

# FEDERAL RESERVE statistical release

H.3 (502)

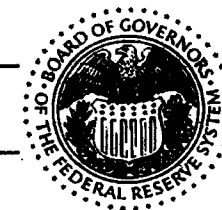
Table 1

## AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND THE MONETARY BASE

Adjusted for changes in reserve requirements<sup>1</sup>

Averages of daily figures, seasonally adjusted unless noted otherwise

Millions of dollars



For release at 4:30 p.m. Eastern Time

August 20, 1998

Date	Reserves of depository institutions					Monetary base <sup>6</sup>	Borrowings of depository institutions from the Federal Reserve, NSA		
	total <sup>2</sup>	nonborrowed <sup>3</sup>	nonborrowed plus extended credit <sup>4</sup>	required	excess NSA <sup>5</sup>		total	seasonal	extended credit <sup>4</sup>
1997-July	46717	46308	46308	45516	1201	464427	409	330	0
Aug.	46939	46341	46341	45686	1253	466711	598	385	0
Sep.	46240	45802	45802	44944	1295	469406	438	368	0
Oct.	45958	45688	45688	44562	1396	471983	270	227	0
Nov.	46310	46157	46157	44693	1617	476187	153	115	0
Dec.	46669	46345	46345	44986	1683	480152	324	79	0
1998-Jan.	46501	46292	46292	44721	1780	482838	210	18	0
Feb.	45722	45664	45664	44198	1524	484226	58	12	0
Mar.	46047	46006	46006	44731	1316	485862	41	22	0
Apr.	45959	45887	45887	44614	1345	487203	72	41	0
May	45591	45438	45438	44441	1150	489102	153	94	0
June	45391	45140	45140	43771	1620	491634	251	159	0
July p	44814	44556	44556	43449	1365	493699	258	215	0
<u>Two weeks ending</u>									
1998-June 17	45179	44943	44943	43649	1530	491287	236	145	0
July 1	45501	45216	45216	43704	1797	492224	285	184	0
15	44992	44794	44794	43665	1328	492868	198	196	0
29	44522	44208	44208	43163	1360	494217	314	233	0
Aug. 12p	45266	44996	44996	43823	1443	496632	271	241	0

1. Reserves and monetary base figures incorporate adjustments for discontinuities, or "breaks", associated with regulatory changes in reserve requirements. (For more information, see Table 3.)
2. Seasonally adjusted, break-adjusted total reserves equal seasonally adjusted, break-adjusted required reserves plus unadjusted excess reserves. (Also, see footnote 2 on Table 2 and footnote 2 on Table 3.)
3. Seasonally adjusted, break-adjusted nonborrowed reserves equal seasonally adjusted, break-adjusted total reserves less unadjusted total borrowings of depository institutions from the Federal Reserve.
4. Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.
5. Excess reserves NSA equals unadjusted total reserves (Table 2, column 1) less unadjusted required reserves (Table 2, column 3).
6. The seasonally adjusted, break-adjusted monetary base consists of (1) seasonally adjusted, break-adjusted total reserves plus (2) the seasonally adjusted currency component of the money stock plus (3), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the seasonally adjusted, break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements. (Also see footnote 3 on Table 2 and footnote 4 on table 3.)

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Table 2

**AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND THE MONETARY BASE**Not adjusted for changes in reserve requirements<sup>1</sup>

Averages of daily figures, not seasonally adjusted

Millions of dollars

Date	Reserves of depository institutions			Monetary base <sup>3</sup>	Reserve balances with F.R. Banks <sup>4</sup>	Vault cash <sup>5</sup>			Net carryover of reserve balances <sup>8</sup>
	total <sup>2</sup>	nonborrowed	required			total	used to satisfy required reserves <sup>6</sup>	surplus <sup>7</sup>	
1997-July	46380	45971	45179	472582	9851	43313	36529	6784	
Aug.	46645	46047	45392	474005	10489	42587	36156	6432	
Sep.	46056	45618	44761	475316	9742	43264	36314	6950	
Oct.	45621	45351	44225	477279	9990	42211	35631	6581	
Nov.	46451	46298	44834	483495	10559	42851	35892	6959	
Dec.	47880	47555	46196	491919	10673	44707	37206	7500	
1998-Jan.	47495	47285	45714	491608	9733	47336	37762	9574	
Feb.	44974	44916	43450	488411	9394	43167	35580	7587	
Mar.	45509	45468	44193	490964	10140	41598	35370	6228	
Apr.	46475	46403	45131	494109	11053	41215	35423	5792	
May	44805	44652	43655	494953	9646	41482	35159	6323	
June	45095	44844	43475	497929	9668	42635	35427	7208	
July p	44600	44342	43236	502195	9645	42034	34956	7079	
<b>Two weeks ending</b>									
1998-June 17	45206	44970	43676	498146	9340	43592	35867	7725	9
July 1	45029	44744	43232	498130	9969	41919	35060	6859	187
15	45327	45129	43999	503149	10225	42101	35102	6999	296
29	43702	43388	42342	501178	8929	41983	34773	7210	207
Aug. 12p	45595	45324	44151	504679	10433	41983	35162	6821	176

1. Reflects actual required reserves, with no adjustments to eliminate the effects of discontinuities, or "breaks", associated with regulatory changes in reserve requirements.

2. Reserve balances with Federal Reserve Banks plus vault cash used to satisfy reserve requirements.

3. The monetary base, not break-adjusted and not seasonally adjusted, consists of (1) total reserves plus (2) required clearing balances and adjustments to compensate for float at Federal Reserve Banks plus (3) the currency component of the money stock plus (4), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the difference between current vault cash and the amount applied to satisfy current reserve requirements. Currency and vault cash figures are measured over computation periods ending on Mondays.

4. Excludes required clearing balances and adjustments to compensate for float and includes other off-balance sheet "as-of" adjustments.

5. Vault cash eligible to satisfy reserve requirements. It includes only vault cash held by those banks and thrifts that are not exempt from reserve requirements. Dates refer to the maintenance periods in which the vault cash can be used to satisfy reserve requirements.

6. All vault cash held during the lagged computation period by "bound" institutions (i.e., those whose required reserves exceed their vault cash) plus the amount of vault cash applied during the maintenance period by "nonbound" institutions (i.e., those whose vault cash exceeds their required reserves) to satisfy current reserve requirements.

7. Total vault cash eligible to satisfy reserve requirements, held by depository institutions not exempt from reserve requirements, minus the amount used to satisfy reserve requirements.

8. Consists of carryover only at depository institutions maintaining reserves on the basis of two-week maintenance periods. Reflects excess (+) or deficit (-) reserves eligible to be carried forward into the two-week reserve maintenance period ending on the date shown.

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Table 3

**AGGREGATE RESERVES OF DEPOSITORY INSTITUTIONS AND THE MONETARY BASE**Adjusted for changes in reserve requirements<sup>1</sup>

Averages of daily figures, not seasonally adjusted

Millions of dollars

Date	Reserves of depository institutions			Monetary base <sup>4</sup>
	total <sup>2</sup>	nonborrowed	required <sup>3</sup>	
1997-July	46437	46028	45236	465348
Aug.	46709	46111	45456	467004
Sep.	46127	45689	44832	468370
Oct.	45693	45424	44297	470406
Nov.	46530	46377	44913	476615
Dec.	47971	47647	46288	485113
1998-Jan.	47487	47277	45706	484408
Feb.	44993	44935	43469	481347
Mar.	45545	45504	44228	484001
Apr.	46525	46453	45181	487361
May	44865	44712	43715	488278
June	45171	44920	43552	491177
July p	44688	44431	43324	495348
<u>Two weeks ending</u>				
1998-June 17	45280	45044	43750	491532
July 1	45109	44825	43313	491206
15	45416	45218	44088	496249
29	43788	43474	42428	494396
Aug. 12p	45691	45421	44248	497770

Note: Historical data are available from the Money and Reserves Projections Section, Division of Monetary Affairs, Board of Governors of The Federal Reserve System, Washington, D.C. 20551

- Figures reflect adjustments for discontinuities, or "breaks", associated with regulatory changes in reserve requirements.
- Break-adjusted total reserves equal break-adjusted required reserves (Table 3, column 3) plus excess reserves NSA (Table 1, column 5).
- To adjust required reserves for discontinuities due to regulatory changes in reserve requirements, a multiplicative procedure is used to estimate what required reserves would have been in past periods had current reserve requirements been in effect. Break-adjusted required reserves are equal to break-adjusted required reserves against transactions deposits.
- The break-adjusted monetary base equals (1) break-adjusted total reserves plus (2) the (unadjusted) currency component of the money stock plus (3), for all quarterly reporters on the "Report of Transaction Accounts, Other Deposits and Vault Cash" and for all those weekly reporters whose vault cash exceeds their required reserves, the break-adjusted difference between current vault cash and the amount applied to satisfy current reserve requirements.

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