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# MONETARY AGGREGATES AND MONEY MARKET CONDITIONS 

Prepared for the Federal Open Market Committee

By the Staff
bOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

## Recent developments

(1) $M_{1}$ now appears to be growing at an annual rate within the Comittee's February-March range of tolerance, as shown in the table. Growth of $M_{2}$ is near the high end of its February-March target range. RPD is growing above the upper limit of its range, chiefly because heavy loan demands have led banks to expand large $C D$ 's much more rapidly than anticipated. The combination of very rapid acceleration in CD growth and the maintenance of Treasury tax and loan balances at unexpectedly high levels (as a result of foreign central bank purchases of special Treasury certificates) has ballooned growth in the credit proxy to an eatimated February-March annual rate of 18 per cent, far in excess of what was indicated at the last Comittee meeting.

Growth of Monetary Aggregates and RPD
in February-March Peiod
(SAAR in Percentage Points)

|  | Ranges of <br> Tolerance | Current <br> Estimates |  |
| :--- | :---: | :---: | :---: |
| RPD | $-2-1 / 2$ to $+2-1 / 2$ | 5 |  |
| $M_{1}$ | 3 | to 8 | 6 |
| $M_{2}$ | 2 | to 7 | $6-1 / 2$ |
| $\frac{\text { Memo: }}{\text { Federal funds }}$ | 6 | to 7 | 7.13 (Week ending |
| March 14) |  |  |  |

(2) Early in the inter-meeting period, incoming data suggested that RPD and $M_{2}$ were both running above their February-Narch ranges of tolerance; by the end of February, $M_{1}$ also seemed to be moving to the upper limit of its range. In these circumstances, since the federal funds rate had already been averaging around the $6-3 / 4$ per cent maximum contemplated at the mid-February meeting, the Committee members concurred in the Manager's recommendation of March 1 that the upper limit be raised to 7 per cent to provide a little more elbow room for open market operations in case of need. This permitted the Manager to restrain somewhat further the provision of nonborrowed reserves. At the same time the pressure of loan demand on commercial banks caused spirited bidding for funds. Despite resistance by the Desk, the funds rate tended to persist above 7 per cent, and in the most recent statement week averaged 7.13 per cent. Over the full inter-meeting period, the funds rate has risen about 55 basis points, on top of the roughly 150 basis points rise that occurred during the preceding three months.
(3) Rate increases on short-term market instruments have generally matched or exceeded the rise in the Federal funds rate since the last meeting, although the spread of the funds rate over the 3 -month bill rate remains relatively wide. Rates on large CD's with maturities just under 90 days have advanced as much as 100 basis points during the intermeeting periad; Treasury bill rates are up $75-100$ basis points--with the 3-month issue most recently bid close to 6.20 per cent; and even the interest rates on commercial paper--the issuance of which has been reduced
by borrower shifts to the alternative use of bank credit--have risen 75-85 basis points. The Federal Reserve discount rate was raised onehalf per cent to $5-1 / 2$ per cent, effective February 26 , and a rise in the bank prime rate from 6 to $6-1 / 4$ per cent occurred at about the same time. Market rate increases in recent days have been fueled partly by expectations that a further discount rate hike is impending.
(4) In markets for longer maturity securities, upward pressures on yields have been relatively less intense than in short markets, with advances ranging generally from 10 to 30 basis points. Special factors have tended to limit the extent of the rise on corporate, U. S. Treasury, and Federal agency securities; in the case of corporates, the calendar of new utility and industrial bond offerings has been unusually light, while in the case of Treasury coupon and Federal agency issues a foreign central bank--shifting out of bills-has been a persistent large buyer. Municipal bond yields, on the other hand, have been under increasing pressure from sizable current offerings and a large forward calendar as well as from a falling off in bank portfolio acquisitions.
(5) The table on the following page shows (in percentage annual rate of change) selected monetary and financial flows over various time periods. The slowing of growth in $M_{1}$ and $M_{2}$ over the first two months of 1973 has helped offset the surge in December 1972. Over the 3 months ending in February, $M_{1}$ has grown at a 6.3 per cent annual rate and $M_{2}$ at an 8.2 per cent rate. Growth rates over the past 6 months are slightly higher, and over the past 12 morths are higher still.

|  | Past 3 Calendar Years | Past 12 <br> Months | Past 6 Months | Past 3 Months | Past <br> Months |
| :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { Dec. } \quad 72 \\ \text { over } \end{gathered}$ | $\begin{gathered} \text { Feb. }{ }^{173} \\ \text { over } \end{gathered}$ | $\text { Feb. }{ }^{7} 72$ over | Feb. '73 over | Feb. 173 over |
|  | Dec. '69 | Fet. 72 | Aug. 72 | Nov. 72 | Jan. 73 |
| Total meserves | 8.4 | 10.2 | 8.8 | 8. 2 | -21.9 |
| Nonborrowed reserves | 8.8 | 4.4 | $-0.3$ | -6.8 | -41.0 |
| Reserves available to support private nonbank deposits | 9.0 | 9.6 | 10.4 | 8.1 | -4.6 |
| Concepts of Money |  |  |  |  |  |
| $M_{1}$ (currency plus demand deposits) $1 /$ | 7.5 | 7.4 | 6.5 | 6.3 | 6.1 |
| $M_{2}\left(M_{1}\right.$ plus time deposits at commercial banks other than large $C D ' s$ ) | 11.3 | 9.6 | 8.7 | 8.2 | 5.9 |
| ```M3 (M2 plus deposits at thrift institu- tions)``` | 12.8 | 11.8 | 10.8 | 10.2 | 8.5 |
| Bank Credit |  |  |  |  |  |
| Total member bank deposits (bank credit proxy adj.) | 10.7 | 12.3 | 12.0 | 12.8 | 16.4 |
| Loans and investments of commercial banks $2 /$ | 12.4 | 15.3 | 16.3 | 17.3 | 21.9 |
| Short-term market paper |  |  |  |  |  |
| (Actual \$ change in billions) |  |  |  |  |  |
| Large CD's | 32. 3 | 15.1 | 9.7 | 7.6 | 4.4 |
| Nonbank commercial paper | 3.1 | 1.7 | 2.3 | 1.5 | - 1.5 |
|  |  |  |  |  |  |
| $\underline{2}$ / Based on month-end figures. Includes sold to affiliates and branches. |  |  |  |  |  |
| NOTE: All items are based on averages of daily figures, except for data on total loans and investments of commercial banks, commercial paper, and thrift institu-tions--which are either end-of-month or last-Wednesday-of-month figures. |  |  |  |  |  |

## Prospective developments

(6) Presented below in summary form (with figures for aggregates representing seasonally adjusted annual rates of change) are March-April ranges for monetary aggregates and money market conditions associated with three alternative longer-run targets. ${ }^{1 /}$ The longer-run targets are indexed by growth rates for $M_{1}$ of $7,5-1 / 2$, and 4 per cent over the next two quarters for alternatives $A, B$, and C, respectively. These policy options tie in with the economic analysis of longer-run alternatives to be presented for FOMC consideration at the forthcoming meeting. For purposes of the Blue Book discussion, Regulation $Q$ ceilings are assumed to remain unchanged.

Alt. A
Alt. B
Alt. C

Longer-run targets (represented by growth rates for 2 nd and 3 rd quarters of 1973)

| $M_{1}$ | 7 | $5-1 / 2$ | 4 |
| :---: | :---: | :---: | :---: |
| $M_{2}$ | 9 | 6 | 4 |
| Credit Proxy | $10-1 / 2$ | 9 | 8 |
| RPD | $9-1 / 2$ | 8 | $6-1 / 2$ |

Associated ranges for March-April 1973

| Nonborrowed RPD | 23-25 | 12-14 | 4-6 |
| :--- | :--- | :--- | :--- |

$M_{1}$
$M_{2}$

6-8
8-10
5-3/4--7
$6-1 / 2--7-1 / 2$
7--8-1/4

1/ More detailed monthly and quarterly figures are shown in the table on page 6 a.
(7) Given the cumulative impact of monetary restraint, the staff believes that growth in the monetary aggregates at the rates shown for alternative $B$ would involve little further change in money market conditions. Growth in $M_{1}$ for the March-April period is indicated at 5-1/2--7-1/2 per cent in this alternative, ranging a little above the longer-run target. This is due primarily to the assumed effect of larger-thanusual income tax refunds this year, which will also bolster time and savings deposits. RPD growth in the March-April period consistent with these aggregates is projected to be relatively large, however, partly because it reflects a further sharp increase in large $C D^{\prime} s$, and also because of the effects of lagged reserve accounting.
(8) Assuming adoption of the somewhat larger growth rates for the aggregates as a longer-run target under alternative $A$, money market conditions would be likely to ease down through the range shown for that option over the next few weeks. On the other hand, an effort to secure a slowing in rates of growth in the monetary aggregates of the dimensions shown under alternative $C$ would be likely to entail a further rise in the Federal funds rate from current levels. The pattern for this alternative shown in the detailed table on $p$. $6 a$ assumes that the funds rate would rise to near the upper end of the $7--8-1 / 4$ per cent range before the next Committee meeting. If the Committee wished to undertake a more gradual tightening--for example, constraining the rise in the funds rate to around 8 per cent over a two-month period--the otaff would still expect a significant slowing in growth of the aggregates over time. The slowing, however, would probabiy be somewhat delayed with $M_{1}$ expected to expand at a 5 per cent annual rate in the second quarter and 4 per cent in the third.

- 6-a -

Alternative Longer-Run Targets for Key Monetary Aggregates

## 1973 Feb. $\begin{aligned} & \text { Mar. } \\ & \text { Apr. } \\ & \text { May } \\ & \text { June } \\ & \text { Jept. }\end{aligned}$

|  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| Quarters: 1973 | 1st. Q. | 4.0 | 4.0 | 3.5 |
|  | 2nd. Q. | 6.5 | 5.5 | 4.5 |
|  | 3rd. Q. | 7.5 | 5.5 | 3.5 |
| Months: |  |  |  |  |
| Mar, |  |  | 5.5 | 5.5 |
| Apr. |  |  | 8.5 | 7.5 |


| Total Reserves |  |  |
| :---: | :---: | ---: |
| A1t. A | A1t. B | A1t. C |
| 31,654 | 31,554 | 31,654 |
| 31,988 | 31,980 | 31,978 |
| 32,215 | 32,163 | 32,119 |
| 32,261 | 32,183 | 32,090 |
| 32,096 | 31,978 | 31,831 |
| 32,726 | 32,511 | 32,290 |
|  |  |  |
| 8.5 | 8.5 | 8.5 |
| 1.5 | $7-$ | -2.0 |
| 8.0 | 6,5 | 6.0 |
|  |  |  |
| 12.5 | 12.5 | 12.5 |
| 8.5 | 7.0 | 5.5 |


| $\mathrm{M}_{2}$ |  |  |
| :---: | :---: | :---: |
| Alt. A | Alt. B | Alt. C |
| 536.5 | 530.5 | 530.5 |
| 533.9 | 533.8 | 533.7 |
| 538.3 | 537.4 | 536.8 |
| 542.1 | 539.8 | 538.3 |
| 545.4 | 541.9 | 539.4 |
| 558.1 | 549.2 | 543.9 |


| Adjusted Credit Proxy |  |  |
| :--- | :--- | :--- |
| A1t. A | Alt. B | Alt. C |
| 414.8 | 414.8 | 414.8 |
| 421.6 | 421.6 | 421.5 |
| 423.8 | 423.3 | 422.9 |
| 425.8 | 424.9 | 423.8 |
| 431.6 | 430.4 | 428.7 |
|  |  |  |
| 443.6 | 440.8 | 438.3 |

Rates of Growth

|  | Rates of Growth |  |
| ---: | ---: | ---: |
| 6.5 | 6.5 | 6.5 |
| 8.5 | 6.0 | 4.5 |
| 9.5 | 5.5 | 3.5 |
| 7.5 |  |  |
| 10.0 | 8.5 | 7.0 |

15.0
15.0
15.0
9.5
11.0
8.5
9.5 7.0
9.0

1

| 19.5 | 19.5 | 19.5 |
| ---: | ---: | ---: |
| 6.5 | 5.0 | 4.0 |


| RPD |  |  |
| :---: | :---: | :---: |
| Alt. A | AIt. B | Alt. C |
| 29,299 | 29,299 | 29,299 |
| 29,653 | 29,645 | 29,643 |
| 30,111 | 30,060 | 30,017 |
| 30,259 | 30,183 | 30,091 |
| 30,450 | 30,337 | 30,191 |
| 31,080 | 30,860 | 30,640 |
| Rates of Growtin | 11.0 | 11.0 |
| 11.0 | 9.5 | 7.5 |
| 8.5 | 7.0 | 6.0 |
| 14.5 | 14.0 | 14. C |
| 18.5 | 17.0 | 15.0 |

(9) Even assuming little change in the Federal funds rate from current levels, the 3 -month bill rate is likely to continue to rise over the next few weeks, perhaps moving up in a 6-1/4-6-1/2 per cent range. In addition to the continued pull on the bill rate from a funds rate of around 7 per cent, the Desk is likely to be a sizable seller of bills during the first half of April because of an expected substantial decline in the Treasury balance at the Fed prior to midApril tax collections. The Treasury balance at the Fed has recently risen to an exceptionally large $\$ 4$ billion as the bulk of the recent outflows of funds to abroad was reinvested by official institutions in Treasury specials, If a sizable reflow of these funds should develop, upward interest rate pressures in the Treasury bill market would be particularly strong, assuming that foreign central banks dispose of Treasury issues as demand for dollars increases, and the bill sate could well rise above the indicated range,
(10) Short-term rates outside the Treasury bill area appear to have already adjusted more fully than short-term bills to prevailing money market conditions, but nevertheless some of these rates could rise somewhat further. Rates on negotiable $C D^{\prime}$ s maturing in over 90 days offered by large banks are apparently at or near ceilings. With these banks crowding $C D$ borrowing even more into the short-term area, shortterm CD rates are likely to rise. As costs of bank funds rise, there will be further pressure on bank lending rates and policies. With pressure continuing on the short-term rate structure, long-term rates
are likely to increase further as investors become more reluctant to make long-term commitments at current rates and as borrowers begin to seek to nail down funds in the bond market.
(11) A tightening of the money mazket fan curcently prevailing conditions would lead to rather substantial furthe: upward adjustments in short- and long-term interest rates. For instance, if the funds rate were in a 7-1/2--8 per cent range, we would expect increases of about 1/2--3/4 percentage point in short-term market rates (other than longerterm CD's which are at ceiling rates), and sizable accompanying rises in long-tern rates.
(12) Upward pressures on short- and long-term interest rates partly reflect the necessity for banks and other savings institutions to adjust to a significant slowing in the rate of inflow of consumer-type time and savings deposits. Such a slowing would be expected under alternative $B$, and would be even more marked under alternative $C$; however, this does not allow for any change in Regulation $Q$ ceilings on consumer-type time and savings deposits. Banks and other institutions would have to adjust to smaller inflows by adopting more stringent commitment policies, reducing liquidity, and reducing their participation in bond markets, In addition, large banks would remain aggressive issuers of $C D^{\prime} s$, and savings and loan associations would begin borrowing actively from Federal Home Loan Banks.

## Proposed directives

(13) Presented below are three alternative formulations for the operational paragraph of the directive, which might be taken to correspond to the similarly lettered policy alternatives discussed in the preceding section. The reference to credit markets is proposed for elimination only in alternative $A$, the only alternative that contemplates a significant easing of the money market. In view of uncertainties as to how the current international exchange crisis will be unwound, a reference to international developments is suggested for all three alternatives.

## Alternative A

To implement this policy, while taking account of possibłe-domestie-eredit-market-and international developments, the Committee seeks to achieve bank reserve and money market conditions that will support somewhat-słower growth in monetary aggregates over the months ahead than ocearred-on AT ABOUT THE average RATES OF in the past 12 months.

## Alternative B

To implement this policy, while taking account of possible domestic credit market and international developments, the Committee seeks to achieve bank reserve and money market conditions that will support somewhat slower growth in monetary aggregates over the months ahead than occurred on average in the past 6 months.

## Alternative $C$

To implement this policy, while taking account of possible domestic credit market and international developments, the Committee seeks to achieve bank reserve and money market conditions that will support semewhat SUBSTANTIALIY slower growth in monetary aggregates over the months ahead than occurred on average in the past 6 months.

## RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS



## MONETARY AGGREGATES

NARROW MONEY SUPPLY M1
NARROW MONEY SUPPLY M1


BROADER MONEY SUPPLY M2


MONETARY AGGREGATES


[^1]GHART 4

## MONEY MARKET CONDITIONS AND INTEREST RATES




CACTUAL AND CURRENT PHOJECTIORS, SEASONALLY ADJUSTEDI


Table 3

## RESERVE EFFECTS OF

OPEN MARKET OPERATIONS AND OTHER RESERVE FACTORS
(Millions of dollars, not seasonally adjusted)

|  | Open Market Operations l/ |  |  |  |  | Daily Average Reserve Effect 2 / |  |  | $\triangle$ in rescrve categories |  | $\Delta$ Target |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { B111s } \\ \& \text { Accept. } \\ \hline \end{gathered}$ | Coupan Issues | Agency Issues | $\begin{aligned} & \mathrm{RP}^{\prime} \mathrm{s}_{3} \\ & \text { Net } \end{aligned}$ | Total | Open Market Operations |  | Other 4/ Factors | req. res. against U.S.G. and interb. | available res.5/ $(6)+(7)+(8)-(9)$ | available reserves5/ |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| Monthly |  |  |  |  |  |  |  |  |  |  |  |
| 1972-- Sept. | -158 | - | -35 | -816 | -1,009 | -1,617 | 76 | 1,370 | -395 | 224 | 405 |
| Oct. | 111 | 116 | -22 | -- | 205 | 1,124 | 59 | -378 | 493 | 312 | 335 |
| Nov. | -548 | -51 | 157 | -- | -442 | -226 | 32 | -1,835 | -651 | 1,378 | -1,520 |
| Dec. | 450 | -135 | 134 | 147 | 596 | - 25 | 443 | -839 | - 78 | -343 | -300 |
| 1973 -- Jan. | 1,336 | -- | -- | 862 | 2,197 | 1,116 | 117 | 376 | 278 | 1,331 | 995 |
| Feb. | 659 | 196 | -18 | -193 | 644 | - 134p | 428p | -1,544p | -107p | -1,143 | -1,140 |
| Mar. <br> Apr. |  |  |  |  |  |  |  |  | -107p | -1,143 | -45 |
| Weekly |  |  |  |  |  |  |  |  |  |  |  |
| 1973-- Jan. 3 | 514 | -- | -- | 3,680 | 4,194 | 1,135 | 633 | -605 | 229 | 934 |  |
| 10 | 152 | -- | -- | -2,375 | -2,223 | -150 | -1,063 | 1,115 | 160 | -258 |  |
| 17 | 109 | -- | -- | 729 | 838 | 341 | 610 | 552 | 493 | 1,010 |  |
| 24 | 156 | -- | -- | 860 | 1,016 | 141 | -201 | -1,438 | -559 | -939 |  |
| 31 | 676 | -- | -- | -581 | 95 | 884 | 212 | -1,051 | -245 | 290 |  |
| Feb. 7 | -561 | -- | -- | -2,493 | -3,055 | -1,020 | -77 | 375 | 82 | -804 |  |
| 14 | -4 | -- | -- | 2,274 | 2,270 | 110 | 759 | -890 | 256 | -277 |  |
| 21 | 383 | 196 | -- | -1,034 | -454 | 647 | -319 | -99 | -114 | 343 |  |
| 28 | 842 | -- | -18 | 1,059 | 1,883 | -62p | -193p | -481p | -10p | - 726p |  |
| Mar. $\begin{array}{r}7 \\ 14\end{array}$ | -159 446 | -- | -14 | $-1,856$ 1,827 | $-2,015$ 2,259 | $781 p$ 293p | 208p $-196 p$ | $\begin{aligned} & -333 p \\ & -505 p \end{aligned}$ | $\begin{aligned} & 286 p \\ & -84 \end{aligned}$ | $\begin{array}{r} 370 p \\ -324 p \end{array}$ |  |
| 14 21 | 446 | -* | -14 | 1,827 | 2,259 | 293p | -196p | -505p |  |  |  |
| 28 |  |  |  |  |  |  |  |  |  |  |  |

$\frac{1 /}{2 /}$ Represents change in System's portfolio from end-of-period to e
3/ Includes matched sale-purchase transactions as well as RP's.
$\frac{3}{4 /}$ Sut of changes in vault cash, currency in circulation, Tressury operations, F.R. float, gold and foreign accounts, and other FR accounts
(/ Sum of changes in vault cash, currency in circulation, Treasury operations, F.R. float, gold and forelgn accounts, and other FR accounts. Reserves to support private nonbank deposits. Target change for February and March reflecte the tid-point of the target range adopted at the
February 13 , 1973 FOMC meeting. Target change for previous months reflects the bluebook patterns that are consistent with the mid-points of target ranges that were adopted during the month.


Table 5
sflected interest ratis
per Cent

| Period | Short-term |  |  |  |  |  | Asa Utility |  | Long-terem |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Federal Funds | Ireasury bills |  | 90-119 day Commercial Paper |  |  | Municipal Bond Buyer | (10-Yr. Constant Maturity) | FNMA Auction Yields |
|  |  | 90 -day | 1-year |  | 60-89 day | 90-119 day |  |  |  | $\begin{gathered} \text { New } \\ \text { Issue } \end{gathered}$ | $\begin{aligned} & \text { Recently } \\ & \text { offered } \end{aligned}$ |
|  | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| 1971 -- High | 5.73 | 5.47 | 594 | 5.88 | 5.63 | 5.75 | 8.26 | 8.19 | 6.23 | 689 | 809 |
| Low | 3.29 | 3.32 | 3.53 | 4.00 | 3.50 | 3.63 | 7.02 | 7.14 | 4.97 | 5.42 | 7.29 |
| 1972 -- High | 5.38 | 513 | 5.52 | 5.50 | 5.38 | 5.50 | 7.60 | 7.46 | 5.54 | 658 | 772 |
| Low | 3.18 | 303 | 3,60 | 3.75 | 3.13 | 3.50 | 6.99 | 7.12 | 4.96 | 587 | 754 |
| 1972 -- Feb | 3.29 | 320 | 4.06 | 3.81 | 3.31 | 3.53 | 7.34 | 7.31 | 529 | 608 | 761 |
| Mar. | 383 | 3.73 | 443 | 4.10 | 3.73 | 3.98 | 7.24 | 7.24 | 531 | 607 | 754 |
| Apr | 417 | 3.71 | 4.65 | 4.55 | 4.34 | 4.47 | 7.45 | 7.40 | 543 | 619 | 758 |
| May | 4.27 | 369 | 4.46 | 4.45 | 4.15 | 4.33 | 7.38 | 738 | 531 | 613 | 7.63 |
| Junfe | 4.46 | 3.91 | 4.71 | 4.60 | 4.38 | 4.50 | 7.32 | 7.36 | 5.34 | 611 | 7.63 |
| Juty | 4.55 | 3.98 | 4.90 | 4.83 | 4.63 | 4.75 | 7.38 | 7.37 | 5.41 | 6.11 | 763 |
| Aug | 4.80 | 4.02 | 4.90 | 4.75 | 4.65 | 4.78 | 7.37 | 7.34 | 530 | 621 | 763 |
| Sept | 4.87 | 466 | 5.44 | 5.07 | 4.88 | 5.00 | 7.40 | 7.42 | 536 | 655 | 7.65 |
| oct | 504 | 4.74 | 5.39 | 5.21 | 5.00 | 5.19 | 7.38 | 7.38 | 519 | 648 | 772 |
| Nov. | 5.06 | 4.78 | 5.20 | 5.18 | 5.00 | 5.13 | 7.09 | 7.18 | 5.02 | 628 | 771 |
| Dec | 5.33 | 5.07 | 528 | 5.40 | 5.19 | 5.38 | 7.15 | 7.18 | 5.05 | 636 | 768 |
| 1973 -- Jan | 5.94 | 541 | 5.58 | 5.76 | 5.63 | 5.75 | 738 | 7.35 | 5.05 | 646 | 769 |
| Feb. | 6.58 | 5.60 | 5.93 | 6.17 | 6.16 | 6.28 | 7.40 | 7.41 | 513 | 664 | 772 |
| 1973 -- Jan. 3 | 561 | 5.16 | 5.45 | 5.63 | 5.38 | 5.50 | -- | 7.26 | 508 | 642 | -- |
| 10 | 566 | 5.15 | 542 | 563 | 5.50 | 5.67 | 7.29 | 7.32 | 503 | 643 | 7.69 |
| 17 | 5.86 | 5.29 | 5.50 | 5.70 | 5.63 | 5.75 | 7.45 | 7.36 | 500 | 6.46 | -- |
| 24 | 603 | 5.58 | 5.58 | 5.85 | 5.75 | 5.88 | 7.40 | 7.41 | 508 | 650 | 770 |
| 31 | 6.35 | 5.70 | 5.81 | 593 | 5.88 | 6.00 | 7.38 | 7.41 | 516 | 657 | -- |
| Feb. 7 | 621 | 5.68 | 5.96 | 613 | 6.13 | 6.25 | 7.46 | 7.43 | 516 | 664 | 771 |
| 14 | 658 | 5.45 | 5.79 | 613 | 6.13 | 6.25 | 7.34 | 7.39 | 506 | 662 | -- |
| 21 28 | 679 675 | 5.49 5.72 | 5.83 6.10 | 616 625 | 6.13 6.25 | 6.38 6.38 | , | 7.37 | 513 512 | 665 665 | 773 |
| Mar 7 | 7.02 | 5.72 5.83 | 6.27 | 6.45 6.40 | 6.25 | 6.38 | -- | 7.45 | 5.22 | 665 | -- |
| Max 14 | 7.13 | 5.92 | 6.44 | 6.65 | 6.63 6.63 | 6.75 6.75 | ---5 | 7.50 | 527 | 6.67 | 7.75 |
| 21 |  |  |  |  |  |  | 7.52 | 7.60 p | 5.34 | 6.70 p | -- |
| 28 |  |  |  | -- - |  |  |  |  |  |  |  |

 weekty date is the mid-point of the, alcud ir weck over which data are averaped. Crlinn 9 is a nie-day qunte for the thursday following the end of in the bi-weekly auction for short-term forward conmitments for Goveriment underwrititen mortgages.

Frch 16,1973


NOTE- Regerve requirements on Eurcdollar horrowings are included begiñing Gctober 16, 1969, and requirements on bank-related commercial paper are included begiñing Reserve requirem.
nctober 1, 1970.



[^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).
    ${ }^{2}$ A two-step process was used. An advanced optical character recognition computer program (OCR) first created electronic text from the document image. Where the OCR results were inconclusive, staff checked and corrected the text as necessary. Please note that the numbers and text in charts and tables were not reliably recognized by the OCR process and were not checked or corrected by staff.

[^1]:    * Break in serises Actual Level of Total Reserves After Reduction on Reserve Requitemfin Effective November 9, 1972

