

Corporate Medium-Term Notes, 2000

U.S. corporations issued \$71 billion of medium-term notes (MTNs) in 2000, down \$64 billion from the 1999 total of \$135 billion (table 1.A). Issuance by financial firms was \$67 billion in 2000, a decline of \$54 billion; issuance by nonfinancial firms was \$4 billion, a decline of \$10 billion. A total of 82 firms sold MTNs in 2000, down from 96 in 1999 (table 1.B), and the number of firms with MTNs outstanding also fell, to 436 (table 2.B). Outstandings at year-end rose slightly over year-end 1999, to \$417 billion (tables 2.A and 3); most of the increase was the \$6 billion rise at financial firms, to nearly \$332 billion. Outstandings for nonfinancial firms decreased \$5 billion, to \$85 billion, after the previous year's gain of \$9 billion.

Borrowers in the corporate MTN market continue to have predominantly investment-grade ratings. As in 1999, roughly 99 percent of total MTN issuance had a rating of Baa or better (table 5.A). Single-A-rated issuers accounted for 50 percent of gross issuance, down from 62 percent in 1999. The share of AA-rated issuers increased to 37 percent, from 20 percent in 1999. Two issuers had a speculative-grade credit rating last year (table 5.B).

The MTN market accounts for a sizable share of intermediate and long-term borrowing by U.S. companies. Outstanding MTN debt as a share of total corporate outstanding debt (MTNs plus corporate bonds) was 13 percent in 2000, down from 14 percent in 1999 (table 7).

Table 1

Gross Borrowing by U.S. Corporations in the U.S. Medium-Term Note Market

A. Millions of Dollars

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	46,617	72,018	74,539	86,062	87,845	98,916	93,676	114,437	149,219	134,990	71,078
Financial Corporations	29,936	45,773	50,626	57,842	70,074	79,462	81,954	98,879	128,524	121,041	67,226
Auto Finance Companies	9,874	12,380	13,450	10,755	11,219	11,631	8,642	12,076	19,732	22,971	9,624
Banking Firms	3,162	11,157	6,603	7,561	8,103	13,945	12,136	14,815	19,057	11,837	7,431
Finance Companies*	12,289	14,802	18,635	19,305	30,386	34,017	32,948	31,969	43,393	41,365	25,609
Real Estate, Insurance and Other Financial Companies	1,186	1,027	1,129	1,422	846	1,671	2,391	3,646	5,483	3,249	1,916
Savings and Loans	25	0	67	861	500	1,285	1,518	180	100	180	150
Securities Brokers	3,399	6,408	10,741	17,937	19,320	16,912	24,319	36,192	40,759	41,438	22,495
Nonfinancial Corporations	16,681	26,245	23,913	28,220	17,771	19,455	11,722	15,578	20,695	13,950	3,852
Electric, Gas and Water	3,221	5,143	7,535	10,858	2,523	2,732	1,877	2,765	3,198	1,866	990
Manufacturing	6,497	12,503	9,190	8,394	6,817	7,531	5,221	6,321	9,213	6,556	1,523
Services	1,237	2,409	1,747	3,079	3,529	4,691	3,144	4,187	6,837	4,429	1,127
Telephone and Communication	1,221	1,373	1,635	2,729	1,492	1,493	831	838	395	67	0
Transportation, Mining, and Construction	1,933	1,800	1,068	1,740	920	612	405	177	111	700	0
Wholesale and Retail Trade	2,573	3,018	2,738	1,420	2,489	2,396	245	1,270	941	331	212

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 1

Gross Borrowing by U.S. Corporations in the U.S. Medium-Term Note Market

B. Number of Issuers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	165	224	211	210	171	195	165	158	145	96	82
Financial Corporations	65	76	66	71	68	78	87	84	71	53	49
Auto Finance Companies	3	2	2	3	3	3	3	5	6	5	5
Banking Firms	13	23	16	19	16	19	21	20	14	10	8
Finance Companies*	37	38	31	28	27	31	33	33	23	19	19
Real Estate, Insurance and Other Financial Companies	5	7	10	12	11	14	18	14	18	10	8
Savings and Loans	1	0	1	2	1	3	2	1	1	1	1
Securities Brokers	6	6	6	7	10	8	10	11	9	8	8
Nonfinancial Corporations	100	148	145	139	103	117	78	74	74	43	33
Electric, Gas and Water	30	44	56	60	37	42	31	32	31	16	15
Manufacturing	41	62	51	47	39	46	29	20	26	13	12
Services	7	10	7	7	8	7	7	6	7	8	5
Telephone and Communication	9	11	10	8	6	8	5	4	2	1	0
Transportation, Mining, and Construction	8	11	8	9	7	7	3	4	3	2	0
Wholesale and Retail Trade	5	10	13	8	6	7	3	8	5	3	1

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 2
Medium-Term Notes Outstanding

A. Millions of Dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	176,855	210,894	235,485	267,501	287,324	317,516	379,747	416,284	416,883
Financial Corporations	108,277	125,404	145,858	171,096	194,536	242,685	298,482	326,376	331,835
Auto Finance Companies	33,657	33,270	33,753	37,076	37,541	39,573	48,004	59,036	50,372
Banking Firms	17,988	19,558	21,468	27,964	33,569	41,103	55,987	62,167	58,838
Finance Companies*	39,306	45,257	57,686	70,542	78,197	83,141	98,852	111,177	116,267
Real Estate, Insurance and Other Financial Companies	3,442	4,567	4,757	6,083	8,002	12,628	21,839	24,080	28,239
Savings and Loans	805	1,002	1,250	2,255	2,670	490	340	340	265
Securities Brokers	13,078	21,751	26,944	27,176	34,556	65,639	73,460	69,575	77,854
Nonfinancial Corporations	68,578	85,490	89,627	96,405	92,788	74,832	81,265	89,909	85,047
Electric, Gas and Water	18,895	28,178	28,771	29,658	28,288	21,788	23,550	24,689	24,666
Manufacturing	27,384	30,885	31,959	33,945	34,204	25,405	28,353	35,524	33,979
Services	5,211	6,182	7,453	10,091	10,944	10,365	11,681	9,429	7,285
Telephone and Communication	3,841	5,841	6,731	7,414	5,538	6,335	6,072	6,229	6,301
Transportation, Mining, and Construction	5,097	6,482	6,233	6,094	5,713	4,028	4,040	6,063	5,715
Wholesale and Retail Trade	8,150	7,922	8,482	9,203	8,101	6,909	7,568	7,974	7,103

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 2

Medium-Term Notes Outstanding

B. Number of Issuers with MTNs Outstanding

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	354	367	376	401	411	448	427	451	436
Financial Corporations	119	115	114	121	126	175	168	177	174
Auto Finance Companies	3	3	3	3	3	8	7	6	6
Banking Firms	29	32	30	31	32	39	35	35	37
Finance Companies*	47	47	48	47	46	69	64	69	66
Real Estate, Insurance and Other Financial Companies	17	17	18	24	29	39	41	46	44
Savings and Loans	17	9	5	6	6	4	3	3	3
Securities Brokers	6	7	10	10	10	16	18	18	18
Nonfinancial Corporations	235	252	262	280	285	273	259	274	262
Electric, Gas and Water	74	83	83	90	91	86	85	89	89
Manufacturing	99	104	111	117	117	97	93	92	86
Services	13	13	13	14	14	19	16	17	16
Telephone and Communication	16	16	17	17	18	22	20	20	18
Transportation, Mining, and Construction	16	19	19	21	23	24	23	31	29
Wholesale and Retail Trade	17	17	19	21	22	25	22	25	24

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 3
Net Borrowing in the Medium-Term Note Market

	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	34,039	24,591	32,016	19,823	30,192	62,231	36,538	598
Financial Corporations	17,127	20,454	25,238	23,440	48,149	55,797	27,893	5,460
Auto Finance Companies	-387	483	3,323	465	2,032	8,431	11,033	-8,664
Banking Firms	1,570	1,910	6,496	5,605	7,534	14,884	6,180	-3,330
Finance Companies*	5,951	12,429	12,856	7,655	4,944	15,711	12,324	5,091
Real Estate, Insurance and Other Financial Companies	1,125	190	1,326	1,919	4,626	9,211	2,241	4,159
Savings and Loans	197	248	1,005	415	-2,180	-150	0	-75
Securities Brokers	8,673	5,193	232	7,380	31,083	7,821	-3,885	8,279
Nonfinancial Corporations	16,912	4,137	6,778	-3,617	-17,956	6,433	8,644	-4,861
Electric, Gas and Water	9,283	593	887	-1,370	-6,500	1,762	1,139	-24
Manufacturing	3,501	1,074	1,986	259	-8,799	2,948	7,171	-1,545
Services	971	1,271	2,638	853	-579	1,316	-2,252	-2,144
Telephone and Communication	2,000	890	683	-1,876	797	-263	158	72
Transportation, Mining, and Construction	1,385	-249	-139	-381	-1,685	12	2,023	-348
Wholesale and Retail Trade	-228	560	721	-1,102	-1,192	659	406	-872

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 4

Statistics on Firm-Level Outstandings of Medium-Term Notes

A. Average Outstandings in Millions of Dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	500	575	626	667	699	709	889	969	1,089
Financial Corporations	910	1,090	1,279	1,414	1,544	1,387	1,777	1,844	1,907
Auto Finance Companies	11,219	11,090	11,251	12,359	12,514	4,947	6,858	11,546	15,616
Banking Firms	620	611	716	902	1,049	1,054	1,596	1,772	1,590
Finance Companies*	836	963	1,202	1,501	1,700	1,205	1,547	1,613	1,762
Real Estate, Insurance and Other Financial Companies	202	269	264	253	276	324	533	523	642
Savings and Loans	47	111	250	376	445	150	113	113	88
Securities Brokers	2,180	3,107	2,694	2,718	3,456	4,102	4,081	3,865	4,325
Nonfinancial Corporations	292	339	342	344	326	274	314	406	547
Electric, Gas and Water	255	339	347	330	311	253	280	280	280
Manufacturing	277	297	282	290	292	262	304	390	399
Services	401	476	573	721	782	546	691	527	431
Telephone and Communication	240	365	396	436	308	288	320	311	350
Transportation, Mining, and Construction	319	341	328	290	248	168	176	196	197
Wholesale and Retail Trade	479	466	446	438	368	276	330	308	285

Note. Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 4

Statistics on Firm-Level Outstandings of Medium-Term Notes

B. Median Outstandings in Millions of Dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	167	200	200	200	210	200	211	213	211
Financial Corporations	229	260	346	394	323	300	340	375	352
Auto Finance Companies	10,851	13,660	15,575	15,769	15,653	922	2,310	5,869	4,104
Banking Firms	150	225	355	400	323	407	463	445	308
Finance Companies*	444	442	477	621	851	504	475	552	603
Real Estate, Insurance and Other Financial Companies	133	200	169	121	163	150	150	192	198
Savings and Loans	25	26	16	105	135	105	100	100	100
Securities Brokers	1,316	3,396	2,242	2,575	3,656	1,433	1,090	865	1,174
Nonfinancial Corporations	157	198	183	185	176	150	170	180	168
Electric, Gas and Water	165	185	200	197	208	160	198	187	164
Manufacturing	140	193	170	160	150	138	150	180	160
Services	300	248	299	345	503	224	199	161	125
Telephone and Communication	198	192	198	219	198	157	188	170	195
Transportation, Mining, and Construction	174	189	159	145	110	96	75	150	168
Wholesale and Retail Trade	150	245	250	250	166	172	200	196	225

Note. Data source changed between 1996 and 1997.

* Excluding auto finance companies.

Table 5

Ratings Distribution of Medium-Term Note Gross Issuance

A. Millions of Dollars

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Aaa	1,635	4,250	2,966	4,091	9,274	10,358	4,740	2,065	10,021	11,401	8,020
Aa	14,920	5,441	6,381	4,840	5,292	7,965	12,011	28,688	37,148	26,457	31,633
A	23,731	51,589	50,652	57,800	58,600	65,440	60,910	68,080	86,054	84,159	42,958
Baa	633	10,585	13,807	17,759	13,926	14,452	15,126	14,361	15,887	12,692	3,141
Ba	0	145	732	1,573	618	573	757	266	159	226	76
B	0	1	0	0	134	128	131	1,010	0	54	100

Note. Components may not sum to totals because of rounding.
Data source has changed between 1996 and 1997.

Table 5

Ratings Distribution of Medium-Term Note Gross Issuance

B. Number of Issuers

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Aaa	6	9	9	8	3	2	3	3	3	3	3
Aa	25	27	23	25	14	19	17	28	21	14	13
A	92	136	111	115	107	119	96	89	84	52	51
Baa	48	59	69	64	50	53	50	39	36	24	13
Ba	0	2	7	8	5	4	3	2	1	2	1
B	0	1	0	0	2	1	1	4	0	1	1

Note. Data source has changed between 1996 and 1997.

Table 6
Ratings Distribution of Medium-Term Notes
(Millions of Dollars)

A. Year-end Outstandings

	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	235,485	267,501	287,324	317,516	379,747	416,284	416,883
Aaa	12,725	17,021	13,599	10,732	15,948	24,266	31,309
Aa	15,686	22,984	38,027	65,233	88,662	85,094	93,828
A	142,543	161,758	168,488	186,203	213,057	240,211	232,824
Baa	59,603	61,040	61,449	47,283	56,776	61,781	54,523
Ba	4,136	3,723	4,638	3,178	3,502	3,568	3,534
B	343	500	635	1,956	1,422	1,003	621
Other	0	0	0	2,931	380	362	244
Financial Corporations	145,858	171,096	194,536	242,685	298,482	326,376	331,835
Aaa	12,130	16,621	13,045	9,753	15,271	23,621	31,083
Aa	9,747	16,185	30,771	58,779	81,278	76,558	85,626
A	96,965	107,663	119,131	153,287	164,271	186,603	180,568
Baa	25,839	29,410	30,337	26,389	35,235	37,695	33,083
Ba	1,177	1,218	1,251	537	787	707	682
B	0	0	0	1,905	1,381	972	621
Other	0	0	0	1,913	260	219	173
Nonfinancial Corporations	89,627	96,405	92,788	74,832	81,265	89,909	85,047
Aaa	595	400	554	999	677	645	226
Aa	5,939	6,799	7,256	6,370	7,384	8,536	8,202
A	45,579	54,095	49,357	42,910	48,787	53,608	52,256
Baa	33,763	31,630	31,111	20,844	21,541	24,085	21,441
Ba	2,959	2,506	3,387	2,641	2,715	2,861	2,852
B	343	500	635	51	41	31	0
Other	0	0	0	1,018	120	143	71

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

Table 6

Ratings Distribution of Medium-Term Notes

B. Net Change

	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporations	24,591	32,016	19,823	30,192	62,231	36,538	598
Aaa	3,926	4,296	-3,422	-2,867	5,216	8,319	7,042
Aa	2,826	7,298	15,043	27,206	23,429	-3,568	8,734
A	19,999	19,215	6,730	17,715	26,854	27,153	-7,387
Baa	-2,629	1,437	409	-14,166	9,493	5,005	-7,257
Ba	499	-413	915	-1,460	324	66	-34
B	-30	157	135	1,321	-534	-419	-382
Other	0	0	0	0	-2,551	-18	-118
Financial Corporations	20,454	25,238	23,440	48,149	55,797	27,893	5,460
Aaa	4,560	4,491	-3,576	-3,292	5,518	8,350	7,462
Aa	4,894	6,438	14,586	28,008	22,499	-4,720	9,068
A	15,793	10,698	11,468	34,156	10,984	22,333	-6,036
Baa	-4,757	3,571	927	-3,948	8,846	2,461	-4,612
Ba	-36	41	33	-714	250	-80	-25
B	0	0	0	1,905	-524	-409	-351
Other	0	0	0	0	-1,653	-41	-46
Nonfinancial Corporations	4,137	6,778	-3,617	-17,956	6,433	8,644	-4,861
Aaa	-634	-195	154	445	-322	-32	-419
Aa	-2,068	860	457	-886	1,014	1,152	-334
A	4,208	8,516	-4,738	-6,447	5,877	4,821	-1,351
Baa	2,127	-2,133	-519	-10,267	697	2,544	-2,645
Ba	535	-453	881	-746	74	146	-9
B	-30	157	135	-584	-10	-10	-31
Other	0	0	0	0	-898	23	-72

Note. Components may not sum to totals because of rounding.
Data source changed between 1996 and 1997.

Table 7
 Ratio of Medium-Term Notes Outstanding to the
 Sum of Medium-Term Notes and Corporate Bonds Outstanding
 (percent)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
All U.S. Corporate MTNs and Bonds	16	17	19	19	18	19	15	14	13
All U.S. Corporate MTNs and Bonds with Investment-Grade Ratings	19	21	23	23	22	23	17	16	15

Source. Moody's Investor Service for corporate bond outstandings. Both Moody's and Federal Reserve figures exclude private placements, asset-backed securities, bonds issued by federal agencies, eurobonds, and Yankee bonds. Moody's figures include convertible bonds.