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July 16, 1976

SUPPLEMENT  
CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Prepared for the  
Federal Open Market Committee

By the Staff  
Board of Governors  
of the Federal Reserve System

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## SUPPLEMENTAL NOTES

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### The Domestic Nonfinancial Economy

The newly revised industrial production index is estimated to have risen 0.3 per cent in June following upward revised increase of 0.7 in May. Rises in output of durable materials and business equipment were partially offset by weakness in production of consumer nondurable goods and nondurable materials. At 129.9 per cent of the 1967 average, the index is about 16 per cent above the March 1975 low but remains about 1-1/2 per cent below the high of June 1974.

Products. Auto assemblies rose slightly in June and production schedules for the coming months indicate some further expansion after allowance for the model changeover period. However, production of compact and subcompact cars declined further in June. Output of durable home goods increased further. Output of business equipment advanced an estimated 0.6 per cent in June over the downward revised May level. Since April 1975 production of this important component has regained about one-half of the reduction in output which occurred between September 1974 and April 1975 and, furthermore, the rate of increase accelerated in the second quarter to 2.3 per cent as compared with the 1.9 per cent rise in the first quarter. Production of construction supplies edged off slightly.

Materials. Strong increases in output of durable goods materials continued reflecting a surge in basic metal production and further rises in output of consumer durable and equipment parts.

Nondurable materials, however, are estimated to be unchanged as inventory accumulations over the last several months have dampened after the earlier rapid growth of textile, paper, and chemical materials production.

INDUSTRIAL PRODUCTION  
(Seasonally adjusted)

Indexes, 1967=100	1976				Per cent changes		
	Mar.	Apr.	May (p)	June (e)	Month Ago	Year Ago	QI to QII
Total	128.1	128.6	129.5	129.9	.3	11.6	1.8
Products, total	128.1	128.2	128.7	129.0	.2	8.6	1.1
Final products	126.4	126.4	126.8	127.2	.3	7.6	1.3
Consumer goods	136.1	135.9	136.3	136.6	.2	9.9	1.2
Durable goods	140.3	141.0	142.7	143.3	.4	18.0	3.4
Nondurable goods	134.4	133.9	133.9	134.0	.1	6.8	.2
Business equipment	134.0	134.5	135.8	136.6	.6	7.9	2.3
Intermediate products	134.9	134.9	135.4	135.4	--	12.1	.4
Construction supplies	128.7	128.1	130.0	129.6	-.3	15.1	.6
Materials	128.2	129.1	130.9	131.4	.4	16.7	2.8

p--preliminary      e--estimated

Inventories. Book value of retail trade inventories rose at a \$.7 billion rate in May, much slower than the \$6.9 billion April rate of rise and the \$8.0 billion first quarter average annual rate of increase. This low rate of growth of retail inventories in May is somewhat surprising given the substantial decrease of retail sales relative to manufacturing shipments and wholesale sales in that month. However, inconsistencies in the monthly inventory and sales figures are not uncommon.

For manufacturing and trade the rate of inventory growth was \$23.2 billion in May, faster than both the \$11.5 billion April rate of rise and the \$19.5 billion first quarter average annual rate of increase. However, the average annual rate of increase in the first two months of the second quarter was \$17.5 billion, slightly below the first quarter average rate of rise. The manufacturing and trade inventory-sales ratio rose slightly to 1.46 in May from 1.45 in April.

The Domestic Financial Economy

Time and Savings Deposit Flows at Commercial Banks and Thrift Institutions. Data for the first part of July indicate a resumption of strong inflows into time and savings accounts at commercial banks and savings and loan associations following the slowdown in deposit growth at these institutions in June. According to FHLBB staff estimates, insured S&L's received \$1.8 billion in net new deposits during the first 10 days in July--a record inflow for this period of time. At commercial banks, inflows in the first week of July were generally quite strong, and savings deposits in particular increased sharply following a slight decline in June. Mutual savings banks so far have not shared in the resurgence of growth in time and savings deposits.

As a result of the early July inflows, growth in time and savings deposits over the June and July period appears to be little changed from the healthy expansion in these deposits that occurred during the first five months of the year. While it is not clear why deposit flows have fluctuated sharply during the past few weeks, modest declines in short-term rates may account in part for the resurgence of these flows in July. Also, some interest crediting for the month of June may have shown up in the commercial bank data for early July.

Mortgage market. According to the HUD(FHA) opinion survey, average interest rates on new commitments for conventional new- and existing-home mortgages edged up 5 basis points during June to 9.05 and 9.10 per cent, respectively. Yields on FHA-insured new-home mortgages for immediate delivery in the private secondary market were virtually unchanged in June. These rate movements are generally consistent with the primary and secondary mortgage market yields reported in the Greenbook.

AVERAGE RATES AND YIELDS ON NEW-HOME MORTGAGES  
(HUD-FHA Field Office Opinion Survey)

End of Month	Primary market		Secondary market 1/		
	Conventional loans		FHA-insured loans		Discounts (points)
	Level 2/ (per cent)	Spread 4/ (basis points)	Level 3/ (per cent)	Spread 4/ (basis points)	
1975-Low	8.90 (Mar.)	-70 (Mar.)	8.69 (Mar.)	-91 (Mar.)	2.4 (Dec.)
High	9.25 (Sept., Oct.)	+15 (Jan.)	9.74 (Sept.)	+31 (Oct.)	6.2 (Aug.)
1976-Jan.	9.05	+39	9.06	+40	2.4
Feb.	9.00	+42	9.04	+46	2.2
Mar.	8.95	+42	n.a.	n.a.	n.a.
Apr.	8.90	+32	8.82	+24	2.5
May	9.00	+ 5	9.03	+ 8	4.1
June	9.05	+35	9.05	+35	4.2

- 1/ any gaps in data are due to periods of adjustment to changes in maximum permissible contract rates on FHA-insured loans.
- 2/ Average contract rates (excluding fees or points) on commitments for conventional first mortgage loans, rounded to the nearest 5 basis points.
- 3/ Average gross yield (before deducting servicing costs) to investors on 30-year minimum-downpayment FHA-insured first mortgages for immediate delivery in the private secondary market (excluding FNMA), assuming prepayment in 15 years.
- 4/ Average gross mortgage rate or yield minus average yield on new issues of Aaa utility bonds in the last week of the month.



INTEREST RATES  
(One day quotes - in per cent)

	1976			
	Highs	Lows	June 21	July 15
<u>Short-Term Rates</u>				
Federal funds (wkly. avg.)	5.58(6/30)	4.70(2/18)	5.48(6/23)	5.27(7/14)
3-month				
Treasury bills (bid)	5.57( 6/2)	4.68(1/29)	5.36	5.11
Comm. paper (90-119 day)	6.00(6/15)	5.00(4/29)	5.88	5.50
Bankers' acceptances	5.95( 6/2)	4.80(4/21)	5.73	5.43
Euro-dollars	6.81( 6/1)	5.19(4/22)	6.19	5.63
CD's (NYC) 90 day				
Most often quoted new	5.75(6/16)	4.88(4/21)	5.63(6/23)	5.38(7/14)
6-month				
Treasury bills (bid)	5.96(5/27)	4.95(1/29)	5.73	5.39
Comm. paper (4-6 mo.)	6.00(6/22)	5.13(4/29)	6.00	5.63
Federal agencies	6.42(5/27)	5.31( 2/2)	6.12	6.02p(7/13)
CD's (NYC) 180 day				
Most often quoted new	6.50( 6/2)	5.38(4/21)	6.13(6/23)	5.75(7/14)
1-year				
Treasury bills (bid)	6.39(5/27)	5.27(1/29)	6.05	5.67
Federal agencies	6.86(5/28)	5.82(4/14)	6.56	6.41p(7/13)
CD's (NYC)				
Most often quoted new	6.75(6/16)	5.38( 2/4)	6.63(6/23)	6.13(7/14)
Prime municipals	3.70(5/28)	3.00(1/30)	3.40(6/10)	3.20(7/16)
<u>Intermediate and Long-Term</u>				
Treasury coupon issues				
5-years	7.32(5/27)	7.12(4/21)	7.51	7.33
20-years	8.20(5/21)	7.77(4/14)	7.98	7.95
Corporate				
Seasoned Aaa	8.66( 1/2)	8.34(4/15)	8.60	8.53
Baa	10.34( 1/2)	9.70(6/16)	9.65	9.63
New Issue Aaa Utility	8.95(5/28)	8.38(4/22)	8.70(6/23)	8.53
Municipal				
Bond Buyer Index	7.13( 1/8)	6.54(4/15)	6.87(6/23)	6.78
Mortgage--average yield				
in FNMA auction	9.20( 6/1)	8.83(4/19)	9.14(6/14)	9.05(7/12)

SUPPLEMENTAL APPENDIX A\*  
Quarterly Survey of Bank Lending Practices  
May 14, 1976

The Survey of Bank Lending Practices conducted on May 14, 1976, suggests that the respondents suspect that a firming of business loan demand may be about to occur. After allowance for normal seasonal variation, more than one-half of the 121 large commercial banks reporting in the May survey anticipate modest growth in the demand for commercial and industrial loans over the mid-May to mid-August period. About 47 per cent expect loan demand to remain slack, while less than two per cent foresee further deterioration through mid-August. This expected expansion in loan demand is in part a consequence of additional, mostly unexpected, erosion - or continued weakness - in business credit over the February to May period at most banks. In the mid-February survey only 10 per cent of the respondents had believed demand would moderate over the survey period; however, in mid-May, almost one-fourth of the banks had actually experienced further softening in their borrowing demands. Moreover, while one-third of the banks had expected in February that credit demands would moderately firm in the months ahead, in May only 14 per cent of the panel reported somewhat stronger loan demand over the February-May interval. Indeed, about one-half of the 64 banks currently anticipating stronger loan demand had previously predicted the same in February-only to experience either weaker or unchanged credit demands between February and May.<sup>1/</sup> This phenomenon has occurred repeatedly in past surveys; thus expectations of firmer borrowing demands over the short-run may more realistically be interpreted as reflecting optimism with regard to regaining some prior level of loan volume.

As in earlier surveys, the majority of the respondents reported that both price and nonprice terms of lending have remained essentially unchanged over the period between surveys. Although interest rates charged to nonfinancial businesses had showed indications of declining in the previous two surveys, more than four-fifths of the panel currently are reporting no change in such interest rates, and only 14 per cent have reported lower rates. The stability of price terms of lending undoubtedly was a reflection of a stable prime rate between mid-February and mid-May. However, this pricing policy is still quite restrictive since the prime rate was still high historically, compared with short term market rates of interest.

The trend that emerged in the previous survey toward less restrictiveness in compensating balance requirements has continued at a small, but increasing number of banks, with 27 per cent now reporting an easing in such requirements since mid-November. However, other non-price terms of lending have apparently remained restrictive with most banks

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<sup>1/</sup> It should be recalled that the bank credit estimates for June, discussed in Part II of the current Greenbook, show that business loans at all commercial banks declined at about a 2-3/4 per cent annual rate. Thus it seems probable that some of these banks have again not experienced the anticipated pickup in loan demand.

\* Prepared by Virginia Lewis, Banking Section, Division of Research and Statistics.

reporting no significant changes between February and May in practices relating to the reviewing of credit lines, credit standards, or maturities.

As in February, respondents have indicated a greater willingness to extend loans of all types included in the survey, most notably term loans to businesses and consumer instalment loans. More than one-quarter of the banks are more willing to make term loans and more than a third, consumer type loans.

Although the demand for commercial and industrial loans continues to be sluggish and the liquidity positions of commercial banks have improved substantially, there is little evidence, outside of the slight easing of compensating balance requirements at some banks, that banks are attempting to stimulate loan growth either through a less restrictive posture on non-price terms of lending or by reducing loan rates relative to market rates. In spite of continued assertions in the comments on the questionnaires that new opportunities to increase loan totals are aggressively being sought, standards of credit worthiness are not being relaxed, as banks are still apparently concerned with maintaining or upgrading the quality of their loan portfolios.

QUARTERLY SURVEY OF CHANGES IN BANK LENDING PRACTICES  
 AT SELECTED LARGE BANKS IN THE U.S. 1/  
 (STATUS OF POLICY ON MAY 15, 1976 COMPARED TO THREE MONTHS EARLIER)  
 (NUMBER OF BANKS & PERCENT OF TOTAL BANKS REPORTING)

	TOTAL		MUCH STRONGER		MODERATELY STRONGER		ESSENTIALLY UNCHANGED		MODERATELY WEAKER		MUCH WEAKER	
	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS (AFTER ALLOWANCE FOR BANK'S USUAL SEASONAL VARIATION)												
COMPARED TO THREE MONTHS AGO	121	100.0	0	0.0	17	14.0	75	62.1	28	23.1	1	0.8
ANTICIPATED DEMAND IN NEXT 3 MONTHS	121	100.0	0	0.0	64	52.9	55	45.4	2	1.7	0	0.0
	ANSWERING QUESTION		MUCH FIRMER POLICY		MODERATELY FIRMER POLICY		ESSENTIALLY UNCHANGED POLICY		MODERATELY EASIER POLICY		MUCH EASIER POLICY	
	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT
LENDING TO NONFINANCIAL BUSINESSES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	120	100.0	0	0.0	2	1.7	101	84.1	17	14.2	0	0.0
COMPENSATING OR SUPPORTING BALANCES	121	100.0	1	0.8	2	1.7	95	78.5	23	19.0	0	0.0
STANDARDS OF CREDIT WORTHINESS	121	100.0	2	1.7	5	4.1	111	91.7	3	2.5	0	0.0
MATURITY OF TERM LOANS	121	100.0	1	0.8	0	0.0	107	88.5	13	10.7	0	0.0
REVIEWING CREDIT LINES OR LOAN APPLICATIONS												
ESTABLISHED CUSTOMERS	121	100.0	0	0.0	2	1.7	111	91.7	8	6.6	0	0.0
NEW CUSTOMERS	121	100.0	0	0.0	3	2.5	104	85.9	14	11.6	0	0.0
LOCAL SERVICE AREA CUSTOMERS	121	100.0	0	0.0	1	0.8	114	94.2	6	5.0	0	0.0
NONLOCAL SERVICE AREA CUSTOMERS	121	100.0	1	0.8	1	0.8	107	88.5	12	9.9	0	0.0

1/ SURVEY OF LENDING PRACTICES AT 121 LARGE BANKS REPORTING IN THE FEDERAL RESERVE QUARTERLY INTEREST RATE SURVEY AS OF MAY 15, 1976.

TABLE 1 (CONTINUED)

	ANSWERING QUESTION		MUCH FIRMER POLICY		MODERATELY FIRMER POLICY		ESSENTIALLY UNCHANGED POLICY		MODERATELY EASIER POLICY		MUCH EASIER POLICY	
	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT
FACTORS RELATING TO APPLICANT 2/												
VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS	121	100.0	0	0.0	9	7.4	103	85.2	9	7.4	0	0.0
INTENDED USE OF THE LOAN	121	100.0	0	0.0	3	2.5	115	95.0	3	2.5	0	0.0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	121	100.0	0	0.0	1	0.8	117	96.7	3	2.5	0	0.0
COMPENSATING OR SUPPORTING BALANCES	121	100.0	0	0.0	0	0.0	116	95.9	5	4.1	0	0.0
ENFORCEMENT OF BALANCE REQUIREMENTS	121	100.0	0	0.0	3	2.5	110	90.9	8	6.6	0	0.0
ESTABLISHING NEW OR LARGER CREDIT LINES	121	100.0	0	0.0	6	5.0	102	84.2	11	9.1	2	1.7
	ANSWERING QUESTION		CONSIDERABLY LESS WILLING		MODERATELY LESS WILLING		ESSENTIALLY UNCHANGED		MODERATELY MORE WILLING		CONSIDERABLY MORE WILLING	
	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT	BANKS	PCT
WILLINGNESS TO MAKE OTHER TYPES OF LOANS												
TERM LOANS TO BUSINESSES	121	100.0	1	0.8	1	0.8	88	72.8	31	25.6	0	0.0
CONSUMER INSTALMENT LOANS	120	100.0	0	0.0	0	0.0	80	66.6	32	26.7	8	6.7
SINGLE FAMILY MORTGAGE LOANS	120	100.0	1	0.8	3	2.5	97	80.9	18	15.0	1	0.8
MULTI-FAMILY MORTGAGE LOANS	118	100.0	2	1.7	2	1.7	111	94.1	3	2.5	0	0.0
ALL OTHER MORTGAGE LOANS	120	100.0	2	1.7	1	0.8	103	85.9	13	10.8	1	0.8
PARTICIPATION LOANS WITH CORRESPONDENT BANKS	121	100.0	1	0.8	0	0.0	99	81.8	18	14.9	3	2.5
LOANS TO BROKERS	121	100.0	1	0.8	0	0.0	101	83.5	17	14.0	2	1.7

2/ FOR THESE FACTORS, FIRMER MEANS THE FACTORS WERE CONSIDERED MORE IMPORTANT IN MAKING DECISIONS FOR APPROVING CREDIT REQUESTS, AND EASIER MEANS THEY WERE LESS IMPORTANT.

COMPARISON OF QUARTERLY CHANGES IN BANK LENDING PRACTICES AT BANKS GROUPED BY SIZE OF TOTAL DEPOSITS 1/  
 (STATUS OF POLICY ON MAY 15, 1976, COMPARED TO THREE MONTHS EARLIER)  
 (NUMBER OF BANKS IN EACH COLUMN AS PER CENT OF TOTAL BANKS ANSWERING QUESTION)

	SIZE OF BANK -- TOTAL DEPOSITS IN BILLIONS											
	TOTAL		MUCH STRONGER		MODERATELY STRONGER		ESSENTIALLY UNCHANGED		MODERATELY WEAKER		MUCH WEAKER	
	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS (AFTER ALLOWANCE FOR BANK'S USUAL SEASONAL VARIATION)												
COMPARED TO THREE MONTHS AGO	100	100	0	0	8	14	61	63	31	17	0	1
ANTICIPATED DEMAND IN NEXT 3 MONTHS	100	100	0	0	48	57	52	40	0	3	0	0
LENDING TO NONFINANCIAL BUSINESSES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	100	100	0	0	0	3	88	81	12	16	0	0
COMPENSATING OR SUPPORTING BALANCES	100	100	0	1	0	3	79	79	21	17	0	0
STANDARDS OF CREDIT WORTHINESS	100	100	2	1	4	4	90	94	4	1	0	0
MATURITY OF TERM LOANS	100	100	0	1	0	0	90	87	10	12	0	0
REVIEWING CREDIT LINES OR LOAN APPLICATIONS												
ESTABLISHED CUSTOMERS	100	100	0	0	0	3	90	93	10	4	0	0
NEW CUSTOMERS	100	100	0	0	0	4	90	83	10	13	0	0
LOCAL SERVICE AREA CUSTOMERS	100	100	0	0	0	1	92	96	8	3	0	0
NONLOCAL SERVICE AREA CUSTOMERS	100	100	0	1	0	1	88	89	12	9	0	0

1/ SURVEY OF LENDING PRACTICES AT 52 LARGE BANKS (DEPOSITS OF \$1 BILLION OR MORE) AND 69 SMALL BANKS (DEPOSITS OF LESS THAN \$1 BILLION) REPORTING IN THE FEDERAL RESERVE QUARTERLY INTEREST RATE SURVEY AS OF MAY 15, 1976.

TABLE 2 (CONTINUED)

	NUMBER ANSWERING QUESTION		SIZE OF BANK MUCH FIRMER POLICY		-- TOTAL DEPOSITS IN BILLIONS MODERATELY FIRMER POLICY		ESSENTIALLY UNCHANGED POLICY		MODERATELY EASIER POLICY		MUCH EASIER POLICY	
	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1
	FACTORS RELATING TO APPLICANT 2/											
VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS	100	100	0	0	6	4	86	84	8	7	0	0
INTENDED USE OF THE LOAN	100	100	0	0	2	3	96	94	2	3	0	0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	100	100	0	0	0	1	98	96	2	3	0	0
COMPENSATING OR SUPPORTING BALANCES	100	100	0	0	0	0	96	96	4	4	0	0
ENFORCEMENT OF BALANCE REQUIREMENTS	100	100	0	0	0	4	90	92	10	4	0	0
ESTABLISHING NEW OR LARGER CREDIT LINES	100	100	0	0	2	7	85	84	13	6	0	3
	NUMBER ANSWERING QUESTION		CONSIDERABLY LESS WILLING		MODERATELY LESS WILLING		ESSENTIALLY UNCHANGED		MODERATELY MORE WILLING		CONSIDERABLY MORE WILLING	
	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1
WILLINGNESS TO MAKE OTHER TYPES OF LOANS												
TERM LOANS TO BUSINESSES	100	100	0	1	0	1	67	78	33	20	0	0
CONSUMER INSTALMENT LOANS	100	100	0	0	0	0	65	68	31	23	4	9
SINGLE FAMILY MORTGAGE LOANS	100	100	0	1	0	4	84	80	16	14	0	1
MULTI-FAMILY MORTGAGE LOANS	100	100	0	3	0	3	100	90	0	4	0	0
ALL OTHER MORTGAGE LOANS	100	100	0	3	0	1	96	79	4	16	0	1
PARTICIPATION LOANS WITH CORRESPONDENT BANKS	100	100	0	1	0	0	88	78	12	17	0	4
LOANS TO BROKERS	100	100	0	1	0	0	79	87	21	9	0	3

2/ FOR THESE FACTORS, FIRMER MEANS THE FACTORS WERE CONSIDERED MORE IMPORTANT IN MAKING DECISIONS FOR APPROVING CREDIT REQUESTS, AND EASIER MEANS THEY WERE LESS IMPORTANT.

QUARTERLY SURVEY OF CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS IN THE U.S. 1/  
 STATUS OF POLICY ON MAY 15, 1976 COMPARED TO THREE MONTHS EARLIER  
 (NUMBER OF BANKS)

	ALL DSTS	BOS- TON	NEW YORK TOTAL CITY OUTSIDE	PHIL- ADEL.	CLEVE- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS (AFTER ALLOWANCE FOR BANK'S USUAL SEASONAL VARIATION)													
COMPARED TO 3 MONTHS AGO	121												
MUCH STRONGER	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY STRONGER	17	1	2	0	2	0	1	4	0	4	0	3	0
ESSENTIALLY UNCHANGED	75	6	7	2	5	5	6	6	11	3	3	6	6
MODERATELY WEAKER	28	1	7	6	1	1	4	1	4	4	0	0	3
MUCH WEAKER	1	0	0	0	0	0	0	0	0	0	0	0	0
ANTICIPATED DEMAND NEXT THREE MONTHS													
	121												
MUCH STRONGER	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY STRONGER	64	3	7	2	5	3	5	7	5	9	5	2	5
ESSENTIALLY UNCHANGED	55	5	9	6	3	3	5	5	5	6	4	1	3
MODERATELY WEAKER	2	0	0	0	0	0	1	0	0	0	0	1	0
MUCH WEAKER	0	0	0	0	0	0	0	0	0	0	0	0	0
LENDING TO NONFINANCIAL BUSINESSES													
TERMS AND CONDITIONS													
INTEREST RATES CHARGED													
	120												
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	2	0	1	0	1	0	0	0	0	0	0	1	0
ESSENTIALLY UNCHANGED POLICY	101	8	12	8	4	6	10	11	8	11	6	3	8
MODERATELY EASIER POLICY	17	0	3	0	3	0	1	1	1	4	2	0	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPENSATING BALANCES													
	121												
MUCH FIRMER POLICY	1	0	0	0	0	0	0	0	0	0	0	1	0
MODERATELY FIRMER POLICY	2	0	1	0	1	0	0	0	0	0	0	1	0
ESSENTIALLY UNCHANGED POLICY	95	6	13	7	6	5	10	9	9	13	5	2	7
MODERATELY EASIER POLICY	23	2	2	1	1	1	1	3	1	2	4	1	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0

1/ SURVEY OF LENDING PRACTICES AT 121 LARGE BANKS REPORTING IN THE FEDERAL RESERVE QUARTERLY INTEREST RATE SURVEY AS OF MAY 15, 1976.



TABLE 3 (CONTINUED)

	ALL DSTS	BOS- TON	NEW YORK		PHIL- ADEL.	CLEVE- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
			TOTAL	CITY	OUTSIDE									
LENDING TO NONFINANCIAL BUSINESSES														
TERMS AND CONDITIONS														
STANDARDS OF CREDIT WORTHINESS	121													
MUCH FIRMER POLICY	2	0	1	0	1	0	0	0	0	0	0	1	0	0
MODERATELY FIRMER POLICY	5	0	1	0	1	0	2	0	0	0	0	1	0	1
ESSENTIALLY UNCHANGED POLICY	111	8	14	8	6	6	9	12	10	14	9	3	6	9
MODERATELY EASIER POLICY	3	0	0	0	0	0	0	0	0	1	0	0	1	1
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MATURITY OF TERM LOANS	121													
MUCH FIRMER POLICY	1	0	0	0	0	0	0	0	0	0	0	1	0	0
MODERATELY FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED POLICY	107	8	16	8	8	5	11	10	10	13	8	3	6	6
MODERATELY EASIER POLICY	13	0	0	0	0	1	0	2	0	2	1	0	2	3
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
REVIEWING CREDIT LINES OR LOANS														
ESTABLISHED CUSTOMERS	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	2	0	0	0	0	0	0	0	0	0	0	2	0	0
ESSENTIALLY UNCHANGED POLICY	111	8	15	8	7	6	10	11	10	13	9	3	6	9
MODERATELY EASIER POLICY	8	0	1	0	1	0	1	1	0	2	0	0	1	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NEW CUSTOMERS	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	3	0	0	0	0	0	0	0	0	0	0	2	1	0
ESSENTIALLY UNCHANGED POLICY	104	7	16	8	8	6	10	9	9	11	9	3	5	8
MODERATELY EASIER POLICY	14	1	0	0	0	0	1	3	1	4	0	0	2	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LOCAL SERVICE AREA CUSTOMERS	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	1	0	0	0	0	0	0	0	0	0	0	1	0	0
ESSENTIALLY UNCHANGED POLICY	114	8	16	8	8	6	10	11	10	13	9	3	7	9
MODERATELY EASIER POLICY	6	0	0	0	0	0	1	1	0	2	0	0	1	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TABLE 3 (CONTINUED)

	ALL DSTS	BOS- TON	NEW YORK		PHIL- ADEL.	CLEVE- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
<b>LENDING TO NONFINANCIAL BUSINESSES</b>														
<b>REVIEWING CREDIT LINES OR LOANS</b>														
NONLOCAL SERVICE AREA CUST	121													
MUCH FIRMER POLICY	1	0	0	0	0	0	0	0	0	0	0	1	0	0
MODERATELY FIRMER POLICY	1	0	0	0	0	0	0	1	0	0	0	0	0	0
ESSENTIALLY UNCHANGED POLICY	107	6	15	8	7	6	10	9	13	9	3	6	9	11
MODERATELY EASIER POLICY	12	2	1	0	1	0	1	0	2	0	0	2	0	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FACTORS RELATING TO APPLICANT 2/</b>														
VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	9	0	1	0	1	1	2	1	0	0	0	2	1	1
ESSENTIALLY UNCHANGED POLICY	103	8	13	7	6	5	9	11	9	13	8	2	7	10
MODERATELY EASIER POLICY	9	0	2	1	1	0	0	1	2	1	1	0	0	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INTENDED USE OF LOAN	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	3	0	0	0	0	0	0	0	0	0	0	2	1	0
ESSENTIALLY UNCHANGED POLICY	115	8	16	8	8	6	10	12	10	15	8	3	7	12
MODERATELY EASIER POLICY	3	0	0	0	0	0	1	0	0	1	0	0	0	1
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>LENDING TO "NONCAPTIVE" FINANCE COMPANIES</b>														
<b>TERMS AND CONDITIONS</b>														
INTEREST RATES CHARGED	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	1	0	0	0	0	0	0	1	0	0	0	0	0	0
ESSENTIALLY UNCHANGED POLICY	117	8	15	8	7	6	11	12	9	14	9	3	9	12
MODERATELY EASIER POLICY	3	0	1	0	1	0	0	0	1	0	0	0	0	1
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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2/ FOR THESE FACTORS, FIRMER MEANS THE FACTORS WERE CONSIDERED MORE IMPORTANT IN MAKING DECISIONS FOR APPROVING CREDIT REQUESTS, AND EASIER MEANS THEY WERE LESS IMPORTANT.

TABLE 3 (CONTINUED)

	ALL DSTS	BOS- TON	NEW YORK TOTAL CITY	NEW YORK OUTSIDE	PHIL- ADEL.	CLEVF- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
<b>LENDING TO "NONCAPTIVE" FINANCE COMPANIES</b>														
<b>TERMS AND CONDITIONS:</b>														
<b>SIZE OF COMPENSATING BALANCES</b>	<b>121</b>													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED POLICY	116	8	16	8	8	6	11	11	9	15	8	3	9	11
MODERATELY EASIER POLICY	5	0	0	0	0	0	0	1	1	0	1	0	0	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ENFORCEMENT OF BALANCE REQUIREMENT</b>	<b>121</b>													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	3	0	0	0	0	0	1	0	1	0	0	0	1	0
ESSENTIALLY UNCHANGED POLICY	110	8	16	8	8	5	10	12	8	15	8	3	8	8
MODERATELY EASIER POLICY	8	0	0	0	0	1	0	0	1	0	1	0	0	5
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ESTABLISHING NEW OR LARGER CREDIT LINES</b>	<b>121</b>													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	6	0	1	0	1	0	0	1	1	0	1	0	1	1
ESSENTIALLY UNCHANGED POLICY	102	8	13	7	6	6	10	8	9	13	7	3	8	9
MODERATELY EASIER POLICY	11	0	2	1	1	0	1	3	0	1	1	0	0	5
MUCH EASIER POLICY	2	0	0	0	0	0	0	0	0	1	0	0	1	0
<b>WILLINGNESS TO MAKE OTHER TYPES OF LOANS</b>														
<b>TERM LOANS TO BUSINESSES</b>	<b>121</b>													
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	0	1	0	0	0	0	0
MODERATELY LESS WILLING	1	0	1	0	1	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	88	7	12	6	6	3	10	8	8	13	5	3	6	7
MODERATELY MORE WILLING	31	1	3	2	1	3	1	4	1	2	4	0	3	6
CONSIDERABLY MORE WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>CONSUMER INSTALMENT LOANS</b>	<b>120</b>													
CONSIDERABLY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	80	7	13	6	7	4	8	7	5	8	6	3	8	6
MODERATELY MORE WILLING	32	1	2	1	1	1	3	1	5	6	2	0	1	6
CONSIDERABLY MORE WILLING	8	0	0	0	0	1	0	4	0	1	1	0	0	1

TABLE 3 (CONTINUED)

	ALL DSTS	BOS- TON	NEW YORK		PHIL- ADEL.	CLEVE- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
WILLINGNESS TO MAKE OTHER TYPES OF LOANS		TOTAL	CITY	OUTSIDE										
<b>SINGLE FAMILY MORTGAGE LOANS</b>	<b>120</b>													
CONSIDERABLY LESS WILLING	1	0	0	0	0	1	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	3	1	2	0	2	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	97	7	12	7	5	7	9	10	13	7	2	7	9	9
MODERATELY MORE WILLING	18	0	1	0	1	3	3	0	2	2	1	2	0	4
CONSIDERABLY MORE WILLING	1	0	0	0	0	1	0	0	0	0	0	0	0	0
<b>MULTIFAMILY MORTGAGE LOANS</b>	<b>118</b>													
CONSIDERABLY LESS WILLING	2	0	0	0	0	1	0	0	0	1	0	0	0	0
MODERATELY LESS WILLING	2	0	1	0	1	0	0	0	0	1	0	0	0	0
ESSENTIALLY UNCHANGED	111	7	12	6	6	9	11	10	15	7	3	9	9	13
MODERATELY MORE WILLING	3	1	0	0	0	1	1	0	0	0	0	0	0	0
CONSIDERABLY MORE WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ALL OTHER MORTGAGE LOANS</b>	<b>120</b>													
CONSIDERABLY LESS WILLING	2	0	0	0	0	1	0	0	0	1	0	0	0	0
MODERATELY LESS WILLING	1	0	0	0	0	0	0	0	0	1	0	0	0	0
ESSENTIALLY UNCHANGED	101	7	15	7	8	9	10	9	12	5	3	8	9	10
MODERATELY MORE WILLING	15	1	0	0	0	1	1	1	3	2	0	1	0	3
CONSIDERABLY MORE WILLING	1	0	0	0	0	0	1	0	0	0	0	0	0	0
<b>PARTICIPATION LOANS WITH CORRESPONDENT BANKS</b>	<b>121</b>													
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	1	0	0	0	0	0	0
MODERATELY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	99	7	12	6	6	5	11	8	12	5	3	8	7	11
MODERATELY MORE WILLING	18	1	4	2	2	0	0	1	2	3	0	1	2	2
CONSIDERABLY MORE WILLING	3	0	0	0	0	1	0	0	1	1	0	0	0	0
<b>LOANS TO BROKERS</b>	<b>121</b>													
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	1	0	0	0	0	0	0
MODERATELY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	101	8	12	4	8	5	10	9	13	6	3	9	6	10
MODERATELY MORE WILLING	17	0	4	4	0	0	1	0	2	2	0	0	3	3
CONSIDERABLY MORE WILLING	2	0	0	0	0	1	0	0	0	1	0	0	0	0
<b>NUMBER OF BANKS</b>	<b>121</b>													

TABLE 4

## COMPARISON OF SELECTED RESPONSES IN THE FEBRUARY AND MAY SURVEYS

	FEB. 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	NUMBER OF BANKS STRONGER	UNCHANGED	WEAKER
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS				
COMPARED TO THREE MONTHS AGO				
STRONGER	9	2	3	4
UNCHANGED	56	8	36	12
WEAKER	56	7	36	13
ANTICIPATED DEMAND THREE MONTHS HENCE				
STRONGER	42	30	11	1
UNCHANGED	66	28	37	1
WEAKER	13	6	7	0
ANTICIPATED DEMAND THREE MONTHS HENCE COMPARED TO THREE MONTHS AGO				
STRONGER	42	9	23	10
UNCHANGED	66	6	44	16
WEAKER	13	2	8	3
LENDING TO NONFINANCIAL BUSINESSES				
INTEREST RATES CHARGED				
FIRMER	3	1	1	0
UNCHANGED	58	1	54	3
EASIER	60	0	46	14
COMPENSATING OR SUPPORTING BALANCES				
FIRMER	3	1	2	0
UNCHANGED	99	2	83	14
EASIER	19	0	10	9
STANDARDS OF CREDIT WORTHINESS				
FIRMER	10	2	8	0
UNCHANGED	110	5	103	2
EASIER	1	0	0	1
MATURITY OF TERM LOANS				
FIRMER	2	0	2	0
UNCHANGED	108	1	97	10
EASIER	11	0	8	3

TABLE 4 (CONTINUED)

REVIEWING CREDIT LINES OR LOAN APPLICATION	FEB. 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	FIRMER	UNCHANGED	EASIER
ESTABLISHED CUSTOMERS				
FIRMER	4	0	4	0
UNCHANGED	103	2	96	5
EASIER	14	0	11	3
NEW CUSTOMERS				
FIRMER	7	0	7	0
UNCHANGED	94	2	84	8
EASIER	20	1	13	6
LOCAL SERVICE AREA CUSTOMERS				
FIRMER	4	0	4	0
UNCHANGED	107	1	101	5
EASIER	10	0	9	1
NONLOCAL SERVICE AREA CUSTOMERS				
FIRMER	13	1	12	0
UNCHANGED	95	0	85	10
EASIER	13	1	10	2
FACTORS RELATING TO APPLICANT				
VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS				
FIRMER	10	2	7	1
UNCHANGED	104	7	90	7
EASIER	7	0	6	1
INTENDED USE OF THE LOAN				
FIRMER	6	0	6	0
UNCHANGED	105	3	99	3
EASIER	10	0	10	0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES				
TERMS AND CONDITIONS:				
INTEREST RATES CHARGED				
FIRMER	3	0	3	0
UNCHANGED	98	1	95	2
EASIER	20	0	19	1
COMPENSATING OR SUPPORTING BALANCES				
FIRMER	3	0	2	1
UNCHANGED	117	0	113	4
EASIER	1	0	1	0

TABLE 4 (CONTINUED)

	FEB. 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	FIRMER	UNCHANGED	EASIER
LENDING TO "NONCAPTIVE" FINANCE COMPANIES				
TERMS AND CONDITIONS:				
ENFORCEMENT OF BALANCE REQUIREMENTS				
FIRMER	4	0	2	2
UNCHANGED	115	3	106	6
EASIER	2	0	2	0
ESTABLISHING NEW OR LARGER CREDIT LINES				
FIRMER	13	0	11	2
UNCHANGED	101	5	67	9
EASIER	7	1	4	2
WILLINGNESS TO MAKE OTHER TYPES OF LOANS				
TERM LOANS TO BUSINESSES				
LESS	4	1	2	1
UNCHANGED	79	1	66	12
MORE	38	0	20	18
CONSUMER INSTALMENT LOANS				
LESS	3	0	2	1
UNCHANGED	81	0	65	16
MORE	36	0	13	23
SINGLE FAMILY MORTGAGE LOANS				
LESS	2	0	2	0
UNCHANGED	103	4	88	11
MORE	15	0	7	8
MULTI-FAMILY MORTGAGE LOANS				
LESS	8	1	6	1
UNCHANGED	109	2	104	1
MORE	3	1	1	1
ALL OTHER MORTGAGE LOANS				
LESS	4	1	3	0
UNCHANGED	109	1	98	10
MORE	7	1	2	4
PARTICIPATION LOANS WITH CORRESPONDENT BANKS				
LESS	5	0	5	0
UNCHANGED	92	1	80	11
MORE	24	0	14	10
LOANS TO BROKERS				
LESS	1	0	1	0
UNCHANGED	98	1	86	11
MORE	22	0	14	8

## A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE MAY SURVEY

	MAY 15, 1976		MAY 15, 1976		
	NUMBER OF BANKS		NUMBER OF BANKS ESSENTIALLY		
			FIRMER	UNCHANGED	EASIER
LENDING TO NONFINANCIAL BUSINESSES					
INTEREST RATES CHARGED					
FIRMER	2		2	0	0
ESSENTIALLY UNCHANGED	101		1	87	13
EASIER	17		0	7	10
NEW CUSTOMERS					
FIRMER	3		2	1	0
ESSENTIALLY UNCHANGED	104		0	103	1
EASIER	14		0	7	7
VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS					
FIRMER	9		1	8	0
ESSENTIALLY UNCHANGED	103		2	99	2
EASIER	9		0	8	1
LENDING TO "NONCAPTIVE" FINANCE COMPANIES					
INTEREST RATES CHARGED					
FIRMER	1		0	1	0
ESSENTIALLY UNCHANGED	117		0	115	4
EASIER	3		0	2	1
COMPENSATING OR SUPPORTING BALANCES					
FIRMER	0		0	0	0
ESSENTIALLY UNCHANGED	116		3	109	4
EASIER	5		0	1	4
COMPENSATING OR SUPPORTING BALANCES					
FIRMER	0		0	0	0
ESSENTIALLY UNCHANGED	116		6	98	12
EASIER	5		0	4	1
COMPENSATING OR SUPPORTING BALANCES					
FIRMER	0		0	0	0
ESSENTIALLY UNCHANGED	116		6	98	12
EASIER	5		0	4	1
COMPENSATING OR SUPPORTING BALANCES					
FIRMER	0		0	0	0
ESSENTIALLY UNCHANGED	116		6	98	12
EASIER	5		0	4	1



TABLE 5 (CONTINUED)

A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE MAY SURVEY

WILLINGNESS TO MAKE OTHER TYPES OF LOANS	MAY 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	LESS	ESSENTIALLY UNCHANGED	MORE
TERM LOANS TO BUSINESSES		MATURITY OF TERM LOANS		
LESS	2	0	2	0
ESSENTIALLY UNCHANGED	86	1	85	2
MORE	31	0	20	11
SINGLE FAMILY MORTGAGE LOANS		MULTI-FAMILY MORTGAGE LOANS		
LESS	4	2	1	1
ESSENTIALLY UNCHANGED	97	1	93	1
MORE	19	1	17	1
SINGLE FAMILY MORTGAGE LOANS		ALL OTHER MORTGAGE LOANS		
LESS	4	1	2	1
ESSENTIALLY UNCHANGED	97	1	87	9
MORE	19	1	14	4
TERM LOANS TO BUSINESSFS		CONSUMER INSTALMENT LOANS		
LESS	2	0	1	1
ESSENTIALLY UNCHANGED	88	0	67	21
MORE	31	0	12	18
TERM LOANS TO BUSINESSES		PARTICIPATION LOANS WITH CORRESPONDENT BANKS		
LESS	2	0	1	1
ESSENTIALLY UNCHANGED	88	1	80	7
MORE	31	0	18	13
TERM LOANS TO BUSINESSES		LOANS TO BROKERS		
LESS	2	0	2	0
ESSENTIALLY UNCHANGED	88	1	81	6
MORE	31	0	18	13

## A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE MAY SURVEY

STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS	MAY 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	FIRMER	ESSENTIALLY UNCHANGED	EASIER
COMPARED TO THREE MONTHS AGO		INTEREST RATES CHARGED TO NONFINANCIAL BUSINESSES		
STRONGER	17	2	12	3
ESSENTIALLY UNCHANGED	75	0	67	8
WEAKER	29	0	22	6
COMPARED TO THREE MONTHS AGO		COMPENSATING OR SUPPORTING BALANCES		
STRONGER	17	3	9	5
ESSENTIALLY UNCHANGED	75	0	66	9
WEAKER	29	0	20	9
COMPARED TO THREE MONTHS AGO		STANDARDS OF CREDIT WORTHINESS		
STRONGER	17	3	13	1
ESSENTIALLY UNCHANGED	75	3	71	1
WEAKER	29	1	27	1
COMPARED TO THREE MONTHS AGO		MATURITY OF TERM LOANS		
STRONGER	17	1	14	2
ESSENTIALLY UNCHANGED	75	0	66	7
WEAKER	29	0	25	4
COMPARED TO THREE MONTHS AGO		NEW CUSTOMERS		
STRONGER	17	1	10	6
ESSENTIALLY UNCHANGED	75	2	67	6
WEAKER	29	0	27	2
COMPARED TO THREE MONTHS AGO		(*NONCAPTIVE FINANCE COMPANIES*) ENFORCEMENT OF BALANCE REQUIREMENTS		
STRONGER	17	2	12	3
ESSENTIALLY UNCHANGED	75	0	71	4
WEAKER	29	1	27	1
COMPARED TO THREE MONTHS AGO		(*NONCAPTIVE FINANCE COMPANIES*) ESTABLISHING NEW OR LARGER CREDIT LINES		
STRONGER	17	3	9	5
ESSENTIALLY UNCHANGED	75	3	66	6
WEAKER	29	0	27	2

## A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE MAY SURVEY

	MAY 15, 1976		MAY 15, 1976		
	NUMBER OF BANKS		LESS	NUMBER OF BANKS ESSENTIALLY UNCHANGED	MORE
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS					
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE TERM LOANS TO BUSINESSES		
ESSENTIALLY UNCHANGED	75		0	9	8
WEAKER	29		2	59	14
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE CONSUMER INSTALMENT LOANS		
ESSENTIALLY UNCHANGED	75		0	11	6
WEAKER	29		0	51	24
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE SINGLE FAMILY MORTGAGE LOANS		
ESSENTIALLY UNCHANGED	75		3	8	6
WEAKER	29		1	64	10
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE MULTI-FAMILY MORTGAGE LOANS		
ESSENTIALLY UNCHANGED	75		0	25	3
WEAKER	29		3	13	1
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE ALL OTHER MORTGAGE LOANS		
ESSENTIALLY UNCHANGED	75		2	11	4
WEAKER	29		1	68	6
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE PARTICIPATION LOANS WITH CORRESPONDENT BANKS		
ESSENTIALLY UNCHANGED	75		0	13	4
WEAKER	29		0	66	9
COMPARED TO THREE MONTHS AGO					
STRONGER	17		WILLINGNESS TO MAKE LOANS TO BROKERS		
ESSENTIALLY UNCHANGED	75		1	20	8
WEAKER	29		0	15	2
			0	68	7
			1	18	10

## A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE MAY SURVEY

	MAY 15, 1976	MAY 15, 1976		
	NUMBER OF BANKS	NUMBER OF BANKS ESSENTIALLY		
		FIRMER	UNCHANGED	EASIER
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	2	50	12
ESSENTIALLY UNCHANGED	55	0	44	11
WEAKER	2	1	1	0
COMPENSATING OR SUPPORTING BALANCES				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	5	58	1
ESSENTIALLY UNCHANGED	55	2	51	2
WEAKER	2	0	2	0
STANDARDS OF CREDIT WORTHINESS				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	1	56	7
ESSENTIALLY UNCHANGED	55	0	49	6
WEAKER	2	0	2	0
MATURITY OF TERM LOANS				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	2	53	9
ESSENTIALLY UNCHANGED	55	1	50	4
WEAKER	2	0	1	1
NEW CUSTOMERS				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	3	52	9
ESSENTIALLY UNCHANGED	55	2	49	4
WEAKER	2	1	1	0
("NONCAPTIVE FINANCE COMPANIES")				
ESTABLISHING NEW OR LARGER CREDIT LINES				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	3	52	9
ESSENTIALLY UNCHANGED	55	2	49	4
WEAKER	2	1	1	0
ESSENTIALLY				
LESS UNCHANGED MORE				
WILLINGNESS TO MAKE				
TERM LOANS TO BUSINESSES				
ANTICIPATED DEMAND IN NEXT 3 MONTHS				
STRONGER	64	2	47	15
ESSENTIALLY UNCHANGED	55	0	40	15
WEAKER	2	0	1	1