## Prefatory Note

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[^0]Money market
After being around 4 per cent at the time of last FOMC meeting, the 3 -month Treasury bill rate has risen to around 4.05 per cent, but longer-term bill rates have shown relatively little change. Short-term bill rates in the early part of October had reflected a temporary depletion of the available supply of bills in dealer hands as a result of sizable System and private buying. Dealers have since rebuilt their inventory, and private buying has recently tapered off. The System was also a small net seller of bills during the middle part of October.

The recent advance in rates has been dampened by the availability of dealer financing at relatively attractive rates and by expectations of sizable System buying in late October and early November. The availability of dealer financing has reflected an increase in repurchase money from corporations and the absence of any sustained pressure on money market banks, especially those in New York. Concurrently, the Federal funds market has been somewhat less taut than earlier, with funds trading at an effective rate below $4-1 / 8$ per cent on four trading days during the last two weeks of October. Especially in the last week of October, funds were very readily available and banks were able to reduce their borrowings at the discount window to the lowest level since March.

Prospects. With net borrowed reserves in the neighborhood of $\$ 100$ to $\$ 150$ million, bill rates can be expected to remain within a narrow range until around mid-November; the 3 -month bill should hold in

FINANCIAL MARKET RELATIONSHIPS IN PERSPECTIVE
(Monthly averages and, where available, weekly averages of daily figures; amounts in millions of dollars)

|  | Money Market Indicators |  |  |  | Bond Yields |  |  | Flow of Reserves, Bank Credit and Money |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Free Reserves | $\begin{gathered} \text { Borrow- } \\ \text { Ings } \end{gathered}$ | Federal <br> Funds Rate | $\begin{array}{\|c\|} \hline \text { 3-month } \\ \text { Trea- } \\ \text { sury } \\ \text { Bill } \\ \hline \end{array}$ | $\begin{array}{\|c\|} \hline \text { U. S. } \\ \text { Gov't. } \\ \text { (20 yr. } \\ \text { bond }) \\ \hline \end{array}$ | Corporate New Issues (Aaa) | $\left\lvert\, \begin{gathered} \text { Munici- } \\ \text { pal } \\ \text { (Aaa) } \end{gathered}\right.$ | NonBorrowed Reserves | Total Reserves | Bank Credit Proxy | Money <br> Supply | $\begin{gathered} \text { Time } \\ \text { Deposits } \end{gathered}$ |
| 1964 - Oct. | 89 | 305 | 3.29 | 3.57 | 4.20 | 4.46 | 3.11 | - 38 | - 63 | +1,260 | + 600 | +1,400 |
| Nov. | 2 | 413 | 3.51 | 3.64 | 4.17 | -- | 3.08 | + 26 | $+84$ | +1,886 | + 300 | +1,600 |
| Dec. | 127 | 278 | 3.81 | 3.84 | 4.18 | 4.47 | 3.01 | +260 | + 49 | +1,265 | + 600 | +1,500 |
| 1965 - Jan. | 115 | 303 | 3.85 | 3.81 | 4.19 | 4.42 | 2.97 | - 25 | $+92$ | +1,520 | $+300$ | +2,200 |
| Feb. | 26 | 406 | 3.96 | 3.93 | 4.21 | 4.41 | 2.97 | +108 | +181 | +2,321 | - 300 | +2,200 |
| Mar. | - 50 | 395 | 4.04 | 3.93 | 4.20 | 4.45 | 3.09 | + 95 | +151 | +1,787 | + 600 | +1,100 |
| Apr. | -133 | 471 | 4.09 | 3.93 | 4.20 | 4.46 | 3.09 | +140 | +216 | +3,206 | + 800 | +1,400 |
| May | -159 | 490 | 4.08 | 3.89 | 4.21 | 4.51 | 3.09 | - 21 | - 51 | - 494 | -1,100 | +1,100 |
| June | -178 | 534 | 4.01 | 3.80 | 4.21 | 4.58 | 3.15 | +147 | +169 | +1,683 | +1,800 | +1,300 |
| July | -178 | 526 | 4.07 | 3.83 | 4.21 | 4.61 | 3.16 | + 32 | $+25$ | +1,622 | + 700 | +1,700 |
| Aug. | -167 | 549 | 4.11 | 3.84 | 4.25 | 4.63 | 3.16 | -115 | - 49 | +1,253 | + 200 | +2,500 |
| Sept. | -144 | 552 | 3.95 | 3.92 | 4.30 | 4.67 | 3.25 | - 4 | -- | $+1,905$ | +1,600 | +1,500 |
| Oct. ${ }^{\text {e }}$ | -134 | 490 | 4.04 | 4.02 | 4.32 | 4.69 | 3.31 | +123 | +106 | +2,585 | +1,200 | +2,100 |
| 1965 - Sept. 15 | - 94 | 558 | 4.12 | 3.88 | 4.30 | 4.67 | 3.21 |  |  |  | + 900 | + 500 |
| 22 | -194 | 627 | 4.12 | 3.90 | 4.30 | 4.64 | 3.25 |  |  |  | +1,100 | + 100 |
| 29 | -219 | 553 | 3.50 | 4.00 | 4.32 | -- | 3.31 |  |  |  | - 600 | + 200 |
| Oct. 6 | - 96 | 536 | 4.08 | 4.00 | 4.33 | 4.72 | 3.31 |  |  |  | +1,200 | + 700 |
| 13 | -197 | 495 | 4.12 | 4.00 | 4.30 | -- | 3.31 |  |  |  | - 300 | +1,000 |
| 20 | -107 | 591 | 4.05 | 4.02 | 4.31 | -- | 3.31 |  |  |  | -- | +500 |
| 27 | -137 | 338 | 3.95 | 4.04 | 4.33 | 4.63 | 3.31 |  |  |  | - 200 | + 400 |
|  |  |  |  | Averages |  |  |  |  | nnual $r$ | rates of | increa | $\mathrm{e}^{1 /}$ |
| July 1964--Mar. 1965 | 70 | 334 | 3.64 | 3.69 | 4.19 | 4.43 | 3.05 | +4.7 | +6.1 | $+9.6$ | +3.5 | +16.0 |
| Apr. 1965--Oct. 1965 | -156 | 516 | 4.05 | 3.89 | 4.24 | 4.59 | 3.17 | +2.5 | +3.3 | +8.3 | $+5.5$ | +15.0 |
| Aug. 1965--Oct. 1965 | -148 | 530 | 4.03 | 3.93 | 4.29 | 4.66 | 3.24 | +0.1 | +1.0 | +8.3 | +7.4 | +17.7 |
| October 1965 | -134 | 490 | 4.04 | 4.02 | 4.32 | 4.69 | 3.31 | +6.9 | +5.8 | +13.4 | +8.8 | +17.8 |

1/ Base is average for month preceding specified period.
2/ Time deposite, adjusted, at all commercial banks; differs from time deposit required reserve series in Table A-2 since e/ Estimated.
a 4.00 to 4.10 per cent band. The Treasury's cash refunding of midNovember maturities with an 18 -month note is not likely to have much net effect on the bill market, although the announcement of a cash rather than a "rights" refunding did cause bill rates to back up l basis point. In early November, a moderating factor will be further System purchases perhaps abetted by some seasonal pickup in private demands. After mid-November, the money market will enter a period of seasonal pressure generally extending at least through the mid-December tax period. The 3 -month bill rate could perhaps penetrate the upperend of the range noted above, even if net borrowed reserves show no significant rise. But this will depend importantly on the strength of late fall credit demands. The Treasury's expected bill financing in late November (to be announced probably in mid-November) may also put some upward pressure on bill rates, although the possibility exists that such bill financing may turn out to be as much as $\$ 1$ billion smaller than the $\$ 3$ billion earlier anticipated.

With respect to bond yields, the market remains cautious and thin. The Treasury November refunding announcement did not disturb the market initially, but a disappointly high allotment ratio would have adverse effects on the market. Bond markets still appear vulnerable to a sizable build-up in the corporate calendar, any further diminution in bank demand for municipals, or developments in bill rates, prices, or balance of payments which might lead to expectations of a shift in monetary policy.

Reserve flows, bank credit and money
The moderation in October of the sharp rise in interest rates that had developed in August and September was accompanied by a sizable increase in nonborrowed reserves during the month. After declining during the last two months of summer, such reserves in October rose by nearly 7 per cent (annual rate), and thereby just about offset the reductions of the two previous months. Total reserves, too, increased in October, after declining in summer. Fluctuations in reserve growth over the last three months has been importantly influenced by the timing of recent Treasury financings.

Prospects. In the coming weeks nonborrowed reserves may continue to grow, although at slower pace than in October. Growth in nonborrowed reserves, given the current level of free reserves, could continue to average about the 2.5 per cent annual rate that has prevailed since the March policy change. Factors affecting such growth will be the vigor of loan demand, the amount of additional Treasury financing and the relationship between the discount and market rates.

The System can be expected to supply nearly $\$ 1$ billion of nonborrowed reserves in the first two statement weeks ending in November, of which about two-thirds has already been supplied. Declines in required reserves are projected to supply some free reserves in this period, but an expected $\$ 700$ million outflow of currency into circulation will absorb reserves as will a decline in float projected at almost $\$ 400$ million. In the last half of November the System will return to the selling side of the market, although to the extent of only about half its purchases, as reserves are supplied by the usual rise in float.

Bank credit growth (on a monthly average basis) is likely to slow from its rapid October pace, but probably remain around the 8 per cent annual rate that has prevailed since March. Money supply growth is also likely to fall from its high September and October rates, with the demand deposit component continuing to average around the 4 per cent rate that has obtained since the March policy shift. Time deposit growth is likely to slow from its high October rate between now and the end of the year.

Effect of alternative policies
Money market and reserve relationships that are likely to be consistent with alternative policy postures have not been considered at this time because an even keel policy associated with the current Treasury financing appears to preclude policy action, at least until after midNovember.

Table A-1
marginal reserve measures
(Dollar amounts in millions, based on period averages of daily figures)

p-Preliminary.

Table A-2

## AGGREGATE RESERVES AND RESERVE RELATED MEASURES

Retrospective Changes, Seasonally Adjusted
(In per cent, annual rates based on monthly averages of daily figures)

| Period | Total reserves | Nonborrowed reserves | Required reserves by type of deposit |  |  | Reserve related measures |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Time | Demand |  | Total member bank deposits (credit) $1 /$ | Money supply |
|  |  |  |  | $\begin{gathered} \text { Private }{ }^{+} \\ \text {U. S. Gov't. } \end{gathered}$ | Private |  |  |
| Pollcy period |  |  |  |  |  |  |  |
| 12/62-5/63 | + 3.8 | $+4.7$ | +14.5 | + 2.1 | +2.0 | $+7.4$ | $+3.6$ |
| 5/63 - 7/63 | $+4.9$ | $\pm 1.6$ | +11.1 | $+5.0$ | + 3.2 | $+7.7$ | $+5.2$ |
| 7/63-8/64 | + 3.4 | $+3.3$ | +14.1 | $+1.9$ | $+2.7$ | $+7.3$ | $+3.7$ |
| 8/64-1/65 | $+4.9$ | $+5.2$ | +15.3 | + 2.6 | + 2.6 | $+8.6$ | +4.4 |
| 1/65-3/65 | + 9.4 | $+5.8$ | +15.1 | $+7.7$ | $+2.5$ | +11.3 | $+1.1$ |
| 3/65-10/65 | $+3.3$ | $+2.5$ | +15.7 | $+1.1$ | + 4.2 | $+8.3$ | $+5.5$ |
| Monthly: |  |  |  |  |  |  |  |
| 1964--July | - 1.0 | - 0.6 | $+8.9$ | + 3.3 | $+8.3$ | $+5.9$ | $+8.5$ |
| August | $+5.1$ | -0.2 | +17.7 | + 2.6 | $+4.5$ | + 9.7 | $+3.8$ |
| September | +15.0 | +13.0 | +11.4 | + 7.4 | + 7.6 | +9.3 | $+8.4$ |
| October | - 3.6 | - 2.2 | +14.0 | $+0.9$ | + 6.1 | $+7.1$ | $+4.6$ |
| November | $+4.8$ | $+1.5$ | +14.7 | $+6.9$ | - 1.7 | +10.6 | $+2.3$ |
| December | + 2.8 | +15.1 | +13.1 | +1.4 | $+3.6$ | $+7.0$ | $+4.5$ |
| 1965--January | + 5.2 | - 1.4 | +21.6 | - 3.9 | - 2.6 | $+8.4$ | $+2.3$ |
| February | +10.3 | +6.2 | +19.8 | $+6.3$ | - 2.0 | +12.7 | - 2.3 |
| March | $+8.5$ | $+5.4$ | +10.3 | + 9.0 | + 6.9 | + 9.7 | $+4.5$ |
| April | +12.1 | +8.0 | +13.5 | +20.9 | $+5.0$ | +17.3 | $+6.0$ |
| May | - 2.8 | - 1.2 | $+9.8$ | -14.4 | -14.0 | - 2.6 | -8.2 |
| June | + 9.4 | $+8.3$ | +11.4 | $+6.5$ | +15.6 | $+9.0$ | +13.5 |
| July | + 1.4 | + 1.8 | +14.5 | $+2.9$ | $+1.4$ | +8.6 | $+5.2$ |
| August | - 2.7 | - 6.5 | +24.4 | -10.8 | - 0.4 | $+6.6$ | $+1.5$ |
| September est | +5.8 | -0.2 | +13.5 | -4.3 | +14.0 | + 4.7 | +11.8 |
| October est. | + 5.8 | + 6.9 | +19.2 | + 7.3 | + 7.8 | +13.4 | + 8.8 |

1/ Includes all deposits subject to reserve requirements. Movements in this aggregate correspond closely with movements in total member bank credit.
est.- Estimated.

## Chart 1

## MEMBER BANK RESERVES

SEASONALLY ADJUSTED MONTHLY AVERAGES OF DAILY FIGURES


Chart 2
MEMBER BANK DEPOSITS SUPPORTED BY REQUIRED RESERVES SEASONALLY ADJUSTED MONTHLY AVERAGES OF DAILY FIGURES


## Charl 3

## MONEY SUPPLY BY COMPONENTS

## SEASONALLY ADJUSTED MONTHLY AND WEEKLY AVERAGES OF DAILY fIGURES



Table B-1
MAJOR SOURCES AND USES OF RESERVES
Retrospective and Prospective
(Dollar amounts in millions, based on weekly averages of daily figures)

| Period | Factors affecting supply of reserves |  |  |  | $\begin{gathered} \hline \text { Change } \\ \text { in } \\ \text { total } \\ \text { reserves } \\ \hline \end{gathered}$ | Bank use of reserves |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Federal Reserve credit (excl. float) $1 /$ | Gold stock | Currency outside banks | $\begin{gathered} \text { Technical } \\ \text { factors } \\ \text { net } 2 / \\ \hline \end{gathered}$ |  | $\begin{gathered} \hline \text { Required } \\ \text { reserves } \\ 3 / \\ \hline \end{gathered}$ | Excess reserves |
| ACTUAL |  |  |  |  |  |  |  |
| ${ }^{\text {Year: }} 1963$ (12/26/62-12/25/63) |  |  |  |  |  |  |  |
| 1963 (12/26/62-12/25/63) | +3,125 | -426 | -1,950 | - 76 | +676 | +763 | - 87 |
| 1964 (12/25/63-12/23/64) | +3,219 | -165 | -1,847 | -365 | +840 | +910 | - 70 |
| Year-to-date: |  |  |  |  |  |  |  |
| (12/25/63-10/28/64) | +1,189 | - 90 | -578 | -753 | -232 | - 62 | -170 |
| (12/23/64-10/27/65) | +2,456 | -1,530 | -772 | -137 | +20 | +223 | -203 |
| Weekly: |  |  |  |  |  |  |  |
| 1965-Aug. 25 | + 54 | -- | +168 | -219 | $+5$ | - 73 | + 78 |
| Sept. ${ }_{8}^{1}$ | +28 +290 | -- | +162 +652 | -128 +198 | +59 -164 | +30 -104 | + 29 +60 |
| 15 | -353 | - 1 | +235 | +198 +288 | +170 | -104. +79 | -60 +91 |
| 22 | -311 | +1 | + 57 | +782 | +530 | +561 | - 31 |
| 29 | +303 | -- | + 55 | -582 | -224 | -125 | - 99 |
| Oct. 6 | +790 | - 1 | -363 | -263 | +163 | + 57 | +106 |
| 13 | -131 | -- | -293 | + 77 | -347 | -205 | -142 |
| 20 p | -215 | + 1 | +165 | +616 | +567 | +381 | +186 |
| 27 p | -426 |  | +193 | -178 | -412 | -129 | -283 |
| PROJECTED |  |  |  |  |  |  |  |
| 1965--Nov. 3 | +560 | -- | -115 | -440 | $+5$ | $+5$ | -- |
| 10 | +440 | -- | -555 | - 25 | -140 | -140 | -- |
| 17 | -280 | - 10 | - 10 | +255 | - 45 | - 45 | -- |
| 24 | -235 | - 10 | - 5 | +250 | -- | -- | -- |
| Dec. 1 | +365 | - 10 | - 40 | -290 | + 25 | + 25 | -- |
| 8 | +665 | - 10 | -300 | - 60 | +295 | +295 | -- |
| 15 | -175 | - 10 | +20 | +215 | + 50 | + 50 | -- |
| 22 | -320 | - 10 | - 70 | +915 | +515 | +515 | -- |
| 29 | -125 | - 10 | + 35 | + 50 | - 50 | - 50 | -- |

1/ For retrospective details, see Table B-4.
p - Preliminary.
2/ For factors included, see Table B-3.
3/ For required reserves by type of deposits, see Table B-2.
4/ See reverse side for explanation of projections.

1. Changes in Federal Reserve credit indicate reserves needed to offset projected changes in required reserves and factors affecting the supply of reserves.
2. Projected changes in currency outside banks reflect seasonal movements plus an allowance for growth of about $\$ 30$ million per week.
3. Projected effects of Treasury operations, included in "technical factors," reflect scheduled and assumed calls in current two weeks and thereafter, maintenance of Treasury balances with Federal Reserve at $\$ 900$ million.
4. Projected changes in gold stock reflect assumed outflow after August at the rate of about \$50 million per month.
5. Projected changes in required reserves reflect estimated seasonal movements in private deposits, except as indicated in projections in Table $B-2$, and projected movements in $U$. $S$. Government demand deposits. Government deposit projections are based on anticipated Treasury receipts and expenditures and the following assumed financing operations $\$ 0.2$ biliion, November $15 ; \$ 0.2$ billion, November 24; \$2.5 billion, November 30.

Laple b- $<$
Changes in required reserve components
Retrospective and Prospective Seasonal and Nonseasonal Changes
(Dollar amounts in millions, based on weekly averages of daily figures)

| Reriod | Total required reserves | Supporting <br> U. S. Gov't. demand deposits | Total | Supporting private deposits |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | Seasonal changes |  | Other thanseasonal changes |  |
|  |  |  |  | Demand | Time | Demand | Time |
|  | +763 +910 | +88 -115 | $\begin{array}{r} +755 \\ +1,025 \end{array}$ | +45 +16 | -- | +239 +542 | $\begin{aligned} & +471 \\ & +467 \end{aligned}$ |
| Year-to-date: <br> (12/25/63-10/28/64) <br> (12/23/64-10/27/65) Weekly: | -62 +216 | -315 -85 | +253 +301 | -544 -576 | -49 $+\quad 39$ | +372 +238 | $\begin{aligned} & +474 \\ & +600 \end{aligned}$ |
| 1965--Aug. 25 | - 73 | $+54$ | -127 | -129 | - 8 | - 12 | + 22 |
| Sept. 1 | +30 -104 | -154 | +184 +82 | +79 +81 | -8 +88 | +88 +10 |  |
| 15 | + 79 | -349 | +82 +428 | +81 +338 | +8 +8 | -10 +85 | $\begin{array}{r} +3 \\ +\quad 13 \end{array}$ |
| 22 | +561 | +371 | +190 | -16 | - 16 | +228 | +13 $+\quad 6$ |
| 29 | -125 | +273 | -398 | -306 | 16 +8 | -116 | + 16 |
| $\text { Oct. } \begin{array}{r} 6 \\ 13 \end{array}$ | +57 +205 | -187 | $\begin{aligned} & +244 \\ & +87 \end{aligned}$ | +81 +146 | +8 +8 |  |  |
| 20 p 27 | $\begin{array}{r}+281 \\ +381 \\ \hline 129\end{array}$ | -292 +230 -110 | +87 +151 -19 | +146 +161 -34 | - 8 | -85 -22 | $\begin{array}{r} +34 \\ +12 \end{array}$ |
| PROJECTED |  |  |  |  |  |  |  |
| 1965--Nov. 3 | + 5 | -100 | +105 | + 80 | - 10 | + 25 | $+10$ |
| 10 | -140 | -175 | + 35 | + 35 | -- | $+25$ | $+10$ |
| 17 | - 45 | - 35 | - 10 | + 15 | - 25 | -- | -- |
| 24 | -- | +140 | -140 | -130 | - 10 | -- | -- |
| Dec. 1 | + 25 | - 30 | + 55 | + 45 | + 10 | -- |  |
| 8 | +295 | +180 | +115 | +115 | $+10$ | -- | -- |
| 15 | + 50 | -250 | +300 | +300 | -- | -- | -- |
| 22 | +515 | +300 | +215 | +225 | - 10 | -- |  |
| 29 | - 50 | +125 | -175 | -175 | -- | -- | -- |

1/ Reduction in percentage reserve requirements applicable to time deposits released \$780 million of reserves at the end of October 1962.
p - Preliminary.

Table B-3
tecinical factors affecting reserves
Retrospective and Prospective Changes
(Dollar amounts in millions, based on weekly averages of daily figures)

| Period | $\begin{gathered} \text { Technical } \\ \text { factors } \\ \text { (net) } \end{gathered}$ | Treasury operations | Float | Foreign deposits and gold loans | Other nonmember deposits and <br> F. R. account |
| :---: | :---: | :---: | :---: | :---: | :---: |
| ACTUAL | (Sign indicates effect on reserves) |  |  |  |  |
| $\frac{\text { lear: }}{1963}$ (12/26/62-12/25/63) | - 76 | -216 | +149 | $+88$ | - 97 |
| 1964 (12/25/63-12/23/64) | -365 | -470 | - 84 | + 11 | +178 |
| Year-to-date: |  |  |  |  |  |
| (12/25/63-10/28/64) | -753 | - 52 | -996 | - 13 | +308 |
| (12/23/64-10/27/65) | -137 | - 92 | -991 | - 17 | +963 |
| 1965--Aug. 25 | -219 | - 57 | - 78 | + 16 |  |
| Sept. 1 | -128 | - 21 | -265 |  |  |
| 8 | +198 | + 69 | +125 | -23 $-\quad 3$ | +181 $+\quad 7$ |
| 15 | +288 | -83 | +269 | + 37 | + 65 |
| 22 | +782 | - 39 | +718 | + 27 | + 76 |
| 29 | -582 | + 67 | -641 | -14 | + 6 |
| Oct. 6 | -263 | - 70 | -177 | +17 | - 33 |
| 13 | + 77 | + 38 | - 4 | +10 | + 33 |
| 20 | +616 | - 32 | +493 | +16 | +139 |
| 27 | -178 | +88 | -294 | + 23 | $\begin{array}{r} \\ +\quad 5 \\ \hline\end{array}$ |
| 1965--Nov 3 PROJRCTED |  |  |  |  |  |
| 1965--Nov. 3 | -440 | 10 +65 | -380 | $+10$ | - 80 |
| 10 | - 25 | + 65 | - 10 | - 15 | - 65 |
| 17 | +255 | -- | +250 | -- | + 5 |
| 24 | +250 | -- | +400 | -- | +150 |
| Dec. 1 | -290 | -- | -290 | -- | -- |
| 8 | - 60 | -- | - 60 | -- | -- |
| 15 | +215 | -- | +130 | -- | + 85 |
| 22 | +915 | -- | +860 | -- | + 55 |
| 29 | + 50 | -- | - 50 | -- | -- |

Table B-4
SOURCES OF FRDERAL RESERVE CREDIT

## Retrospective Changes

(Dollar amounts in millions, based on weekly averages of daily figures)

| Period | Total Federal Reserve credit (excl. float) | U. S. Government securities |  |  |  | Bankers' acceptances | Member bank borrowings |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | $\begin{gathered} \text { Total } \\ \text { holdings } \end{gathered}$ | Oills | Other | Repurchase agreements |  |  |
| Year: |  |  |  |  |  |  |  |
| 1963 (12/26/62-12/25/63) | +3,125 | +3,076 | +1,659 | +1,404 | + 13 | + 39 | + 10 |
| 1964 (12/25/63-12/23/64) | +3,219 | +3,340 | +2,086 | +1,022 | +232 | - 61 | - 60 |
| Year-to-date: |  |  |  |  |  |  |  |
| (12/25/63-10/28/64) | +1,189 | +1,325 | + 444 | +915 | - 34 | - 49 | - 87 |
| (12/23/64-10/27/65) | +2,456 | +2,366 | +1,716 | +916 | -266 | + 9 | +81 |
| $\frac{\text { Weekly: }}{1965--J u l y ~} 28$ | +201 | +149 | + 33 | -- | +116 | - 2 | + 54 |
| Aug. 4 | +451 | +387 | +104 | -- | +283 | - 1 | + 65 |
| 11 | +324 | +251 | +356 | -- | -105 | $+1$ | + 72 |
| 18 | -641 | -515 | -222 | -- | -293 | - 1 | -125 |
| 25 | + 54 | - 2 | - 82 | + 16 | + 64 | + 1 | + 55 |
| Sept. 1 | + 28 | + 18 | + 53 | + 50 | - 85 | +19 |  |
| 8 | +290 | +328 | +100 | +165 | + 63 | +16 | - 54 |
| 15 | -353 | -392 | -277 | +26 | -141 | - 36 | + 75 |
| 22 | -311 | -380 | -467 | -- | +87 | -- | + 69 |
| 29 | +303 | +366 | +453 | -- | - 87 | $+11$ | - 74 |
| Oct. 6 | +790 | +776 | +776 | -- | -- | + 31 | - 17 |
| 13 | -131 | - 71 | -101 | -- | +30 | - 19 | - 41 |
| 20 | -215 | -293 | -325 | -- | +32 | - 18 | +96 |
| 27 | -426 | -194 | -132 | -- | - 62 | +21 | -253 |

Chart Reference Table C-1
TOTAL, NONBORROWED AND REQUIRED RESERVES
Seasonally Adjusted
(Dollar amounts in millions, based on monthly averages of daily figures)

| Period | Total reserves | Nonborrowed reserves | Required reserves |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Total | Against private deposits |  |
|  |  |  |  | Total | Demand |
| 1963--J anuary | 19,620 | 19,504 | 19,212 | 18,377 | 15,131 |
| February | 19,700 | 19,547 | 19,224 | 18,419 | 15,133 |
| March | 19,752 | 19,575 | 19,284 | 18,478 | 15,152 |
| April | 19,770 | 19,608 | 19,292 | 18,539 | 15,170 |
| May | 19,858 | 19,667 | 19,359 | 18,582 | 15,184 |
| June | 19,848 | 19,630 | 19,452 | 18,620 | 15,191 |
| July | 20,020 | 19,718 | 19,557 | 18,725 | 15,264 |
| August | 19,898 | 19,565 | 19,431 | 18,791 | 15,265 |
| September | 20,025 | 19,663 | 19,592 | 18,854 | 15,288 |
| October | 19,923 | 19,573 | 19,518 | 18,955 | 15,349 |
| November | 19,994 | 19,640 | 19,587 | 19,110 | 15,453 |
| December | 20,240 | 19,960 | 19,775 | 19,119 | 15,422 |
| 1964 January | 20,248 | 19,977 | 19,884 | 19,185 | 15,442 |
| February | 20,268 | 19,982 | 19,872 | 19,246 | 15,466 |
| March | 20,459 | 20,176 | 20,056 | 19,292 | 15,492 |
| Apri1 | 20,482 | 20,226 | 20,057 | 19,361 | 15,527 |
| May | 20,404 | 20,167 | 20,023 | 19,338 | 15,471 |
| June | 20,682 | 20,431 | 20,269 | 19,441 | 15,539 |
| July | 20,665 | 20,420 | 20,285 | 19,577 | 15,646 |
| August | 20,753 | 20,416 | 20,332 | 19,694 | 15,705 |
| September | 21,012 | 20,638 | 20,570 | 19,832 | 15,805 |
| October | 20,949 | 20,600 | 20,536 | 19,960 | 15,886 |
| November | 21,033 | 20,626 | 20,639 | 19,988 | 15,864 |
| December | 21,082 | 20,886 | 20,742 | 20,081 | 15,912 |
| 1965--J anuary | 21,174 | 20,861 | 20,842 | 20,122 | 15,878 |
| February | 21,355 | 20,969 | 20,915 | 20,166 | 15,852 |
| March | 21,506 | 21,064 | 21,119 | 20,294 | 15,943 |
| April | 21,722 | 21,204 | 21,317 | 20,409 | 16,009 |
| May | 21,671 | 21,183 | 21,298 | 20,258 | 15,822 |
| June | 21,840 | 21,330 | 21,473 | 20,506 | 16,028 |
| July | 21,865 | 21,362 | 21,538 | 20,579 | 16,047 |
| August | 21,816 | 21,247 | 21,384 | 20,665 | 16,041 |
| September | 21,816 | 21,243 | 21,420 | 20,903 | 16,227 |
| October est. | 21,922 | 21,366 | 21,539 | 21,084 | 16,333 |

est. - Estimated.

Chart Reference Table C-2
DEPOSITS SUPPORTED BY REQUIRED RESERVES

## Seasonally Adjusted

(Dollar amounts in millions, based on monthly averages of daily figures)

| Period | Total member bank deposits (credit 1/) | Time deposits | $\begin{aligned} & \text { U. S. Gov't. } \\ & \text { demand } \\ & \text { deposits } \end{aligned}$ | Private demand deposits $2 /$ |
| :---: | :---: | :---: | :---: | :---: |
| 1963--January | 189,122 | 81,146 | 5,675 | 102,301 |
| February | 190,235 | 82,139 | 5,778 | 102,318 |
| March | 191,124 | 83,139 | 5,534 | 102,451 |
| April | 192,376 | 84,232 | 5,573 | 102,571 |
| May | 193,116 | 84,961 | 5,491 | 102,664 |
| June | 193,959 | 85,732 | 5,516 | 102,711 |
| July | 195,585 | 86,528 | 5,853 | 103,204 |
| August | 196,315 | 88,145 | 4,960 | 103,210 |
| September | 197,631 | 89,139 | 5,126 | 103,366 |
| October | 198,262 | 90,159 | 4,322 | 103,781 |
| November | 199,873 | 91,428 | 3,962 | 104,483 |
| December | 201,645 | 92,426 | 4,944 | 104,275 |
| 1964--January | 202,883 | 93,563 | 4,913 | 104,407 |
| February | 203,912 | 94,495 | 4,848 | 104,569 |
| March | 205,362 | 95,011 | 5,602 | 104,749 |
| April | 206,452 | 95,852 | 5,613 | 104,987 |
| May | 206,625 | 96,677 | 5,339 | 104,609 |
| June | 208,310 | 97,542 | 5,702 | 105,066 |
| Ju1y | 209,338 | 98,273 | 5,282 | 105,783 |
| August | 211,035 | 99,725 | 5,121 | 106,189 |
| September | 212,664 | 100;670 | 5,126 | 106,868 |
| October | 213,924 | 101,850 | 4,664 | 107,410 |
| November | 215,810 | 103,090 | 5,461 | 107,259 |
| December | 217,075 | 104,215 | 5,269 | 107,591 |
| 1965--J anuary | 218,595 | 106,107 | 5,135 | 107,353 |
| February | 220,916 | 107,843 | 5,895 | 107,178 |
| March | 222,703 | 108,778 | 6,130 | 107,795 |
| April | 225,909 | 109,996 | 7,670 | 108,243 |
| May | 225,415 | 110,898 | 7,542 | 106,975 |
| June | 227,098 | 111,955 | 6,771 | 108,372 |
| July | 228,720 | 113,306 | 6,917 | 108,497 |
| August | 229,973 | 115,594 | 5,923 | 108,456 |
| September | 230,878 | 116,900 |  |  |
| October e | 233,463 | 118,787 | 4,240 | 110,436 |

1/ Includes all deposits subject to reserve requirements-i.e., the total of time, private demand, and U.S. Goverument demand deposits. Movements. in this aggregate correspond closely with movements in total member bank credit.
2/ Private demand deposits include demand deposits of individuals, partnerships and corporations and net interbank balances.
e - Estimated.

Chart Reference Table C-3
MONEY SUPPLY BY COMPONENTS
Seasonally Adjusted
(Dollar amounts in billions, based on monthly averages of daily figures)

| Period | Money Supply | $\begin{aligned} & \hline \text { Demand } \\ & \text { deposits } 1 / \end{aligned}$ | Currency 2/ |
| :---: | :---: | :---: | :---: |
| 1964-- July | 156.6 | 123.0 | 33.6 |
| August | 157.1 | 123.3 | 33.8 |
| September | 158.2 | 124.3 | 33.9 |
| October | 158.8 | 124.8 | 34.0 |
| November | 159.1 | 124.8 | 34.2 |
| December | 159.7 | 125.4 | 34.2 |
| 1965--January | 160.0 | 125.5 | 34.5 |
| February | 159.7 | 125.1 | 34.7 |
| March | 160.3 | 125.6 | 34.7 |
| April | 161.1 | 126.4 | 34.7 |
| May | 160.0 | 125.1 | 34.9 |
| June | 161.8 | 126.8 | 35.0 |
| July | 162.5 | 127.3 | 35.2 |
| August | 162.7 | 127.3 | 35.4 |
| September | 164.3 | 128.7 | 35.6 |
| October est. | 165.5 | 129.5 | 35.9 |
| Weekly: |  |  |  |
| 1965--Aug. 4 | 162.9 | 127.7 | 35.3 |
| 11 | 162.5 | 127.1 | 35.4 |
| 18 | 162.5 | 127.1 | 35.4 |
| 25 | 162.4 | 126.9 | 35.4 |
| Sept. 1 | 163.1 | 127.8 | 35.3 |
| 8 | 163.2 | 127.8 | 35.4 |
| 15 | 164.1 | 128.7 | 35.5 |
| 22 | 165.2 | 129.5 | 35.7 |
| 29 | 164.6 | 128.7 | 35.9 |
| Oct. 6 |  |  | 35.8 |
| $13$ | 165.5 | 129.6 | 35.9 |
| 20 p | 165.5 | 129.6 | 35.9 |
| 27 p | 165.3 | 129.3 | 36.0 |

I/ Includes (1) demand deposits at all commercial banks, other than those due to domestic commercial banks and the U.S. Government, less cash items in process of collection and Federal Reserve float; and (2) foreign demand balances at Federal Reserve Banks.
2/ Includes currency outside the Treasury, the Federal Reserve, and the vaults of`all commercial banks.
est. - Estimatad.


[^0]:    ${ }^{1}$ In some cases, original copies needed to be photocopied before being scanned into electronic format. All scanned images were deskewed (to remove the effects of printer- and scanner-introduced tilting) and lightly cleaned (to remove dark spots caused by staple holes, hole punches, and other blemishes caused after initial printing).
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