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April 8, 1966.

MONEY MARKET AND RESERVE RELATIONSHIPS

Money markets

Recent developments. The spread between bill rates and other short-term rates widened during recent weeks. All short-term rates rose around the mid-March tax date, following the increase in the prime loan rate, but since then bill rates have fluctuated in a lower range while other short-term rates either have stabilized or have risen slightly further. The recent peak for the 3-month bill was reached in the mid-March auction at 4.72 per cent; subsequently, the 3-month bill rate declined sharply to as low as 4.46 per cent before moving back up above the discount rate.

Differences in supply situations help to account for the differential movements of bill and other short-term rates. Increased supplies of other short-term debt instruments -- notably, negotiable CD's and agency issues -- continued to reach the markets at rising yields necessitated by the conjunction of new financings and large roll-overs. On the other hand, the bill market was temporarily depleted of trading supply in the wake of unusually large purchases by investors during late winter; in addition, \$3 billion in March tax bills matured without replacement and the weekly \$100 million additions to the 3-month bill were drawing to a close. Most recently, dealers' inventories of bills have been rebuilt to sizable levels, in part through their own aggressive bidding in auctions, and this has led to the firming in bill yields.

FINANCIAL MARKET RELATIONSHIPS IN PERSPECTIVE

(Monthly averages and, where available, weekly averages of daily figures; amounts in millions of dollars)

Period	Money Market Indicators				Bond Yields			Flow of Reserves, Bank Credit and Money				
	Free Reserves	Borrowings	Federal Funds Rate	3-month Treasury Bill	U.S. Gov't. (20 yr)	Corporate New Issues (Aaa)	Municipal (Aaa)	Non-borrowed Reserves	Total Reserves	Bank Credit Proxy	Money Supply	Time Deposits 2/
1965--Mar.	- 46	395	4.04	3.93	4.20	4.45	3.09	+ 89	+145	+1,782	+ 600	+1,100
Apr.	-129	471	4.09	3.93	4.20	4.46	3.09	+148	+224	+2,623	+ 800	+1,400
May	-156	490	4.08	3.89	4.21	4.51	3.09	- 31	- 61	+ 772	-1,100	+1,100
June	-176	534	4.01	3.80	4.21	4.58	3.15	+151	+179	+1,802	+1,800	+1,300
July	-178	527	4.07	3.83	4.21	4.61	3.16	+ 30	+ 23	+1,414	+ 700	+1,700
Aug.	-162	549	4.11	3.84	4.25	4.63	3.16	-116	- 50	+1,608	+ 200	+2,500
Sept.	-139	552	3.95	3.92	4.30	4.67	3.25	- 11	+ 14	+ 249	+1,600	+1,500
Oct.	-132	490	4.05	4.02	4.32	4.69	3.31	+ 85	+ 44	+2,592	+1,300	+2,000
Nov.	- 77	418	4.09	4.08	4.40	4.72	3.34	+ 59	- 45	+ 759	+ 100	+1,900
Dec.	- 22	452	4.28	4.37	4.50	4.85	3.39	+365	+338	+2,147	+1,700	+1,500
1966--Jan.	- 51	431	4.32	4.58	4.52	4.84	3.39	+103	+117	+1,793	+1,000	+1,000
Feb.	-117	474	4.58	4.65	4.71	4.96	3.48	+ 42	+ 85	+ 820	- 400	+ 800
Mar. p	-212	545	4.64	4.58	4.72	5.27	3.55	- 61	+ 60	+ 687	+1,200	+ 800
Feb. 9	-159	503	4.62	4.62	4.63	4.96	3.39			-1,033	+ 200	--
16	-116	453	4.58	4.66	4.74	5.02	3.51			+ 100	+ 200	+ 400
23	-122	520	4.62	4.67	4.75	5.06	3.62			- 424	- 800	+ 200
Mar. 2	-171	464	4.62	4.64	4.80	5.28	3.63			+ 416	+1,000	+ 200
9	-254	614	4.65	4.59	4.79	5.34	3.61			+ 408	+ 200	--
16	-173	536	4.55	4.66	4.75	5.29	3.56			+ 193	+ 500	+ 300
23 p	-229	602	4.70	4.55	4.67	5.09	3.51			+ 114	+ 600	+ 300
30 p	-234	508	4.65	4.51	4.66	5.02	3.44			+ 808	- 700	+ 400
Apr. 6 p	-225	623	4.75	4.51	4.60	4.95	3.44			+1,996	+ 800	+ 400
Year 1965	- 90	467	4.05	3.95	4.27	4.58	3.16	+ 4.2	+ 5.1	+ 9.1	+ 4.8	+16.1
1966--January	- 51	431	4.32	4.58	4.52	4.84	3.39	+ 5.7	+ 6.3	+ 9.1	+ 7.2	+ 8.2
February	-117	474	4.58	4.65	4.71	4.96	3.48	+ 2.2	+ 4.6	+ 4.1	- 2.9	+ 6.5
March	-212	545	4.64	4.58	4.72	5.27	3.55	- 3.3	+ 3.2	+ 3.7	+ 8.6	+ 6.5
Feb. 16 - Mar. 9	-166	513	4.62	4.64	4.77	5.18	3.59			+ 2.7	+ 4.6	+ 7.0
Mar. 16 - Apr. 6	-215	567	4.66	4.56	4.67	5.09	3.49			+16.9	+ 9.2	+12.2

1/ Base is average for month preceding specified period or in the case of weekly periods, the week preceding.

2/ Time deposits, adjusted, at all commercial banks differs from time deposit required reserve series in Table A-2 since latter includes only member banks.

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Over the three statement weeks ending April 6, net borrowed reserves averaged about \$230 million and member bank borrowings about \$580 million -- in each case slightly higher than the levels of the previous 3-week period. The Federal funds market also appeared to tighten a shade further, with funds trading at an effective rate of 4-3/4 per cent on 10 of the 15 days in the period and with a small amount of trading at a new high 4-7/8 per cent rate reported late in the period. Dealer financing costs also moved higher in the most recent week, reflecting both the pressures in the funds market and larger dealer financing needs.

Prospective developments. On the assumption that net borrowed reserves will continue to average close to recent levels over the next 4 weeks, the 3-month bill rate might be expected to fluctuate in a 4.55 to 4.70 per cent range. The recent tightening of money market conditions may persist through the April tax period, when Federal funds are likely to continue trading at 4-3/4 per cent and occasionally at 4-7/8 per cent. Such pressures could abate toward the end of April and in early May. After the mid-April tax date funds typically shift toward the money centers. Also, seasonal demands for bills, from public funds and other investors, may be supplemented by demand from sellers of maturing issues in the Treasury May refunding. But rather heavy agency issues in prospect for the weeks ahead, including a sizable amount of new money, could be an offsetting influence.

The course of bond yields will be importantly influenced by Administration policy with respect to a tax increase. So long as economic indicators remain buoyant, continued postponement of a decision on taxes could generate a new wave of bearish investor sentiment. The Government bond market is now particularly susceptible since it is in a less strong technical condition as a result of the recent build-up in dealer bond positions.

The downward movements of bond and bill yields since early March have occurred despite some tightening of bank net reserve positions. As noted above, continuation of the present reserve posture is not likely to be accompanied by any further decline in rates and probably by some upward movement. Any further tightening of reserves -- to, for example, net borrowed reserves in a \$250-\$300 million range -- is likely to place bill rates in a 4.60-4.75 per cent range and at the same time exert further upward pressure on bond yields, particularly if market participants become convinced that a further step-up in monetary restraint is in process.

Reserve flows, bank credit, and money

Recent developments. Increases in total deposits and total reserves were slightly stronger in the second half of March than anticipated at midmonth, with the daily average figures for the month as a whole now showing annual rates of increase of 3 per cent in both cases over the previous month. Higher member bank

borrowing accounted for all of the increase in total reserves, as nonborrowed reserves declined for the first time since last September.

Weekly data indicate a sharp bulge in deposits and credit over the March tax period and into early April, following the sluggish growth of the previous four weeks. Much of this increase appears temporary. The more rapid expansion of time deposits in recent weeks apparently reflects city bank attempts to prepare for expected large credit demands later in April and to lengthen average maturities on CD's. In addition, dealer borrowing from banks increased substantially during the last two statement weeks in reflection of their enlarged inventories.

Prospective developments. With increases in all categories of deposits pushing levels well above the March average in the latest weeks and with credit demands remaining very strong through the April 15 tax period, a sharp rise is expected in the daily average bank credit proxy this month, with the annual rate of increase in the 10-12 per cent range. An increase in total reserves of about 7 or 8 per cent would appear consistent with this expected expansion.

After April, a more moderate rate of increase in monetary aggregates is anticipated, even if net borrowed reserves are not deepened from recent levels. The rate of increase in bank credit may fall back to or somewhat below the projected March-April average

of around 7 per cent. Several factors may reduce time deposit expansion below the rate of recent weeks -- the spread between CD and bill rates may narrow, and both growing corporate spending programs and prospective large agency offerings may absorb funds that would otherwise be invested in CD's. Bank credit growth is also likely to be moderated by repayments of the enlarged borrowing during the March 15-April 15 tax period. On the other hand, the mid-May Treasury refunding may temporarily increase bank credit expansion, though the effect may be relatively small in view of the expected routine nature of the financing.

Moderation of loan demand after mid-April would also tend to reduce the growth rate of private demand deposits to around 5 per cent over the months ahead. The rate of increase in April may still average above that rate, although below the March average of 12 per cent.

Table A-1

MARGINAL RESERVE MEASURES

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

Period	Excess reserves	Member bank borrowings	Free reserves		
	As revised to date			As first published each week	As expected at conclusion of each week's open market operations
<u>Policy periods</u>					
8/19/64 - 2/3/65	412	323	89		
2/3/65 - 3/24/65	391	405	- 14		
3/24/65 - 12/8/65	366	506	-140		
12/8/65 - 3/2/66	375	444	- 69		
3/2/66 - 4/6/66	344	558	-214		
<u>Monthly (reserve weeks ending in):</u>					
1965--March	349	395	- 46		
April	342	471	-129		
May	334	490	-156		
June	358	534	-176		
July	349	526	-177		
August	387	549	-162		
September	413	552	-139		
October	358	490	-132		
November	341	418	- 77		
December	430	452	- 22		
1966--January	380	431	- 51		
February	357	474	-120		
March p	333	545	-212		
<u>Weekly</u>					
1966--Jan. 12	688	590	98	88	106
19	208	218	- 10	- 21	- 1
26	305	352	- 47	- 34	- 50
Feb. 2	348	418	- 70	- 17	- 22
9	344	503	-159	-120	-121
16	337	453	-116	-122	- 99
23	398	520	-122	-102	- 95
Mar. 2	293	464	-171	-172	-186
9	360	614	-254	-219	-193
16	363	536	-173	-224	-217
23 p	373	602	-229	-274	-260
30 p	274	508	-234	-229	-222
Apr. 6 p	398	623	-225	-225	-241

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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
				Private + U. S. Gov't.	Private		
<u>Annually:</u>							
1963	+ 3.5	+ 3.5	+15.4	+ 1.7	+ 2.4	+ 7.5	+ 3.8
1964	+ 4.2	+ 4.6	+12.8	+ 3.1	+ 3.2	+ 7.6	+ 4.3
1965	+ 5.1	+ 4.2	+16.3	+ 2.4	+ 3.5	+ 9.1	+ 4.8
<u>Policy Period:</u>							
8/64 - 1/65	+ 4.9	+ 5.2	+15.3	+ 1.6	+ 2.6	+ 8.1	+ 4.4
1/65 - 3/65	+ 9.3	+ 5.8	+15.1	+ 6.0	+ 2.5	+10.4	+ 1.1
3/65 - 11/65	+ 2.3	+ 2.4	+15.7	+ 0.6	+ 3.5	+ 8.0	+ 5.1
11/65 - 2/66	+ 9.9	+ 9.5	+ 7.5	+ 8.8	+ 4.6	+ 8.2	+ 5.8
2/66 - 3/66 p	+ 3.2	- 3.3	+ 6.1	+ 1.1	+12.2	+ 3.7	+ 8.6
<u>Monthly:</u>							
1965--February	+10.4	+ 6.4	+19.8	+ 3.0	- 2.0	+11.1	- 2.3
March	+ 8.1	+ 5.1	+10.3	+ 9.0	+ 6.9	+ 9.7	+ 4.5
April	+12.5	+ 8.4	+13.5	+14.8	+ 5.0	+14.1	+ 6.0
May	- 3.4	- 1.8	+ 9.8	- 1.3	-14.0	+ 4.1	- 8.2
June	+ 9.6	+ 8.6	+11.4	+ 7.8	+15.6	+ 9.6	+13.5
July	+ 1.3	+ 1.7	+14.5	+ 0.7	+ 1.4	+ 7.5	+ 5.2
August	- 2.7	- 6.5	+24.4	- 7.1	- 0.4	+ 8.4	+ 1.5
September	+ 0.8	- 0.6	+13.5	-11.1	+14.0	+ 1.3	+11.8
October	+ 2.4	+ 4.8	+18.7	+ 8.1	+ 8.4	+13.5	+ 9.5
November	- 2.4	+ 3.3	+14.4	- 6.9	+ 1.7	+ 3.9	+ 0.7
December	+18.6	+20.5	+10.7	+11.2	+11.7	+11.0	+12.3
1966--January	+ 6.3	+ 5.7	+ 6.2	+12.0	+ 4.1	+ 9.1	+ 7.2
February	+ 4.6	+ 2.2	+ 5.4	+ 3.1	- 2.1	+ 4.3	- 2.1
March p	+ 3.2	- 3.3	+ 6.1	+ 1.1	+12.2	+ 3.7	+ 8.6

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

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Chart 1

MEMBER BANK RESERVES

SEASONALLY ADJUSTED MONTHLY AVERAGES OF DAILY FIGURES

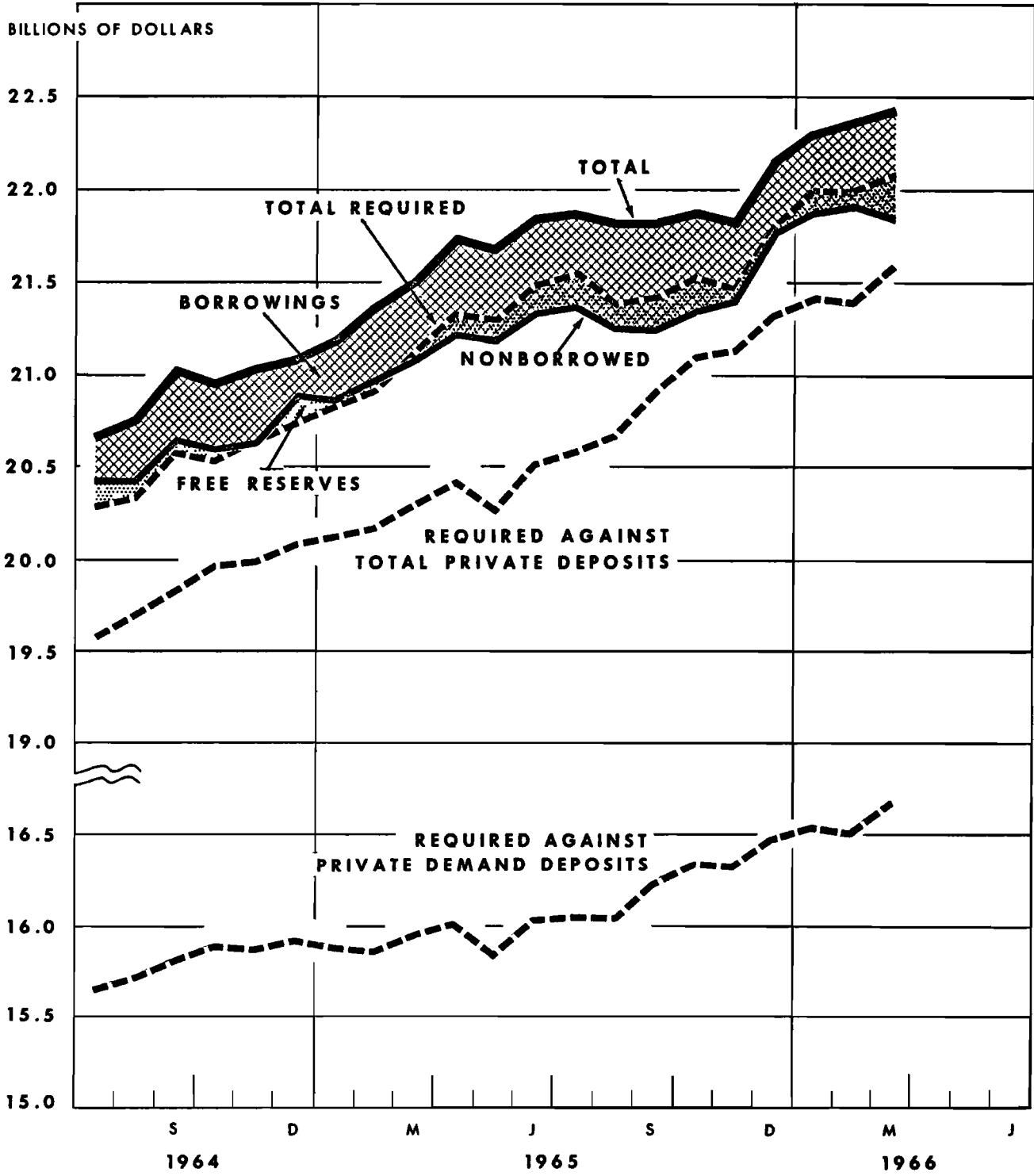


Chart 2

MEMBER BANK DEPOSITS SUPPORTED BY REQUIRED RESERVES

SEASONALLY ADJUSTED MONTHLY AVERAGES OF DAILY FIGURES

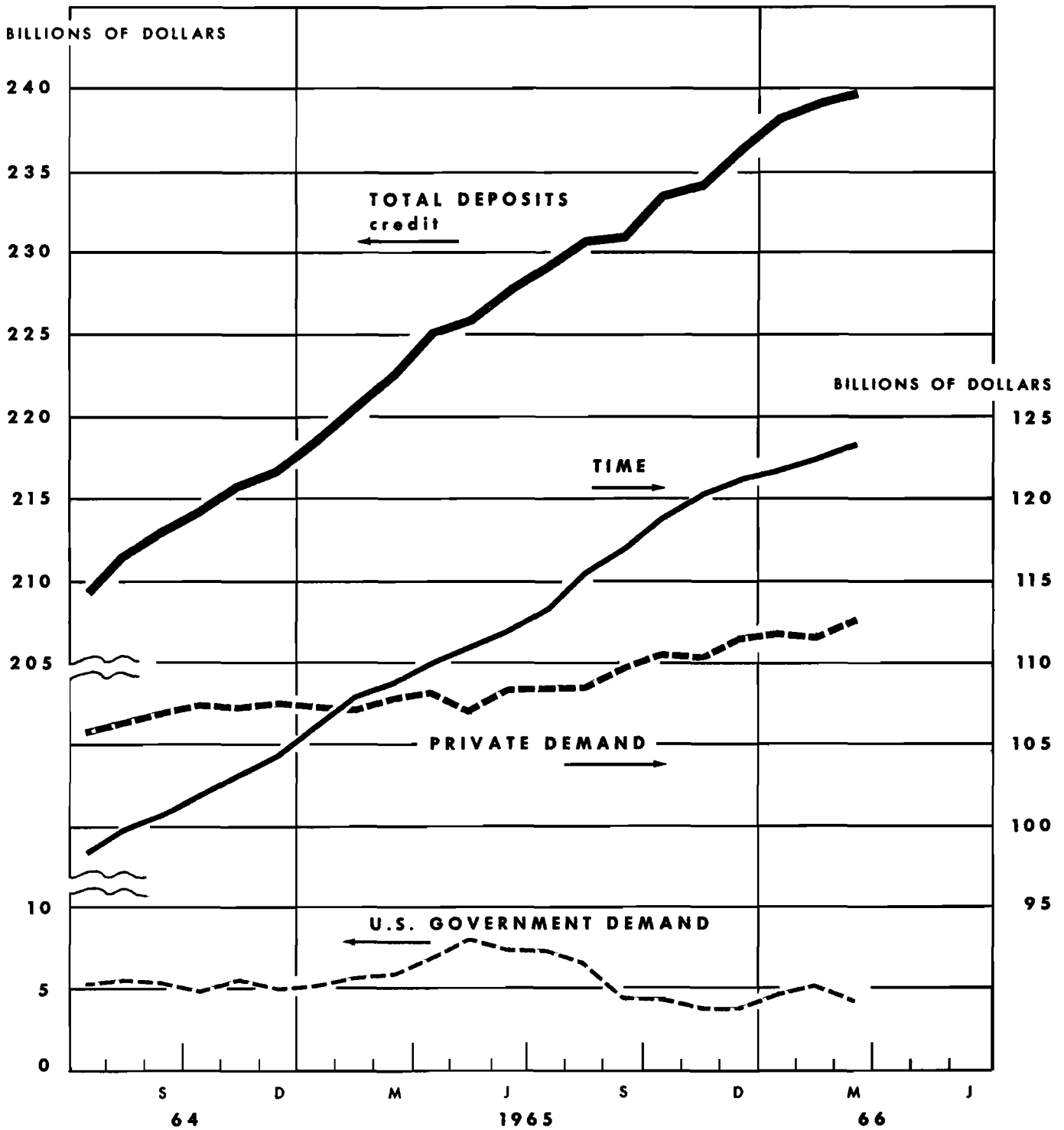


Chart 3

MONEY SUPPLY BY COMPONENTS

SEASONALLY ADJUSTED MONTHLY AND WEEKLY AVERAGES OF DAILY FIGURES

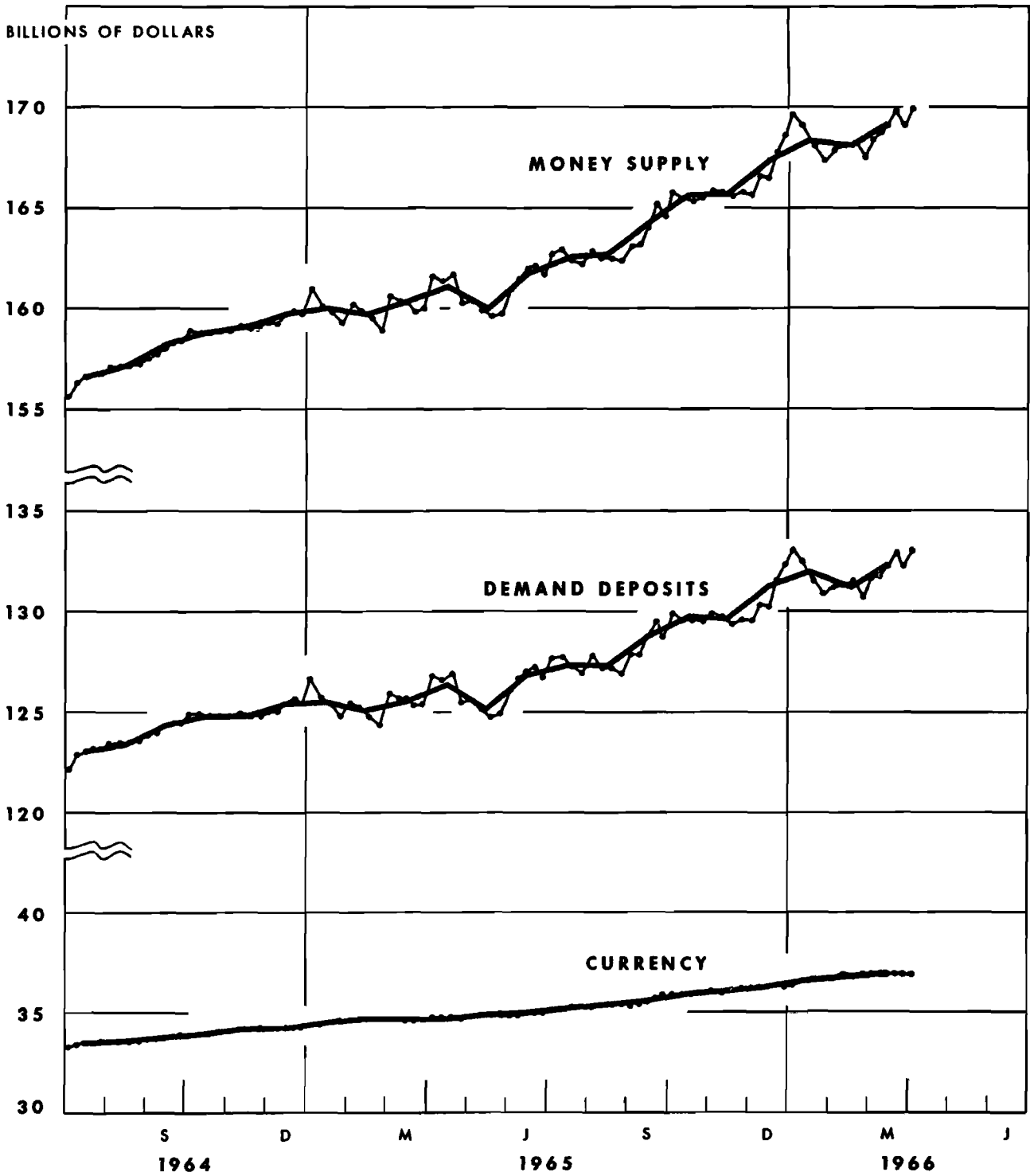


Table B-1

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				= Change in total reserves	= Bank use of reserves	
	Federal Reserve credit (excl. float) 1/	Gold stock	Currency outside banks	Technical factors net 2/		Required reserves 3/	Excess reserves
ACTUAL							
Year:							
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 - 4/7/65)	+943	-825	+557	-1,163	-488	-299	-189
(12/23/65 - 4/6/66)	+137	-153	+448	-1,121	-688	-625	- 63
Weekly:							
1966--Feb. 2	+369	- 1	+ 59	-339	+ 87	+ 44	+ 43
9	+657	+ 2	-457	-417	-215	-211	- 4
16	-363	- 1	+171	+ 23	-170	-163	- 7
23	-519	--	+ 56	+415	- 47	-108	+ 61
Mar. 2	-115	--	+143	- 19	+ 10	+115	-105
9	+450	--	-528	+ 8	- 71	-138	+ 67
16	-100	--	+ 90	+ 86	+ 76	+ 73	+ 3
23 p	- 3	- 29	+ 16	+288	+273	+263	+ 10
30 p	+ 71	- 72	+226	-448	-225	-126	- 99
Apr. 6 p	+512	+ 1	-399	+107	+223	+ 99	+124
PROJECTED							
Apr. 13	-125	--	-290	+340	- 75	- 75	--
20	-600	- 10	+290	+460	+140	+140	--
27	- 50	- 10	+305	-145	+100	+100	--
May 4	+465	- 10	-145	-210	+100	+100	--
11	+335	- 10	-395	- 80	-150	-150	--
18	-455	- 10	+145	+235	- 85	- 85	--
25	+ 35	- 10	+150	-250	- 75	- 75	--
June 1	+405	- 10	-175	-300	- 80	- 80	--

1/ For retrospective details, see Table B-4.

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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.

Explanation of Projections in Table B-1

1. Changes in Federal Reserve credit inciate 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 \$200 million.
4. Projected changes in gold stock reflect assumed outflow after April 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: none.

Table B-2

CHANGES IN REQUIRED RESERVE COMPONENTS

Retrospective and Prospective Seasonal and Nonseasonal Changes
(Dollar amounts in millions, based on weekly averages of daily figures)

Period	Total required reserves	Supporting U. S. Gov't. demand deposits	Supporting private deposits				
			Total	Seasonal changes		Other than seasonal changes	
				Demand	Time	Demand	Time
<u>ACTUAL</u>							
<u>Year</u>							
1963 (12/26/62 - 12/25/63)	+763	+ 8	+755	+ 45	--	+239	+471
1964 (12/25/63 - 12/23/64)	+910	-115	+1,025	+ 16	--	+542	+467
<u>Year-to-date:</u>							
(12/25/63 - 4/7/65)	-299	+ 77	-376	-831	+78	+188	+189
(12/23/64 - 4/6/66)	-625	-156	-469	-845	+63	+189	+124
<u>Weekly:</u>							
1966--Feb. 2	+ 44	+ 65	- 21	-169	+ 9	+141	- 2
9	-211	+ 20	-231	-212	+ 9	- 21	- 7
16	-163	+ 20	-183	-148	- 9	- 48	+ 22
23	-108	+226	-334	-198	+ 9	-142	- 3
Mar. 2	+115	- 96	+211	+ 30	+18	+171	- 8
9	-138	-193	+ 55	+ 19	+18	+ 17	+ 1
16	+ 73	-206	+279	+181	- 9	+ 89	+ 18
23 p	+263	+393	-130	-231	-18	+ 96	+ 23
30 p	-126	+ 26	-152	-168	+ 9	- 10	+ 17
Apr. 6 p	+ 99	-112	+211	+152	- 9	+ 43	+ 25
<u>PROJECTED</u>							
Apr. 13	- 75	-350	+275	+265	+10	--	--
20	+140	- 65	+205	+215	-10	--	--
27	+100	+155	- 55	- 65	+10	--	--
May 4	+100	+275	-175	-185	+10	--	--
11	-150	+ 55	-205	-215	+10	--	--
18	- 85	+115	-200	-200	--	--	--
25	- 75	+100	-175	-165	-10	--	--
June 1	-80	-120	+ 40	+ 30	+10	--	--

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

Table B-3

TECHNICAL FACTORS AFFECTING RESERVES

Retrospective and Prospective Changes

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

Period	Technical factors (net)	Treasury operations	Float	Foreign deposits and gold loans	Other nonmember deposits and F. R. accounts
<u>ACTUAL</u>		(Sign indicates effect on reserves)			
<u>Year:</u>					
1963 (12/26/62 - 12/25/63)	- 76	-216	+149	+ 88	- 97
1964 (12/25/63 - 12/23/64)	-365	-470	- 84	+ 11	+178
<u>Year-to-date:</u>					
(12/25/63 - 4/7/65)	-1163	+151	-1475	+ 30	+131
(12/23/ 65 - 4/6/66)	-1121	+414	-1076	- 40	-419
<u>Weekly:</u>					
1966--Feb. 2	-339	- 63	-178	- 35	- 63
9	-417	- 33	-236	+ 25	-173
16	+ 23	- 29	+ 68	+ 17	- 33
23	+415	+234	+302	+ 6	-127
Mar. 2-	- 19	+ 53	- 67	- 6	+ 1
9	+ 8	+227	-195	- 22	- 2
16	+ 86	+ 98	- 38	- 23	+ 49
23	+288	-177	+346	+ 41	+ 78
30	-448	-102	-346	+ 4	- 4
Apr. 6	+107	+257	-104	- 38	- 8
<u>PROJECTED</u>					
Apr. 13	+340	+195	+ 75	+ 20	+ 50
20	+460	- 30	+400	--	+ 90
27	-145	- 35	-110	--	--
May 4	-210	--	-210	--	--
11	- 80	--	- 80	--	--
18	+235	--	+320	--	- 85
25	-250	--	- 50	--	-200
June 1	-300	--	-300	--	--

Table B-4

SOURCES OF FEDERAL 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				Repurchase agreements	Bankers' acceptances	Member bank borrowings
		Total holdings	Outright					
			Bills	Other				
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:								
(12/30/64 - 4/7/65)	+ 943	+ 789	- 769	+ 157	-137	+ 88	+ 66	
(12/29/65 - 4/6/66)	+ 137	+ 72	+ 17	+ 131	- 76	- 12	+ 77	
Weekly:								
1965--Dec. 8	+ 441	+ 479	+ 376	--	+103	+ 18	- 56	
15	- 138	- 135	- 87	--	- 48	- 11	+ 8	
22	+ 325	- 55	- 22	--	- 33	- 2	-268	
29	+ 369	+ 28	- 171	--	+199	+ 13	+328	
1966--Jan. 5	+ 247	+ 178	- 24	--	+202	+ 53	+ 16	
12	+ 118	+ 115	+ 216	--	-101	- 25	+ 28	
19	-1,232	- 812	- 490	--	-322	- 48	-372	
26	+ 45	- 123	- 123	--	--	+ 34	+134	
Feb. 2	+ 369	+ 338	+ 89	--	+249	- 35	+ 66	
9	+ 657	+ 569	+ 409	--	+160	+ 3	+ 85	
16	- 363	- 308	- 166	--	-142	- 5	- 50	
23	- 519	- 585	- 360	+ 42	-267	- 1	+ 67	
Mar. 2	- 115	- 72	- 73	+ 1	--	+ 13	- 56	
9	+ 450	+ 273	+ 252	+ 21	--	+ 27	+150	
16	- 100	- 26	- 84	+ 11	+ 47	+ 4	- 78	
23	- 3	- 88	- 50	+ 9	- 47	+ 19	+ 66	
30	+ 71	+ 194	+ 147	+ 47	--	- 29	- 94	
Apr. 6	+ 512	+ 419	+ 274	--	+145	- 22	+115	

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
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
April	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--January	21,175	20,862	20,840	20,122	15,878
February	21,359	20,973	20,915	20,166	15,852
March	21,504	21,062	21,116	20,294	15,943
April	21,728	21,210	21,316	20,409	16,009
May	21,667	21,179	21,296	20,258	15,822
June	21,840	21,330	21,470	20,506	16,028
July	21,863	21,360	21,535	20,579	16,047
August	21,813	21,244	21,379	20,665	16,041
September	21,827	21,255	21,420	20,903	16,227
October	21,871	21,340	21,528	21,090	16,341
November	21,827	21,399	21,460	21,124	16,318
December	22,165	21,764	21,788	21,326	16,477
1966--January	22,282	21,867	21,996	21,407	16,533
February	22,367	21,908	21,994	21,396	16,500
March p	22,427	21,847	22,077	21,584	16,668

p - Preliminary.

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	U. S. Gov't. demand deposits	Private demand deposits 2/
1964--January	202,981	93,563	5,011	104,407
February	203,759	94,495	4,695	104,569
March	205,068	95,011	5,308	104,749
April	206,176	95,852	5,337	104,987
May	206,613	96,677	5,327	104,609
June	208,669	97,542	6,061	105,066
July	209,312	98,273	5,256	105,783
August	211,506	99,725	5,592	106,189
September	212,906	100,670	5,368	106,868
October	214,109	101,850	4,849	107,410
November	215,849	103,090	5,500	107,259
December	216,738	104,215	4,932	107,591
1965--January	218,640	106,107	5,180	107,353
February	220,663	107,843	5,642	107,178
March	222,445	108,778	5,872	107,795
April	225,068	109,996	6,829	108,243
May	225,840	110,898	7,967	106,975
June	227,642	111,955	7,315	108,372
July	229,056	113,306	7,253	108,497
August	230,664	115,594	6,614	108,456
September	230,913	116,900	4,296	109,717
October	233,505	118,718	4,298	110,489
November	234,264	120,152	3,785	110,327
December	236,411	121,220	3,782	111,409
1966--January	238,204	121,861	4,556	111,787
February	239,024	122,401	5,061	111,582
March p	239,765	123,029	4,037	112,699

1/ Includes all deposits subject to reserve requirements--i.e., the total of time, private demand, and U.S. Government 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.

p - Preliminary.

Part Reference Table C-3
MONEY SUPPLY BY COMPONENTS

Seasonally Adjusted
(Dollar amounts in billions, based
on monthly averages of daily figures)

Period	Money Supply	Demand deposits <u>1/</u>	Currency <u>2/</u>
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	165.6	129.7	35.9
November	165.7	129.6	36.1
December	167.4	131.2	36.3
1966--January	168.4	131.8	36.7
February	168.0	131.2	36.8
March p	169.2	132.3	36.9
<u>Weekly</u>			
1966--Jan. 12	169.1	132.5	36.6
19	168.1	131.5	36.7
26	167.4	130.8	36.6
Feb. 2	167.9	131.2	36.7
9	168.1	131.3	36.9
16	168.3	131.5	36.8
23	167.5	130.6	36.9
Mar. 2	168.5	131.6	36.9
9	168.7	131.8	36.9
16 p	169.2	132.3	36.9
23 p	169.8	132.9	36.9
30 p	169.1	132.2	36.9
Apr. 6 p	169.9	133.1	36.9

1/ 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.

p - Preliminary.