%	2,758,000 100.00%

TABLE XI-79

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCK TRADES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

		KEY TO PRICE GROUPS																			
GROUP 1	MORE THAN 10.0 PERCENT BELOW LOW	GROUP 2	5.1 TO 10.0 PERCENT BELOW LOW	GROUP 3	2.6 TO 5.0 PERCENT BELOW LOW	GROUP 4	1.1 TO 2.5 PERCENT BELOW LOW	GROUP 5	1.0 PERCENT OR LESS BELOW LOW	GROUP 6	WITHIN RANGE	GROUP 7	2.6 TO 5.0 PERCENT ABOVE HIGH	GROUP 8	1.1 TO 2.5 PERCENT ABOVE HIGH	GROUP 9	2.6 TO 5.0 PERCENT ABOVE HIGH	GROUP 10	5.1 TO 10.0 PERCENT ABOVE HIGH	GROUP 11	MORE THAN 10.0 PERCENT ABOVE HIGH

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
DOWN	1968	NOV 14						3	58	6				67
DOWN	1968	SEPT 10							28	1				29
DOWN	1968	SEPT 12						46	2		1			49
DOWN	1968		.00%	.00%	.00%	.00%	2.06%	91.03%	132	9	1	.00%	.68%	145
									6.20%	.00%	.00%	.00%	.00%	100.00%
DOWN	1969	AUG 20		1				1	36	1				39
DOWN	1969	JUNE 16							31	1				32
DOWN	1969	JUNE 17				1		2	27	1				31
DOWN	1969	JUNE 19				1		2	42	2				47
DOWN	1969	JUNE 20					1		55	1				57
DOWN	1969		.00%	.48%	.48%	.97%	2.42%	92.71%	191	6	.00%	.00%	.00%	206
									2.91%	.00%	.00%	.00%	.00%	100.00%
DOWN			.00%	.28%	.28%	.56%	2.27%	92.02%	323	15	1	.00%	.28%	351
									4.27%	.00%	.00%	.00%	.00%	100.00%
UP	1968	NOV 12							67	3		1		71
UP	1968	NOV 13							3	84	5			92
UP	1968	NOV 15				1		2	69	6				78
UP	1968	SEPT 9							1	40	3			44

TABLE XI-79 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES) PAGE 2
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCK TRADES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

KEY TO PRICE GROUPS
 GROUP 1 MORE THAN 10.0 PERCENT BELOW LOW GROUP 2 5.1 TO 10.0 PERCENT BELOW LOW GROUP 3 2.6 TO 5.0 PERCENT BELOW LOW
 GROUP 4 1.1 TO 2.5 PERCENT BELOW LOW GROUP 5 1.0 PERCENT OR LESS BELOW LOW GROUP 6 WITHIN RANGE
 GROUP 7 1.0 PERCENT OR LESS ABOVE HIGH GROUP 8 1.1 TO 2.5 PERCENT ABOVE HIGH GROUP 9 2.6 TO 5.0 PERCENT ABOVE HIGH
 GROUP 10 5.1 TO 10.0 PERCENT ABOVE HIGH GROUP 11 MORE THAN 10.0 PERCENT ABOVE HIGH

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
UP	1968	SEPT 13				1	1	44						46
UP	1968		.00%	.00%	.00%	.60%	2.11%	91.84%	5.13%	.00%	.30%	.00%	.00%	331 100.00%
UP	1969	AUG 18						20						20
UP	1969	AUG 19				1		34	3					38
UP	1969	AUG 21		1				45	1					47
UP	1969	AUG 22			2	1	1	47	3	1				55
UP	1969	JUNE 18					1	36						37
UP	1969		.00%	.50%	1.01%	1.01%	1.01%	92.38%	3.55%	.50%	.00%	.00%	.00%	197 100.00%
UP			.00%	.18%	.37%	.75%	1.70%	92.04%	4.54%	.18%	.18%	.00%	.00%	528 100.00%
			.00%	.22%	.34%	.68%	1.93%	92.03%	4.43%	.11%	.22%	.00%	.00%	879 100.00%

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

KEY TO PRICE GROUPS														
GROUP 1	MORE THAN 10.0 PERCENT BELOW LOW				GROUP 2	5.1 TO 10.0 PERCENT BELOW LOW				GROUP 3	2.6 TO 5.0 PERCENT BELOW LOW			
GROUP 4	1.1 TO 2.5 PERCENT BELOW LOW				GROUP 5	1.0 PERCENT OR LESS BELOW LOW				GROUP 6	WITHIN RANGE			
GROUP 7	1.0 PERCENT OR LESS ABOVE HIGH				GROUP 8	1.1 TO 2.5 PERCENT ABOVE HIGH				GROUP 9	2.6 TO 5.0 PERCENT ABOVE HIGH			
GROUP 10	5.1 TO 10.0 PERCENT ABOVE HIGH				GROUP 11	MORE THAN 10.0 PERCENT ABOVE HIGH								
DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	ALL BLOCKS	
DOWN	1968	NOV 14					43,000	242,100	24,900				310,000	
DOWN	1968	SEPT 10						172,400	3,000				175,400	
DOWN	1968	SEPT 12						226,600	7,200		2,300		236,100	
DOWN	1968		.00%	.00%	.00%	.00%	43,000 5.95%	641,100 88.85%	35,100 4.86%	.00%	2,300 .31%	.00%	721,500 100.00%	
DOWN	1969	AUG 20		10,000			12,500	242,400	2,400				267,300	
DOWN	1969	JUNE 16						173,500	16,000				189,500	
DOWN	1969	JUNE 17				34,000	99,000	127,600	5,000				265,600	
DOWN	1969	JUNE 19			5,000		50,000	455,300	19,400				529,700	
DOWN	1969	JUNE 20				4,900		496,100	4,000				505,000	
DOWN	1969		.00%	10,000 .56%	5,000 .28%	38,900 2.21%	161,500 9.19%	1,494,900 85.07%	46,800 2.66%	.00%	.00%	.00%	1,757,100 100.00%	
DOWN			.00%	10,000 .40%	5,000 .20%	38,900 1.56%	204,500 8.25%	2,136,000 86.17%	81,900 3.30%	.00%	2,300 .09%	.00%	2,478,600 100.00%	
UP	1968	NOV 12						402,200	11,200		4,000		417,400	
UP	1968	NOV 13					10,400	575,500	34,700				620,600	
UP	1968	NOV 15				72,500	4,400	339,900	53,800				470,600	
UP	1968	SEPT 9					6,800	219,100	7,000				232,900	

TABLE XI-80 cont.

REGIONAL STOCK EXCHANGE BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

PAGE 2

KEY TO PRICE GROUPS
 GROUP 1 MORE THAN 10.0 PERCENT BELOW LOW GROUP 2 5.1 TO 10.0 PERCENT BELOW LOW GROUP 3 2.6 TO 5.0 PERCENT BELOW LOW
 GROUP 4 1.1 TO 2.5 PERCENT BELOW LOW GROUP 5 1.0 PERCENT OR LESS BELOW LOW GROUP 6 WITHIN RANGE
 GROUP 7 1.0 PERCENT OR LESS ABOVE HIGH GROUP 8 1.1 TO 2.5 PERCENT ABOVE HIGH GROUP 9 2.6 TO 5.0 PERCENT ABOVE HIGH
 GROUP 10 5.1 TO 10.0 PERCENT ABOVE HIGH GROUP 11 MORE THAN 10.0 PERCENT ABOVE HIGH

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	ALL BLOCKS
UP	1968	SEPT 13				97,000	2,000	492,300					591,300
UP	1968		.00%	.00%	.00%	169,500 7.26%	23,600 1.01%	2,029,000 86.97%	106,700 4.57%	.00%	4,000 .17%	.00%	2,332,800 100.00%
UP	1969	AUG 18						163,900					163,900
UP	1969	AUG 19				8,200		217,000	13,300				238,500
UP	1969	AUG 21		11,500				244,900	2,300				258,700
UP	1969	AUG 22			40,000	5,500	20,000	253,200	21,400	129,000			469,100
UP	1969	JUNE 18					155,000	227,200					382,200
UP	1969		.00%	11,500 .76%	40,000 2.64%	13,700 .90%	175,000 11.57%	1,106,200 73.14%	37,000 2.44%	129,000 8.52%	.00%	.00%	1,512,400 100.00%
UP			.00%	11,500 .29%	40,000 1.04%	183,200 4.76%	198,600 5.16%	3,135,200 81.53%	143,700 3.73%	129,000 3.35%	4,000 .10%	.00%	3,845,200 100.00%
			.00%	21,500 .33%	45,000 .71%	222,100 3.51%	403,100 6.37%	5,271,200 83.35%	225,600 3.56%	129,000 2.03%	6,300 .09%	.00%	6,323,800 100.00%

TABLE XI-81

Factors Considered by Institutions in Directing Broker-Dealers to Execute Orders
in Dually Traded Stocks on Regional Stock Exchanges
(Percentage of Institutions Issuing Such Orders That Consider Each Factor)

<u>Factor</u>	<u>Banks (24)</u>	<u>Endowments (4)</u>	<u>Investment Advisers (32)</u>	<u>Life Insurance (8)</u>	<u>Property and Liability Insurance (10)</u>	<u>Self-Administered Pensions (6)</u>	<u>All Institutions (84)</u>
Availability of Better Price	83	75	94	88	90	100	89
Reduction in Price Impact from Split Execution	67	25	50	25	60	50	52
Rules About Commission Sharing	8	25	9	0	10	0	8
Local Taxes	75	75	81	75	80	50	76
<u>Public Reporting</u>	8	25	16	0	0	0	10
<u>Local Stock Exchange</u>	38	0	19	38	0	50	25
Trading Hours	71	25	63	75	70	50	64
Directions of Customers	33	0	13	0	0	0	14
Other	4	25	22	38	10	17	17

TABLE XI-82

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF BLOCK TRADES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

PAGE 1

BROKER-DEALER	TYPE OF TRANSACTION	1968 BLOCKS	1968 BLOCKS	PERCENTAGE OF 1968 BLOCKS	1969 BLOCKS	PERCENTAGE OF 1969 BLOCKS	1968-9 BLOCKS	PERCENTAGE OF 1968-9 BLOCKS
FIRM A	AGENCY	3	3	.81%	1	.23%	4	.48%
FIRM A	PRINCIPAL AT RISK	4	4	1.08%	8	1.84%	12	1.44%
FIRM A	RISKLESS PRINCIPAL	1	1	.27%	2	.46%	3	.36%
FIRM A		8	8	2.16%	11	2.53%	19	2.28%
FIRM B	PRINCIPAL AT RISK	0	0	.00%	15	3.45%	15	1.80%
FIRM B	RISKLESS PRINCIPAL	0	0	.00%	9	2.07%	9	1.08%
FIRM B		0	0	.00%	24	5.52%	24	2.88%
FIRM C	AGENCY	12	12	3.24%	10	2.30%	22	2.64%
FIRM C	PRINCIPAL AT RISK	14	14	3.78%	23	5.29%	37	4.44%
FIRM C	RISKLESS PRINCIPAL	29	29	7.83%	15	3.45%	44	5.28%
FIRM C		55	55	14.85%	48	11.04%	103	12.36%
FIRM D	PRINCIPAL AT RISK	155	155	41.85%	181	41.63%	336	40.32%
FIRM D	RISKLESS PRINCIPAL	5	5	1.35%	9	2.07%	14	1.68%
FIRM D		160	160	43.20%	190	43.70%	350	42.00%
FIRM E	AGENCY	1	1	.27%	1	.23%	2	.24%
FIRM E	PRINCIPAL AT RISK	0	0	.00%	1	.23%	1	.12%
FIRM E		1	1	.27%	2	.46%	3	.36%
FIRM F	RISKLESS PRINCIPAL	0	0	.00%	2	.46%	2	.24%

TABLE XI-82 cont.

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THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF BLOCK TRADES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

BROKER-DEALER	TYPE OF TRANSACTION	1968 BLOCKS	1968 BLOCKS	PERCENTAGE OF 1968 BLOCKS	1969 BLOCKS	PERCENTAGE OF 1969 BLOCKS	1968-9 BLOCKS	PERCENTAGE OF 1968-9 BLOCKS
FIRM F		0	0	.00%	2	.46%	2	.24%
FIRM G	AGENCY	8	8	2.16%	11	2.53%	19	2.28%
FIRM G		8	8	2.16%	11	2.53%	19	2.28%
FIRM H	AGENCY	7	7	1.89%	5	1.15%	12	1.44%
FIRM H	PRINCIPAL AT RISK	42	42	11.34%	41	9.43%	83	9.96%
FIRM H	RISKLESS PRINCIPAL	1	1	.27%	0	.00%	1	.12%
FIRM H		50	50	13.50%	46	10.58%	96	11.52%
FIRM I	AGENCY	2	2	.54%	3	.69%	5	.60%
FIRM I	PRINCIPAL AT RISK	50	50	13.50%	60	13.80%	110	13.20%
FIRM I	RISKLESS PRINCIPAL	6	6	1.62%	10	2.30%	16	1.92%
FIRM I		58	58	15.66%	73	16.79%	131	15.72%
FIRM J	PRINCIPAL AT RISK	0	0	.00%	1	.23%	1	.12%
FIRM J		0	0	.00%	1	.23%	1	.12%
FIRM K	AGENCY	4	4	1.08%	1	.23%	5	.60%
FIRM K		4	4	1.08%	1	.23%	5	.60%
FIRM L	PRINCIPAL AT RISK	7	7	1.89%	2	.46%	9	1.08%
FIRM L		7	7	1.89%	2	.46%	9	1.08%
FIRM M	AGENCY	1	1	.27%	0	.00%	1	.12%
FIRM M		1	1	.27%	0	.00%	1	.12%

1701

TABLE XI-82 cont.

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THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF BLOCK TRADES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR
 TWO WEEKS IN EACH YEAR
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

BROKER-DEALER	TYPE OF TRANSACTION	1968 BLOCKS	1968 BLOCKS	PERCENTAGE OF 1968 BLOCKS	1969 BLOCKS	PERCENTAGE OF 1969 BLOCKS	1968-9 BLOCKS	PERCENTAGE OF 1968-9 BLOCKS
FIRM N	AGENCY	7	7	1.89%	3	.69%	10	1.20%
FIRM N	RISKLESS PRINCIPAL	0	0	.00%	6	1.38%	6	.72%
FIRM N		7	7	1.89%	9	2.07%	16	1.92%
FIRM O	AGENCY	10	10	2.70%	5	1.15%	15	1.80%
FIRM O	RISKLESS PRINCIPAL	3	3	.81%	4	.92%	7	.84%
FIRM O		13	13	3.51%	9	2.07%	22	2.64%
		372	372	100.44%	429	98.67%	801	96.12%

1702

TABLE XI-83

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF SHARES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

PAGE 1

BROKER-DEALER	TYPE OF TRANSACTION	1968 SHARES	PERCENTAGE OF 1968 SHARES	1969 SHARES	PERCENTAGE OF 1969 SHARES	1968-9 SHARES	PERCENTAGE OF 1968-9 SHARES
FIRM A	AGENCY	22,400	.83%	5,000	.16%	27,400	.45%
FIRM A	PRINCIPAL AT RISK	10,000	.36%	19,700	.60%	29,700	.48%
FIRM A	RISKLESS PRINCIPAL	2,000	.07%	5,800	.18%	7,800	.13%
FIRM A		34,400	1.26%	30,500	.94%	64,900	1.06%
FIRM B	PRINCIPAL AT RISK		.00%	106,200	3.31%	106,200	1.78%
FIRM B	RISKLESS PRINCIPAL		.00%	210,500	6.56%	210,500	3.54%
FIRM B			.00%	316,700	9.87%	316,700	5.32%
FIRM C	AGENCY	109,500	4.03%	97,000	3.03%	206,500	3.48%
FIRM C	PRINCIPAL AT RISK	144,600	5.31%	173,300	5.43%	317,900	5.31%
FIRM C	RISKLESS PRINCIPAL	610,000	22.41%	191,300	5.95%	801,300	13.49%
FIRM C		864,100	31.75%	461,600	14.41%	1,325,700	22.28%
FIRM D	PRINCIPAL AT RISK	729,347	26.61%	967,096	30.05%	1,696,443	28.09%
FIRM D	RISKLESS PRINCIPAL	21,200	.77%	75,730	2.36%	96,930	1.62%
FIRM D		750,547	27.38%	1,042,826	32.41%	1,793,373	29.71%
FIRM E	AGENCY	3,000	.11%	2,900	.09%	5,900	.10%
FIRM E	PRINCIPAL AT RISK		.00%	4,000	.12%	4,000	.07%
FIRM E		3,000	.11%	6,900	.21%	9,900	.17%
FIRM F	RISKLESS PRINCIPAL		.00%	224,900	7.03%	224,900	3.80%
FIRM F			.00%	224,900	7.03%	224,900	3.80%

TABLE XI-83 cont.

PAGE 2

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF SHARES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

BROKER-DEALER	TYPE OF TRANSACTION	1968 SHARES	PERCENTAGE OF 1968 SHARES	1969 SHARES	PERCENTAGE OF 1969 SHARES	1968-9 SHARES	PERCENTAGE OF 1968-9 SHARES
FIRM G	AGENCY	117,000	4.32%	235,300	7.34%	352,300	5.96%
FIRM G		117,000	4.32%	235,300	7.34%	352,300	5.96%
FIRM H	AGENCY	72,800	2.68%	32,800	1.03%	105,600	1.78%
FIRM H	PRINCIPAL AT RISK	221,565	8.10%	161,500	5.01%	383,065	6.30%
FIRM H	RISKLESS PRINCIPAL	5,612	.21%		.00%	5,612	.09%
FIRM H		299,977	10.99%	194,300	6.04%	494,277	8.17%
FIRM I	AGENCY	10,400	.38%	17,900	.56%	28,300	.47%
FIRM I	PRINCIPAL AT RISK	169,935	6.17%	333,100	10.36%	503,035	8.31%
FIRM I	RISKLESS PRINCIPAL	25,500	.92%	58,000	1.81%	83,500	1.39%
FIRM I		205,835	7.47%	409,000	12.73%	614,835	10.17%
FIRM J	PRINCIPAL AT RISK		.00%	4,000	.12%	4,000	.07%
FIRM J			.00%	4,000	.12%	4,000	.07%
FIRM K	AGENCY	19,000	.69%	5,000	.16%	24,000	.39%
FIRM K		19,000	.69%	5,000	.16%	24,000	.39%
FIRM L	PRINCIPAL AT RISK	15,000	.53%	4,700	.14%	19,700	.31%
FIRM L		15,000	.53%	4,700	.14%	19,700	.31%
FIRM M	AGENCY	5,000	.18%		.00%	5,000	.08%
FIRM M		5,000	.18%		.00%	5,000	.08%
FIRM N	AGENCY	284,900	10.50%	22,000	.68%	306,900	5.18%

1704

TABLE XI-83 cont.

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THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME OF SALES BY FIRM AND BY TYPE OF TRANSACTION
 (NUMBER OF SHARES AND PERCENTAGE OF TOTAL)
 TWO WEEKS IN EACH YEAR (FIGURES FOR FIRM B ARE ONLY FOR ONE WEEK IN 1969)
 (PERCENTAGES DO NOT ADD TO 100 DUE TO ROUNDING)

BROKER-DEALER	TYPE OF TRANSACTION	1968 SHARES	PERCENTAGE OF 1968 SHARES	1969 SHARES	PERCENTAGE OF 1969 SHARES	1968-9 SHARES	PERCENTAGE OF 1968-9 SHARES
FIRM N	RISKLESS PRINCIPAL		.00%	66,300	2.06%	66,300	1.13%
FIRM N		284,900	10.50%	88,300	2.74%	373,200	6.31%
FIRM O	AGENCY	107,900	3.98%	135,000	4.21%	242,900	4.10%
FIRM O	RISKLESS PRINCIPAL	7,000	.25%	44,000	1.37%	51,000	.85%
FIRM O		114,900	4.23%	179,000	5.58%	293,900	4.95%
		2,713,659	99.41%	3,203,026	99.72%	5,916,685	98.75%

TABLE XI-84

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 VOLUME (PURCHASES PLUS SALES) AND PERCENTAGE OF TOTAL VOLUME BY TYPE OF CUSTOMER
 (PURCHASES AND SALES BY THIRD MARKET FIRMS AS PRINCIPAL OR AGENT EXCLUDED)
 TWO WEEKS IN EACH YEAR
 (PERCENTAGES MAY NOT ADD TO 100 DUE TO ROUNDING)

PAGE 1

TYPE OF PURCHASER OR SELLER	NUMBER OF SHARES: 1968	PERCENTAGE OF 1968 SHARES	NUMBER OF SHARES: 1969	PERCENTAGE OF 1969 SHARES	NUMBER OF SHARES: 1968-9	PERCENTAGE OF 1968-9 SHARES
BANK	1,074,292	26.03%	1,466,818	32.57%	2,541,110	29.27%
BROKER-DEALER	202,160	4.92%	271,050	6.02%	473,210	5.31%
CORPORATE PENSION	13,000	.32%	2,500	.06%	15,500	.18%
FOREIGN BANK	4,000	.10%	30,000	.66%	34,000	.40%
FOREIGN FUND	35,000	.84%	18,000	.41%	53,000	.62%
FOUNDATION	13,900	.34%	104,728	2.33%	118,628	1.36%
HEDGE FUND	83,000	2.02%	154,700	3.43%	237,700	2.77%
INDIVIDUAL	216,000	5.24%	11,000	.25%	227,000	2.64%
INVESTMENT ADVISER	2,334,500	56.57%	1,987,700	44.28%	4,322,200	50.19%
ISSUER	43,400	1.05%	54,400	1.21%	97,800	1.16%
ISSUER PENSION	5,000	.12%	2,000	.04%	7,000	.07%
LIFE INSURANCE	70,224	1.73%	218,660	4.78%	288,884	3.29%
MISC NONFIN INST	5,000	.12%	12,000	.25%	17,000	.17%
NONFED GVT PENSION	5,000	.12%	19,000	.42%	24,000	.27%
PROP-LIAB INS	10,000	.25%	124,700	2.76%	134,700	1.52%
VENTURE CAPITAL	4,895	.12%		.00%	4,895	.06%
	4,119,371	99.89%	4,477,256	99.47%	8,596,627	99.28%

TABLE XI-85

Third Market Block Trades (2,000 or More Shares)
 Frequency Distribution of Types of Transaction in Each Block Size Category
 (Percentage of Blocks (B) and Shares (S) in Each Category)

Block Size Category	Agency	Riskless Principal	Principal at Risk
2,000 - 5,000	6.99(B) 8.98(S)	9.27(B) 10.47(S)	83.74(B) 80.55(S)
5,001 - 10,000	29.63(B) 21.13(S)	19.05(B) 20.25(S)	60.32(B) 58.61(S)
10,001 - 25,000	29.33(B) 32.20(S)	22.67(B) 22.68(S)	48.00(B) 45.12(S)
25,001 - 50,000	22.22(B) 23.17(S)	66.67(B) 65.54(S)	11.11(B) 12.29(S)
50,001 - 75,000	16.67(B) 19.63(S)	66.67(B) 66.74(S)	16.67(B) 13.63(S)
75,001 - 100,000	100.00	—————	—————
Over 100,000	33.33(B) 28.48(S)	66.67(B) 71.52(S)	—————
All Block Trades	11.86(B) 22.06(S)	12.73(B) 26.13(S)	75.41(B) 51.81(S)

TABLE XI-86

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TEN WEEKS IN 1968

(SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

		KEY TO PRICE CATEGORIES								
CATEGORY 1	LESS THAN \$20.00 PER SHARE	CATEGORY 2			CATEGORY 3		CATEGORY 4			CATEGORY 5
CATEGORY 4	\$60.00 TO \$79.99 PER SHARE	\$20.00 TO \$29.99 PER SHARE	\$30.00 TO \$39.99 PER SHARE	\$40.00 TO \$49.99 PER SHARE	\$50.00 TO \$59.99 PER SHARE	\$60.00 TO \$69.99 PER SHARE	\$70.00 TO \$79.99 PER SHARE	\$80.00 TO \$89.99 PER SHARE	\$90.00 TO \$99.99 PER SHARE	\$100.00 OR MORE PER SHARE
PRICE CATEGORY	NO SPREAD	0.01-12.50	12.51-16.75	16.76-25.00	25.01-37.50	37.51-50.00	50.01-75.00	OVER 75.00	ALL SPREADS	AVERAGE SPREAD
1	100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	100.00%	.00
2	.00%	10.52%	21.05%	68.42%	.00%	.00%	.00%	.00%	100.00%	21.10
3	.00%	8.16%	18.36%	34.69%	14.28%	22.44%	2.04%	.00%	100.00%	27.67
4	.00%	6.56%	20.00%	33.33%	13.33%	26.66%	.00%	.00%	100.00%	29.66
5	.00%	8.33%	8.33%	50.00%	.00%	16.66%	16.66%	.00%	100.00%	35.08
6	.00%	.00%	25.00%	50.00%	.00%	25.00%	.00%	.00%	100.00%	25.25
	100.00%	8.00%	18.00%	43.00%	9.00%	18.00%	3.00%	.00%	100.00%	27.24

TABLE XI-87

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN 1968

(SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

		KEY TO PRICE CATEGORIES								
CATEGORY 1	LESS THAN \$20.00 PER SHARE	CATEGORY 2			\$20.00 TO \$39.99 PER SHARE		CATEGORY 3		\$40.00 TO \$59.99 PER SHARE	
CATEGORY 4	\$60.00 TO \$79.99 PER SHARE	CATEGORY 5			\$80.00 TO \$99.99 PER SHARE		CATEGORY 6		\$100.00 OR MORE PER SHARE	
PRICE CATEGORY	NO SPREAD	0.01-12.50	12.51-18.75	18.76-25.00	25.01-37.50	37.51-50.00	50.01-75.00	OVER 75.00	ALL SPREADS	AVERAGE SPREAD
1	5,000 100.00%	.00%	.00%	.00%	.00%	.00%	.00%	.00%	5,000 100.00%	.00
2	.00%	15,600 3.13%	28,000 5.84%	436,200 91.02%	.00%	.00%	.00%	.00%	479,200 100.00%	23.89
3	.00%	20,000 2.70%	96,500 13.03%	414,100 55.92%	102,500 13.84%	102,300 13.81%	5,000 .67%	.00%	740,400 100.00%	26.83
4	.00%	3,000 2.81%	9,900 9.30%	39,212 36.84%	18,500 17.38%	35,800 33.64%	.00%	.00%	106,412 100.00%	33.87
5	.00%	7,500 9.71%	2,000 2.59%	51,700 66.96%	.00%	9,000 11.65%	7,000 9.06%	.00%	77,200 100.00%	30.62
6	.00%	.00%	3,000 20.00%	9,000 60.00%	.00%	3,000 20.00%	.00%	.00%	15,000 100.00%	25.20
	5,000 .35%	45,500 3.19%	139,400 9.79%	950,212 66.76%	121,000 8.50%	150,100 10.54%	12,000 .84%	.00%	1,423,212 100.00%	26.46

TABLE XI-89

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN 1968

(SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

SIZE CATEGORY	NO SPREAD	KEY TO SIZE CATEGORIES								AVERAGE SPREAD	
		0.01- 12.50	12.51- 18.75	18.76- 25.00	25.01- 37.50	37.51- 50.00	50.01- 75.00	OVER 75.00	ALL SPREADS		
CATEGORY 1	5,000 SHARES OR LESS										
CATEGORY 4	25,001 TO 50,000 SHARES										
CATEGORY 2	5,001 TO 10,000 SHARES										
CATEGORY 5	50,001 TO 75,000 SHARES										
CATEGORY 7	MORE THAN 100,000 SHARES										
1	5,000 2.27%	28,300 12.75%	35,500 16.16%	91,600 41.71%	14,500 6.50%	33,000 15.02%	12,000 5.46%	.00%	.00%	219,600 100.00%	26.60
2	.00%	17,500 11.42%	21,400 13.97%	69,212 45.20%	.00%	45,000 29.39%	.00%	.00%	.00%	153,112 100.00%	27.37
3	.00%	.00%	82,500 27.29%	121,100 40.07%	56,500 18.69%	42,100 13.93%	.00%	.00%	.00%	302,200 100.00%	26.38
4	.00%	.00%	.00%	73,300 47.81%	50,000 32.61%	30,000 19.56%	.00%	.00%	.00%	153,300 100.00%	32.01
5	.00%	.00%	.00%	60,000 100.00%	.00%	.00%	.00%	.00%	.00%	60,000 100.00%	22.92
7	.00%	.00%	.00%	535,000 100.00%	.00%	.00%	.00%	.00%	.00%	535,000 100.00%	25.00
	5,000 .35%	45,500 3.19%	139,400 9.79%	950,212 66.76%	121,000 8.50%	150,100 10.54%	12,000 .84%	.00%	.00%	1,423,212 100.00%	26.46

TABLE XI-90

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN 1969

(SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

		KEY TO PRICE CATEGORIES									
CATEGORY 1	LESS THAN \$20.00 PER SHARE	CATEGORY 2		\$20.00 TO \$39.99 PER SHARE		CATEGORY 3		\$40.00 TO \$59.99 PER SHARE			
CATEGORY 4	\$60.00 TO \$79.99 PER SHARE	CATEGORY 5		\$80.00 TO \$99.99 PER SHARE		CATEGORY 6		\$100.00 OR MORE PER SHARE			
PRICE CATEGORY	NJ SPREAD	0.01-12.50	12.51-18.75	18.76-25.00	25.01-37.50	37.51-50.00	50.01-75.00	OVFR 75.00	ALL SPREADS	AVERAGE SPREAD	
1	.00%	.00%	25.00%	50.00%	.00%	25.00%	.00%	.00%	100.00%	25.25	
2	.00%	17.14%	22.85%	45.71%	.00%	14.28%	.00%	.00%	100.00%	23.14	
3	3.12%	3.12%	18.75%	53.12%	2.12%	18.75%	.00%	.00%	100.00%	24.93	
4	.00%	5.88%	.00%	17.64%	23.52%	52.94%	.00%	.00%	100.00%	36.05	
5	.00%	.00%	.00%	100.00%	.00%	.00%	.00%	.00%	100.00%	25.00	
6	.00%	.00%	.00%	66.66%	.00%	33.33%	.00%	.00%	100.00%	31.33	
	1.03%	8.24%	15.46%	46.39%	5.15%	23.71%	.00%	.00%	100.00%	26.64	

TABLE XI-91

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN 1969
 (SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

		KEY TO PRICE CATEGORIES									
CATEGORY 1	LESS THAN \$20.00 PER SHARE	CATEGORY 2		\$20.00 TO \$39.99 PER SHARE		CATEGORY 3		\$40.00 TO \$59.99 PER SHARE			
CATEGORY 4	\$60.00 TO \$79.99 PER SHARE	CATEGORY 5		\$80.00 TO \$99.99 PER SHARE		CATEGORY 6		\$100.00 OR MORE PER SHARE			
PRICE CATEGORY	NO. SPREAD	0.01-12.50	12.51-18.75	18.76-25.00	25.01-37.50	37.51-50.00	50.01-75.00	OVER 75.00	ALL SPREADS	AVERAGE SPREAD	
1	.00%	.00%	60,000 36.99%	42,200 26.01%	.00%	60,000 36.99%	.00%	.00%	162,200 100.00%	25.36	
2	.00%	60,000 14.09%	133,100 31.27%	178,700 41.98%	.00%	53,800 12.64%	.00%	.00%	425,600 100.00%	22.00	
3	2,000 .31%	10,000 1.59%	79,900 12.69%	166,100 26.39%	100,000 15.88%	271,500 43.12%	.00%	.00%	629,500 100.00%	35.07	
4	.00%	10,000 5.87%	.00%	19,000 11.15%	39,000 22.90%	102,300 60.07%	.00%	.00%	170,300 100.00%	35.75	
5	.00%	.00%	.00%	15,000 100.00%	.00%	.00%	.00%	.00%	15,000 100.00%	25.00	
6	.00%	.00%	.00%	18,430 82.16%	.00%	4,000 17.83%	.00%	.00%	22,430 100.00%	28.38	
	2,000 .14%	80,000 5.61%	273,000 19.15%	439,430 30.83%	139,000 9.75%	491,600 34.49%	.00%	.00%	1,425,030 100.00%	29.93	

TABLE XI-92

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF BLOCK TRADES AND PERCENTAGE)
 TWO WEEKS IN 1969
 (SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

KEY TO SIZE CATEGORIES
 CATEGORY 1 5,000 SHARES OR LESS
 CATEGORY 2 5,001 TO 10,000 SHARES
 CATEGORY 3 10,001 TO 25,000 SHARES
 CATEGORY 4 25,001 TO 50,000 SHARES
 CATEGORY 5 50,001 TO 75,000 SHARES
 CATEGORY 6 75,001 TO 100,000 SHARES
 CATEGORY 7 MORE THAN 100,000 SHARES

SIZE CATEGORY	NO SPREAD	0.01-12.50	12.51-18.75	18.76-25.00	25.01-37.50	37.51-50.00	50.01-75.00	OVER 75.00	ALL SPREADS	AVERAGE SPREAD
1	1 2.70%	3 8.10%	4 10.81%	21 56.75%	1 2.70%	7 18.91%	.00%	.00%	37 100.00%	26.43
2	.00%	3 10.00%	6 20.00%	13 43.33%	2 6.66%	6 20.00%	.00%	.00%	30 100.00%	24.76
3	.00%	2 9.09%	3 13.63%	9 40.90%	1 4.54%	7 31.81%	.00%	.00%	22 100.00%	28.50
4	.00%	.00%	.00%	1 50.00%	.00%	1 50.00%	.00%	.00%	2 100.00%	31.50
5	.00%	.00%	2 50.00%	1 25.00%	.00%	1 25.00%	.00%	.00%	4 100.00%	21.75
6	.00%	.00%	.00%	.00%	1 100.00%	.00%	.00%	.00%	1 100.00%	37.00
7	.00%	.00%	.00%	.00%	.00%	1 100.00%	.00%	.00%	1 100.00%	50.00
	1 1.03%	8 8.24%	15 15.46%	45 46.39%	5 5.15%	23 23.71%	.00%	.00%	97 100.00%	26.64

TABLE XI-93

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 FREQUENCY DISTRIBUTION OF SPREAD SIZES IN AGENCY AND RISKLESS PRINCIPAL TRANSACTIONS
 (NUMBER OF SHARES AND PERCENTAGE)
 TWO WEEKS IN 1969

(SPREAD IS STATED IN DOLLARS PER 100 SHARES AND IS DIFFERENCE BETWEEN PURCHASE AND SALE PRICES AFTER BROKER-DEALER CHARGES)

SIZE CATEGORY	NO SPREAD	KEY TO SIZE CATEGORIES							ALL SPREADS	AVERAGE SPREAD
		0.01- 12.50	12.51- 18.75	18.76- 25.00	25.01- 37.50	37.51- 50.00	50.01- 75.00	OVER 75.00		
CATEGORY 1 CATEGORY 4	5,000 SHARES OR LESS 25,001 TO 50,000 SHARES									
1	2,000 1.42%	15,000 10.65%	15,100 10.72%	75,730 53.77%	5,000 3.55%	28,000 19.88%	.00%	.00%	140,830 100.00%	26.94
2	.00%	30,000 11.07%	57,200 21.11%	109,700 40.49%	20,000 7.39%	54,000 19.93%	.00%	.00%	270,900 100.00%	24.49
3	.00%	35,000 9.79%	65,700 18.38%	139,000 38.89%	14,000 3.91%	103,700 29.01%	.00%	.00%	357,400 100.00%	27.24
4	.00%	.00%	.00%	40,000 60.60%	.00%	26,000 39.39%	.00%	.00%	66,000 100.00%	30.12
5	.00%	.00%	135,000 50.00%	75,000 27.77%	.00%	60,000 22.22%	.00%	.00%	270,000 100.00%	21.51
6	.00%	.00%	.00%	.00%	100,000 100.00%	.00%	.00%	.00%	100,000 100.00%	37.00
7	.00%	.00%	.00%	.00%	.00%	219,900 100.00%	.00%	.00%	219,900 100.00%	50.00
	2,000 .14%	80,000 5.61%	273,000 19.15%	439,430 30.83%	139,000 9.75%	491,600 34.49%	.00%	.00%	1,425,030 100.00%	29.93

TABLE XI-94

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCK TRADES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

PAGE 1

KEY TO PRICE GROUPS
 GROUP 1 MORE THAN 10.0 PERCENT BELOW LOW GROUP 2 5.1 TO 10.0 PERCENT BELOW LOW GROUP 3 2.6 TO 5.0 PERCENT BELOW LOW
 GROUP 4 1.1 TO 2.5 PERCENT BELOW LOW GROUP 5 1.0 PERCENT OR LESS BELOW LOW GROUP 6 WITHIN RANGE
 GROUP 7 1.0 PERCENT OR LESS ABOVE HIGH GROUP 8 1.1 TO 2.5 PERCENT ABOVE HIGH GROUP 9 2.6 TO 5.0 PERCENT ABOVE HIGH
 GROUP 10 5.1 TO 10.0 PERCENT ABOVE HIGH GROUP 11 MORE THAN 10.0 PERCENT ABOVE HIGH

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
DOWN	1968	NOV 14			1	1	5	38	9					54
DOWN	1968	SEPT 10			1		1	26						28
DOWN	1968	SEPT 12				1	1	22	6	1				31
DOWN	1968		.00%	.00%	2	2	7	86	15	1				113
					1.76%	1.76%	6.19%	76.10%	13.27%	.88%	.00%	.00%	.00%	100.00%
DOWN	1969	AUG 20			1	2	4	40	9	1	1			58
DOWN	1969	JUNE 16				1	1	34	4					40
DOWN	1969	JUNE 17			1			38	3					42
DOWN	1969	JUNE 19					6	35	1					42
DOWN	1969	JUNE 20					3	44	3					50
DOWN	1969		.00%	.00%	2	3	14	191	20	1	1			232
					.86%	1.29%	6.03%	82.32%	8.62%	.43%	.43%	.00%	.00%	100.00%
DOWN			.00%	.30%	4	5	21	277	35	2	1			345
					1.15%	1.44%	6.08%	80.28%	10.14%	.57%	.28%	.00%	.00%	100.00%
UP	1968	NOV 12					2	59	6					67
UP	1968	NOV 13					3	66	6			1		76
UP	1968	NOV 15					4	54	5					63
UP	1968	SEPT 9					1	16	4					21

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TABLE XI-94 cont.

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF BLOCK TRADES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

KEY TO PRICE GROUPS

GROUP 1	MORE THAN 10.0 PERCENT BELOW LOW	GROUP 2	5.1 TO 10.0 PERCENT BELOW LOW	GROUP 3	2.6 TO 5.0 PERCENT BELOW LOW
GROUP 4	1.1 TO 2.5 PERCENT BELOW LOW	GROUP 5	1.0 PERCENT OR LESS BELOW LOW	GROUP 6	WITHIN RANGE
GROUP 7	1.0 PERCENT OR LESS ABOVE HIGH	GROUP 8	1.1 TO 2.5 PERCENT ABOVE HIGH	GROUP 9	2.6 TO 5.0 PERCENT ABOVE HIGH
GROUP 10	5.1 TO 10.0 PERCENT ABOVE HIGH	GROUP 11	MORE THAN 10.0 PERCENT ABOVE HIGH		

DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
UP	1968	SEPT 13					2	21	1					24
UP	1968		.00%	.00%	.00%	.00%	12	216	22	.00%	.00%	.39%	.00%	251
							4.78%	86.05%	8.76%					100.00%
UP	1969	AUG 18			1	1	2	21	3					28
UP	1969	AUG 19			1		1	31	1					34
UP	1969	AUG 21					1	47	4					52
UP	1969	AUG 22					2	27	4		1			34
UP	1969	JUNE 18				1	3	21	2					27
UP	1969		.00%	.00%	2	2	9	147	14	.00%	.57%	.00%	.00%	175
					1.14%	1.14%	5.14%	84.00%	8.00%					100.00%
UP			.00%	.00%	2	2	21	363	36	.00%	.23%	.23%	.00%	426
					.46%	.46%	4.92%	85.21%	8.45%					100.00%
			.00%	.00%	6	7	42	640	71	.25%	.25%	.12%	.00%	771
					.77%	.90%	5.44%	83.00%	9.20%					100.00%

TABLE XI-95

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)														PAGE 1
EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE														
(NUMBER OF SHARES IN EACH PRICE GROUP AND PERCENTAGE)														
TWO WEEKS IN EACH YEAR														
KEY TO PRICE GROUPS														
GROUP 1	MORE THAN 10.0 PERCENT BELOW LOW			GROUP 2	5.1 TO 10.0 PERCENT BELOW LOW			GROUP 3	2.6 TO 5.0 PERCENT BELOW LOW			GROUP 6	WITHIN RANGE	
GROUP 4	1.1 TO 2.5 PERCENT BELOW LOW			GROUP 5	1.0 PERCENT OR LESS BELOW LOW			GROUP 8	1.1 TO 2.5 PERCENT ABOVE HIGH			GROUP 9	2.6 TO 5.0 PERCENT ABOVE HIGH	
GROUP 7	1.0 PERCENT OR LESS ABOVE HIGH			GROUP 10	5.1 TO 10.0 PERCENT ABOVE HIGH									
GROUP 11	5.1 TO 10.0 PERCENT ABOVE HIGH													
DOW-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
DOWN	1968	NOV 14			2,000	215,000	19,100	249,900	82,500					568,500
DOWN	1968	SEPT 10			2,000		4,895	122,000						128,895
DOWN	1968	SEPT 12				5,000	320,000	127,092	25,000	2,001				479,092
DOWN	1968		.00%	.00%	4,000	220,000	343,995	498,992	107,500	2,001		.00%	.00%	1,176,487
					.33%	18.69%	29.23%	42.41%	9.13%	.17%			.00%	100.00%
DOWN	1969	AUG 20			60,000	15,600	46,400	317,150	41,300	5,001	2,700			488,150
DOWN	1969	JUNE 16				10,000	20,000	199,164	15,000					244,164
DOWN	1969	JUNE 17			2,000			205,080	9,000					216,080
DOWN	1969	JUNE 19					51,500	160,364	10,000					221,864
DOWN	1969	JUNE 20					58,086	471,700	14,500					544,286
DOWN	1969		.00%	.00%	62,000	25,600	175,986	1,353,458	89,800	5,001	2,700		.00%	1,714,544
					3.61%	1.49%	10.26%	78.93%	5.23%	.29%	.15%		.00%	100.00%
DOWN			.00%	.00%	66,000	245,600	519,981	1,852,450	197,300	7,002	2,700		.00%	2,891,031
					2.28%	8.49%	17.98%	64.07%	6.82%	.24%	.09%		.00%	100.00%
UP	1968	NOV 12					52,000	281,281	21,800					355,081
UP	1968	NOV 13					8,000	403,781	33,700			2,000		447,481
UP	1968	NOV 15					16,100	381,000	51,500					448,600
UP	1968	SEPT 9					2,160	59,800	10,400					72,360

TABLE XI-95 cont.

THIRD MARKET BLOCK TRADES (2,000 OR MORE SHARES)
 EXTENT TO WHICH TRADES ARE EXECUTED OUTSIDE THE RANGE OF HIGH AND LOW PRICES FOR THE DAY ON THE NEW YORK STOCK EXCHANGE
 (NUMBER OF SHARES IN EACH PRICE GROUP AND PERCENTAGE)
 TWO WEEKS IN EACH YEAR

KEY TO PRICE GROUPS
 GROUP 1 MORE THAN 10.0 PERCENT BELOW LOW GROUP 2 5.1 TO 10.0 PERCENT BELOW LOW GROUP 3 2.6 TO 5.0 PERCENT BELOW LOW
 GROUP 4 1.1 TO 2.5 PERCENT BELOW LOW GROUP 5 1.0 PERCENT OR LESS BELOW LOW GROUP 6 WITHIN RANGE
 GROUP 7 1.0 PERCENT OR LESS ABOVE HIGH GROUP 8 1.1 TO 2.5 PERCENT ABOVE HIGH GROUP 9 2.6 TO 5.0 PERCENT ABOVE HIGH
 GROUP 10 5.1 TO 10.0 PERCENT ABOVE HIGH GROUP 11 MORE THAN 10.0 PERCENT ABOVE HIGH

DOM-JONES INDUSTRIAL INDEX	YEAR	DATE	GROUP 1	GROUP 2	GROUP 3	GROUP 4	GROUP 5	GROUP 6	GROUP 7	GROUP 8	GROUP 9	GROUP 10	GROUP 11	ALL BLOCKS
UP	1968	SEPT 13					29,000	145,400	10,000					184,400
UP	1968		.00%	.00%	.00%	.00%	107,260	1,271,262	127,400			2,000	.00%	1,507,922
							7.11%	84.30%	8.44%	.00%	.00%	.13%	.00%	100.00%
UP	1969	AUG 18			60,000	10,000	41,000	99,130	6,400					216,530
UP	1969	AUG 19			25,000		11,400	262,228	3,000					301,628
UP	1969	AUG 21					5,000	288,235	9,600					302,835
UP	1969	AUG 22					5,100	160,411	14,600		2,500			182,611
UP	1969	JUNE 18				75,000	82,000	215,416	6,000					378,416
UP	1969		.00%	.00%	85,000	85,000	144,500	1,025,420	39,600		2,500		.00%	1,382,020
					6.15%	6.15%	10.45%	74.19%	2.86%	.00%	.18%	.00%	.00%	100.00%
UP			.00%	.00%	85,000	85,000	251,760	2,296,682	167,000		2,500	2,000	.00%	2,889,942
					2.94%	2.94%	8.71%	79.47%	5.77%	.00%	.08%	.06%	.00%	100.00%
			.00%	.00%	151,000	330,600	771,741	4,149,132	364,300	7,002	5,200	2,000	.00%	5,780,973
					2.61%	5.71%	13.34%	71.77%	6.30%	.12%	.08%	.03%	.00%	100.00%

TABLE XI-96

Percentage of Institutions That Had Ever Attempted
Fourth Market Transactions

<u>Type of Institution</u>	<u>Transactions Directly with Another Institution</u>	<u>Transactions Directly with Issuer or Its Pension Fund</u>
Bank	20	55
Endowment	7	20
Foundation	0	10
Investment Adviser	18	28
Life Insurance	13	39
Property and Liability Insurance	20	35
Self-Administered Pension	13	13
All	16	33