

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

*Mr. Eccles*

Office Correspondence

Date October 4, 1943

To Board Members (Individually)

Subject: \_\_\_\_\_

From Mr. Ransom

These two charts are CONFIDENTIAL.

Annual data are used. These are adequate for general purposes, but do not of course bring out the "finer points".

Chart 1, a "ratio" chart, brings out for each kind of credit its volatility -- i.e., its fluctuations in percentage terms -- but does not of course indicate how the amount of each kind of credit compares with the amount of each other kind... For "credit for purchasing or carrying securities", two curves are shown, the one for recent years based on "customers' debit balances of NYSE firms carrying margin accounts" and the other based on "brokers' loans" -- the only one of the two for which figures are available back as far as 1919. For showing fluctuations, both tell about the same story -- as can be seen from the period for which the two curves overlap.

Chart 2 shows the relative magnitude of each of the three kinds of credit, as well as the magnitude of the three taken together -- but since the scale must be large enough to show the largest items, the chart does not indicate properly their relative volatility.



Attachments 2

CHART I

# HOME MORTGAGE CREDIT, CONSUMER CREDIT, AND CREDIT FOR PURCHASING OR CARRYING SECURITIES

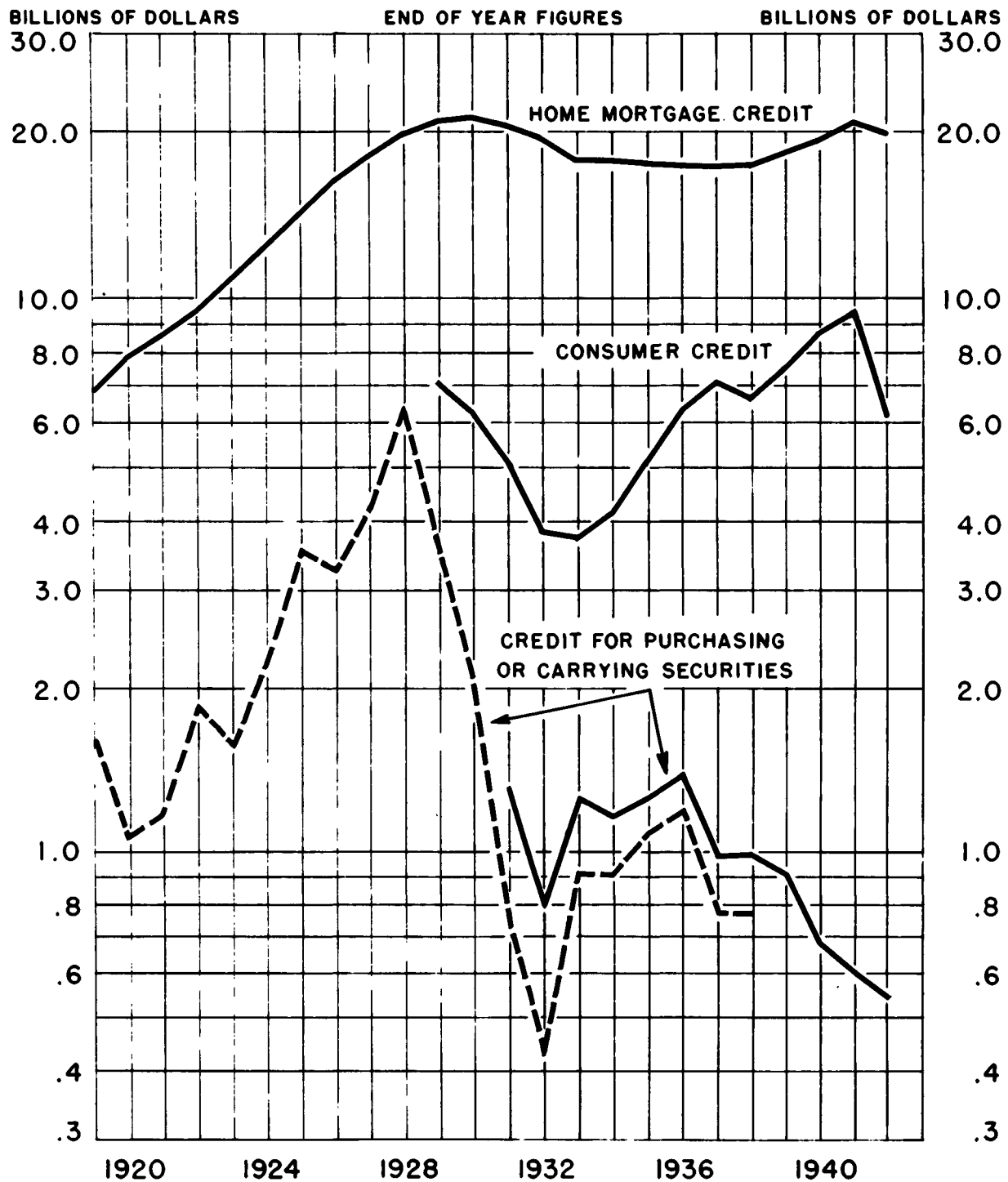


CHART 2

# HOME MORTGAGE CREDIT, CONSUMER CREDIT, AND CREDIT FOR PURCHASING OR CARRYING SECURITIES

