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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

Industrial production is estimated to have been unchanged in September, following increases of 0.5 per cent in each of the two preceding months. In September, production losses from the auto strike more than offset post-strike gains in the rubber and bituminous coal industries, the net effect of these strike developments reduced the total index for September by an estimated 0.3 per cent. In September, at 131.3 per cent of the 1967 average, total industrial production remained slightly below its prerecession peak of 131.9 per cent in June 1974.

Products. Output of consumer goods declined by approximately 0.7 per cent, reflecting the effects of the auto strike. Auto assemblies, at a 7.7 million unit annual rate in September were down from an 8.8 million rate in August. Production of consumer durable goods other than autos and utility vehicles expanded further in September, and output of nondurable consumer goods rose somewhat. Production of business equipment is estimated to have increased 0.3 per cent in September, after having increased slightly in August (revised). Output of construction products and business supplies increased further.

Materials. Materials production was about unchanged in September as some renewed increases in nondurable materials production, notably chemicals, were almost offset by declines in steel and automotive parts.

INDUSTRIAL PRODUCTION  
(Seasonally Adjusted)

Indexes, 1967=100	1976				% change from		
	June	July	Aug. (p)	Sept. (e)	Month ago	Year ago	QII to QIII
Total	130.1	130.7	131.3	131.3	.0	7.5	1.3
Products, total	129.5	129.7	130.2	130.2	.0	6.0	.9
Final products	127.6	127.7	128.4	128.1	-.2	5.4	.8
Consumer goods	137.8	137.3	138.3	137.3	-.7	6.4	.4
Durable goods	144.2	142.2	145.1	140.8	-3.0	6.5	-.1
Nondurable goods	135.1	135.4	135.4	135.9	.4	6.5	.7
Business equipment	135.0	136.3	136.5	136.9	.3	6.0	1.5
Intermediate products	135.9	136.9	137.1	137.8	.5	8.0	1.6
Construction supplies	131.8	132.9	133.1	133.8	.5	9.4	2.4
Materials	131.1	132.3	133.0	133.1	.1	10.0	1.9

p--preliminary      e--estimated

Total personal income grew at a 6 per cent annual rate in September--an improvement over the 4.2 per cent rate for August, but considerably slower than during earlier months of the recovery. Declines in agricultural income were a major factor in slowing the growth of total personal income in August and September. Nonagricultural income rose at a 8.6 per cent annual rate in August and a 8.9 per cent rate in September.

Wage and salary disbursements rose at a 7.9 per cent annual rate in September. Higher average hourly earnings and the increase in payroll employment overrode the decline in the average workweek in

September. The decline in manufacturing payrolls due to the Ford strike apparently affected only the last week of September since the 170,000 strikers received a final paycheck after production was halted. That decline in payrolls was offset by a full month of earnings by 60,000 rubber workers, who returned to work from their four-month strike between August 28 and September 8.

PERSONAL INCOME

(Per cent change at compound annual rate; based on seasonally adjusted data)

	Nov. 73- July 75	July 75- Sept. 76	July 76- Aug. 76r	Aug. 76- Sept. 76r
<u>Current Dollars</u>				
Total Personal Income	8.3	9.5	4.2	6.0
Nonagricultural Income	9.0	10.5	8.6	8.9
Wage and Salary Disbursements	6.2	10.6	6.5	7.9
Nonwage Income	11.9	7.8	0.7	2.9
Transfer Payments	24.4	7.8	10.5	4.4
<u>Constant Dollars **</u>				
Total Personal Income	-1.9	n.a.	-2.2	n.a.
Nonagricultural Income	-1.3	n.a.	2.0	n.a.
Wage and Salary Disbursements	-3.9	n.a.	0.0	n.a.

\* November 1973 was the specific high and July 1975 was the specific low for the deflated wage and salary component.

\*\* Deflated by the CPI, seasonally adjusted.

r -- Revised.

Inventories. Book value of retail trade inventories rose at a \$16.4 billion annual rate in August, much faster than both the \$7.4 billion July rate of rise and the \$6.3 billion second quarter average rate of increase. Most of the growth was in auto inventories, which grew at a \$13.3 billion pace, while nonauto durable stocks declined slightly in August. Nondurable stocks rose at a moderate \$4.4 billion rate in August, after declining a bit in July. Retailers, other than auto dealers, thus continued the conservative inventory policy that has also been exhibited in manufacturing.

For manufacturing and trade the rate of inventory growth was \$32.7 billion in August, above the \$20.3 billion July rate of increase and the average second quarter growth rate of \$26.4 billion. Still, the manufacturing and trade inventory-sales ratio remained unchanged at 1.48 in August, reflecting the desire to keep inventories closely aligned with sales.

Ten-day auto sales. Domestic units sold at a 8.2 million annual rate in the first 10-days of October, a rate that was unchanged from the average in the month of September, but less than the 8.6 million rate for the third quarter.

The Domestic Financial Economy

Corporate bond market. The financing subsidiary of a major U.S. automobile company recently announced plans to offer a three-part, \$250 million note and bond issue during October. This offering, together with subsequent increases in two previously announced issues, boosts the expected volume of publicly offered bonds in October to \$2.5 billion.



INTEREST RATES  
(One day quotes - in per cent)

	1976			
	Highs	Lows	Sept. 20	Oct. 14
<u>Short-Term Rates</u>				
Federal funds (wkly. avg.)	5.58(6/30)	4.70(2/18)	5.21(9/22)	5.02(10/13)
3-month				
Treasury bills (bid)	5.57(6/2)	4.68(1/29)	5.06	4.85
Comm. paper (90-119 day)	6.00(6/15)	5.00(4/29)	5.38	5.13
Bankers' acceptances	5.95(6/2)	4.80(4/21)	5.30	5.00
Euro-dollars	6.81(6/1)	5.19(4/22)	5.44	5.31
CD's (NYC) 90 days				
Most often quoted new	5.75(6/16)	4.88(4/21)	5.30(9/15)	5.00(10/13)
6-month				
Treasury bills (bid)	5.96(5/27)	4.95(1/29)	5.24	4.96
Comm. paper (4-6 mo.)	6.00(6/22)	5.13(4/29)	5.38	5.25
Federal agencies	6.42(5/27)	5.31(2/2)	5.52	5.60(10/1)
CD's (NYC) 180 day				
Most often quoted new	6.50(6/2)	5.25(10/13)	5.60(9/15)	5.25(10/13)
1-year				
Treasury bills (bid)	6.39(5/27)	5.05(10/14)	5.40	5.05
Federal agencies	6.86(5/28)	5.82(4/14)	5.93	5.91(10/1)
CD's (NYC)				
Most often quoted new	6.75(6/16)	5.38(2/4)	6.05(9/15)	5.50(10/13)
Prime municipals	3.70(5/28)	2.90(10/15)	3.00(9/17)	2.90(10/15)
<u>Intermediate and Long-Term</u>				
Treasury coupon issues				
5-years	7.82(5/27)	6.64(10/12)	7.07	6.73
20-years	8.20(5/21)	7.63(10/14)	7.73	7.63
Corporate				
Seasoned Aaa	8.66(1/2)	8.30(10/13)	8.36	8.30(10/13)
Baa	10.34(1/2)	9.17(10/13)	9.26	9.17(10/13)
New Issue Aaa Utility	8.95(5/28)	8.16(10/13)	8.28(9/17)	8.16
Municipal				
Bond Buyer Index	7.13(1/8)	6.25(10/13)	6.50(9/16)	6.25
Mortgage--average yield				
in FNMA auction	9.20(6/1)	8.80(10/4)	8.92(9/6)	8.80(10/4)

SUPPLEMENTAL APPENDIX A\*  
CHANGES IN BANK LENDING PRACTICES

The mid-August survey of lending practices at 121 large commercial banks reveals that the expansion in business loan demand that has been anticipated by many of the banks on each survey since the spring of 1975, has not yet materialized. About half of the 64 banks predicting firmer loan demand over the May to August interval have reported that credit demands had in fact not changed by August. Furthermore, nine of these banks experienced additional, unexpected erosion in business credit demand over the survey period. Altogether, 60 per cent of the respondents in the August survey indicated that the level of loan demand has remained low relative to that experienced three months earlier, while the other 40 per cent were about evenly divided between those reporting moderately firmer or somewhat weaker borrowing demands (see Table 4).

In mid-August, as in previous surveys during 1975-1976, almost none of the reporting banks were anticipating declines in the strength of loan demand over the next three months; most either expected demands to firm moderately (53 per cent) or continue unchanged (45 per cent). However, in recent surveys, the respondents have consistently over-estimated business borrowing demands. As a result of this persistent bias, the banks current expectations of firmer borrowing demands through November should probably be discounted to a considerable degree.

The respondents to the August survey have reported further modest concessions on some price and nonprice terms of lending to nonfinancial businesses. Although interest rates charged to businesses reportedly declined slightly at 21 per cent of the banks, the declines probably reflect a prime rate reduction in early August to 7 per cent. It is worth noting, however, that several comments on the questionnaires indicate that some banks are beginning to relax their policy of extending loans only at floating rates. The willingness to make fixed-rate loans may make bank borrowing attractive to businesses expecting short-term market rates to rise over the near term.

As for nonprice terms, a small but increasing number of banks have moved toward less restrictiveness in compensating balance

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

requirements over the past year. An additional 8 banks (7 per cent of the sample) reported an easing of such requirements over the three months ending in August, and since November 1975, a total of one-third of the respondents have adopted a less stringent stance. With the possible exception of maturities of term loans, other price and nonprice conditions required of nonfinancial businesses relating to standards of credit worthiness and reviewing of credit lines have remained essentially unchanged between May and August.

The continued softness in business loan demand over recent quarters and the large inflows of savings and small denomination time deposits may have contributed to the increased willingness of reporting banks to extend other types of loans included in the survey--notably term loans to businesses and consumer instalment loans. An increasing inclination to make loans of both kinds was expressed by about one-quarter of the respondents in the August survey.

Thus, there is limited evidence that some banks have been making efforts to increase the volume of outstanding loans. However, the continued weak loan demand that evoked these moderate concessions by commercial banks and the improved liquidity positions due to large deposit inflows have not yet induced respondents to relax their emphasis on the high quality of their loan portfolio.

NOT FOR QUOTATION OR PUBLICATION

TABLE 1

QUARTERLY SURVEY OF CHANGES IN BANK LENDING PRACTICES  
 AT SELECTED LARGE BANKS IN THE U.S. 1/  
 (STATUS OF POLICY ON AUGUST 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	24	19.8	73	60.4	24	19.8	0	0.0
ANTICIPATED DEMAND IN NEXT 3 MONTHS	121	100.0	0	0.0	64	52.9	54	44.6	3	2.5	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	121	100.0	0	0.0	3	2.5	93	76.8	25	20.7	0	0.0
COMPENSATING OR SUPPORTING BALANCES	121	100.0	0	0.0	2	1.7	107	88.4	12	9.9	0	0.0
STANDARDS OF CREDIT WORTHINESS	121	100.0	1	0.8	3	2.5	117	96.7	0	0.0	0	0.0
MATURITY OF TERM LOANS	121	100.0	0	0.0	5	4.1	104	86.0	12	9.9	0	0.0
REVIEWING CREDIT LINES OR LOAN APPLICATIONS												
ESTABLISHED CUSTOMERS	121	100.0	0	0.0	2	1.7	112	92.5	7	5.8	0	0.0
NEW CUSTOMERS	121	100.0	0	0.0	6	5.0	111	91.7	4	3.3	0	0.0
LOCAL SERVICE AREA CUSTOMERS	121	100.0	0	0.0	3	2.5	112	92.5	6	5.0	0	0.0
NONLOCAL SERVICE AREA CUSTOMERS	121	100.0	0	0.0	5	4.1	109	90.1	7	5.8	0	0.0

1/ SURVEY OF LENDING PRACTICES AT 121 LARGE BANKS REPORTING IN THE FEDERAL RESERVE QUARTERLY INTEREST RATE SURVEY AS OF AUGUST 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	10	8.3	105	86.7	6	5.0	0	0.0
INTENDED USE OF THE LOAN	121	100.0	0	0.0	4	3.3	109	90.1	8	6.6	0	0.0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	121	100.0	2	1.7	6	5.0	108	89.2	5	4.1	0	0.0
COMPENSATING OR SUPPORTING BALANCES	121	100.0	1	0.8	3	2.5	116	95.9	1	0.8	0	0.0
ENFORCEMENT OF BALANCE REQUIREMENTS	121	100.0	1	0.8	6	5.0	113	93.4	1	0.8	0	0.0
ESTABLISHING NEW OR LARGER CREDIT LINES	121	100.0	2	1.7	6	5.0	105	86.7	8	6.6	0	0.0
	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	0	0.0	5	4.1	67	71.9	29	24.0	0	0.0
CONSUMER INSTALMENT LOANS	120	100.0	0	0.0	1	0.8	85	70.9	31	25.8	3	2.5
SINGLE FAMILY MORTGAGE LOANS	120	100.0	1	0.8	2	1.7	102	85.0	14	11.7	1	0.8
MULTI-FAMILY MORTGAGE LOANS	119	100.0	1	0.8	0	0.0	114	95.8	4	3.4	0	0.0
ALL OTHER MORTGAGE LOANS	120	100.0	1	0.8	1	0.8	108	90.1	10	8.3	0	0.0
PARTICIPATION LOANS WITH CORRESPONDENT BANKS	121	100.0	0	0.0	3	2.5	96	79.3	21	17.4	1	0.8
LOANS TO BROKERS	121	100.0	0	0.0	2	1.7	107	88.4	11	9.1	1	0.8

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 AUGUST 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	15	23	62	60	23	17	0	0
ANTICIPATED DEMAND IN NEXT 3 MONTHS	100	100	0	0	52	54	48	42	0	4	0	0
	TOTAL		MUCH FIRMER		MODERATELY FIRMER		ESSENTIALLY UNCHANGED		MODERATELY EASIER		MUCH EASIER	
	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1	\$1 & OVER	UNDER \$1
LENDING TO NONFINANCIAL BUSINESSES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	100	100	0	0	2	3	79	75	19	22	0	0
COMPENSATING OR SUPPORTING BALANCES	100	100	0	0	2	1	83	93	15	6	0	0
STANDARDS OF CREDIT WORTHINESS	100	100	2	0	0	4	98	96	0	0	0	0
MATURITY OF TERM LOANS	100	100	0	0	4	4	84	87	12	9	0	0
REVIEWING CREDIT LINES OR LOAN APPLICATIONS												
ESTABLISHED CUSTOMERS	100	100	0	0	0	3	92	93	8	4	0	0
NEW CUSTOMERS	100	100	0	0	0	9	96	88	4	3	0	0
LOCAL SERVICE AREA CUSTOMERS	100	100	0	0	0	4	94	92	6	4	0	0
NONLOCAL SERVICE AREA CUSTOMERS	100	100	0	0	0	7	94	87	6	6	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 AUGUST 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	8	9	84	88	8	3	0	0
INTENDED USE OF THE LOAN	100	100	0	0	0	6	90	90	10	4	0	0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES												
TERMS AND CONDITIONS:												
INTEREST RATES CHARGED	100	100	0	3	4	6	92	87	4	4	0	0
COMPENSATING OR SUPPORTING BALANCES	100	100	0	1	2	3	96	96	2	0	0	0
ENFORCEMENT OF BALANCE REQUIREMENTS	100	100	0	1	4	6	96	92	0	1	0	0
ESTABLISHING NEW OR LARGER CREDIT LINES	100	100	0	3	2	7	86	86	10	4	0	0
	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	0	6	3	69	74	25	23	0	0
CONSUMER INSTALMENT LOANS	100	100	0	0	0	1	69	73	29	23	2	3
SINGLE FAMILY MORTGAGE LOANS	100	100	0	1	0	3	82	87	16	9	2	0
MULTI-FAMILY MORTGAGE LOANS	100	100	0	1	0	0	100	93	0	6	0	0
ALL OTHER MORTGAGE LOANS	100	100	0	1	2	0	88	92	10	7	0	0
PARTICIPATION LOANS WITH CORRESPONDENT BANKS	100	100	0	0	4	1	77	82	17	17	2	0
LOANS TO BROKERS	100	100	0	0	0	3	88	89	12	7	0	1

/ 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.

NOT FOR QUOTATION OR PUBLICATION

TABLE 2

QUARTERLY SURVEY OF CHANGES IN BANK LENDING PRACTICES AT SELECTED LARGE BANKS IN THE U.S. 1/  
STATUS OF POLICY ON AUGUST 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	0	0
MODERATELY STRONGER	24	1	2	0	2	0	3	3	4	2	1	0	1	5	2
ESSENTIALLY UNCHANGED	73	5	10	5	5	5	2	6	3	12	7	3	8	2	10
MODERATELY WEAKER	24	2	4	3	1	1	6	3	3	1	1	0	0	2	1
MUCH WEAKER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ANTICIPATED DEMAND NEXT THREE MONTHS															
COMPARED TO 3 MONTHS AGO	121														
MUCH STRONGER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY STRONGER	64	4	9	3	6	3	4	7	6	12	4	2	2	4	7
ESSENTIALLY UNCHANGED	54	4	7	5	2	3	7	5	3	3	4	1	6	5	6
MODERATELY WEAKER	3	0	0	0	0	0	0	0	1	0	1	0	1	0	0
MUCH WEAKER	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LENDING TO NONFINANCIAL BUSINESSES															
TERMS AND CONDITIONS															
INTEREST RATES CHARGED															
COMPARED TO 3 MONTHS AGO	121														
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	3	0	1	1	0	0	1	0	0	0	0	0	0	0	1
ESSENTIALLY UNCHANGED POLICY	93	7	13	5	8	5	7	9	6	11	7	3	8	7	10
MODERATELY EASIER POLICY	25	1	2	2	0	1	3	3	4	4	2	0	1	2	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COMPENSATING BALANCES															
COMPARED TO 3 MONTHS AGO	121														
MUCH FIRMER POLICY	0	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	0	1	0	1
ESSENTIALLY UNCHANGED POLICY	107	7	13	6	7	4	9	11	10	14	6	3	8	9	11
MODERATELY EASIER POLICY	12	1	3	2	1	2	2	1	0	1	1	0	0	0	1
MUCH EASIER POLICY	0	0	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 AUGUST 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
LENDING TO NONFINANCIAL BUSINESSES														
TERMS AND CONDITIONS														
STANDARDS OF CREDIT WORTHINESS	121													
MUCH FIRMER POLICY	1	0	1	0	1	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	3	0	1	0	1	0	0	0	0	0	0	2	0	0
ESSENTIALLY UNCHANGED POLICY	117	8	14	8	6	6	11	12	10	15	9	3	7	9
MODERATELY EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	5	0	0	0	0	0	1	0	0	1	0	1	1	1
ESSENTIALLY UNCHANGED POLICY	104	6	13	5	8	6	8	10	10	14	7	3	8	7
MODERATELY EASIER POLICY	12	2	3	3	0	0	2	2	0	0	2	0	0	1
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	1	0	1	0	0	0	0	0	0	0	1	0
ESSENTIALLY UNCHANGED POLICY	112	7	15	8	7	6	11	10	10	13	5	3	9	7
MODERATELY EASIER POLICY	7	1	0	0	0	0	0	2	0	2	0	0	0	1
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	6	0	1	0	1	0	0	0	1	0	1	0	2	1
ESSENTIALLY UNCHANGED POLICY	111	8	15	8	7	6	11	10	5	15	2	3	7	7
MODERATELY EASIER POLICY	4	0	0	0	0	0	0	2	0	0	0	0	0	1
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	3	0	1	0	1	0	0	0	0	0	0	0	1	1
ESSENTIALLY UNCHANGED POLICY	112	8	14	8	6	6	11	10	10	15	9	3	8	6
MODERATELY EASIER POLICY	6	0	1	0	1	0	0	2	0	0	0	0	0	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0

NOT FOR QUOTATION OR PUBLICATION

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														
REVIEWING CREDIT LINES OR LOANS														
NONLOCAL SERVICE AREA CUST	121													
MUCH FIRMER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY FIRMER POLICY	5	0	1	0	1	0	0	0	0	0	0	3	1	0
ESSENTIALLY UNCHANGED POLICY	109	8	15	8	7	6	11	10	15	8	3	5	7	11
MODERATELY EASIER POLICY	7	0	0	0	0	0	0	2	0	1	0	1	1	2
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FACTORS RELATING TO APPLICANT 2/														
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	10	1	0	0	0	1	0	0	1	1	0	3	1	2
ESSENTIALLY UNCHANGED POLICY	105	7	16	8	8	5	11	10	14	8	3	6	7	9
MODERATELY EASIER POLICY	6	0	0	0	0	0	0	2	0	1	0	0	1	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	4	0	1	0	1	0	0	1	0	0	0	2	0	0
ESSENTIALLY UNCHANGED POLICY	109	6	15	8	7	6	11	10	15	9	3	6	8	10
MODERATELY EASIER POLICY	8	2	0	0	0	0	0	1	0	0	0	1	1	3
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LENDING TO "NONCAPTIVE" FINANCE COMPANIES														
TERMS AND CONDITIONS														
INTEREST RATES CHARGED	121													
MUCH FIRMER POLICY	2	0	0	0	0	0	0	0	1	0	0	0	1	0
MODERATELY FIRMER POLICY	6	0	1	1	0	0	1	0	1	0	0	2	0	1
ESSENTIALLY UNCHANGED POLICY	108	8	15	7	8	6	10	11	7	14	9	3	7	11
MODERATELY EASIER POLICY	5	0	0	0	0	0	0	1	1	1	0	0	1	1
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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 OUTSIDE	PHIL- ADEL.	CLEVE- LAND	RICH- MOND	ATLAN- TA	CHIC- AGO	ST. LOUIS	MINNE- APOLIS	KANS. CITY	DAL- LAS	SAN FRAN
LENDING TO "NONCAPTIVE" FINANCE COMPANIES													
TERMS AND CONDITIONS:													
SIZE OF COMPENSATING BALANCES	121												
MUCH FIRMER POLICY	1	0	0	0	0	0	0	0	1	0	0	0	0
MODERATELY FIRMER POLICY	3	0	1	0	1	0	0	0	1	0	0	0	1
ESSENTIALLY UNCHANGED POLICY	116	8	15	8	7	6	11	12	8	14	9	3	9
MODERATELY EASIER POLICY	1	0	0	0	0	0	0	0	0	1	0	0	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0
ENFORCEMENT OF BALANCE REQUIREMENT	121												
MUCH FIRMER POLICY	1	0	0	0	0	0	0	0	1	0	0	0	0
MODERATELY FIRMER POLICY	6	1	1	0	1	0	0	0	1	0	0	0	1
ESSENTIALLY UNCHANGED POLICY	113	7	15	8	7	6	11	12	8	15	9	3	8
MODERATELY EASIER POLICY	1	0	0	0	0	0	0	0	0	0	0	0	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0
ESTABLISHING NEW OR LARGER CREDIT LINES	121												
MUCH FIRMER POLICY	2	0	0	0	0	0	0	0	2	0	0	0	0
MODERATELY FIRMER POLICY	6	1	1	0	1	0	0	1	0	0	0	1	1
ESSENTIALLY UNCHANGED POLICY	105	6	14	8	6	6	10	11	8	14	9	2	8
MODERATELY EASIER POLICY	8	1	1	0	1	0	1	0	0	1	0	1	0
MUCH EASIER POLICY	0	0	0	0	0	0	0	0	0	0	0	0	0
WILLINGNESS TO MAKE OTHER TYPES OF LOANS													
TERM LOANS TO BUSINESSES	121												
CONSIDERABLY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	5	0	0	0	0	0	1	0	0	0	0	1	1
ESSENTIALLY UNCHANGED	87	4	14	7	7	5	7	7	10	11	5	3	7
MODERATELY MORE WILLING	29	4	2	1	1	1	3	5	0	4	4	0	1
CONSIDERABLY MORE WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0
CONSUMER INSTALMENT LOANS	120												
CONSIDERABLY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	1	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	85	8	10	5	5	5	5	9	8	8	6	3	7
MODERATELY MORE WILLING	31	0	5	2	3	1	6	2	1	7	3	0	2
CONSIDERABLY MORE WILLING	3	0	0	0	0	0	0	1	1	0	0	0	0

TABLE 3 (CONTINUED)

	ALL OSTS	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										
WILLINGNESS TO MAKE OTHER TYPES OF LOANS														
SINGLE FAMILY MORTGAGE LOANS 120														
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	0	0	0	0	0	1	0
MODERATELY LESS WILLING	2	0	0	0	0	0	1	0	0	0	0	1	0	0
ESSENTIALLY UNCHANGED	102	7	15	7	8	5	8	10	12	8	2	7	8	10
MODERATELY MORE WILLING	14	1	0	0	0	0	3	1	3	1	1	1	0	3
CONSIDERABLY MORE WILLING	1	0	0	0	0	1	0	0	0	0	0	0	0	0
MULTIFAMILY MORTGAGE LOANS 119														
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	0	0	0	0	0	1	0
MODERATELY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	114	8	14	7	7	6	10	10	15	9	3	8	8	13
MODERATELY MORE WILLING	4	0	0	0	0	0	1	2	0	0	0	1	0	0
CONSIDERABLY MORE WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ALL OTHER MORTGAGE LOANS 120														
CONSIDERABLY LESS WILLING	1	0	0	0	0	0	0	0	0	0	0	0	1	0
MODERATELY LESS WILLING	1	0	0	0	0	0	0	0	0	0	0	0	0	1
ESSENTIALLY UNCHANGED	108	8	14	7	7	6	9	10	14	9	3	8	8	10
MODERATELY MORE WILLING	10	0	1	0	1	0	2	2	1	1	0	1	0	2
CONSIDERABLY MORE WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PARTICIPATION LOANS WITH CORRESPONDENT BANKS 121														
CONSIDERABLY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	3	0	0	0	0	0	0	0	0	0	0	1	0	2
ESSENTIALLY UNCHANGED	96	3	15	8	7	6	9	9	13	7	3	8	6	8
MODERATELY MORE WILLING	21	5	1	0	1	0	2	3	2	2	0	0	3	2
CONSIDERABLY MORE WILLING	1	0	0	0	0	0	0	0	0	0	0	0	0	1
LOANS TO BROKERS 121														
CONSIDERABLY LESS WILLING	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MODERATELY LESS WILLING	2	0	1	0	1	0	1	0	0	0	0	0	0	0
ESSENTIALLY UNCHANGED	107	7	15	8	7	5	8	10	9	13	3	9	8	11
MODERATELY MORE WILLING	11	0	0	0	0	1	2	2	1	2	0	0	1	2
CONSIDERABLY MORE WILLING	1	1	0	0	0	0	0	0	0	0	0	0	0	0
NUMBER OF BANKS 121														

TABLE 4

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

	MAY 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	STRONGER	UNCHANGED	WEAKER
<b>STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS</b>				
<b>COMPARED TO THREE MONTHS AGO</b>				
STRONGER	17	6	10	1
UNCHANGED	75	12	53	10
WEAKER	29	6	10	13
<b>ANTICIPATED DEMAND THREE MONTHS HENCE</b>				
STRONGER	64	38	25	1
UNCHANGED	55	25	26	2
WEAKER	2	1	1	0
<b>ANTICIPATED DEMAND THREE MONTHS HENCE</b>				
		<b>COMPARED TO THREE MONTHS AGO</b>		
STRONGER	64	15	40	9
UNCHANGED	55	8	32	15
WEAKER	2	1	1	0
<b>LENDING TO NONFINANCIAL BUSINESSES</b>				
		<b>FIRMER</b>	<b>UNCHANGED</b>	<b>EASIER</b>
<b>INTEREST RATES CHARGED</b>				
FIRMER	2	0	2	0
UNCHANGED	101	2	63	16
EASIER	17	1	8	8
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
FIRMER	3	1	2	0
UNCHANGED	95	0	87	8
EASIER	23	1	18	4
<b>STANDARDS OF CREDIT WORTHINESS</b>				
FIRMER	7	2	5	0
UNCHANGED	111	2	109	0
EASIER	3	0	3	0
<b>MATURITY OF TERM LOANS</b>				
FIRMER	1	0	1	0
UNCHANGED	107	3	94	10
EASIER	13	2	9	2

TABLE 4 (CONTINUED)

	MAY 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	FIRMER	UNCHANGED	EASIER
<b>REVIEWING CREDIT LINES OR LOAN APPLICATION</b>				
<b>ESTABLISHED CUSTOMERS</b>				
FIRMER	2	0	2	0
UNCHANGED	111	2	102	7
EASIER	8	0	8	0
<b>NEW CUSTOMERS</b>				
FIRMER	3	1	2	0
UNCHANGED	104	3	97	4
EASIER	14	2	12	0
<b>LOCAL SERVICE AREA CUSTOMERS</b>				
FIRMER	1	0	1	0
UNCHANGED	114	3	105	6
EASIER	6	0	6	0
<b>NONLOCAL SERVICE AREA CUSTOMERS</b>				
FIRMER	2	0	2	0
UNCHANGED	107	5	96	6
EASIER	12	0	11	1
<b>FACTORS RELATING TO APPLICANT</b>				
<b>VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS</b>				
FIRMER	9	1	5	3
UNCHANGED	103	7	94	2
EASIER	9	2	6	1
<b>INTENDED USE OF THE LOAN</b>				
FIRMER	3	1	2	0
UNCHANGED	115	3	104	8
EASIER	3	0	3	0
<b>LENDING TO "NONCAPTIVE" FINANCE COMPANIES</b>				
<b>TERMS AND CONDITIONS:</b>				
<b>INTEREST RATES CHARGED</b>				
FIRMER	1	0	1	0
UNCHANGED	117	8	106	3
EASIER	3	0	1	2
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
FIRMER	0	0	0	0
UNCHANGED	116	3	112	1
EASIER	5	1	4	0

TABLE 4 (CONTINUED)

	MAY 15, 1976	AUGUST 15, 1976		
		NUMBER OF BANKS	FIRMER	UNCHANGED
LENDING TO "NONCAPTIVE" FINANCE COMPANIES				
TERMS AND CONDITIONS:				
ENFORCEMENT OF BALANCE REQUIREMENTS				
FIRMER	3	2	1	0
UNCHANGED	110	3	106	1
EASIER	8	2	6	0
ESTABLISHING NEW OR LARGER CREDIT LINES				
FIRMER	6	3	3	0
UNCHANGED	102	4	93	5
EASIER	13	1	9	3
WILLINGNESS TO MAKE OTHER TYPES OF LOANS				
		LESS	UNCHANGED	MORE
TERM LOANS TO BUSINESSES				
LESS	2	0	2	0
UNCHANGED	88	1	71	16
MORE	31	4	14	13
CONSUMER INSTALMENT LOANS				
LESS	0	0	0	0
UNCHANGED	80	1	68	11
MORE	40	0	17	23
SINGLE FAMILY MORTGAGE LOANS				
LESS	4	0	4	0
UNCHANGED	97	2	87	8
MORE	19	1	11	7
MULTI-FAMILY MORTGAGE LOANS				
LESS	4	0	4	0
UNCHANGED	111	1	108	2
MORE	3	0	1	2
ALL OTHER MORTGAGE LOANS				
LESS	3	0	3	0
UNCHANGED	103	2	96	5
MORE	14	0	9	5
PARTICIPATION LOANS WITH CORRESPONDENT BANKS				
LESS	1	0	1	0
UNCHANGED	99	2	86	11
MORE	21	1	9	11
LOANS TO BROKERS				
LESS	1	0	1	0
UNCHANGED	101	2	93	6
MORE	19	0	13	6

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

	AUG. 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	NUMBER OF BANKS ESSENTIALLY		
		FIRMER	UNCHANGED	EASIER
<b>LENDING TO NONFINANCIAL BUSINESSES</b>				
<b>INTEREST RATES CHARGED</b>				
FIRMER	3	0	3	0
ESSENTIALLY UNCHANGED	93	2	86	5
EASIER	25	0	16	7
<b>NEW CUSTOMERS</b>				
FIRMER	6	2	4	0
ESSENTIALLY UNCHANGED	111	0	108	3
EASIER	4	0	0	4
<b>VALUE AS DEPOSITOR OR SOURCE OF COLLATERAL BUSINESS</b>				
FIRMER	10	2	7	1
ESSENTIALLY UNCHANGED	105	1	100	4
EASIER	6	1	2	3
<b>LENDING TO "NONCAPTIVE" FINANCE COMPANIES</b>				
<b>INTEREST RATES CHARGED</b>				
FIRMER	8	3	5	0
ESSENTIALLY UNCHANGED	108	1	106	1
EASIER	5	0	5	0
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
FIRMER	4	4	0	0
ESSENTIALLY UNCHANGED	116	3	112	1
EASIER	1	0	1	0
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
FIRMER	4	2	2	0
ESSENTIALLY UNCHANGED	116	6	103	7
EASIER	1	0	0	1
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
FIRMER	4	2	2	0
ESSENTIALLY UNCHANGED	116	6	103	7
EASIER	1	0	0	1



TABLE 5 (CONTINUED)

A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE AUGUST SURVEY

	AUG. 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	LESS	NUMBER OF BANKS ESSENTIALLY UNCHANGED	MORE
<b>WILLINGNESS TO MAKE OTHER TYPES OF LOANS</b>				
<b>TERM LOANS TO BUSINESSES</b>		<b>MATURITY OF TERM LOANS</b>		
LESS	5	4	1	0
ESSENTIALLY UNCHANGED	87	1	84	2
MORE	29	0	19	10
<b>SINGLE FAMILY MORTGAGE LOANS</b>		<b>MULTI-FAMILY MORTGAGE LOANS</b>		
LESS	3	1	2	0
ESSENTIALLY UNCHANGED	102	0	99	2
MORE	15	0	13	2
<b>SINGLE FAMILY MORTGAGE LOANS</b>		<b>ALL OTHER MORTGAGE LOANS</b>		
LESS	3	1	2	0
ESSENTIALLY UNCHANGED	102	1	96	5
MORE	15	0	10	5
<b>TERM LOANS TO BUSINESSES</b>		<b>CONSUMER INSTALMENT LOANS</b>		
LESS	5	0	2	3
ESSENTIALLY UNCHANGED	87	0	69	17
MORE	29	1	14	14
<b>TERM LOANS TO BUSINESSES</b>		<b>PARTICIPATION LOANS WITH CORRESPONDENT BANKS</b>		
LESS	5	2	2	1
ESSENTIALLY UNCHANGED	87	1	80	6
MORE	29	0	14	15
<b>TERM LOANS TO BUSINESSES</b>		<b>LOANS TO BROKERS</b>		
LESS	5	0	5	0
ESSENTIALLY UNCHANGED	87	2	80	5
MORE	29	0	22	7

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

	AUG. 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	FIRMER	ESSENTIALLY UNCHANGED	EASIER
STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS				
COMPARED TO THREE MONTHS AGO		INTEREST RATES CHARGED TO NONFINANCIAL BUSINESSES		
STRONGER	24	1	21	2
ESSENTIALLY UNCHANGED	73	2	60	11
WEAKER	24	0	12	12
COMPARED TO THREE MONTHS AGO		COMPENSATING OR SUPPORTING BALANCES		
STRONGER	24	1	22	1
ESSENTIALLY UNCHANGED	73	1	66	6
WEAKER	24	0	14	5
COMPARED TO THREE MONTHS AGO		STANDARDS OF CREDIT WORTHINESS		
STRONGER	24	1	23	0
ESSENTIALLY UNCHANGED	73	2	71	0
WEAKER	24	1	23	0
COMPARED TO THREE MONTHS AGO		MATURITY OF TERM LOANS		
STRONGER	24	4	10	2
ESSENTIALLY UNCHANGED	73	1	69	3
WEAKER	24	0	17	7
COMPARED TO THREE MONTHS AGO		NEW CUSTOMERS		
STRONGER	24	1	22	1
ESSENTIALLY UNCHANGED	73	3	68	2
WEAKER	24	2	21	1
COMPARED TO THREE MONTHS AGO		(*NONCAPTIVE FINANCE COMPANIES*) ENFORCEMENT OF BALANCE REQUIREMENTS		
STRONGER	24	1	23	0
ESSENTIALLY UNCHANGED	73	3	69	1
WEAKER	24	3	21	0
COMPARED TO THREE MONTHS AGO		(*NONCAPTIVE FINANCE COMPANIES*) ESTABLISHING NEW OR LARGER CREDIT LINES		
STRONGER	24	1	21	2
ESSENTIALLY UNCHANGED	73	5	65	3
WEAKER	24	2	19	3

A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE AUGUST SURVEY

STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS	AUG. 15, 1976 NUMBER OF BANKS	AUGUST 15, 1976 NUMBER OF BANKS		
		LESS	ESSENTIALLY UNCHANGED	MORE
<b>WILLINGNESS TO MAKE TERM LOANS TO BUSINESSES</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	3	14	7
ESSENTIALLY UNCHANGED	73	1	61	11
WEAKER	24	1	12	11
<b>WILLINGNESS TO MAKE CONSUMER INSTALMENT LOANS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	0	18	6
ESSENTIALLY UNCHANGED	73	0	53	19
WEAKER	24	1	14	9
<b>WILLINGNESS TO MAKE SINGLE FAMILY MORTGAGE LOANS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	0	23	1
ESSENTIALLY UNCHANGED	73	1	61	10
WEAKER	24	2	16	4
<b>WILLINGNESS TO MAKE MULTI-FAMILY MORTGAGE LOANS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	0	22	2
ESSENTIALLY UNCHANGED	73	0	70	1
WEAKER	24	1	22	1
<b>WILLINGNESS TO MAKE ALL OTHER MORTGAGE LOANS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	1	20	3
ESSENTIALLY UNCHANGED	73	0	67	5
WEAKER	24	1	21	2
<b>WILLINGNESS TO MAKE PARTICIPATION LOANS WITH CORRESPONDENT BANKS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	0	20	4
ESSENTIALLY UNCHANGED	73	2	61	10
WEAKER	24	1	15	6
<b>WILLINGNESS TO MAKE LOANS TO BROKERS</b>				
COMPARED TO THREE MONTHS AGO				
STRONGER	24	0	23	1
ESSENTIALLY UNCHANGED	73	1	65	7
WEAKER	24	1	19	4

TABLE 5 (CONTINUED)

A CROSS-CLASSIFICATION OF SELECTED RESPONSES IN THE AUGUST SURVEY

	AUG. 15, 1976	AUGUST 15, 1976		
	NUMBER OF BANKS	FIRMER	ESSENTIALLY UNCHANGED	EASIER
<b>STRENGTH OF DEMAND FOR COMMERCIAL AND INDUSTRIAL LOANS</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	1	58	5
ESSENTIALLY UNCHANGED	54	1	47	6
WEAKER	3	0	2	1
<b>COMPENSATING OR SUPPORTING BALANCES</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	1	63	0
ESSENTIALLY UNCHANGED	54	3	51	0
WEAKER	3	0	3	0
<b>STANDARDS OF CREDIT WORTHINESS</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	3	54	7
ESSENTIALLY UNCHANGED	54	2	48	4
WEAKER	3	0	2	1
<b>MATURITY OF TERM LOANS</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	3	61	0
ESSENTIALLY UNCHANGED	54	3	47	4
WEAKER	3	0	3	0
<b>NEW CUSTOMERS</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	5	55	4
ESSENTIALLY UNCHANGED	54	2	48	4
WEAKER	3	1	2	0
<b>(*NONCAPTIVE FINANCE COMPANIES*)</b>				
<b>ESTABLISHING NEW OR LARGER CREDIT LINES</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	3	44	17
ESSENTIALLY UNCHANGED	54	2	41	11
WEAKER	3	0	2	1
<b>WILLINGNESS TO MAKE TERM LOANS TO BUSINESSES</b>				
<b>ANTICIPATED DEMAND IN NEXT 3 MONTHS</b>				
STRONGER	64	3	44	17
ESSENTIALLY UNCHANGED	54	2	41	11
WEAKER	3	0	2	1
<b>ESSENTIALLY UNCHANGED</b>				
<b>LESS</b>				
<b>MORE</b>				