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# MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

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Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

November 14, 1975

MONETARY AGGREGATES AND  
MONEY MARKET CONDITIONS

Recent developments

(1)  $M_1$  declined at about a 3 per cent annual rate in October, but data for early November are consistent with the staff forecast of a substantial rebound in the current month. For the two-month target period,  $M_1$  is projected to expand at an annual rate of about 4 per cent, somewhat above the low end of the Committee's range of tolerance. With growth in consumer-type time deposits a little stronger than projected,  $M_2$  is expected to grow at about a  $7\frac{1}{2}$  per cent annual rate over the two-month target period--somewhat above the mid-point of its tolerance range.

Growth in Monetary Aggregates and RPD's  
over October-November Period

| <u>Reserve and monetary aggregates<br/>(Growth at SAAR in per cent)</u> | <u>Ranges of<br/>Tolerance</u>   | <u>Latest Estimates</u> |
|---|----------------------------------|-------------------------|
| $M_1$   | 3 to 7                           | 4.1                     |
| $M_2$   | $5\frac{1}{2}$ to $8\frac{1}{2}$ | 7.7                     |
| RPD   | 0 to 4                           | 2.1                     |

| <u>Memo:</u>                               |                                  | <u>Avg. for statement<br/>week ending</u> |      |
|--|----------------------------------|---|------|
| Federal funds rate<br>(per cent per annum) | $5\frac{1}{2}$ to $6\frac{1}{2}$ | Oct. 22                                   | 5.73 |
|  |                                  | 29  | 5.65 |
|  |                                  | Nov. 5                                    | 5.17 |
|  |                                  | 12  | 5.24 |

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(2) There was some increase in total short-term business credit in October. Outstanding business loans at banks expanded by a relatively sizable amount, mainly at banks outside the major money market centers, but this was offset in part by another decline in commercial paper issued by nonfinancial corporations. Outstanding bank CD's have shown little change since the build-up that occurred in late September and early October. While this mainly reflected the continuing weakness in business loans at large banks, several New York City banks appear to have experienced some investor reluctance to acquire their CD's and did not aggressively seek such funds. These banks also relied less than they usually do on purchases of Federal funds during the past month and generally have lengthened the maturities of their managed liabilities.

(3) Immediately following the October FOMC meeting, the Desk sought reserve conditions consistent with a Federal funds rate in a  $5\frac{1}{2}$  to  $5\frac{3}{4}$  per cent range but with the expectation that the rate would be moved down to  $5\frac{1}{2}$  per cent unless incoming data on the aggregates indicated more rapid growth. Data available shortly after the Committee meeting did in fact suggest some strengthening in monetary growth causing the Desk to slow the movement to a  $5\frac{1}{2}$  per cent rate. As a result, the funds rate averaged 5.65 per cent in the week ending October 29. When subsequent data suggested a considerable weakening in the aggregates, the Desk followed a more accommodative approach to reserve provision, and the funds rate moved to the  $5\frac{1}{4}$  per cent lower limit of the Committee's range of tolerance. As the funds rate dropped increasingly below the discount rate, member bank borrowing

dwindled. Although the latest data indicate a strengthening in the aggregates, the Desk has continued to aim at a funds rate around  $5\frac{1}{2}$  per cent in view of the proximity of the November Committee meeting and the continuing uncertainties affecting financial markets.

(4) Short-term rates dropped another 20-50 basis points over the intermeeting period, with the largest decline occurring in Treasury bill rates. In longer-term markets yields have also declined somewhat further except on municipals. Municipal yields which had declined in early October from the peak reached at the turn of the month, advanced again in late October and early November. Most recently, however, some of this advance has been erased as the market has come to believe that a settlement of the New York problem is in the offing.

(5) Deposits at savings and loan associations and mutual savings banks grew during October at an annual rate of around  $11\frac{1}{2}$  per cent, about the same as in September. Given the sharp declines in market rates, managers of thrift institutions reportedly have become more optimistic about the future course of deposit flows and therefore less cautious about extending new mortgage commitments. Interest rates on primary mortgages have dropped slightly; the Home Loan Bank series shows a decline in the average rate on new commitments for 80 per cent conventional mortgages from 9.25 to 9.17 per cent over the intermeeting period. In the secondary market, average yields in FNMA auctions dropped about 30 basis points.

(6) The table on the following page shows (in percentage annual rates of change) selected monetary and financial flows over various time periods.

|  | Calendar<br>Year | Twelve<br>Months<br>Oct. '75<br>over<br>Oct. '74 | Past<br>Six<br>Months<br>Oct. '75<br>over<br>Apr. '75 | Past<br>Three<br>Months<br>Oct. '75<br>over<br>July '75 | Past<br>Month<br>Oct. '75<br>over<br>Sept. '75 |
|--|------------------|--|---|---|--|
| Total reserves   | 8.5              | -1.4   | -2.2  | -4.3  | -2.1   |
| Nonborrowed reserves   | 10.7             | 3.5  | -2.7  | -3.0  | 5.2  |
| Reserves available to<br>support private nonbank<br>deposits                                       | 8.9              | -1.5   | -1.9  | -2.7  | -2.6   |
| <u>Concepts of Money</u>   |                  |  |   |   |  |
| M <sub>1</sub> (currency plus demand<br>deposits) <u>1/</u>  | 4.8              | 4.4  | 5.7   | 0.7   | -2.9   |
| M <sub>2</sub> (M <sub>1</sub> plus time deposits<br>at commercial banks<br>other than large CD's) | 7.2              | 3.4  | 9.4   | 4.9   | 4.0  |
| M <sub>3</sub> (M <sub>2</sub> plus deposits at<br>thrift institutions)                            | 6.8              | 10.9   | 12.1  | 8.0   | 6.9  |
| M <sub>4</sub> (M <sub>2</sub> plus CD's)  | 10.6             | 6.6  | 6.3   | 3.9   | 7.2  |
| M <sub>5</sub> (M <sub>3</sub> plus CD's)  | 9.0              | 9.6  | 9.8   | 7.1   | 8.7  |
| <u>Bank Credit</u>   |                  |  |   |   |  |
| Total member bank deposits<br>(bank credit proxy adj.)   | 10.2             | 4.0  | 3.1   | 2.1   | 5.2  |
| Loans and investments of<br>commercial banks <u>2/</u>   | 9.2              | 3.6  | 4.5   | 5.0   | 6.0  |
| <u>Short-term Market Paper</u><br>(Monthly average change in<br>billions)                          |                  |  |   |   |  |
| Large CD's   | 2.2              | - .4   | -1.2  | - .3  | 2.2  |
| Nonbank commercial paper   | .4               | - .2   | - .5  | - .6  | -1.1   |

1/ Other than interbank and U.S. Government.

2/ Based on month-end figures. Includes loans 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 institutions--which are derived from either end-of-month or last Wednesday-of-month figures. Growth rates for reserve measures in this and subsequent tables are adjusted to remove the effect of discontinuities from breaks in the series when reserve requirements are changed.

Prospective developments

(7) Summarized below for Committee consideration are three alternative sets of short-run specifications for monetary aggregates and the Federal funds rate. All three alternatives are intended to be consistent with the FOMC's longer-run objectives for the aggregates, as indexed by a 5-7½ per cent rate of growth in M<sub>1</sub> from QIII '75 to QIII '76. Each of the alternatives, therefore, implies a different pattern of interest rate developments, as summarized in appendix table IV and as explained in the ensuing paragraphs.

|  | <u>Alt. A</u> | <u>Alt. B</u> | <u>Alt. C</u> |
|--|---------------|---------------|---------------|
| Ranges of tolerance<br>for November-December |               |               |               |
| M <sub>1</sub>                               | 7-9           | 6½-8½         | 6-8           |
| M <sub>2</sub>                               | 8½-10½        | 8-10          | 7½-9½         |
| RPD  | 5½-7½         | 5-7           | 4½-6½         |
| Federal funds rate                           | 4½-5½         | 4¾-5¾         | 5½-6½         |

(8) Under alternative B the Federal funds rate range is centered around the recently prevailing 5½ per cent level. M<sub>1</sub> is once again expected to begin growing at a reasonably rapid rate; under this alternative growth over the two-month November-December period is estimated to be in a 6½-8½ per cent annual rate range. The main basis for this expectation is the growing need for transactions balances associated with the 14½ per cent annual rate of expansion in nominal GNP projected by the staff for the fourth quarter M<sub>1</sub> growth in Nov.-Dec. at an annual rate of 7½ per cent--the midpoint of the indicated range--would

Alternative Levels and Growth Rates for Key Monetary Aggregates

|                     | <u>M<sub>1</sub></u> |               |               | <u>M<sub>2</sub></u> |               |               | <u>M<sub>3</sub></u> |               |               |
|---------------------|----------------------|---------------|---------------|----------------------|---------------|---------------|----------------------|---------------|---------------|
|                     | <u>Alt. A</u>        | <u>Alt. B</u> | <u>Alt. C</u> | <u>Alt. A</u>        | <u>Alt. B</u> | <u>Alt. C</u> | <u>Alt. A</u>        | <u>Alt. B</u> | <u>Alt. C</u> |
| 1975 October        | 294.0                | 294.0         | 294.0         | 658.5                | 658.5         | 658.5         | 1076.9               | 1076.9        | 1076.9        |
| November            | 296.7                | 296.7         | 296.7         | 664.8                | 664.7         | 664.6         | 1087.2               | 1087.1        | 1086.9        |
| December            | 297.8                | 297.6         | 297.4         | 668.7                | 668.4         | 668.1         | 1095.2               | 1094.7        | 1094.2        |
| 1975 QIII           | 294.1                | 294.1         | 294.1         | 653.5                | 653.5         | 653.5         | 1063.6               | 1063.6        | 1063.6        |
| QIV                 | 296.2                | 296.1         | 296.1         | 664.0                | 663.9         | 663.7         | 1086.4               | 1086.2        | 1086.0        |
| 1976 QI             | 302.2                | 301.7         | 301.4         | 677.8                | 677.0         | 676.1         | 1111.2               | 1109.9        | 1108.7        |
| QII                 | 307.7                | 307.3         | 307.2         | 690.6                | 689.9         | 690.1         | 1133.1               | 1132.2        | 1132.2        |
| QIII                | 312.4                | 312.4         | 312.4         | 702.0                | 702.2         | 704.0         | 1152.7               | 1153.6        | 1156.1        |
| <u>Growth Rates</u> |                      |               |               |                      |               |               |                      |               |               |
| Monthly:            |                      |               |               |                      |               |               |                      |               |               |
| 1975 November       | 11.0                 | 11.0          | 11.0          | 11.5                 | 11.3          | 11.1          | 11.5                 | 11.4          | 11.1          |
| December            | 4.4                  | 3.6           | 2.8           | 7.0                  | 6.7           | 6.3           | 8.8                  | 8.4           | 8.1           |
| Quarterly Average:  |                      |               |               |                      |               |               |                      |               |               |
| 1975 QIV            | 2.9                  | 2.7           | 2.7           | 6.4                  | 6.4           | 6.2           | 8.6                  | 8.5           | 8.4           |
| QI                  | 8.2                  | 7.6           | 7.2           | 8.3                  | 7.9           | 7.5           | 9.1                  | 8.7           | 8.4           |
| QII                 | 7.3                  | 7.4           | 7.7           | 7.6                  | 7.6           | 8.3           | 7.9                  | 8.0           | 8.5           |
| QIII                | 6.1                  | 6.6           | 6.8           | 6.5                  | 7.1           | 8.1           | 6.9                  | 7.6           | 8.4           |
| QIII '75-QI '76     | 5.5                  | 5.2           | 5.0           | 7.4                  | 7.2           | 6.9           | 9.0                  | 8.7           | 8.5           |
| QI '76-QIII '76     | 6.8                  | 7.1           | 7.3           | 7.1                  | 7.4           | 8.3           | 7.5                  | 7.9           | 8.6           |
| QIII '75-QIII '76   | 6.2                  | 6.2           | 6.2           | 7.4                  | 7.5           | 7.7           | 8.4                  | 8.5           | 8.7           |

Alternative Levels and Growth Rates for Key Monetary Aggregates (cont'd)

|                     | <u>M<sub>4</sub></u> |               |               | <u>M<sub>5</sub></u> |               |               | <u>Credit Proxy</u> |               |               |
|---------------------|----------------------|---------------|---------------|----------------------|---------------|---------------|---------------------|---------------|---------------|
|                     | <u>Alt. A</u>        | <u>Alt. B</u> | <u>Alt. C</u> | <u>Alt. A</u>        | <u>Alt. B</u> | <u>Alt. C</u> | <u>Alt. A</u>       | <u>Alt. B</u> | <u>Alt. C</u> |
| 1975 October        | 739.8                | 739.8         | 739.8         | 1158.1               | 1158.1        | 1158.1        | 508.0               | 508.0         | 508.0         |
| November            | 745.7                | 745.7         | 745.6         | 1168.3               | 1168.1        | 1168.0        | 511.7               | 511.6         | 511.6         |
| December            | 749.6                | 749.4         | 749.2         | 1176.1               | 1175.7        | 1175.3        | 512.9               | 512.8         | 512.7         |
| 1975 QIII           | 733.2                | 733.2         | 733.2         | 1143.3               | 1143.3        | 1143.3        | 504.7               | 504.7         | 504.7         |
| QIV                 | 745.0                | 745.0         | 744.9         | 1167.5               | 1167.3        | 1167.1        | 510.9               | 510.8         | 510.8         |
| 1976 QI             | 759.2                | 758.6         | 758.0         | 1192.6               | 1191.6        | 1190.6        | 517.2               | 516.9         | 516.6         |
| QII                 | 773.3                | 773.1         | 772.9         | 1215.8               | 1215.4        | 1215.0        | 523.4               | 523.3         | 523.1         |
| QIII                | 787.0                | 787.6         | 788.2         | 1237.7               | 1239.0        | 1240.3        | 528.5               | 529.0         | 529.0         |
| <u>Growth Rates</u> |                      |               |               |                      |               |               |                     |               |               |
| Monthly:            |                      |               |               |                      |               |               |                     |               |               |
| 1975 November       | 9.6                  | 9.6           | 9.4           | 10.6                 | 10.4          | 10.3          | 8.7                 | 8.5           | 8.5           |
| December            | 6.3                  | 6.0           | 5.8           | 8.0                  | 7.8           | 7.5           | 2.8                 | 2.8           | 2.6           |
| Quarterly Averages: |                      |               |               |                      |               |               |                     |               |               |
| 1975 QIV            | 6.4                  | 6.4           | 6.4           | 8.5                  | 8.4           | 8.3           | 4.9                 | 4.8           | 4.8           |
| 1976 QI             | 7.6                  | 7.3           | 7.0           | 8.6                  | 8.3           | 8.1           | 4.9                 | 4.8           | 4.5           |
| QII                 | 7.4                  | 7.6           | 7.9           | 7.8                  | 8.0           | 8.2           | 4.8                 | 5.0           | 5.0           |
| QIII                | 7.1                  | 7.5           | 7.9           | 7.2                  | 7.8           | 8.3           | 3.9                 | 4.4           | 4.5           |
| QIII '75-QI '76     | 7.1                  | 6.9           | 6.8           | 8.6                  | 8.4           | 8.3           | 5.0                 | 4.8           | 4.7           |
| QI '76-QIII '76     | 7.3                  | 7.6           | 8.0           | 7.6                  | 8.0           | 8.3           | 4.4                 | 4.7           | 4.8           |
| QIII '75-QIII '76   | 7.3                  | 7.4           | 7.5           | 8.3                  | 8.4           | 8.5           | 4.7                 | 4.8           | 4.8           |

result in expansion from QIII '75 to QIV '75 at a rate of about  $2\frac{3}{4}$  per cent, implying a rise in income velocity at about an 11 per cent annual rate between those quarters. This would be an extremely large rise even for the early stages of an economic recovery, particularly if, as assumed, it is not associated with upward interest rate pressures during the quarter.

(8) Such a large rise in velocity would not appear to be long sustainable at current interest rate levels, given the reduction in the public's cash balances relative to income that has already occurred and given the continued, even though somewhat diminished, rate of expansion projected for nominal GNP in 1976. With the demand for money likely to continue to rise, the staff would expect the Federal funds rate to increase in the course of next year if the rate of growth in  $M_1$  is to average near the mid-point of the FOMC's longer-run target range of  $5-7\frac{1}{2}$  per cent. By summer, the funds rate might peak out at around  $7\frac{1}{2}$  per cent. This would be lower than had been projected by the staff at the time of the last meeting.

(9) If the funds rate shows little change over the next few weeks, the 3-month bill rate might be in a  $5\frac{1}{2}-6$  per cent range. The rate could show some tendency to rise from its recent trading level of about 5.40 per cent because the increase in short-term credit typical of the holiday season will coincide with continued sizable net additions to outstanding bills by the Treasury to raise new cash. Short-term rates will also be heavily influenced by developments with respect to New York. A resolution of the problem would affect attitudes and expectations in a manner likely to put upward pressure on rates, whereas a dashing of hopes would have the opposite effect.

(10) With bond volume in the corporate and municipal markets expected to be generally moderate, longer-term market interest rates are likely to show little further net change between now and year-end under the specifications of alternative B. If the New York situation is resolved without default, yields in the municipal market could well show significant declines. Primary mortgage market yields are likely to edge down over the period ahead in lagged reaction to earlier declines in short-term interest rates and corporate bond yields, and in light of a continued relatively comfortable inflow of savings funds to thrift institutions.

(11) Both banks and nonbank thrift institutions may experience more favorable net inflows of time and savings deposits over the next several weeks than they had in late summer and early fall, when market interest rates were higher. However, very recent experience suggests no more than a modest pick-up. Because upward pressures on interest rates in the fourth quarter of 1975 and now projected for 1976 are weaker than those anticipated earlier, consumer-type time deposit flows are no longer expected to slacken substantially in the near future. Accordingly, the date for an assumed upward adjustment in Regulation Q ceiling rates has been shifted forward, from year-end to mid-1976.

(12) Alternative A contemplates a modest further decline in the Federal funds rate between now and the next Committee meeting, to the mid-point of a  $4\frac{1}{2}$ - $5\frac{1}{2}$  per cent range. This would tend to strengthen forces making for a rebound in growth of the monetary aggregates and would also

be more accommodative of any increase in demands for liquidity should uncertainties with regard to municipal markets and banks continue. We would expect that such a reduction in the funds rate would have to be reversed at least by early next year in order to keep longer-run growth in  $M_1$  at around the mid-point of the 5-7½ per cent range, and that by Spring the funds rate would be around 7¾ per cent.

(13) A reduction in the funds rate over the next few weeks of about the dimensions contemplated under alternative A would probably be accompanied by similar declines in other short-term rates and by some further decline in longer-term market rates. Mortgage market yields would also be likely to drop as the outlook for continued savings inflows brightens. But declines in mortgage yields, as well as in security rates, may be limited insofar as market participants view the easing in money market conditions as temporary. Market attitudes will, of course, be influenced by the nature of incoming economic news and by the degree of use, if any, of other monetary policy instruments.

(14) Alternative C involves some rise in the Federal funds rate over the next few weeks, to the mid-point of a 5¼-6¼ per cent range. Such a reversal in the recent trend of the funds rate would likely be accompanied by a sharp rebound in market rates; the 3-month bill rate, for example, might promptly move up to the 6-6½ per cent area. But if interest rates are pushed up over the next few weeks, it is likely that less of an increase would be required over the longer run than under alternatives A or B, since an early start will have been made in restraining money demand. It seems probable that the alternative C strategy might lead to a funds rate that

peaks out at around 6¾ per cent next year. Thus, over the longer run this approach would place less pressure on banks and thrift institutions. In the short run, however, recent easing tendencies in bank and mortgage loans rates would be quickly reversed.

(15) Among the assumptions made in developing the specifications presented in this blue book are: (a) no more than modest business loan growth at banks in view of (i) expected conservative inventory investment policies by business that would limit their demand for bank credit and (ii) continued relatively cautious bank lending policies; and (b) unwillingness of major banks to actively press CD's on the market in the period immediately ahead. In addition, it has been assumed that there will be no significant further impairment of confidence in the municipal market and banks.

Proposed directive

(16) Given below is a proposed operational paragraph if the Committee wishes to continue formulating its instructions in terms of desired growth in monetary aggregates over the months ahead. No alternatives are presented for this formulation, in the expectation that the reference to desired growth will be taken to apply to the longer-term targets and that at this meeting the Committee will not reconsider its present 5 to 7½ per cent target range for  $M_1$ , with which all of the short-run operating alternatives discussed in the preceding sections are consistent.

'Monetary Aggregate' proposal

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the months ahead.

(17) Should the Committee desire to formulate the directive in terms of bank reserve and money market conditions, the language needed would depend on the specific conditions sought. Alternative "money market" directives intended to correspond to the similarly lettered policy alternatives are given below.

Alternative "Money Market" proposals

Alternative A

To implement this policy while taking account of developments in domestic and international financial markets, the Committee seeks to achieve SOMEWHAT EASIER bank reserve and money market conditions OVER THE PERIOD IMMEDIATELY AHEAD, PROVIDED THAT MONETARY AGGREGATES DO NOT APPEAR TO BE GROWING AT RATES ABOVE THOSE CURRENTLY EXPECTED ~~consistent-with-moderate-growth-in-monetary-aggregates over-the-months-ahead.~~

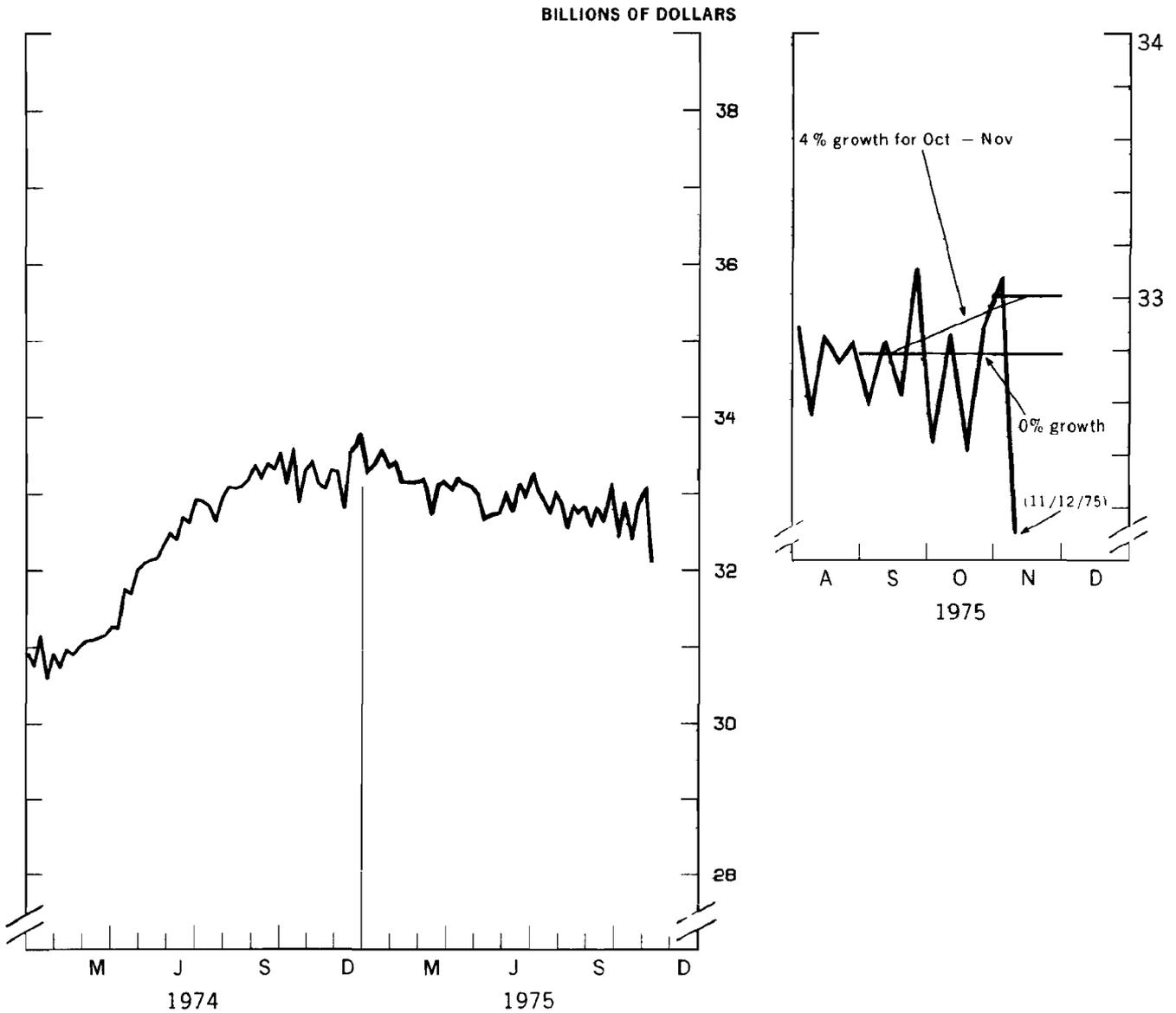
Alternative B

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve MAINTAIN PREVAILING bank reserve and money market conditions OVER THE PERIOD IMMEDIATELY AHEAD, PROVIDED THAT MONETARY AGGREGATES APPEAR TO BE GROWING AT ABOUT THE RATES CURRENTLY EXPECTED ~~consistent-with-moderate-growth-in-monetary aggregates-over-the-months-ahead.~~

Alternative C

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve SOMEWHAT FIRMER bank reserve and money market conditions OVER THE PERIOD IMMEDIATELY AHEAD, PROVIDED THAT MONETARY AGGREGATES DO NOT APPEAR TO BE GROWING AT RATES BELOW THOSE CURRENTLY EXPECTED ~~consistent-with-moderate-growth in-monetary-aggregates-over-the-months-ahead.~~

# RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS

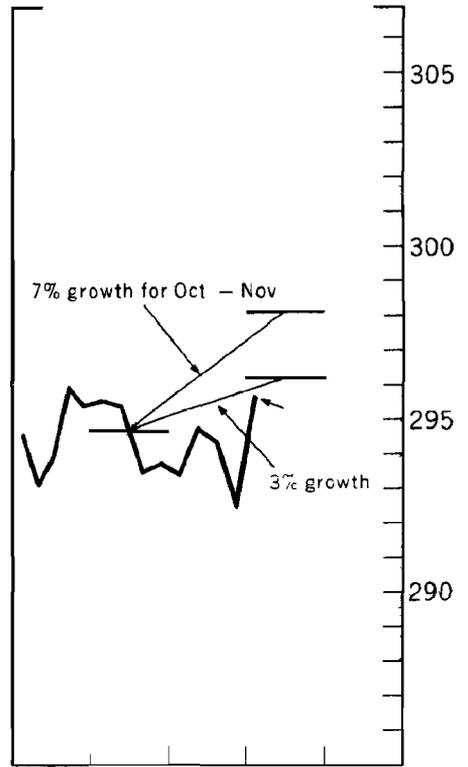
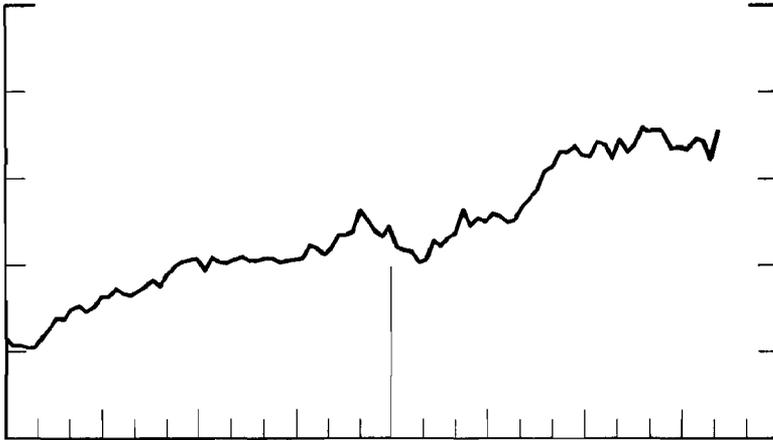


RPD series has been adjusted to remove discontinuities associated with changes in reserve requirement ratios

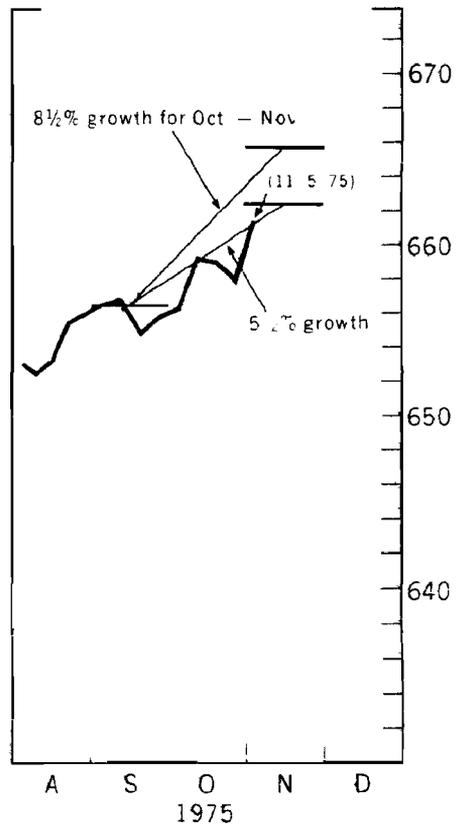
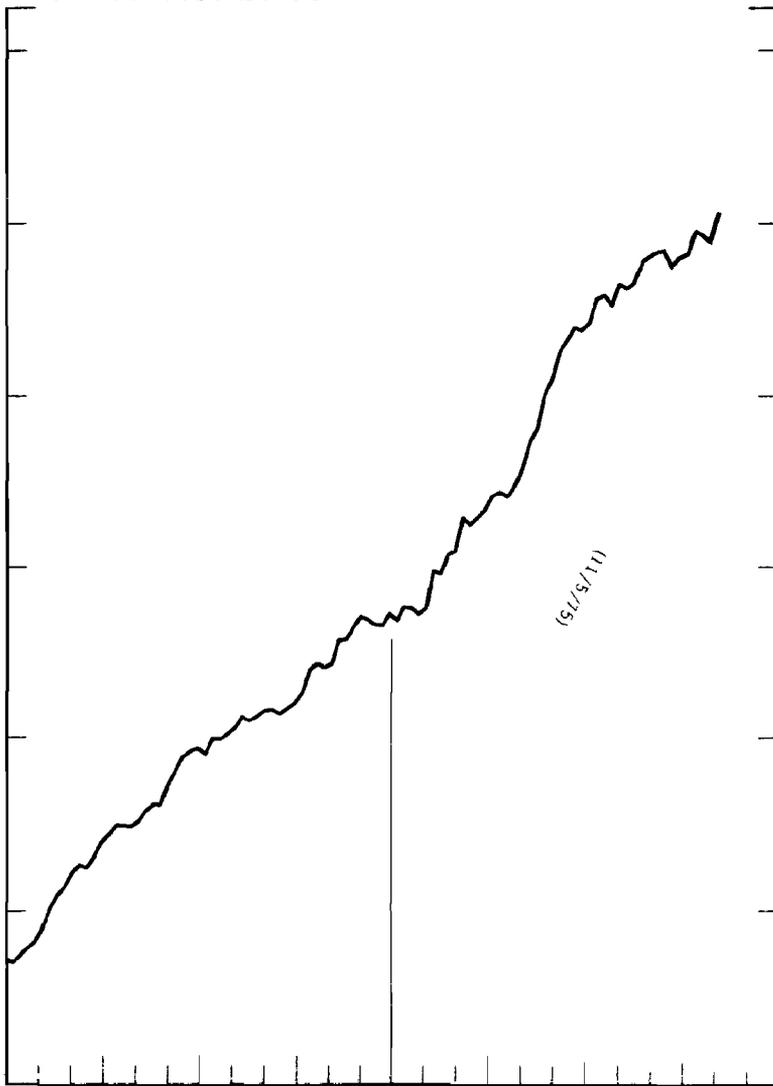
# MONETARY AGGREGATES

### NARROW MONEY SUPPLY M1

BILLIONS OF DOLLARS



### BROADER MONEY SUPPLY M2



1974

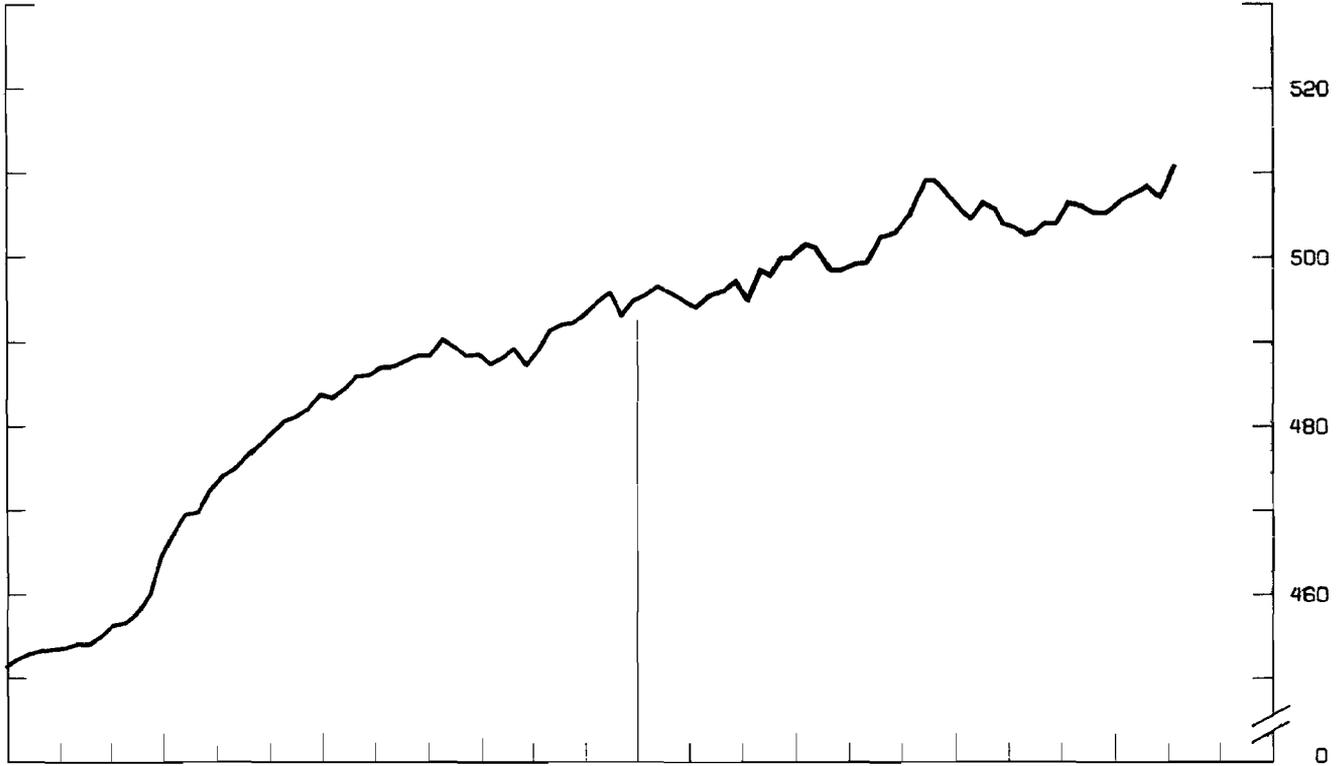
1975

A S O N D  
1975

# MONETARY AGGREGATES

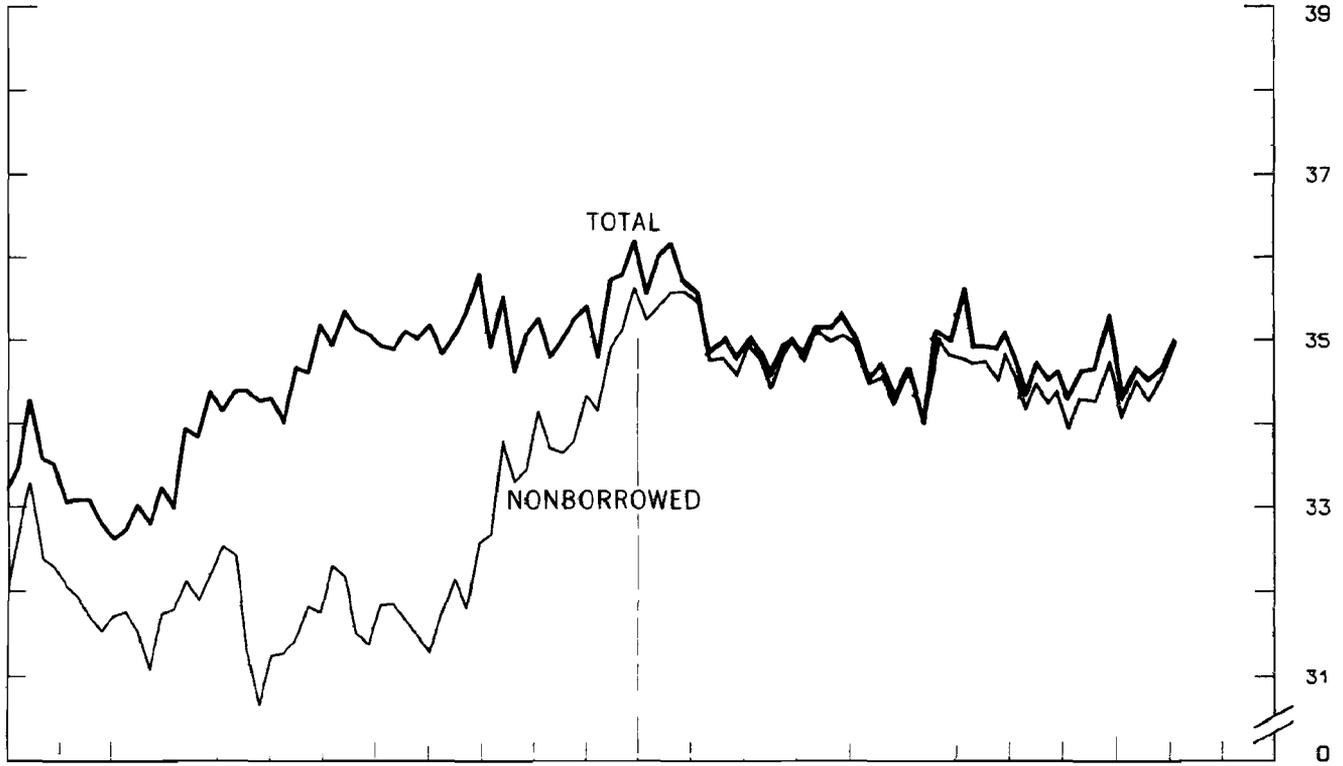
ADJUSTED CREDIT PROXY

BILLIONS OF DOLLARS



RESERVES

BILLIONS OF DOLLARS



1974

1975

Total and nonborrowed reserve series have been adjusted to remove discontinuities associated with changes in reserve requirement ratios

# MONEY MARKET CONDITIONS AND INTEREST RATES

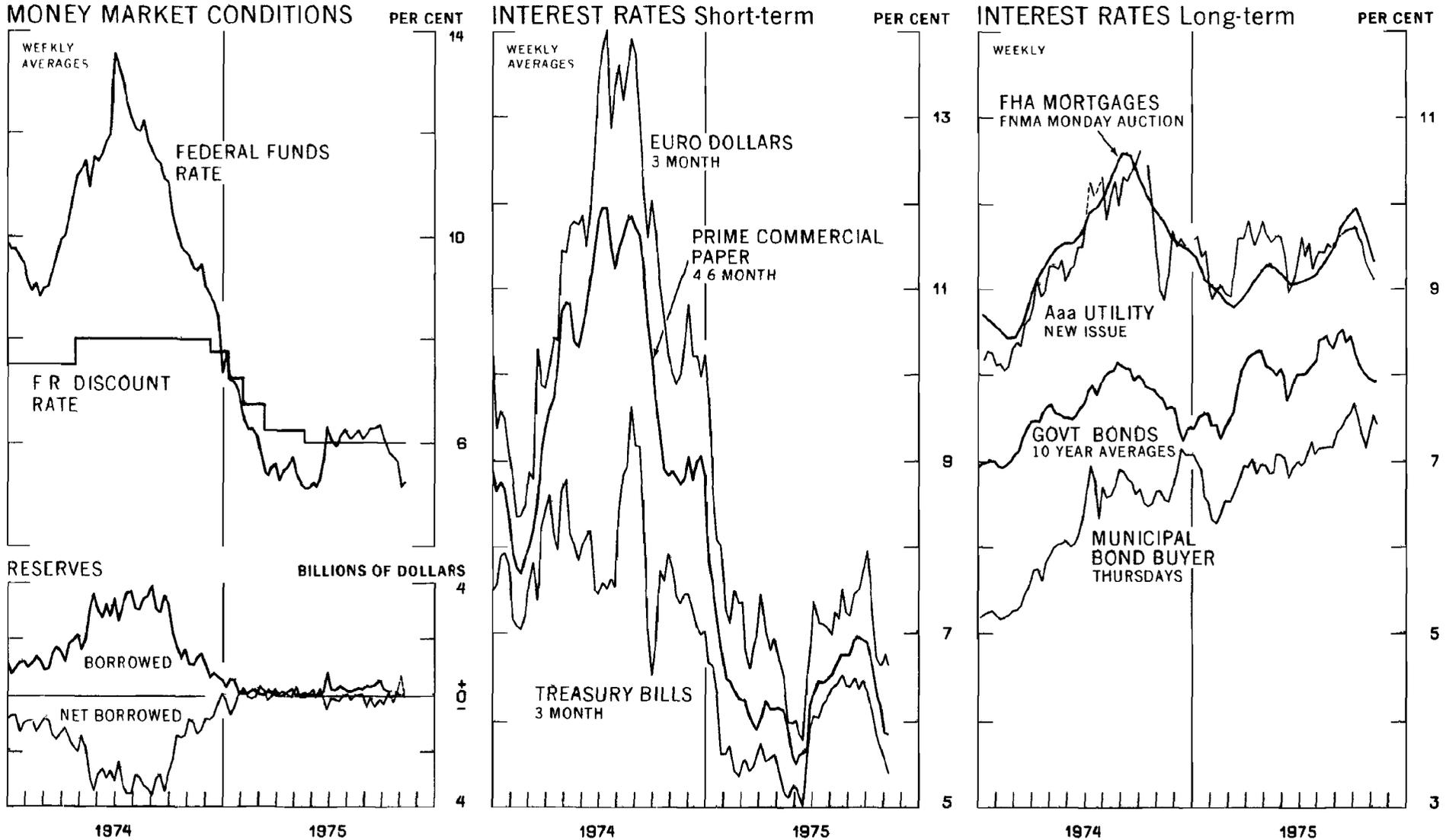


TABLE 1  
**BANK RESERVES**  
(ACTUAL AND CURRENT PROJECTIONS)

NOV. 14, 1975

| Period                            | RESERVES AVAILABLE FOR PRIVATE NONBANK DEPOSITS |          | AGGREGATE RESERVES |                      | REQUIRED RESERVES   |                |                     |                      |
|-----------------------------------|---|----------|--------------------|----------------------|---------------------|----------------|---------------------|----------------------|
|                                   |   |          | Total Reserves     | Nonborrowed Reserves | SEASONALLY ADJUSTED |                |                     |                      |
|                                   | SA  | NSA      |                    |                      | Total Required      | Private Demand | Total Time Deposits | Gov't. and Interbank |
|                                   | 1   | 2        | 3                  | 4                    | 5                   | 6              | 7                   | 8                    |
| <b>MONTHLY LEVELS--\$MILLIONS</b> |   |          |                    |                      |                     |                |                     |                      |
| 1975--AUG.                        | 32,409  | 32,164   | 34,208             | 33,496               | 34,012              | 19,796         | 12,421              | 1,796                |
| SEPT.                             | 32,425  | 32,242   | 34,320             | 33,923               | 34,129              | 19,870         | 12,365              | 1,894                |
| OCT.                              | 32,355  | 32,257   | 34,259             | 34,069               | 34,050              | 19,628         | 12,519              | 1,904                |
| NOV.                              | (32,537)  | (32,549) | (34,547)           | (34,485)             | (34,286)            | (19,693)       | (12,584)            | (2,010)              |
| <b>PERCENT ANNUAL GROWTH</b>      |   |          |                    |                      |                     |                |                     |                      |
| <b>QUARTERLY</b>                  |   |          |                    |                      |                     |                |                     |                      |
| 1975--1ST QTR.                    | -4.7  |          | -8.4               | -1.3                 | -7.8                | -4.2           | -3.4                |                      |
| 2ND QTR.                          | 0.6   |          | 1.2                | -0.2                 | 1.2                 | 11.7           | -15.4               |                      |
| 3RD QTR.                          | -2.5  |          | -2.2               | -4.2                 | -2.1                | 1.4            | -8.7                |                      |
| <b>QUARTERLY-AV</b>               |   |          |                    |                      |                     |                |                     |                      |
| 1975--1ST QTR.                    | -1.4  |          | -0.9               | 11.6                 | -0.7                | -3.3           | 2.3                 |                      |
| 2ND QTR.                          | -2.5  |          | -3.7               | -2.8                 | -3.6                | 5.0            | -17.0               |                      |
| 3RD QTR.                          | -1.1  |          | -0.8               | -2.8                 | -1.1                | 5.7            | -12.2               |                      |
| <b>MONTHLY</b>                    |   |          |                    |                      |                     |                |                     |                      |
| 1975--AUG.                        | -6.1  |          | -14.6              | -11.5                | -14.9               | -3.1           | -12.2               |                      |
| SEPT.                             | 0.6   |          | 3.9                | -2.6                 | 4.1                 | 4.5            | -5.4                |                      |
| OCT.                              | -2.6  |          | -2.1               | 5.2                  | -2.8                | -14.6          | 14.9                |                      |
| NOV.                              | (6.8)   |          | (10.1)             | (14.7)               | (8.3)               | (4.0)          | (6.2)               |                      |
| OCT.-NOV.                         | (2.1)   |          | (4.0)              | (9.9)                | (2.8)               | (-5.2)         | (10.6)              |                      |
| <b>WEEKLY LEVELS--\$MILLIONS</b>  |   |          |                    |                      |                     |                |                     |                      |
| 1975--OCT. 1                      | 32,744  | 32,911   | 34,929             | 34,348               | 34,467              | 19,879         | 12,406              | 2,183                |
| 8                                 | 32,088  | 31,819   | 33,945             | 33,706               | 33,969              | 19,655         | 12,457              | 1,857                |
| 15                                | 32,502  | 32,344   | 34,312             | 34,139               | 33,999              | 19,660         | 12,525              | 1,809                |
| 22                                | 32,052  | 31,992   | 34,153             | 33,920               | 34,124              | 19,483         | 12,540              | 2,101                |
| 29                                | 32,519  | 32,535   | 34,320             | 34,225               | 34,034              | 19,478         | 12,556              | 1,800                |
| NOV. 5                            | 33,070  | 33,119   | 35,001             | 34,934               | 34,106              | 19,628         | 12,547              | 1,931                |
| 12                                | 32,096  | 31,986   | 33,859             | 33,819               | 33,830              | 19,496         | 12,573              | 1,761                |

NOTE: RESERVE SERIES HAVE BEEN ADJUSTED TO REMOVE DISCONTINUITIES ASSOCIATED WITH CHANGES IN RESERVE REQUIREMENT RATIO. DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS. AT THE FOMC MEETING OF OCT. 21, 1975 THE COMMITTEE AGREED ON A RPD RANGE OF 0.6 TO 4.0 PERCENT FOR THE OCT.-NOV. PERIOD.

Table 2

CONFIDENTIAL (F R.)  
CLASS II FOMC  
NOV. 14, 1975

# MONETARY AGGREGATES

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

| Period                    | MONEY SUPPLY   |               | Adjusted<br>Credit<br>Proxy | U S<br>Govt<br>Deposits | TIME AND SAVINGS DEPOSITS |                    |         | Nondeposit<br>Sources of<br>Funds |
|---------------------------|----------------|---------------|-----------------------------|-------------------------|---------------------------|--------------------|---------|-----------------------------------|
|                           | Narrow<br>(M1) | Broad<br>(M2) |                             |                         | Total                     | Other<br>Than CD's | CD's    |                                   |
|                           | 1              | 2             | 3                           | 4                       | 5                         | 6                  | 7       | 8                                 |
| MONTHLY LEVELS-\$BILLIONS |                |               |                             |                         |                           |                    |         |                                   |
| 1975--AUG.                | 294.2          | 653.7         | 503.0                       | 2.9                     | 437.4                     | 359.4              | 78.0    | 7.0                               |
| SEPT.                     | 294.7          | 656.3         | 505.8                       | 3.1                     | 440.7                     | 361.7              | 79.1    | 7.0                               |
| OCT.                      | 244.0          | 658.5         | 508.0                       | 2.9                     | 445.8                     | 364.5              | 81.3    | 7.9                               |
| NOV.                      | (296.7)        | (664.7)       | (511.7)                     | ( 3.4)                  | (449.0)                   | (367.5)            | ( 81.1) | ( 7.4)                            |
| PERCENT ANNUAL GROWTH     |                |               |                             |                         |                           |                    |         |                                   |
| QUARTERLY                 |                |               |                             |                         |                           |                    |         |                                   |
| 1975--1ST QTR.            | 0.8            | 7.6           | 3.1                         |                         | 10.1                      | 13.4               | -2.2    |                                   |
| 2ND QTR.                  | 11.2           | 13.4          | 7.5                         |                         | 6.7                       | 15.3               | -25.4   |                                   |
| 3RD QTR.                  | 2.3            | 6.3           | -1.3                        |                         | 3.2                       | 9.7                | -23.6   |                                   |
| QUARTERLY-AV              |                |               |                             |                         |                           |                    |         |                                   |
| 1975--1ST QTR.            | -0.3           | 5.8           | 4.1                         |                         | 12.7                      | 11.0               | 19.2    |                                   |
| 2ND QTR.                  | 8.6            | 11.2          | 5.2                         |                         | 5.2                       | 13.3               | -24.0   |                                   |
| 3RD QTR.                  | 0.9            | 10.4          | 1.4                         |                         | 4.9                       | 13.2               | -29.3   |                                   |
| MONTHLY                   |                |               |                             |                         |                           |                    |         |                                   |
| 1975--AUG.                | 2.4            | 5.9           | -5.5                        |                         | -4.6                      | 8.1                | -59.9   |                                   |
| SEPT.                     | 2.0            | 4.8           | 6.7                         |                         | 9.1                       | 7.7                | 16.9    |                                   |
| OCT.                      | -2.9           | 4.0           | 5.2                         |                         | 13.9                      | 9.3                | 32.4    |                                   |
| NOV.                      | ( 11.0)        | ( 11.3)       | ( 8.7)                      |                         | ( 8.6)                    | ( 11.2)            | ( -3.0) |                                   |
| OCT.-NOV.                 | ( 4.1)         | ( 7.7)        | ( 7.0)                      |                         | ( 11.3)                   | ( 10.3)            | ( 15.2) |                                   |
| WEEKLY LEVELS-\$BILLIONS  |                |               |                             |                         |                           |                    |         |                                   |
| 1975--OCT. 1              | 293.7          | 655.8         | 505.3                       | 1.9                     | 443.0                     | 362.1              | 80.9    | 7.1                               |
| 8                         | 293.4          | 656.3         | 506.9                       | 2.9                     | 444.5                     | 362.4              | 81.6    | 7.5                               |
| 15                        | 294.7          | 659.1         | 507.9                       | 3.3                     | 445.8                     | 364.4              | 81.4    | 7.8                               |
| 22                        | 294.3          | 659.0         | 508.7                       | 3.5                     | 445.7                     | 364.6              | 81.0    | 8.4                               |
| 29                        | 292.5          | 658.0         | 507.2                       | 2.3                     | 446.7                     | 365.5              | 81.3    | 7.9                               |
| NOV. 5 P                  | 295.7          | 661.9         | 510.2                       | 3.0                     | 447.2                     | 366.2              | 81.1    | 8.0                               |

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

P - PRELIMINARY

TABLE 3  
 RESERVE EFFECT OF  
 OPEN MARKET OPERATIONS AND OTHER RESERVE FACTORS  
 (Millions of dollars, not seasonally adjusted)

| Period        | Open Market Operations 1/ |                   |                   |              |           | Daily Average Reserve Effects 2/ |                             |                      | In Reserve Categories                    |  | Δ Target                   |
|---------------|---------------------------|-------------------|-------------------|--------------|-----------|----------------------------------|-----------------------------|----------------------|--|--|----------------------------|
|               | Bills & Accept. (1)       | Coupon Issues (2) | Agency Issues (3) | RP's Net (4) | Total (5) | Open Market Operations (6)       | Δ Member Bank Borrowing (7) | Other 4/ Factors (8) | Req. res. against U.S.G. and interb. (9) | available res. 2/ (6)+(7)+(8)-(9) (10) | available reserves 5/ (11) |
| 1975--Apr.    | 1,319                     | 1,070             | -2                | 5,442        | 7,829     | 2,229                            | 4                           | -1,767               | 54                                       | 412                                    | 495                        |
| May           | 197                       | 50                | -97               | -3,357       | -3,207    | 5,064                            | -50                         | -5,747               | 1  | -734                                   | -170                       |
| June          | -413                      | 958               | -6                | -1,855       | -1,317    | -3,165                           | 211                         | 3,438                | -96                                      | 580                                    | 215                        |
| July          | -2,302                    | --                | -2                | -623         | -2,926    | -832                             | -10                         | 553                  | 167                                      | -456                                   | -325                       |
| Aug.          | -371                      | 274               | 313               | 1,007        | 1,222     | -1,332                           | -50                         | 1,210                | -124                                     | -48                                    | -45                        |
| Sept.         | 1,932                     | 822               | 393               | 2,008        | 5,155     | 2,458                            | 186                         | -2,432               | 98                                       | 114                                    | 10                         |
| Oct.          | 147                       | --                | 284               | 15           | 445       | 1,276                            | -204p                       | -1,135p              | 7p                                       | -70p                                   | 265                        |
| Nov.          |                           |                   |                   |              |           |                                  |                             |                      |  |  | 278                        |
| Dec.          |                           |                   |                   |              |           |                                  |                             |                      |  |  |                            |
| 1975--Sept. 3 | -113                      | 273               | -1                | 2,225        | 2,384     | 747                              | -50                         | -638                 | 17                                       | 42                                     |                            |
| 10            | -223                      | --                | -1                | -3,833       | -4,057    | -1,857                           | 163                         | 1,263                | 25                                       | -456                                   |                            |
| 17            | 309                       | 456               | --                | -794         | -29       | 678                              | -58                         | -166                 | 1  | 453                                    |                            |
| 24            | 1,427                     | 367               | --                | 6,512        | 8,306     | 3,399                            | 68                          | -3,402               | 143                                      | -78                                    |                            |
| Oct. 1        | 435                       | --                | 394               | -1,092       | -263      | 2,798                            | 186                         | -2,157               | 61                                       | 766                                    |                            |
| 8             | -240                      | --                | --                | -5,806       | -6,047    | -2,763                           | -343                        | 1,922                | -86                                      | -1,098                                 |                            |
| 15            | -932                      | --                | --                | 1,548        | 616       | -1,935                           | -65                         | 2,462                | -65                                      | 527p                                   |                            |
| 22            | 501                       | --                | --                | 3,527        | 4,028     | 935                              | 60                          | -1,112               | 236                                      | -353p                                  |                            |
| 29            | 690                       | --                | 284               | 793          | 1,767     | 2,418                            | -138                        | -2,156p              | -422p                                    | 546p                                   |                            |
| Nov. 5        | -85                       | --                | -1                | -7,526       | -7,612    | 407                              | -28                         | -165p                | 82p                                      | 132p                                   |                            |
| 12            | -910                      | --                | --                | 6,114        | 5,204     | -4,580                           | -27                         | 3,465p               | -95p                                     | -1,047p                                |                            |
| 19            |                           |                   |                   |              |           |                                  |                             |                      |  |  |                            |
| 26            |                           |                   |                   |              |           |                                  |                             |                      |  |  |                            |

1/ Represents change in System's portfolio from end-of-period to end-of-period; includes redemptions in regular bill auctions.  
 2/ Represents change in daily average level for preceeding period.  
 3/ Includes matched sale-purchase transactions as well as RP's  
 4/ Sum of changes in vault cash, currency in circulation, Treasury operations, FR. float, gold and foreign accounts, and other F.R. accounts.  
 5/ Reserves to support private nonbank deposits. Target change for October and November reflects the target adopted at the October 21, 1975 FOMC meeting. Target change for previous months reflects the bluebook patterns that are consistent with target ranges that were adopted during the month.  
 P - Preliminary.

TABLE 4  
 NET CHANGES IN SYSTEM HOLDINGS OF SECURITIES 1/  
 (\$ millions, not seasonally adjusted)

| Period         | Treasury Bills<br>Net Change 2/ | Treasury Coupons<br>Net Purchases 3/ |       |        |            |       | Federal Agencies<br>Net Purchases 4/ |       |        |            |       | Net Change<br>Outright<br>Holdings<br>Total 5/ | RP's<br>Net 6/ |
|----------------|---------------------------------|--------------------------------------|-------|--------|------------|-------|--------------------------------------|-------|--------|------------|-------|--|----------------|
|                |                                 | Within<br>1-year                     | 1 - 5 | 5 - 10 | Over<br>10 | Total | Within<br>1-year                     | 1 - 5 | 5 - 10 | Over<br>10 | Total |  |                |
|                |                                 |                                      |       |        |            |       |                                      |       |        |            |       |  |                |
| 1972           | -490                            | 87                                   | 789   | 539    | 167        | 1,582 | 46                                   | 592   | 253    | 168        | 1,059 | 1,631  | -1,358         |
| 1973           | 7,232                           | 207                                  | 579   | 500    | 129        | 1,415 | 120                                  | 400   | 244    | 101        | 864   | 9,273  | -46            |
| 1974           | 1,280                           | 320                                  | 797   | 434    | 196        | 1,747 | 439                                  | 1,665 | 659    | 318        | 3,082 | 6,303  | -154           |
| 1974--Qtr. III | 945                             | 49                                   | 118   | 62     | 73         | 302   | 195                                  | 726   | 165    | 117        | 1,203 | 2,620  | -986           |
| Qtr. IV        | -43                             | 102                                  | 215   | 131    | 45         | 492   | 138                                  | 371   | 130    | 53         | 691   | 1,402  | -238           |
| 1975--Qtr. I   | -2,093                          | 33                                   | 1,054 | 625    | 312        | 2,024 | 69                                   | 169   | 285    | 61         | 584   | 508  | 53             |
| Qtr. II        | 1,086                           | 218                                  | 1,135 | 454    | 273        | 2,079 | --                                   | --    | -2     | --         | -2    | 3,076  | 230            |
| Qtr. III       | -757                            | 13                                   | 712   | 201    | 171        | 1,096 | 64                                   | 514   | 106    | 63         | 747   | 1,060  | 2,392          |
| 1975--May      | 143                             | 50                                   | --    | --     | --         | 50    | --                                   | --    | --     | --         | --    | 150  | -3,357         |
| June           | -352                            | 20                                   | 650   | 180    | 109        | 958   | --                                   | --    | --     | --         | --    | 539  | -1,855         |
| July           | -2,305                          | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -2,304   | -623           |
| Aug.           | -369                            | 13                                   | 150   | 64     | 47         | 274   | 41                                   | 229   | 49     | 34         | 353   | 216  | 1,007          |
| Sept.          | 1,917                           | --                                   | 562   | 137    | 124        | 822   | 23                                   | 285   | 57     | 29         | 394   | 3,148  | 2,008          |
| Oct.           | 97                              | --                                   | --    | --     | --         | --    | 58                                   | 141   | 71     | 14         | 284   | 430  | 15             |
| 1975--Sept. 3  | -116                            | 13                                   | 150   | 64     | 47         | 273   | --                                   | --    | --     | --         | --    | 159  | 2,225          |
| 10             | -200                            | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -223   | -3,833         |
| 17             | 309                             | --                                   | 314   | 91     | 51         | 456   | --                                   | --    | --     | --         | --    | 765  | -794           |
| 24             | 1,396                           | --                                   | 248   | 46     | 73         | 367   | --                                   | --    | --     | --         | --    | 1,794  | 6,512          |
| Oct. 1         | 413                             | --                                   | --    | --     | --         | --    | 23                                   | 285   | 57     | 29         | 394   | 829  | -1,092         |
| 8              | -239                            | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -240   | -5,806         |
| 15             | -926                            | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -932   | 1,548          |
| 22             | 479                             | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | 502  | 3,527          |
| 29             | 671                             | --                                   | --    | --     | --         | --    | 58                                   | 141   | 71     | 14         | 284   | 974  | 793            |
| Nov. 5         | -93                             | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -85  | -7,526         |
| 12             | -882                            | --                                   | --    | --     | --         | --    | --                                   | --    | --     | --         | --    | -910   | 6,114          |
| 19             |                                 |                                      |       |        |            |       |                                      |       |        |            |       |  |                |
| 26             |                                 |                                      |       |        |            |       |                                      |       |        |            |       |  |                |

1/ Change from end-of-period to end-of-period.

2/ Outright transactions in market and with foreign accounts, and redemptions (-) in bill auctions.

3/ Outright transactions in market and with foreign accounts and short-term notes acquired in exchange for maturing bills. Excludes maturity shifts, rollovers of maturing coupon issues, and direct Treasury borrowings from the System.

4/ Outright transactions in market and with foreign accounts only. Excludes redemptions and maturity shifts.

5/ In addition to net purchases of securities, also reflects changes in System holdings of bankers' acceptances, direct Treasury borrowings from the System, and redemptions (-) of Agency and Treasury coupon issues.

6/ Includes changes in both RP's (+) and matched sale-purchase transactions (-).

TABLE 5

SECURITY DEALER POSITIONS AND BANK POSITIONS  
(millions of dollars)

| Period        | U.S. Govt. Security Dealer Positions |                      | Dealer Positions       |                        | Member Bank Reserve Positions |                    |                 |                       |                  |
|---------------|--------------------------------------|----------------------|------------------------|------------------------|-------------------------------|--------------------|-----------------|-----------------------|------------------|
|               | Bills<br>(1)                         | Coupon Issues<br>(2) | Corporate Bonds<br>(3) | Municipal Bonds<br>(4) | Excess** Reserves<br>(5)      | Borrowing at FRB** |                 | Basic Reserve Deficit |                  |
|               |                                      |                      |                        |                        |                               | Total<br>(6)       | Seasonal<br>(7) | 8 New York<br>(8)     | 38 Others<br>(9) |
| 1974--High    | 3,678                                | 2,203                | 253                    | 384                    | 577                           | 3,906              | 176             | -7,870                | -12,826          |
| Low           | -289                                 | -309                 | 0                      | 27                     | -168                          | 647                | 13              | -2,447                | - 6,046          |
| 1975--High    | 7,029                                | 2,845                | 464                    | 389                    | 462                           | 871                | 74              | -7,387                | -11,390          |
| Low           | 1,586                                | 253                  | 0                      | 48                     | -50                           | 18                 | 5               | -1,757                | - 7,207          |
| 1974--Oct.    | 2,174                                | 654                  | 25                     | 166                    | 197                           | 1,813              | 117             | -4,602                | - 8,689          |
| Nov.          | 2,900                                | 1,608                | 83                     | 268                    | 205                           | 1,252              | 67              | -6,322                | - 9,715          |
| Dec.          | 2,985                                | 1,836                | 175                    | 149                    | 258                           | 727                | 32              | -5,960                | -10,169          |
| 1975--Jan.    | 2,501                                | 2,050                | 97                     | 79                     | 147                           | 398                | 14              | -5,378                | - 9,744          |
| Feb.          | 3,329                                | 2,121                | 144                    | 166                    | 198                           | 147                | 11              | -6,318                | - 9,533          |
| Mar.          | 3,143                                | 2,521                | 307                    | 195                    | 195                           | 96                 | 7               | -5,732                | -10,302          |
| Apr.          | 2,737                                | 1,617                | 35                     | 115                    | 143                           | 110                | 6               | -4,079                | -10,426          |
| May           | 4,744                                | 1,752                | 91                     | 170                    | 155                           | 66                 | 9               | -3,965                | - 9,567          |
| June          | 5,201                                | 1,351                | 89                     | 118                    | 201                           | 227                | 11              | -5,821                | - 9,344          |
| July          | 4,231                                | 1,246                | 60                     | 135                    | 188                           | 259                | 17              | -5,546                | - 9,896          |
| Aug.          | 4,020                                | 1,204                | 44                     | 181                    | 195                           | 211                | 37              | -3,964                | - 9,966          |
| Sept.         | 5,008                                | 588                  | 31                     | 122                    | 191                           | 397                | 58              | -3,551                | - 9,015          |
| Oct.          | 5,766                                | 1,480                | 14                     | 123                    | 207p                          | 188p               | 65p             | -2,644                | - 9,202          |
| 1975--Sept. 3 | 4,294                                | 1,103                | 1                      | 183                    | 301                           | 222                | 51              | -2,745                | - 9,391          |
| 10            | 5,070                                | 894                  | 33                     | 84                     | -6                            | 385                | 54              | -4,884                | -10,478          |
| 17            | 5,384                                | 253                  | 30                     | 113                    | 267                           | 327                | 61              | -3,932                | -10,094          |
| 24            | 4,779                                | 477                  | 58                     | 107                    | 33                            | 395                | 64              | -3,190                | - 8,393          |
| Oct. 1        | 4,657                                | 462                  | 5                      | 142                    | 462                           | 581                | 74              | -2,575                | - 7,207          |
| 8             | 5,812                                | 846                  | 0                      | 154                    | -24                           | 238                | 74              | -2,663                | - 9,923          |
| 15            | 7,029                                | 1,576                | 17                     | 86                     | 313                           | 173                | 66              | -3,475                | -10,042          |
| 22            | *6,037                               | *1,835               | 10                     | 110                    | 29p                           | 223p               | 63p             | -2,236                | - 9,398          |
| 29            | *5,085                               | *1,456               | 25                     | 122                    | 286p                          | 95p                | 61p             | -2,206                | - 7,661          |
| Nov. 5        | *4,928                               | *2,751               | 48                     | 194                    | 803p                          | 67p                | 43p             | -2,821p               | - 8,819p         |
| 12            | *4,050                               | *2,585               | 69p                    | 110p                   | 23p                           | 40p                | 27p             | -5,092p               | -11,372p         |
| 19            |                                      |                      |                        |                        |                               |                    |                 |                       |                  |
| 26            |                                      |                      |                        |                        |                               |                    |                 |                       |                  |

NOTE: Government security dealer trading positions are on a commitment basis. Trading positions, which exclude Treasury bills financed by repurchase agreements maturing in 16 days or more, are indicators of dealer holdings for sale over the near-term. Other security dealer positions issues still in syndicate, excluding trading positions. The basic reserve deficit is excess reserves less borrowing at Federal Reserve less net Federal funds purchases. Weekly data are daily averages for statement weeks, except for corporate and municipal issues in syndicate which are Friday figures.

\* STRICTLY CONFIDENTIAL

\*\* Monthly averages for excess reserves and borrowings are weighted averages of statement week figures.

TABLE 6  
SELECTED INTEREST RATES  
 (Per Cent)

| Period        | Short-Term    |                |        |                             |                    |           | Long-Term        |       |                      |  |                      |
|---------------|---------------|----------------|--------|-----------------------------|--------------------|-----------|------------------|-------|----------------------|--|----------------------|
|               | Federal Funds | Treasury Bills |        | 90-119 Day Commercial Paper | CD's New Issue-NYC |           | Aaa Utility      |       | Municipal Bond Buyer | U.S. Government (20-yr. Constant Maturity) | FNMA Auctions Yields |
|               |               | 90-day         | 1-year | 60-89 Day                   | 90-119 Day         | New Issue | Recently Offered |       |                      |  |                      |
| (1)           | (2)           | (3)            | (4)    | (5)                         | (6)                | (7)       | (8)              | (9)   | (10)                 | (11)                                       |                      |
| 1974--High    | 13.55         | 9.63           | 9.54   | 12.25                       | 12.25              | 12.00     | 10.61            | 10.52 | 7.15                 | 8.68                                       | 10.59                |
| Low           | 8.45          | 6.53           | 6.39   | 7.88                        | 8.00               | 7.88      | 8.05             | 8.14  | 5.16                 | 7.40                                       | 8.43                 |
| 1975--High    | 7.70          | 6.68           | 7.31   | 8.43                        | 7.88               | 7.75      | 9.80             | 9.71  | 7.67                 | 8.63                                       | 9.95                 |
| Low           | 5.13          | 5.02           | 5.46   | 5.38                        | 5.25               | 5.38      | 8.89             | 9.06  | 6.27                 | 7.63                                       | 8.78                 |
| 1974--Oct.    | 10.06         | 7.46           | 7.59   | 9.55                        | 9.35               | 9.33      | 10.16            | 10.23 | 6.57                 | 8.37                                       | 10.22                |
| Nov.          | 9.45          | 7.47           | 7.29   | 8.95                        | 8.78               | 8.72      | 9.21             | 9.34  | 6.61                 | 7.99                                       | 9.87                 |
| Dec.          | 8.53          | 7.15           | 6.79   | 9.18                        | 9.00               | 8.84      | 9.53             | 9.56  | 7.05                 | 7.91                                       | 9.53                 |
| 1975--Jan.    | 7.13          | 6.26           | 6.27   | 7.39                        | 7.43               | 7.45      | 9.36             | 9.45  | 6.82                 | 7.88                                       | 9.25                 |
| Feb.          | 6.24          | 5.50           | 5.56   | 6.36                        | 6.00               | 6.25      | 8.97             | 9.09  | 6.39                 | 7.71                                       | 8.93                 |
| Mar.          | 5.54          | 5.49           | 5.70   | 6.06                        | 5.88               | 6.03      | 9.35             | 9.38  | 6.74                 | 7.99                                       | 8.82                 |
| Apr.          | 5.49          | 5.61           | 6.40   | 6.11                        | 5.85               | 6.03      | 9.67             | 9.66  | 6.94                 | 8.36                                       | 9.06                 |
| May           | 5.22          | 5.23           | 5.91   | 5.70                        | 5.44               | 5.63      | 9.63             | 9.65  | 6.97                 | 8.22                                       | 9.27                 |
| June          | 5.55          | 5.34           | 5.86   | 5.67                        | 5.34               | 5.51      | 9.20             | 9.33  | 6.94                 | 8.04                                       | 9.09                 |
| July          | 6.10          | 6.13           | 6.64   | 6.32                        | 6.05               | 6.25      | 9.42             | 9.43  | 7.06                 | 8.17                                       | 9.14                 |
| Aug.          | 6.14          | 6.44           | 7.16   | 6.59                        | 6.31               | 6.63      | 9.45             | 9.49  | 7.17                 | 8.50                                       | 9.41                 |
| Sept.         | 6.24          | 6.42           | 7.20   | 6.79                        | 6.44               | 6.81      | 9.68             | 9.57  | 7.44                 | 8.57                                       | 9.78                 |
| Oct.          | 5.82          | 5.96           | 6.48   | 6.35                        | 6.08               | 6.45      | 9.45             | 9.43  | 7.39                 | 8.35                                       | 9.80                 |
| 1975--Sept. 3 | 6.06          | 6.40           | 7.08   | 6.69                        | 6.38               | 6.75      | --               | 9.41  | 7.34                 | 8.47                                       | --                   |
| 10            | 6.15          | 6.39           | 7.06   | 6.75                        | 6.38               | 6.88      | 9.64             | 9.50  | 7.40                 | 8.61                                       | 9.70                 |
| 17            | 6.28          | 6.48           | 7.31   | 6.80                        | 6.50               | 6.88      | 9.68             | 9.61  | 7.49                 | 8.63                                       | --                   |
| 24            | 6.29          | 6.36           | 7.21   | 6.83                        | 6.50               | 6.75      | 9.70             | 9.70  | 7.54                 | 8.52                                       | 9.86                 |
| Oct. 1        | 6.36          | 6.47           | 7.26   | 6.80                        | 6.50               | 7.00      | 9.72             | 9.70  | 7.67                 | 8.59                                       | --                   |
| 8             | 6.06          | 6.32           | 6.88   | 6.83                        | 6.38               | 6.75      | 9.60             | 9.56  | 7.48                 | 8.43                                       | 9.95                 |
| 15            | 5.82          | 6.13           | 6.61   | 6.53                        | 6.13               | 6.38      | 9.53             | 9.41  | 7.29                 | 8.34                                       | --                   |
| 22            | 5.73          | 5.83           | 6.37   | 6.23                        | 5.75               | 6.00      | 9.32             | 9.30  | 7.17                 | 8.26                                       | 9.65                 |
| 29            | 5.65          | 5.66           | 6.18   | 5.93                        | 5.63               | 6.13      | 9.22             | 9.33  | 7.36                 | 8.22                                       | --                   |
| Nov. 5        | 5.17          | 5.52           | 5.87   | 5.88                        | 5.88               | 6.13      | 9.10             | 9.24  | 7.52                 | 8.19                                       | 9.32                 |
| 12            | 5.24          | 5.39           | 5.86   | 5.81                        | 5.63               | 6.00      | 9.08p            | 9.20p | 7.43                 | 8.19p                                      | --                   |
| 19            |               |                |        |                             |                    |           |                  |       |                      |  |                      |
| 26            |               |                |        |                             |                    |           |                  |       |                      |  |                      |
| Daily--Nov. 6 | 5.31          | 5.51           | 5.90   | 5.88                        | --                 | --        | --               | --    | --                   | 8.19                                       | --                   |
| 13            | 5.22p         | 5.37           | 5.97   | 5.75                        | --                 | --        | --               | --    | --                   | n.a.                                       | --                   |

NOTE: Weekly data for columns 1 to 4 are statement week averages of daily data. Columns 5 and 6 are one-day Wednesday quotes. For columns 7,8, and 10, the weekly date is the mid-point of the calendar week over which data are averaged. Column 9 is a one-day quote for Thursday following the end of the statement week. Column 11 gives FNMA auction data for the Monday preceeding the end of the statement week. The FNMA auction yield is the average yield in bi-weekly auction for short-term forward commitments for Government underwritten mortgages.

p - Preliminary

## MONEY AND CREDIT AGGREGATE MEASURES

| Period         | RESERVES <sup>1/</sup>            |              |                                   | BANK CREDIT MEASURES |                             | MONEY STOCK MEASURES |                |                |                |                |                |                |
|----------------|-----------------------------------|--------------|-----------------------------------|----------------------|-----------------------------|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                | Total                             | Non borrowed | Available to Support Pvt Deposits | Adj Credit proxy     | Total Loans and Investments | M <sub>1</sub>       | M <sub>2</sub> | M <sub>3</sub> | M <sub>4</sub> | M <sub>5</sub> | M <sub>6</sub> | M <sub>7</sub> |
|                | 1                                 | 2            | 3                                 | 4                    | 5                           | 6                    | 7              | 8              | 9              | 10             | 11             | 12             |
| ANNUALLY:      | (Per cent annual rates of growth) |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1972           | 10.8                              | 7.4          | 10.1                              | 11.3                 | 14.6                        | 8.7                  | 11.1           | 13.2           | 12.5           | 14.0           | 12.9           | 12.9           |
| 1973           | 7.9                               | 7.3          | 9.2                               | 10.4                 | 13.5                        | 6.1                  | 8.8            | 8.8            | 11.6           | 10.6           | 11.2           | 11.9           |
| 1974           | 8.5                               | 10.7         | 8.9                               | 10.2                 | 9.2                         | 4.8                  | 7.2            | 6.8            | 10.6           | 9.0            | 9.1            | 8.9            |
| SEMI-ANNUALLY: |                                   |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1ST HALF 1974  | 10.9                              | 0.3          | 12.6                              | 14.5                 | 15.0                        | 6.3                  | 8.7            | 7.9            | 13.3           | 10.9           | 11.0           | 11.0           |
| 2ND HALF 1974  | 5.9                               | 21.1         | 5.0                               | 5.4                  | 3.1                         | 3.1                  | 5.5            | 5.4            | 7.5            | 6.7            | 6.9            | 6.5            |
| 1ST HALF 1975  | -3.6                              | -0.7         | -2.1                              | 5.3                  | 5.1                         | 6.0                  | 10.6           | 13.0           | 7.5            | 10.7           | 10.1           | 9.9            |
| QUARTERLY:     |                                   |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 4TH QTR. 1974  | 3.6                               | 36.4         | 0.9                               | 4.2                  | -1.0                        | 5.3                  | 6.7            | 6.9            | 9.0            | 8.4            | 8.1            | 6.5            |
| 1ST QTR. 1975  | -8.4                              | -1.3         | -4.7                              | 3.1                  | 5.7                         | 0.8                  | 7.6            | 9.9            | 6.3            | 8.8            | 7.9            | 7.6            |
| 2ND QTR. 1975  | 1.2                               | -0.2         | 0.6                               | 7.5                  | 4.6                         | 11.2                 | 13.4           | 15.7           | 8.6            | 12.3           | 12.0           | 11.9           |
| 3RD QTR. 1975  | -2.2                              | -4.2         | -2.5                              | -1.3                 | 3.6                         | 2.3                  | 6.3            | 9.7            | 2.9            | 7.2            | 6.9            | 6.6            |
| QUARTERLY-AV:  |                                   |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 4TH QTR. 1974  | 1.4                               | 27.5         | 2.6                               | 3.5                  | 0.2                         | 3.9                  | 6.2            | 5.8            | 7.3            | 6.6            | 6.8            | 6.2            |
| 1ST QTR. 1975  | -0.9                              | 11.6         | -1.4                              | 4.1                  | 1.0                         | -0.3                 | 5.8            | 7.8            | 7.4            | 8.8            | 8.0            | 7.0            |
| 2ND QTR. 1975  | -3.7                              | -2.8         | -2.5                              | 5.2                  | 5.1                         | 8.6                  | 11.2           | 13.8           | 6.6            | 10.6           | 9.9            | 9.9            |
| 3RD QTR. 1975  | -0.8                              | -2.8         | -1.1                              | 1.4                  | 4.1                         | 6.9                  | 10.4           | 13.1           | 5.6            | 9.9            | 9.5            | 9.2            |
| MONTHLY:       |                                   |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1974--OCT.     | -3.0                              | 52.5         | -1.3                              | -0.2                 | 1.4                         | 3.8                  | 8.4            | 7.1            | 9.8            | 8.0            | 8.8            | 8.5            |
| NOV.           | -1.4                              | 19.0         | -2.5                              | 5.2                  | 5.0                         | 8.5                  | 7.9            | 7.7            | 5.7            | 6.2            | 5.8            | 3.6            |
| DEC.           | 15.4                              | 34.8         | 6.6                               | 7.6                  | -9.4                        | 3.4                  | 3.7            | 5.9            | 11.4           | 10.8           | 9.4            | 7.3            |
| 1975--JAN.     | 7.9                               | 19.5         | 0.0                               | 3.6                  | 4.7                         | -11.8                | 2.5            | 5.6            | 6.7            | 7.9            | 8.2            | 7.5            |
| FEB.           | -27.3                             | -19.0        | -8.6                              | -0.2                 | 4.3                         | 3.4                  | 8.4            | 9.9            | 6.1            | 8.2            | 7.0            | 6.9            |
| MAR.           | -5.6                              | -4.1         | -5.5                              | 5.8                  | 7.9                         | 11.0                 | 11.6           | 13.9           | 6.1            | 10.2           | 8.2            | 8.5            |
| APR.           | 8.2                               | 8.1          | 2.9                               | 5.1                  | 3.4                         | 3.4                  | 7.3            | 11.7           | 4.2            | 9.2            | 9.6            | 9.5            |
| MAY            | -14.7                             | -13.2        | -10.3                             | 2.4                  | 5.1                         | 11.3                 | 13.4           | 14.9           | 7.0            | 10.7           | 10.0           | 9.8            |
| JUNE           | 10.3                              | 4.7          | 9.1                               | 15.1                 | 5.1                         | 18.7                 | 19.2           | 19.8           | 14.3           | 16.7           | 16.3           | 15.9           |
| JULY           | 4.1                               | 1.5          | -2.1                              | -5.2                 | 2.0                         | 2.0                  | 8.2            | 12.2           | 4.1            | 9.1            | 9.2            | 8.8            |
| AUG.           | -14.6                             | -11.5        | -6.1                              | -5.5                 | 6.8                         | 2.9                  | 5.9            | 9.4            | -1.5           | 4.4            | 3.7            | 3.4            |
| SEPT.          | 3.9                               | -2.6         | 0.6                               | 6.7                  | 2.0                         | 2.0                  | 4.8            | 7.3            | 6.1            | 8.0            | 7.9            | 7.5            |
| OCT. P         | -2.1                              | 5.2          | -2.6                              | 5.2                  | 6.0                         | -2.9                 | 4.0            | 6.9            | 7.2            | 8.7            | 8.5            | 8.1            |

NOTES: RESERVE REQUIREMENTS ON EURODOLLAR BORROWINGS ARE INCLUDED BEGINNING OCTOBER 15, 1969, AND REQUIREMENTS ON BANK-RELATED COMMERCIAL PAPER ARE INCLUDED BEGINNING OCTOBER 1, 1970.

1/ BASED ON DATA ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS.

P - PRELIMINARY.

APPENDIX TABLE 1-B

## MONEY AND CREDIT AGGREGATE MEASURES

NOV. 14, 1975

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

| Period           | RESERVES <sup>1/</sup> |              |                                   | BANK CREDIT MEASURES |                             | MONEY STOCK MEASURES |                |                |                |                |                |                |
|------------------|------------------------|--------------|-----------------------------------|----------------------|-----------------------------|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                  | Total                  | Non-borrowed | Available to Support Pvt Deposits | Adj Credit proxy     | Total Loans and Investments | M <sub>1</sub>       | M <sub>2</sub> | M <sub>3</sub> | M <sub>4</sub> | M <sub>5</sub> | M <sub>6</sub> | M <sub>7</sub> |
|                  | 1                      | 2            | 3                                 | 4                    | 5                           | 6                    | 7              | 8              | 9              | 10             | 11             | 12             |
| <b>ANNUALLY:</b> |                        |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1972             | 30,016                 | 28,966       | 27,734                            | 406.4                | 559.0                       | 255.8                | 525.7          | 844.9          | 569.7          | 888.8          | 985.5          | 1013.1         |
| 1973             | 32,377                 | 31,078       | 30,272                            | 448.7                | 634.6                       | 271.5                | 572.2          | 919.6          | 636.0          | 983.4          | 1095.4         | 1133.6         |
| <b>MONTHLY:</b>  |                        |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1974--OCT.       | 34,734                 | 32,921       | 32,863                            | 488.3                | 696.0                       | 281.6                | 607.6          | 970.7          | 693.8          | 1056.9         | 1180.1         | 1223.5         |
| NOV.             | 34,693                 | 33,441       | 32,795                            | 491.2                | 697.4                       | 283.6                | 611.6          | 976.9          | 697.1          | 1062.4         | 1185.8         | 1227.2         |
| DEC.             | 35,138                 | 34,411       | 32,975                            | 494.3                | 691.9                       | 284.4                | 613.5          | 981.7          | 703.7          | 1072.0         | 1195.1         | 1234.7         |
| 1975--JAN.       | 35,368                 | 34,970       | 32,974                            | 495.8                | 694.6                       | 281.6                | 614.8          | 986.3          | 707.6          | 1079.1         | 1203.3         | 1242.4         |
| FEB.             | 34,564                 | 34,417       | 32,739                            | 495.7                | 697.1                       | 282.4                | 619.1          | 994.4          | 711.2          | 1086.5         | 1210.3         | 1249.5         |
| MAR.             | 34,404                 | 34,298       | 32,588                            | 498.1                | 701.7                       | 285.0                | 625.1          | 1005.9         | 714.8          | 1095.7         | 1218.6         | 1258.3         |
| APR.             | 34,640                 | 34,530       | 32,668                            | 500.2                | 703.7                       | 285.8                | 628.9          | 1015.7         | 717.3          | 1104.1         | 1228.3         | 1268.3         |
| MAY              | 34,216                 | 34,150       | 32,388                            | 501.2                | 706.7                       | 288.5                | 635.9          | 1028.3         | 721.5          | 1113.9         | 1238.5         | 1278.7         |
| JUNE             | 34,510                 | 34,283       | 32,633                            | 507.5                | 709.7                       | 293.0                | 646.1          | 1045.3         | 730.1          | 1129.4         | 1255.3         | 1295.6         |
| JULY             | 34,628                 | 34,326       | 32,575                            | 505.3                | 710.9                       | 293.5                | 650.5          | 1055.9         | 732.6          | 1138.0         | 1264.9         | 1305.1         |
| AUG.             | 34,208                 | 33,996       | 32,409                            | 503.0                | 714.9                       | 294.2                | 653.7          | 1064.2         | 731.7          | 1142.2         | 1268.8         | 1308.8         |
| SEPT.            | 34,320                 | 33,923       | 32,425                            | 505.8                | 716.1                       | 294.7                | 656.3          | 1070.7         | 735.4          | 1149.8         | 1277.1         | 1317.0         |
| OCT. P           | 34,259                 | 34,069       | 32,355                            | 508.0                | 719.7                       | 294.0                | 658.5          | 1076.9         | 739.8          | 1158.1         | 1286.1         | 1325.9         |
| <b>WEEKLY:</b>   |                        |              |                                   |                      |                             |                      |                |                |                |                |                |                |
| 1975--SEPT. 10   | 33,935                 | 33,550       | 32,241                            | 506.4                |                             | 295.5                | 656.5          |                | 734.6          |                |                |                |
| 17               | 34,258                 | 33,931       | 32,473                            | 506.2                |                             | 295.4                | 656.8          |                | 735.5          |                |                |                |
| 24               | 34,279                 | 33,884       | 32,265                            | 505.3                |                             | 293.5                | 654.8          |                | 734.5          |                |                |                |
| OCT. 1           | 34,929                 | 34,348       | 32,744                            | 505.3                |                             | 293.7                | 655.8          |                | 736.7          |                |                |                |
| 8                | 33,945                 | 33,706       | 32,088                            | 506.9                |                             | 293.4                | 656.3          |                | 737.9          |                |                |                |
| 15               | 34,312                 | 34,139       | 32,502                            | 507.9                |                             | 294.7                | 659.1          |                | 740.5          |                |                |                |
| 22P              | 34,153                 | 33,920       | 32,052                            | 508.7                |                             | 294.3                | 659.0          |                | 740.0          |                |                |                |
| 29P              | 34,320                 | 34,225       | 32,519                            | 507.2                |                             | 292.5                | 658.0          |                | 739.3          |                |                |                |
| NOV. 5P          | 35,001                 | 34,934       | 33,070                            | 510.2                |                             | 295.7                | 661.9          |                | 743.0          |                |                |                |

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURO-DOLLAR BORROWINGS OF U.S. BANKS. WEEKLY DATA ARE DAILY AVERAGES FOR STATEMENT WEEKS. MONTHLY DATA ARE DAILY AVERAGES. WEEKLY DATA ARE NOT AVAILABLE FOR M<sub>3</sub>, M<sub>5</sub>, M<sub>6</sub>, M<sub>7</sub>, TOTAL LOANS AND INVESTMENTS AND THRIFT INSTITUTION DEPOSITS.

<sup>1/</sup> ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.

P - PRELIMINARY

## COMPONENTS OF MONEY STOCK AND RELATED MEASURES

| Period         | Currency | Demand Deposits | Total Time Deposits | Time Other Than CD's              | Mutual Savings Bank and S & L Shares <sup>1/</sup> | Credit Union Shares <sup>1/</sup> | CD's  | Savings Bonds <sup>1/</sup> | Short Term U S Gov't Securities | Commercial Paper <sup>1/</sup> |  |  |
|----------------|----------|-----------------|---------------------|-----------------------------------|--|-----------------------------------|-------|-----------------------------|---------------------------------|--------------------------------|--|--|
|                | 1        | 2               | 3                   | 4                                 | 5  | 6                                 | 7     | 8                           | 9                               | 10                             |  |  |
| ANNUALLY:      |          |                 |                     | (Per cent annual rates of growth) |  |                                   |       |                             |                                 |                                |  |  |
| 1972           | 8.2      | 8.9             | 15.7                | 13.5                              | 16.7   | 18.0                              | 31.0  | 6.1                         | 0.5                             | 15.0                           |  |  |
| 1973           | 8.3      | 5.5             | 16.2                | 11.4                              | 8.5  | 13.9                              | 45.3  | 5.1                         | 30.9                            | 38.8                           |  |  |
| 1974           | 10.2     | 3.1             | 15.0                | 9.4                               | 5.6  | 11.8                              | 41.5  | 4.8                         | 15.7                            | 3.4                            |  |  |
| SEMI-ANNUALLY: |          |                 |                     |                                   |  |                                   |       |                             |                                 |                                |  |  |
| 1ST HALF 1974  | 9.7      | 5.2             | 18.6                | 10.9                              | 5.9  | 13.0                              | 54.9  | 4.3                         | 19.2                            | 12.5                           |  |  |
| 2ND HALF 1974  | 10.2     | 1.0             | 10.5                | 7.6                               | 5.1  | 9.9                               | 22.1  | 5.2                         | 11.2                            | -5.4                           |  |  |
| 1ST HALF 1975  | 9.4      | 5.0             | 8.5                 | 14.6                              | 16.3   | 22.5                              | -13.7 | 6.1                         | 3.0                             | 3.5                            |  |  |
| QUARTERLY:     |          |                 |                     |                                   |  |                                   |       |                             |                                 |                                |  |  |
| 4TH QTR. 1974  | 12.1     | 3.2             | 11.6                | 7.9                               | 6.9  | 12.0                              | 25.9  | 5.2                         | 4.0                             | -34.2                          |  |  |
| 1ST QTR. 1975  | 8.8      | -1.7            | 10.1                | 13.4                              | 13.1   | 20.4                              | -2.2  | 6.4                         | -7.3                            | 1.0                            |  |  |
| 2ND QTR. 1975  | 9.8      | 11.7            | 6.7                 | 15.3                              | 18.9   | 23.5                              | -25.4 | 5.6                         | 13.5                            | 6.0                            |  |  |
| 3RD QTR. 1975  | 5.1      | 1.4             | 3.3                 | 9.7                               | 15.5   | 11.8                              | -23.8 | 6.8                         | 2.0                             | -4.0                           |  |  |
| QUARTERLY-AV:  |          |                 |                     |                                   |  |                                   |       |                             |                                 |                                |  |  |
| 4TH QTR. 1974  | 11.6     | 1.7             | 9.7                 | 8.2                               | 4.9  | 10.6                              | 15.2  | 5.8                         | 10.8                            | -9.4                           |  |  |
| 1ST QTR. 1975  | 8.9      | -3.3            | 12.7                | 11.0                              | 10.8   | 17.6                              | 19.2  | 5.8                         | -3.3                            | -20.2                          |  |  |
| 2ND QTR. 1975  | 8.7      | 8.6             | 5.2                 | 13.3                              | 17.6   | 22.5                              | -24.0 | 5.7                         | 2.0                             | 8.1                            |  |  |
| 3RD QTR. 1975  | 8.5      | 6.6             | 4.9                 | 13.2                              | 17.6   | 17.3                              | -29.3 | 6.2                         | 6.6                             | -2.0                           |  |  |
| MONTHLY:       |          |                 |                     |                                   |  |                                   |       |                             |                                 |                                |  |  |
| 1974--OCT.     | 10.9     | 2.2             | 13.5                | 11.9                              | 4.3  | 9.0                               | 19.8  | 5.8                         | 24.1                            | 2.8                            |  |  |
| NOV.           | 16.2     | 5.6             | 4.1                 | 7.7                               | 7.1  | 13.4                              | -9.7  | 5.8                         | -2.0                            | -55.3                          |  |  |
| DEC.           | 8.9      | 1.7             | 16.8                | 4.0                               | 9.2  | 13.2                              | 67.4  | 3.8                         | -9.9                            | -52.2                          |  |  |
| 1975--JAN.     | 5.3      | -17.2           | 19.2                | 14.9                              | 9.9  | 17.5                              | 31.9  | 7.6                         | 15.9                            | -15.2                          |  |  |
| FEB.           | 8.8      | 1.7             | 7.9                 | 12.6                              | 11.5   | 17.2                              | -7.8  | 5.7                         | -15.7                           | 6.1                            |  |  |
| MAR.           | 12.2     | 10.7            | 3.1                 | 12.1                              | 17.6   | 25.4                              | -30.0 | 5.7                         | -21.9                           | 12.2                           |  |  |
| APR.           | 1.7      | 3.9             | 4.5                 | 10.6                              | 18.4   | 20.8                              | -18.7 | 5.6                         | 20.3                            | 9.1                            |  |  |
| MAY            | 12.1     | 11.1            | 3.9                 | 15.0                              | 17.1   | 20.4                              | -39.4 | 5.6                         | 0.0                             | 6.0                            |  |  |
| JUNE           | 15.4     | 19.8            | 11.6                | 19.7                              | 20.2   | 28.1                              | -19.6 | 5.6                         | 19.9                            | 3.0                            |  |  |
| JULY           | 5.1      | 1.1             | 5.5                 | 13.3                              | 18.9   | 15.7                              | -28.5 | 7.4                         | 11.8                            | -3.0                           |  |  |
| AUG.           | 8.4      | 1.1             | -4.6                | 8.1                               | 14.7   | 19.4                              | -59.9 | 5.5                         | -11.7                           | -6.0                           |  |  |
| SEPT.          | 1.7      | 2.2             | 9.1                 | 7.7                               | 12.3   | 0.0                               | 16.9  | 7.3                         | 5.9                             | -3.0                           |  |  |
| OCT. P         | 10.0     | -7.0            | 13.9                | 9.3                               | 11.6   | 11.4                              | 33.4  | 7.3                         | 5.9                             | 0.0                            |  |  |

NOTES: RESERVE REQUIREMENTS ON EURODOLLAR BORROWINGS ARE INCLUDED BEGINNING OCTOBER 16, 1969, AND REQUIREMENTS ON BANK-RELATED COMMERCIAL PAPER ARE INCLUDED BEGINNING OCTOBER 1, 1970.

1/ GROWTH RATES ARE BASED ON ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.

P - PRELIMINARY.

APPENDIX TABLE 2-B  
**COMPONENTS OF MONEY STOCK AND RELATED MEASURES**

| Period           | Currency | Demand Deposits | Total Time Deposits | Time Other Than CD's | Mutual Savings Bank and S & L Shares <sup>1/</sup> | Credit Union Shares <sup>1/</sup> | CD's | Savings Bonds <sup>1/</sup> | Short Term U.S. Gov't Securities | Commercial Paper <sup>1/</sup> | Non-deposit Funds | U.S. Gov't Demand |
|------------------|----------|-----------------|---------------------|----------------------|--|-----------------------------------|------|-----------------------------|----------------------------------|--------------------------------|-------------------|-------------------|
|                  | 1        | 2               | 3                   | 4                    | 5  | 6                                 | 7    | 8                           | 9                                | 10                             | 11                | 12                |
| <b>ANNUALLY:</b> |          |                 |                     |                      |  |                                   |      |                             |                                  |                                |                   |                   |
| 1972             | 56.9     | 198.9           | 313.8               | 269.9                | 297.5  | 21.6                              | 43.9 | 57.0                        | 39.8                             | 27.6                           | 4.3               | 5.6               |
| 1973             | 61.6     | 209.9           | 364.5               | 300.7                | 322.8  | 24.6                              | 63.8 | 59.9                        | 52.1                             | 38.3                           | 6.6               | 3.9               |
| <b>MONTHLY:</b>  |          |                 |                     |                      |  |                                   |      |                             |                                  |                                |                   |                   |
| 1974--OCT.       | 66.5     | 215.2           | 412.1               | 325.9                | 336.2  | 26.9                              | 86.2 | 62.3                        | 60.9                             | 43.4                           | 7.9               | 3.7               |
| NOV.             | 67.4     | 216.2           | 413.5               | 328.0                | 338.2  | 27.2                              | 85.5 | 62.6                        | 60.8                             | 41.4                           | 7.6               | 4.6               |
| DEC.             | 67.9     | 216.5           | 419.3               | 329.1                | 340.8  | 27.5                              | 90.3 | 62.8                        | 60.3                             | 39.6                           | 8.4               | 1.9               |
| 1975--JAN.       | 68.2     | 213.4           | 426.0               | 333.2                | 343.6  | 27.9                              | 92.7 | 63.2                        | 61.1                             | 39.1                           | 7.6               | 0.7               |
| FEB.             | 68.7     | 213.7           | 428.8               | 336.7                | 346.9  | 28.3                              | 92.1 | 63.5                        | 60.3                             | 39.3                           | 6.5               | 0.6               |
| MAR.             | 69.4     | 215.6           | 429.9               | 340.1                | 352.0  | 28.9                              | 89.8 | 63.8                        | 59.2                             | 39.7                           | 6.5               | 0.7               |
| APR.             | 69.5     | 216.3           | 431.5               | 343.1                | 357.4  | 29.4                              | 88.4 | 64.1                        | 60.2                             | 40.0                           | 6.7               | 2.1               |
| MAY              | 70.2     | 218.3           | 432.9               | 347.4                | 362.5  | 29.9                              | 85.5 | 64.4                        | 60.2                             | 40.2                           | 7.4               | 2.1               |
| JUNE             | 71.1     | 221.9           | 437.1               | 353.1                | 368.6  | 30.6                              | 84.1 | 64.7                        | 61.2                             | 40.3                           | 7.0               | 3.8               |
| JULY             | 71.4     | 222.1           | 439.1               | 357.0                | 374.4  | 31.0                              | 82.1 | 65.1                        | 61.8                             | 40.2                           | 6.8               | 2.5               |
| AUG.             | 71.9     | 222.5           | 437.4               | 359.4                | 379.0  | 31.5                              | 78.0 | 65.4                        | 61.2                             | 40.0                           | 7.0               | 2.9               |
| SEPT.            | 72.0     | 222.7           | 440.7               | 361.7                | 382.9  | 31.5                              | 79.1 | 65.8                        | 61.5                             | 39.9                           | 7.0               | 3.1               |
| OCT. P           | 72.6     | 221.4           | 445.8               | 364.5                | 386.6  | 31.8                              | 81.3 | 66.2                        | 61.8                             | 39.9                           | 7.9               | 2.9               |
| <b>WEEKLY:</b>   |          |                 |                     |                      |  |                                   |      |                             |                                  |                                |                   |                   |
| 1975--SEPT.10    | 71.9     | 223.6           | 439.1               | 361.0                |  |                                   | 78.1 |                             |                                  |                                | 7.0               | 4.2               |
| 17               | 72.1     | 223.4           | 440.0               | 361.3                |  |                                   | 78.7 |                             |                                  |                                | 7.0               | 4.0               |
| 24               | 72.1     | 221.4           | 441.0               | 361.3                |  |                                   | 79.7 |                             |                                  |                                | 7.0               | 2.9               |
| OCT. 1           | 72.0     | 221.7           | 443.0               | 362.1                |  |                                   | 80.9 |                             |                                  |                                | 7.1               | 1.9               |
| 8                | 72.5     | 221.0           | 444.5               | 362.9                |  |                                   | 81.6 |                             |                                  |                                | 7.5               | 2.9               |
| 15               | 72.6     | 222.1           | 445.8               | 364.4                |  |                                   | 81.4 |                             |                                  |                                | 7.8               | 3.3               |
| 22P              | 72.5     | 221.9           | 445.7               | 364.6                |  |                                   | 81.0 |                             |                                  |                                | 8.4               | 3.5               |
| 29P              | 72.7     | 219.9           | 446.7               | 365.5                |  |                                   | 81.3 |                             |                                  |                                | 7.9               | 2.3               |
| NOV. 5P          | 72.8     | 222.9           | 447.3               | 366.2                |  |                                   | 81.1 |                             |                                  |                                | 8.0               | 3.0               |

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURODOLLAR BORROWINGS OF U.S. BANKS. WEEKLY DATA ARE DAILY AVERAGES FOR STATEMENT WEEKS. MONTHLY DATA ARE DAILY AVERAGES. WEEKLY DATA ARE NOT AVAILABLE FOR M3, M5, M6, M7, TOTAL LOANS AND INVESTMENTS AND THRIFT INSTITUTION DEPOSITS.

<sup>1/</sup> ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.

Appendix Table III

Growth Rate in Money Supply  
(Per cent change in an annual rate)

|                 |     | $M_1$ |      | $M_2$ |      | $M_3$ |      |
|-----------------|-----|-------|------|-------|------|-------|------|
|                 |     | M     | Q    | M     | Q    | M     | Q    |
| 1973            | I   | 3.4   | 6.8  | 7.3   | 9.1  | 8.8   | 10.4 |
|                 | II  | 11.3  | 7.3  | 10.6  | 8.6  | 10.5  | 9.1  |
|                 | III | 0.6   | 5.5  | 5.6   | 7.8  | 5.2   | 7.5  |
|                 | IV  | 8.7   | 5.0  | 10.8  | 8.9  | 9.8   | 7.9  |
| QIV '72-QIV '73 |     | 6.1   | 6.3  | 8.8   | 8.9  | 8.8   | 9.0  |
| 1974            | I   | 5.5   | 5.8  | 9.3   | 9.6  | 8.9   | 9.1  |
|                 | II  | 7.0   | 7.3  | 7.9   | 8.3  | 6.8   | 7.6  |
|                 | III | 1.0   | 3.5  | 4.2   | 6.0  | 3.8   | 5.2  |
|                 | IV  | 5.3   | 3.9  | 6.7   | 6.2  | 6.9   | 5.8  |
| QIV '73-QIV '74 |     | 4.8   | 5.2  | 7.2   | 7.7  | 6.8   | 7.1  |
| 1975            | I   | 0.8   | -0.3 | 7.6   | 5.8  | 9.9   | 7.8  |
|                 | II  | 11.2  | 8.6  | 13.4  | 11.2 | 15.7  | 13.8 |
|                 | III | 2.3   | 6.9  | 6.3   | 10.4 | 9.7   | 13.1 |

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M = Annual rates of growth calculated from average levels in the final months of the quarters.

Q = Annual rate calculated from average levels in all three months of the quarters.

Appendix Table IV

Projected Federal Funds Rates

|      |      | <u>Alt. A</u> | <u>Alt. B</u> | <u>Alt. C</u> |
|------|------|---------------|---------------|---------------|
| 1975 | QIV  | 5½            | 5½            | 5¾            |
| 1976 | QI   | 6½            | 6½            | 6½            |
|      | QII  | 7½            | 7½            | 6¾            |
|      | QIII | 7½            | 7½            | 6¾            |