

# FEDERAL RESERVE BANK of KANSAS CITY

## BANKING AND MONETARY DEVELOPMENTS IN AUGUST 1960

SEP 22 1960

Bank credit. Total commercial bank credit increased somewhat further in August following a sharp rise in July. Total loans rose, but holdings of U. S. Government securities declined slightly. Although the Treasury retired a substantial amount of outstanding debt, commercial banks acquired new securities about equal to their holdings of maturing issues. Holdings of other securities showed little further change as redemptions of maturing FNMA notes were offset by purchases of other issues.

About two-thirds of the large credit increase since midyear has been at city banks, reflecting heavy acquisitions of Treasury securities in the July financing. Expansion at outside banks has been about the same as in the comparable months of other recent years following a smaller-than-usual rise in the second quarter.

Loan growth at weekly reporting banks in leading cities in August was much less than usual, amounting to only \$100 million compared with increases of \$400-\$800 million in August of most other recent years. At banks outside leading cities, however, loans increased \$600 million, somewhat more than usual. The relatively small loan growth at city banks was related principally to developments in business loans and in loans to finance companies.

Business loans, which usually rise substantially at this time of year, showed little change in August. After a large rise in the first half, they declined sharply in July, and on balance, since midyear, the reduction has totaled \$800 million compared with a rise of \$400 million in the comparable period last year. About half of the July-August 1960 decline in business loans at weekly reporting banks was at banks in New York City, whereas these banks had accounted for none of the substantial increase in these loans during the first half of this year.

During August, loans to food processors and commodity dealers began to increase seasonally but less than in other years. This probably reflected in part a greater-than-usual use of acceptance financing, which had been available to borrowers of high credit standing at a slightly lower rate than direct bank borrowing prior to the reduction in the prime rate in late August. Loans to trade concerns continued to decline whereas they usually rise in August. Loans to public utilities also dropped contra-seasonally; net repayments presumably were made in part with proceeds of recent bond flotations. Loans to metals concerns continued to decline as usual in August.

Loans to finance companies declined \$300 million at city banks during August; in August of most previous years, loans to sales finance companies had increased. However, this decline also was probably related to capital market financing by these companies, which had been substantial in July and August.

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Consumer loans at all commercial banks increased moderately in August after showing little change in July. Growth since June has fallen below the reduced rate in the first half of this year and is down sharply from the 1959 rate.

Growth in real estate loans at all commercial banks continued small relative to most other recent years. Security loans increased somewhat reflecting increases early in August for purchasing or carrying U. S. Government securities.

Deposits and currency. Seasonally adjusted demand deposit and currency holdings of businesses and individuals increased \$200 million further in August. This followed an \$800 million growth during June and July from the May low. At the end of August, the active money supply was around 1-1/2 per cent below last year's level.

Seasonally adjusted semimonthly averages of daily demand deposits adjusted at member banks declined \$800 million between the second half of July and the second half of August. Although these deposits had increased substantially in late June and July, by the end of August they were only \$400 million above the early June low.

U. S. Government deposits at all commercial banks declined \$800 million in August as the Treasury used part of its cash balance to redeem maturing securities. In August of other recent years, Treasury balances have increased.

Time deposits at all commercial banks continued to expand sharply in August, increasing \$900 million on a seasonally adjusted basis. The \$2.5 billion seasonally adjusted increase since May has exceeded that in the comparable period of any other recent year. At mutual savings banks, over the same three months, deposits have increased about the same as in other recent years.

Deposit turnover. The seasonally adjusted annual rate of demand deposit turnover at banks outside New York and other financial centers increased from 25.5 in July to 26.6 in August, slightly above previous peaks in February and June. The August rate was about 7-1/2 per cent above the August 1959 level.

Deposit ratios. The ratio of total loans to total deposits at all commercial banks increased slightly in August to 56.7 per cent, still a little below the postwar June peak. Ratios increased at all classes of member banks except at central reserve city banks in Chicago; in all cases, August levels were slightly below highs reached earlier in the year.

Bank reserves. Free reserves of all member banks averaged \$245 million in August compared with \$120 million in July. Excess reserves rose slightly to \$540 million while borrowings declined to \$295 million. Free reserves continued to increase at country banks and net borrowed reserves declined somewhat at reserve city banks. Seasonally adjusted total reserves

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rose further. Since April, they have increased about \$360 million but are still \$210 million below December.

Effective August 25, reserves at country banks increased by an estimated \$380 million when these banks were permitted to count, in meeting their reserve requirements, any vault cash they held in excess of 2-1/2 per cent of their net demand deposits. Previously, they could count vault cash in excess of 4 per cent. Effective September 1, reserve city and central reserve city banks were permitted to count vault cash in excess of 1 per cent of net demand deposits rather than 2 per cent. This increased reserves at reserve city banks by an estimated \$200 million and at central reserve city banks by \$10 million. About \$125 million of reserves were released to central reserve city banks on September 1, when reserve requirements against net demand deposits were reduced to 17-1/2 per cent from 18 per cent.

Reserves made available in late August through regulatory changes had only a slight effect on average data for the month. On a daily average basis, reserves were supplied principally by an increase of \$365 million in System holdings of U. S. Government securities. This reflected the carry-over effects of purchases late in July as well as some purchases early in August; beginning in mid-August, Government security holdings declined substantially, mainly to absorb some of the reserves released through regulatory changes. A currency inflow also supplied reserve funds in August, and required reserves declined somewhat. A reduction in Reserve Bank float and continued gold outflow absorbed reserves.

Prime rate. On August 22 and 23, leading banks in New York and other major cities announced reductions in the prime rate--the rate charged on business loans to borrowers with the highest credit rating--from 5 per cent to 4-1/2 per cent. The 5 per cent rate had prevailed since September 1959. The current rate of 4-1/2 per cent, which was also in effect in late 1957 and early 1958, is still higher than that at any other time since the early Thirties.

Not for publication

Banking Section,  
Division of Research and Statistics,  
Board of Governors of the Federal Reserve System.

September 19, 1960

Estimated Changes in Loans and Investments at All Commercial Banks  
(In billions of dollars)

Item	Last Wednesday of July to last Wednesday of August					
	1960	1959	1958	1957	1956	1955
Total loans (less bank)	+ 0.7	+ 1.4	- 0.1	+ 0.5	+ 0.5	+ 0.8
Business (excluding nonbank financial or sales finance companies) 2/	<u>1/</u>	+ 0.4	+ 0.4	+ 0.3	+ 0.5	+ 0.5
Nonbank financial	- 0.2	+ 0.4	n.a.	n.a.	n.a.	n.a.
Sales finance companies	n.a.	n.a.	<u>1/</u>	<u>1/</u>	+ 0.1	+ 0.3
(Business (including nonbank financial or sales finance companies))	(+ 0.5)	(+ 0.8)	(+ 0.4)	(+ 0.3)	(+ 0.6)	(+ 0.8)
Real estate	+ 0.1	+ 0.2	+ 0.2	+ 0.1	+ 0.2	+ 0.3
Security	+ 0.3	<u>1/</u>	- 0.9	+ 0.1	- 0.3	- 0.3
Agricultural	+ 0.1	<u>1/</u>	<u>1/</u>	- 0.1	- 0.2	- 0.3
Consumer	+ 0.1	+ 0.3	+ 0.1	+ 0.1	+ 0.1	+ 0.2
All other 2/	+ 0.1	+ 0.2	+ 0.1	<u>1/</u>	<u>1/</u>	+ 0.1
U. S. Government securities	- 0.1	- 0.8	+ 2.0	- 0.1	+ 1.0	- 1.2
Other securities	<u>1/</u>	- 0.1	+ 0.3	+ 0.1	+ 0.1	+ 0.2
Total (less bank)	+ 0.5	+ 0.4	+ 2.1	+ 0.5	+ 1.5	- 0.2

Item	Last Wednesday of July to last Wednesday of August					
	1954	1953	1952	1951	1950	1949
Total loans (less bank)	- 0.7	+ 0.2	+ 0.3	+ 0.5	+ 1.2	+ 0.7
Business (excluding nonbank financial or sales finance companies) 2/	<u>1/</u>	+ 0.3	+ 0.4	n.a.	n.a.	n.a.
Nonbank financial	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sales finance companies	<u>1/</u>	- 0.1	<u>1/</u>	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	( <u>1/</u> )	(+ 0.2)	(+ 0.4)	(+ 0.5)	(+ 1.0)	(n.a.)
Real estate	+ 0.2	+ 0.1	+ 0.2	+ 0.1	+ 0.3	n.a.
Security	+ 0.3	- 0.2	- 0.4	- 0.3	- 0.5	n.a.
Agricultural	- 1.3	+ 0.1	+ 0.1	+ 0.1	<u>1/</u>	n.a.
Consumer	<u>1/</u>	+ 0.1	+ 0.2	<u>1/</u>	+ 0.3	+ 0.1
All other 2/	<u>1/</u>	- 0.1	- 0.2	+ 0.1	+ 0.1	n.a.
U. S. Government securities	+ 3.0	- 0.6	- 0.9	+ 0.4	- 0.8	+ 2.3
Other securities	<u>1/</u>	+ 0.2	+ 0.3	- 0.1	+ 0.4	+ 0.2
Total (less bank)	+ 2.3	- 0.3	- 0.4	+ 0.8	+ 0.9	+ 3.2

1/ Less than \$50 million. n.a. Not available. 2/ Data are on revised basis beginning June 1959 and exclude loans to nonbank financial institutions. For previous years, loans to sales finance companies at weekly reporting banks have been shown separately to provide roughly comparable changes in business loans on revised basis. 3/ Total credit increased about \$300 million as a result of bank structure changes; loans increased about \$200 million and U. S. Government securities about \$100 million.

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Table 1

**Estimated Changes in Loans and Investments at All Commercial Banks**  
(In billions of dollars)

Item	End of June to last Wednesday of August					
	1960 3/	1959 3/4/	1958 3/	1957 3/	1956	1955
<b>Total loans (less bank)</b>	- 0.1	+ 2.5	- 1.5	- 0.5	+ 0.1	+ 1.4
Business (excluding nonbank financial or sales finance companies) 2/	- 0.8	+ 0.4	- 0.4	- 0.3	+ 0.4	+ 0.8
Nonbank financial	- 0.3	+ 0.7	n.a.	n.a.	n.a.	n.a.
Sales finance companies	n.a.	n.a.	- 0.1	- 0.3	- 0.1	+ 0.2
(Business (including nonbank financial or sales finance companies))	(- 1.1)	(+ 1.1)	(- 0.5)	(- 0.6)	(+ 0.3)	(+ 1.0)
Real estate	+ 0.2	+ 0.4	+ 0.4	+ 0.2	+ 0.3	+ 0.5
Security	+ 0.3	+ 0.1	- 1.8	- 0.1	- 0.4	- 0.3
Agricultural	+ 0.2	+ 0.1	1/	- 0.2	- 0.3	- 0.5
Consumer	+ 0.1	+ 0.5	+ 0.2	+ 0.2	+ 0.2	+ 0.4
All other 2/	1/	+ 0.3	+ 0.1	1/	- 0.1	+ 0.2
U. S. Government securities	+ 2.4	- 0.6	+ 1.5	+ 0.7	+ 0.6	- 0.8
Other securities	+ 0.1	- 0.1	+ 0.2	+ 0.1	- 0.1	+ 0.1
<b>Total (less bank)</b>	+ 2.4	+ 1.9	+ 0.1	+ 0.3	+ 0.5	+ 0.8

Item	End of June to last Wednesday of August					
	1954	1953	1952	1951	1950	1949
<b>Total loans (less bank)</b>	- 1.3	+ 0.5	+ 0.5	- 0.1	+ 2.2	1/
Business (excluding nonbank financial or sales finance companies) 2/	- 0.2	+ 0.3	+ 0.3	n.a.	n.a.	n.a.
Nonbank financial	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sales finance companies	- 0.1	1/	- 0.1	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	(- 0.3)	(+ 0.3)	(+ 0.2)	(+ 0.2)	(+ 1.4)	(n.a.)
Real estate	+ 0.4	+ 0.2	+ 0.2	+ 0.2	+ 0.5	n.a.
Security	- 0.1	1/	- 0.4	- 0.4	- 0.2	n.a.
Agricultural	- 1.3	+ 0.2	+ 0.2	+ 0.2	- 0.1	n.a.
Consumer	1/	+ 0.2	+ 0.3	1/	+ 0.5	+ 0.1
All other 2/	+ 0.1	- 0.1	- 0.1	- 0.1	+ 0.2	n.a.
U. S. Government securities	+ 3.8	+ 4.0	+ 0.8	+ 0.6	- 1.6	+ 3.5
Other securities	+ 0.2	+ 0.2	+ 0.4	1/	+ 0.6	+ 0.5
<b>Total (less bank)</b>	+ 2.7	+ 4.7	+ 1.7	+ 0.5	+ 1.2	+ 3.9

1/ Less than \$50 million. n.a. Not available. 2/ Data are on revised basis beginning June 1959 and exclude loans to nonbank financial institutions. For previous years, loans to sales finance companies at weekly reporting banks have been shown separately to provide roughly comparable changes in business loans on revised basis. 3/ Data are for last Wednesday of June. 4/ Total credit increased about \$300 million as a result of bank structure changes; loans increased about \$200 million and U. S. Government securities about \$100 million.

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Estimated Changes in Loans and Investments at All Commercial Banks  
(In billions of dollars)

Item	End of December to last Wednesday of August					
	1960 <u>5/</u>	1959	1958	1957	1956	1955
<b>Total loans (less bank)</b>	+ 2.6	+ 7.8	- 1.1	+ 1.9	+ 4.3	+ 5.8
Business (excluding nonbank financial or sales finance companies) <u>2/</u>	+ 0.9	+ 2.2	- 1.3	+ 1.1	+ 3.6	+ 2.2
Nonbank financial	- 0.3	<u>3/</u> + 0.7	n.a.	n.a.	n.a.	n.a.
Sales finance companies	n.a.	<u>4/</u> + 0.3	- 0.9	+ 0.1	- 0.4	+ 0.8
(Business (including nonbank financial or sales finance companies))	(+ 0.6)	(+ 3.2)	(- 2.2)	(+ 1.2)	(+ 3.2)	(+ 3.0)
Real estate	+ 0.5	+ 2.0	+ 1.0	+ 0.3	+ 1.3	+ 1.9
Security	- 0.8	- 0.5	- 0.6	- 0.5	- 1.0	- 0.3
Agricultural	+ 0.6	+ 0.1	+ 0.5	- 0.4	- 0.5	- 1.3
Consumer	+ 1.1	+ 2.0	+ 0.1	+ 1.0	+ 1.2	+ 1.6
All other <u>2/</u>	+ 0.4	+ 1.0	+ 0.1	+ 0.2	+ 0.2	+ 0.8
U. S. Government securities	- 2.4	- 6.1	+ 7.9	- 2.4	- 4.4	- 6.5
Other securities	- 0.5	- 0.1	+ 2.3	+ 0.6	- 0.3	+ 0.6
<b>Total (less bank)</b>	- 0.4	+ 1.7	+ 9.0	+ 0.1	- 0.5	- 0.1

Item	End of December to last Wednesday of August					
	1954	1953	1952	1951	1950	1949
<b>Total loans (less bank)</b>	- 1.5	+ 1.4	+ 2.0	+ 2.4	+ 4.0	- 1.5
Business (excluding nonbank financial or sales finance companies) <u>2/</u>	- 1.2	- 0.1	- 0.1	n.a.	n.a.	n.a.
Nonbank financial	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sales finance companies	- 0.2	- 0.1	- 0.3	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	(- 1.4)	(- 0.2)	(- 0.4)	(+ 2.0)	(+ 1.2)	(n.a.)
Real estate	+ 0.9	+ 0.7	+ 0.7	+ 0.8	+ 1.4	n.a.
Security	<u>1/</u>	- 0.4	+ 0.1	- 0.7	<u>1/</u>	n.a.
Agricultural	- 1.2	<u>1/</u>	+ 0.5	+ 0.4	- 0.3	n.a.
Consumer	- 0.1	+ 1.4	+ 1.1	<u>1/</u>	+ 1.3	+ 0.5
All other <u>2/</u>	+ 0.2	+ 0.1	<u>1/</u>	+ 0.1	+ 0.4	n.a.
U. S. Government securities	+ 3.9	- 0.7	+ 0.5	- 2.9	- 2.8	+ 4.1
Other securities	+ 1.0	+ 0.4	+ 1.1	+ 0.3	+ 1.6	+ 0.8
<b>Total (less bank)</b>	+ 3.4	+ 1.0	+ 3.5	- 0.2	+ 2.8	+ 3.4

1/ Less than \$50 million. n.a. Not available. 2/ Data are on revised basis

beginning June 1959 and exclude loans to nonbank financial institutions. For previous years, loans to sales finance companies at weekly reporting banks have been shown separately to provide roughly comparable changes in business loans on revised basis. 3/ July-August 4/ January-June 5/ Total credit increased about \$1 billion as a result of bank structure changes; \$600 million in loans; \$300 million in U. S. Government securities; and \$100 million in other securities.

Not for publication

L.4.3

Table 2

Changes in Loans and Investments at Weekly Reporting  
Member Banks and Nonreporting Banks  
(In millions of dollars)

Item	Last Wednesday in July to last Wednesday in August					
	1960	1959	1958	1957	1956	1955
<u>Weekly reporting banks 1/</u>						
Total loans	+ 0.1	+ 0.8	- 0.2	+ 0.4	+ 0.4	+ 0.6
U. S. Government securities	+ 0.1	- 1.0	+ 0.9	- 0.3	+ 0.5	- 1.2
Other securities	2/	- 0.1	+ 0.2	+ 0.1	+ 0.1	+ 0.1
Total loans and investments	+ 0.2	- 0.3	+ 0.8	+ 0.1	+ 1.0	- 0.5
<u>Nonreporting banks 1/</u>						
Total loans	+ 0.6	3/+ 0.6	+ 0.1	+ 0.1	+ 0.1	+ 0.2
U. S. Government securities	- 0.2	3/+ 0.2	+ 1.1	+ 0.2	+ 0.5	2/
Other securities	2/	3/ 2/	+ 0.1	2/	2/	+ 0.1
Total loans and investments	+ 0.3	3/+ 0.7	+ 1.3	+ 0.4	+ 0.5	+ 0.3
Item	Last Wednesday in July to last Wednesday in August					
	1954	1953	1952	1951	1950	1949
<u>Weekly reporting banks 1/</u>						
Total loans	- 0.3	+ 0.1	2/	+ 0.4	+ 0.9	+ 0.5
U. S. Government securities	+ 1.9	- 0.7	- 1.0	2/	- 0.6	+ 1.7
Other securities	2/	+ 0.1	+ 0.1	2/	+ 0.3	+ 0.1
Total loans and investments	+ 1.6	- 0.5	- 0.9	+ 0.4	+ 0.5	+ 2.3
<u>Nonreporting banks 1/</u>						
Total loans	- 0.4	+ 0.1	+ 0.3	+ 0.1	+ 0.3	+ 0.2
U. S. Government	+ 1.1	+ 0.1	+ 0.1	+ 0.4	- 0.2	+ 0.6
Other securities	2/	+ 0.1	+ 0.2	- 0.1	+ 0.1	+ 0.1
Total loans and investments	+ 0.7	+ 0.2	+ 0.5	+ 0.4	+ 0.4	+ 0.9

- 1/ Beginning 1959, changes are on revised basis. Changes do not correspond exactly with published data for weekly reporting banks because loans to foreign banks have been excluded from this tabulation.
- 2/ Less than \$50 million.
- 3/ Total credit at nonreporting banks increased about \$300 million as a result of bank structure changes; loans increased about \$200 million and U. S. Government securities about \$100 million.

L.4.3

Table 2

**Changes in Loans and Investments at Weekly Reporting  
Member Banks and Nonreporting Banks**  
(In millions of dollars)

Item	End of June to last Wednesday in August					
	1960	1959	1958	1957	1956	1955
<u>Weekly reporting banks 1/</u>						
Total loans	- 0.7	+ 1.8	- 1.9	- 0.5	2/	+ 1.0
U. S. Government securities	+ 2.0	- 0.8	+ 0.3	2/	2/	- 1.1
Other securities	+ 0.2	- 0.1	+ 0.1	2/	- 0.1	2/
Total loans and investments	+ 1.5	+ 0.9	- 1.5	- 0.5	- 0.1	- 0.1
<u>Nonreporting banks 1/</u>						
Total loans	+ 0.6	3/+ 0.7	+ 0.4	2/	+ 0.1	+ 0.4
U. S. Government securities	+ 0.4	3/+ 0.2	+ 1.2	+ 0.7	+ 0.6	+ 0.3
Other securities	- 0.1	3/ 2/	+ 0.1	+ 0.1	2/	+ 0.1
Total loans and investments	+ 0.9	3/+ 1.0	+ 1.6	+ 0.8	+ 0.6	+ 0.9
Item	End of June to last Wednesday in August					
	1954	1953	1952	1951	1950	1949
<u>Weekly reporting banks 1/</u>						
Total loans	- 1.0	+ 0.3	2/	2/	+ 1.7	- 0.4
U. S. Government securities	+ 2.4	+ 2.8	- 0.3	- 0.2	- 1.6	+ 3.1
Other securities	+ 0.1	+ 0.2	+ 0.3	+ 0.1	+ 0.5	+ 0.4
Total loans and investments	+ 1.5	+ 3.3	+ 0.1	- 0.1	+ 0.6	+ 3.2
<u>Nonreporting banks 1/</u>						
Total loans	- 0.3	+ 0.2	+ 0.5	- 0.1	+ 0.5	+ 0.4
U. S. Government	+ 1.4	+ 1.2	+ 1.1	+ 0.8	2/	+ 0.4
Other securities	+ 0.1	2/	+ 0.1	- 0.1	+ 0.1	+ 0.1
Total loans and investments	+ 1.2	+ 1.4	+ 1.6	+ 0.6	+ 0.6	+ 0.7

1/ Beginning 1959, changes are on revised basis. Changes do not correspond exactly with published data for weekly reporting banks because loans to foreign banks have been excluded from this tabulation.

2/ Less than \$50 million.

3/ Total credit at nonreporting banks increased about \$300 million as a result of bank structure changes; loans increased about \$200 million and U. S. Government securities about \$100 million.



**Changes in Loans and Investments at Weekly Reporting  
Member Banks and Nonreporting Banks**  
(In millions of dollars)

Item	End of December to last Wednesday of August					
	1960	1959	1958	1957	1956	1955
<u>Weekly reporting banks</u> 1/						
Total loans	- 0.3	+ 4.1	- 2.7	+ 0.2	+ 2.7	+ 3.7
U. S. Government securities	- 0.3	- 5.4	+ 6.5	- 1.7	- 3.5	- 6.0
Other securities	- 0.3	- 0.2	+ 1.6	+ 0.1	- 0.4	+ 0.1
Total loans and investments	- 0.9	- 1.4	+ 5.3	- 1.5	- 1.2	- 2.1
<u>Nonreporting banks</u> 1/						
Total loans	+ 2.9	3/+ 3.7	+ 1.6	+ 1.7	+ 1.6	+ 2.1
U. S. Government securities	- 2.1	3/- 0.7	+ 1.4	- 0.7	- 0.9	- 0.5
Other securities	- 0.2	3/+ 0.1	+ 0.7	+ 0.5	+ 0.1	+ 0.5
Total loans and investments	+ 0.5	3/+ 3.1	+ 3.7	+ 1.6	+ 0.7	+ 2.0
Item	End of December to last Wednesday of August					
	1954	1953	1952	1951	1950	1949
<u>Weekly reporting banks</u> 1/						
Total loans	- 2.4	+ 0.1	+ 0.4	+ 1.3	+ 2.4	- 2.1
U. S. Government securities	+ 3.3	- 1.0	2/	- 2.7	- 2.4	+ 4.3
Other securities	+ 0.8	+ 0.2	+ 0.8	+ 0.1	+ 1.2	+ 0.8
Total loans and investments	+ 1.7	- 0.7	+ 1.3	- 1.3	+ 1.1	+ 3.0
<u>Nonreporting banks</u> 1/						
Total loans	+ 0.9	+ 1.3	+ 1.6	+ 1.1	+ 1.6	+ 0.6
U. S. Government	+ 0.6	+ 0.3	+ 0.5	- 0.2	- 0.4	- 0.2
Other securities	+ 0.2	+ 0.2	+ 0.3	+ 0.2	+ 0.4	2/
Total loans and investments	+ 1.7	+ 1.7	+ 2.2	+ 1.1	+ 1.7	+ 0.4

1/ Beginning 1959 changes are on revised basis. Changes may not correspond exactly with published data for weekly reporting banks because loans to foreign banks have been excluded from this tabulation. Also call report data for weekly reporting banks for December 31, 1959, have been used.

2/ Less than \$50 million.

3/ As a result of bank structure changes, total credit increased about \$1 billion; \$600 million in loans; \$300 million in U. S. Government securities; and \$100 million in other securities.

L.4.3

Table 3

Changes in Commercial and Industrial Loans 1/  
(In millions of dollars)

Business of Borrower	Last Wednesday in July to last Wednesday in August								
	1960	1959 5/	1958 5/	1957 5/	1956	1955	1954 5/	1953 5/	1952 5/
Food processors	+ 102	+ 134	+ 146	+ 77	+ 115	+ 60	---	+ 125	+ 185
Commodity dealers	+ 83	+ 93	+ 116	+ 156	+ 108	+ 29	+ 62	- 16	+ 111
Trade concerns	- 32	+ 31	+ 27	+ 27	+ 2	+ 31	- 1	+ 3	- 5
Total	+ 153	+ 258	+ 289	+ 260	+ 225	+ 120	+ 61	+ 112	+ 291
Sales finance	2/	2/	+ 58	+ 15	+ 137	+ 274	- 34	- 31	+ 3
All other - total	- 40	+ 128	- 61	- 52	+ 180	+ 311	- 57	+ 201	+ 98
Metals and products	- 112	- 69	- 149	- 201	- 139	+ 33	- 149	- 24	- 107
Textiles, apparel and leather	+ 89	+ 103	+ 15	+ 63	+ 48	+ 78	+ 46	+ 37	+ 37
Petroleum, coal etc.	- 11	+ 39	+ 22	- 5	+ 54	+ 20	+ 18	+ 25	+ 65
Other manufacturing and mining	+ 24	+ 30	- 6	+ 14	+ 60	+ 17	---	+ 9	+ 9
Public utilities	- 105	+ 32	- 26	+ 16	+ 52	+ 41	- 13	+ 78	+ 47
Construction	+ 20	+ 6	+ 26	+ 13	+ 19	+ 2	+ 17	+ 15	+ 11
All other types of business	+ 55	- 13	+ 57	+ 48	+ 86	+ 120	+ 24	+ 61	+ 36
Classified	+ 113	+ 386	+ 287	+ 222	+ 541	+ 705	- 29	+ 282	+ 392
Unclassified	- 124	+ 19	+ 31	+ 7	+ 103	- 60	- 697	+ 40	+ 52
Total change	- 11	+ 405	+ 318	+ 228	+ 551	3/ 645	4/ - 726	+ 322	+ 444
Total change excluding sales finance	- 11	+ 405	+ 260	+ 213	+ 414	3/ 371	4/ 692	+ 353	+ 441

1/ Prior to week ending January 11, 1956, includes changes in agricultural loans.

2/ Not included in business loans on revised basis.

3/ Includes CCC certificates of interest which are estimated to have declined \$200 million.

4/ Includes CCC certificates of interest which are estimated to have declined \$435 million.

5/ In order to keep comparisons on a five-week basis the following dates were used; 1959, July 29-Sept. 2; 1958, July 30-Sept. 3; 1952, July 30-Sept. 3; 1954, July 28-Sept. 1; 1953, July 29-Sept. 2; 1957, July 24-Aug. 28.

Table 3

**Changes in Commercial and Industrial Loans 1/**  
(In millions of dollars)

Business of Borrower	Last Wednesday in June to last Wednesday in August								
	1960	1959 3/	1958	1957	1956	1955	1954	1953	1952
Food processors	- 2	- 5	- 12	- 12	+ 15	- 5	- 19	- 30	+ 143
Commodity dealers	+ 74	+ 121	+ 118	+ 197	+ 249	+ 95	+ 111	+ 13	+ 142
Trade concerns	- 78	+ 19	+ 6	- 12	- 2	+ 60	- 18	- 21	- 36
<b>Total</b>	- 6	+ 135	+ 112	+ 173	+ 262	+ 150	+ 74	- 38	+ 249
Sales finance	2/	+ 134	- 66	- 276	- 67	+ 238	- 58	- 24	- 69
<b>All other - total</b>	- 404	+ 236	- 539	- 314	+ 208	+ 442	- 324	+ 149	- 66
Metals and products	- 420	+ 34	- 443	- 367	- 259	- 13	- 232	- 63	- 214
Textiles, apparel and leather	+ 115	+ 140	- 8	+ 70	+ 76	+ 106	+ 76	+ 67	+ 57
Petroleum, coal etc.	- 90	+ 8	- 61	- 28	+ 118	+ 38	- 62	- 4	+ 97
Other manufacturing and mining	+ 31	+ 92	- 17	+ 20	+ 135	+ 46	- 11	+ 17	+ 13
Public utilities	- 125	+ 81	- 132	- 66	+ 24	+ 43	- 104	+ 59	- 127
Construction	+ 25	+ 9	+ 37	+ 14	+ 4	+ 37	+ 35	+ 14	+ 18
All other types of business	+ 60	- 128	+ 85	+ 43	+ 110	+ 185	- 26	+ 59	+ 90
Classified	- 411	+ 504	- 493	- 416	+ 403	+ 830	- 309	+ 88	+ 114
Unclassified	- 264	+ 15	- 28	- 98	- 81	4/- 160 5/-	803	+ 6	+ 39
<b>Total change</b>	- 675	+ 519	- 520	- 514	+ 322	4/+ 670 5/-	-1,111	+ 94	+ 153
<b>Total change excluding sales finance</b>	- 675	+ 385	- 454	- 238	+ 389	4/+ 432 5/-	-1,053	+ 118	+ 222

1/ Prior to week ending January 11, 1956, includes changes in agricultural loans.

2/ Not included in business loans on revised basis.

3/ Includes changes on unrevised basis for week of July 1 and revised basis thereafter.

4/ Includes CCC certificates of interest which are estimated to have declined \$300 million.

5/ Includes CCC certificates of interest which are estimated to have declined \$475 million.

Table 3

Changes in Commercial and Industrial Loans 1/  
(In millions of dollars)

Business of Borrower	Last Wednesday in December to last Wednesday in August								
	1960	1959 <sup>4/</sup>	1958	1957	1956	1955	1954	1953	1952
Food processors	- 561	- 464	- 670	- 467	- 287	- 545	- 524	- 651	- 724
Commodity dealers	- 603	- 234	- 165	- 341	- 137	- 365	- 252	- 619	- 492
Trade concerns	+ 294	+ 325	- 152	- 14	+ 169	+ 206	- 59	+ 187	- 141
Total	- 870	- 373	- 987	- 822	- 255	- 704	- 835	-1,083	-1,357
Sales finance	2/	3/+ 455	- 920	+ 89	- 388	+ 827	- 233	- 114	- 286
All other - total	+1,436	+1,430	- 344	+1,720	+3,168	+1,964	- 555	+ 925	+1,212
Metals and products	+ 642	+ 878	- 297	+ 568	+1,102	+ 163	- 809	+ 382	+ 897
Textiles, apparel and leather	+ 388	+ 353	+ 76	+ 218	+ 314	+ 326	+ 131	+ 218	- 16
Petroleum, coal etc.	- 142	- 134	- 201	+ 262	+ 542	+ 351	- 73	- 14	+ 273
Other manufacturing and mining	+ 385	+ 292	+ 141	+ 234	+ 505	+ 198	- 12	+ 113	+ 89
Public utilities	- 173	- 75	- 310	+ 446	+ 389	+ 427	+ 22	+ 143	- 129
Construction	+ 121	+ 114	+ 94	+ 3	+ 58	+ 171	+ 106	+ 32	+ 37
All other types of business	+ 215	+ 2	+ 153	- 11	+ 258	+ 328	+ 80	+ 51	+ 61
Classified	+ 566	+1,511	-2,250	+ 988	+2,526	+2,086	-1,623	- 272	- 431
Unclassified	- 61	+ 200	- 208	- 253	+ 395	- 338	- 984	- 227	- 53
Total change	+ 505	+1,711	-2,458	+ 735	+2,565	+1,748	-2,607	- 499	- 484
Total change excluding sales finance	+ 505	+1,256	-1,538	+ 646	+2,953	+ 921	-2,374	- 385	- 198

1/ Prior to week ending January 11, 1956, includes changes in agricultural loans.

2/ Not included in business loans on revised basis.

3/ January - June

4/ Revised basis after July 1.

5/ Includes CCC certificates of interest which are estimated to have declined \$820 million.

6/ Includes CCC certificates of interest which are estimated to have declined \$410 million.

Table 4

Estimated Changes in Deposits and Currency  
(In billions of dollars)

Item	Last Wednesday of July to last Wednesday of August					
	1960	1959 <u>4/</u>	1958	1957	1956	1955
<u>Seasonally adjusted data 1/</u>						
Demand deposits adjusted	+ 0.1	- 0.3	+ 0.6	- 0.6	+ 0.2	+ 0.5
Currency outside banks	+ 0.1	<u>2/</u>	<u>2/</u>	- 0.1	<u>2/</u>	+ 0.1
Total	+ 0.2	- 0.3	+ 0.6	- 0.7	+ 0.2	+ 0.6
<u>Seasonally unadjusted data 1/</u>						
Demand deposits adjusted	- 1.1	- 1.6	- 0.6	- 1.5	- 0.7	<u>2/</u>
Currency outside banks	+ 0.2	+ 0.1	+ 0.1	<u>2/</u>	+ 0.1	+ 0.2
Total	- 0.9	- 1.5	- 0.5	- 1.5	- 0.6	+ 0.2
Time deposits	+ 1.1	+ 0.4	+ 0.6	+ 0.4	+ 0.2	+ 0.3
Commercial banks	+ 0.9	+ 0.2	+ 0.4	+ 0.3	+ 0.2	+ 0.3
Mutual savings banks	+ 0.2	+ 0.2	+ 0.2	+ 0.1	+ 0.1	+ 0.1
U. S. Government deposits	- 0.8	+ 0.9	+ 1.4	+ 0.7	+ 2.1	- 0.9
Total	- 0.6	- 0.3	+ 1.5	- 0.3	+ 1.6	- 0.4
<u>Factors affecting deposits and currency</u>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. sec. <u>3/</u>	+ 0.6	+ 1.3	+ 0.3	+ 0.7	+ 0.8	+ 1.2
Commercial	+ 0.7	+ 1.3	+ 0.2	+ 0.6	+ 0.6	+ 1.0
Mutual savings	+ 0.3	+ 0.3	+ 0.2	+ 0.2	+ 0.2	+ 0.2
Bank holdings of U. S. Government securities:	- 0.1	- 0.8	+ 2.4	- 0.1	+ 1.2	- 1.7
Federal Reserve	+ 0.1	<u>2/</u>	+ 0.3	<u>2/</u>	+ 0.3	- 0.4
Commercial	- 0.1	- 0.8	+ 2.0	- 0.1	+ 1.0	- 1.2
Mutual saving and other	<u>2/</u>	<u>2/</u>	+ 0.1	<u>2/</u>	- 0.1	<u>2/</u>
Gold stock and foreign deposits at F. R. Banks	- 0.2	<u>2/</u>	- 0.1	<u>2/</u>	- 0.1	+ 0.1
Other factors	- 0.9	- 0.8	- 1.1	- 0.9	- 0.3	<u>2/</u>

1/ Seasonally adjusted data are for last Wednesday throughout; unadjusted data are for last Wednesday except in case of June and December call dates, when available.

2/ Less than \$50 million.

3/ Total includes foreign loans on gold, holdings of bankers' acceptances at the Federal Reserve, and loans to foreign banks; changes in these items are generally relatively small. Even if there were no changes in other items, changes at commercial banks exclude all interbank loans, domestic and foreign, while total loans exclude only those to domestic banks. In addition there is some lack of synchronization in reporting asset and liability items used in computing "loans net".

4/ In August 1959, as a result of structure changes, demand deposits adjusted increased about \$200 million and time deposits at commercial banks about \$200 million.

Table 4

**Estimated Changes in Deposits and Currency**  
(In billions of dollars)

Item	End of June to last Wednesday of August					
	1960	1959 <u>4/</u>	1958	1957	1956	1955
<b>Seasonally adjusted data 1/</b>						
Demand deposits adjusted	+0.3	<u>2/</u>	+1.4	-0.7	-0.7	+0.3
Currency outside banks	+0.2	<u>2/</u>	<u>2/</u>	-0.1	-0.1	+0.2
Total	+0.5	<u>2/</u>	+1.4	-0.8	-0.8	+0.5
<b>Seasonally unadjusted data 1/</b>						
Demand deposits adjusted	+1.0	+0.4	+1.8	-0.5	-0.2	+0.7
Currency outside banks	+0.2	+0.2	+0.2	<u>2/</u>	-0.8	-0.1
Total	+1.2	+0.6	+2.0	-0.5	-1.0	+0.6
Time deposits	+1.7	+0.1	+1.4	+0.7	+0.3	+0.3
Commercial banks	+1.4	+0.1	+1.1	+0.7	+0.2	+0.2
Mutual savings banks	+0.3	+0.1	+0.3	+0.1	+0.1	+0.2
U. S. Government deposits	-1.6	+1.3	-4.0	-0.3	+0.2	-0.2
Total	+1.3	+1.9	-0.6	<u>2/</u>	-0.6	+0.7
<b>Factors affecting deposits and currency</b>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. sec. <u>3/</u>	-0.2	+2.8	-1.1	-0.1	<u>2/</u>	+1.8
Commercial	<u>2/</u>	+2.6	+1.3	-0.4	+ <u>2/</u>	+1.5
Mutual savings	+0.5	+0.4	+0.5	+0.3	+0.5	+0.4
Bank holdings of U. S. Government securities:						
Federal Reserve	+2.7	<u>2/</u>	+1.8	+1.1	+0.4	-0.7
Commercial	+0.5	+0.6	+0.2	+0.4	-0.1	+0.2
Mutual saving and other	+2.4	-0.6	+1.5	+0.7	+0.6	-0.8
Gold stock and foreign deposits at F. R. Banks	-0.1	-0.1	+0.2	-0.1	-0.1	<u>2/</u>
Other factors	-0.2	-0.1	-0.3	+0.1	<u>2/</u>	<u>2/</u>
	-1.0	-0.8	-1.0	-1.1	-1.0	-0.4

1/ Seasonally adjusted data are for last Wednesday throughout; unadjusted data are for last Wednesday except in case of June and December call dates, when available.

Beginning in 1957, all June data are for the last Wednesday of the month.

3/ Total includes foreign loans on gold, holdings of bankers' acceptances at the Federal Reserve, and loans to foreign banks; changes in these items are generally relatively small. Even if there were no changes in other items, changes at commercial banks exclude all interbank loans, domestic and foreign, while total loans exclude only those to domestic banks. In addition there is some lack of synchronization in reporting asset and liability items used in computing "loans net".

2/ Less than \$50 million.

4/ In August 1959, as a result of structure changes, demand deposits adjusted increased about \$200 million and time deposits at commercial banks about \$200 million.

Table 4

Estimated Changes in Deposits and Currency  
(In billions of dollars)

Item	End of December to last Wednesday of August					
	1960	1959 <u>4/</u>	1958	1957	1956	1955
<u>Seasonally adjusted data 1/</u>						
Demand deposits adjusted	-1.6	+1.9	+3.1	-0.5	-0.1	+2.3
Currency outside banks	+0.1	+0.2	<u>2/</u>	+0.3	<u>2/</u>	+0.3
Total	-1.5	+2.1	+3.1	-0.2	-0.1	+2.6
<u>Seasonally unadjusted data 1/</u>						
Demand deposits adjusted	-6.4	-4.4	-2.8	-6.3	-5.4	-2.7
Currency outside banks	-0.9	-0.2	-0.3	-0.5	-0.8	-0.6
Total	-7.3	-4.6	-3.1	-6.8	-6.2	-3.2
Time deposits	+3.5	+2.9	+7.9	+4.9	+2.5	+2.1
Commercial banks	+3.0	+2.3	+6.6	+4.1	+1.5	+1.2
Mutual savings banks	+0.7	+0.7	+1.4	+1.0	+1.2	+1.2
U. S. Government deposits	+0.4	+1.6	+1.5	+0.4	+1.9	+0.5
Total	-3.4	-0.2	+6.4	-1.5	-1.9	-0.6
<u>Factors affecting deposits and currency</u>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. sec. <u>3/</u>						
Commercial	+2.4	+8.1	+3.0	+3.7	+5.4	+7.9
Mutual savings	+2.1	+7.7	+1.2	+2.5	+4.0	+6.4
Bank holdings of U. S. Government securities:						
Federal Reserve	+1.4	+1.2	+2.1	+1.5	+1.8	+1.6
Commercial	-2.9	-6.0	+8.7	-4.3	-5.8	-7.9
Mutual saving and other	+0.1	+0.2	+1.0	-1.6	-1.1	-1.2
Gold stock and foreign deposits at F. R. Banks	-2.4	-6.1	+7.9	-2.4	-4.4	-6.5
Other factors	-0.5	-0.1	-0.1	-0.3	-0.3	-0.2
	-0.3	-0.9	-1.6	+0.6	+0.2	+0.1
	-2.6	-1.4	-3.7	-1.5	-1.7	-0.7

1/ Seasonally adjusted data are for last Wednesday throughout; unadjusted data are for last Wednesday except in case of June and December call dates, when available.

2/ Less than \$50 million.

3/ Total includes foreign loans on gold, holdings of bankers' acceptances at the Federal Reserve, and loans to foreign banks; changes in these items are generally relatively small. Even if there were no changes in other items, changes at commercial banks exclude all interbank loans, domestic and foreign, while total loans exclude only those to domestic banks. In addition there is some lack of synchronization in reporting asset and liability items used in computing "loans net".

4/ In January, April, and August 1959, as a result of bank structure changes, demand deposits adjusted at commercial banks increased \$400 million, time deposits at commercial banks \$700 million, and time deposits at mutual savings banks declined \$300 million.

L.4.3

Table 5

Ratios to Total Deposits 1/

Date	L O A N S						U.S. Govt. securities maturing within one year	
	All commercial banks	Member banks					All commercial banks	
		Total	Central reserve city		Reserve city	Country		
			New York	Chicago				
1946: Dec. 31	23.3	23.7	27.7	27.3	26.0	18.9	2/	14.3
1947: Dec. 31	27.7	28.2	31.0	30.3	31.1	23.4	2/	14.0
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1	2/	14.2
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5	2/	19.2
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5	2/	15.2
1951: Dec. 31	37.2	37.6	46.3	36.2	39.4	32.1		9.8
1952: Dec. 31	39.3	39.9	50.6	38.9	41.1	33.9		11.7
1953: Dec. 31	40.5	41.1	50.6	39.1	42.2	36.1		16.9
1954: Dec. 31	40.3	40.7	46.8	38.3	41.9	37.1		10.0
1955: Dec. 31	45.8	46.7	56.7	46.3	48.5	40.7		5.1
1956: Dec. 31	48.8	50.1	61.7	52.7	52.7	42.6		7.5
1957: Dec. 31	49.7	51.0	61.9	55.2	53.3	44.1		8.4
1958: Dec. 31	48.4	49.4	57.7	49.4	51.3	44.4		8.3
1959: Jan. 28	48.6	49.5	57.7	48.3	51.5	44.5		7.9
Feb. 25	49.3	50.3	58.2	48.7	52.7	45.2		6.8
Mar. 25	50.3	51.3	58.7	51.9	53.8	46.0		5.5
Apr. 29	50.5	51.5	59.0	50.5	53.8	46.4		5.7
May 27	51.4	52.4	60.0	51.8	55.1	47.0		6.7
June 24	52.5	53.6	62.2	54.4	56.1	47.9		6.0
July 29	52.6	53.7	62.6	54.0	56.5	47.7		6.5
Aug. 26	53.3	54.5	65.5	55.6	57.1	47.9		5.9
Sept. 30	53.4	54.7	65.3	57.2	57.6	47.9		5.7
Oct. 28	53.6	54.9	66.6	56.6	57.5	48.0		5.9
Nov. 25	54.4	55.8	69.5	56.2	58.4	48.4		6.1
Dec. 31	54.0	55.6	67.3	58.2	58.2	48.2		6.7
1960: Jan. 27	54.4	55.9	67.4	58.2	58.7	48.8		6.6
Feb. 24	55.6	57.1	69.4	62.7	60.4	49.4		5.5
Mar. 30p	56.4	58.0	69.4	64.5	61.4	50.3		4.6
Apr. 27p	56.2	57.7	67.6	62.0	61.1	50.6		4.9
May 25p	56.9	58.3	68.0	63.8	61.7	51.4		4.4
June 29p	57.1	58.5	67.4	63.2	61.9	51.7		4.1
July 27p	56.2	57.5	66.9	61.7	60.5	51.1		5.2
Aug. 31p	56.7	58.0	67.7	61.1	61.0	51.6		n.a.

n.a. Not available.

1/ Total loans (adjusted to exclude loans to banks); U. S. Government securities maturing within one year estimated on basis of Treasury survey of ownership; and total deposits (adjusted to exclude cash items in process of collection).

2/ Prior to 1951, data are on call basis and beginning in 1951, they are on maturity basis. On a call basis, data for 1951 and 1952 are 21.5 and 19.1 respectively.

Not for publication



**Liquid Assets Held by the Public -- Seasonally Adjusted Series**  
(Amounts in billions of dollars; ratios expressed as percentages)

End of month or year	Total liquid assets (2+3+8)	Demand deposits adjusted and currency outside banks 1/	Total personal-type savings (4+5+6+7)	Personal-type savings				U.S..Govt. securities maturing within one year 5/	Commercial bank demand and time deposits adj. and currency (2+4)	Ratio: Commercial bank deposits + currency to total liquid assets (9+1)	Ratio: Total liquid assets to gross national product 6/
				Time deposits adjusted 1/		Savings and loan shares 3/	U. S. Govt. savings bonds 4/				
				Commer- cial banks	Mutual savings banks 2/						
	1	2	3	4	5	6	7	8	9	10	11
1950	271.8	114.6	129.0	36.3	23.0	14.0	55.7	28.2	150.9	55.5	89.1
1951	284.0	120.2	132.7	37.8	23.6	16.1	55.2	31.1	158.0	55.6	83.3
1952	296.2	124.1	140.6	40.6	25.2	19.2	55.6	31.5	164.7	55.6	82.2
1953	308.3	126.6	148.6	43.6	26.7	22.8	55.5	33.1	170.2	55.2	85.1
1954	318.0	130.0	158.1	46.8	28.5	27.2	55.6	29.9	176.8	55.6	85.3
1955	330.3	133.5	166.4	48.5	30.0	32.0	55.9	30.4	182.0	55.1	80.7
1956	339.9	134.5	174.1	50.7	31.6	37.0	54.8	31.3	185.2	54.5	78.8
1957	351.7	133.6	182.8	56.4	33.0	41.7	51.7	35.3	190.0	54.0	79.3
1958	369.7	138.8	196.7	63.4	35.1	47.7	50.5	34.2	202.2	54.7	79.3
1959 - May	380.4	140.6	200.3	64.6	35.5	50.4	49.8	39.5	205.2	53.9	
June	383.8	140.9	200.9	64.8	35.6	51.0	49.5	42.0	205.7	53.6	77.7
July	385.8	141.2	201.3	64.9	35.6	51.5	49.3	43.3	206.1	53.4	
Aug.	387.0	140.9	202.1	65.2	35.7	52.1	49.1	44.0	206.1	53.3	
Sept.	387.8	140.8	202.8	65.6	35.8	52.6	48.8	44.2	206.4	53.2	80.2
Oct.	387.8	140.4	202.9	65.5	35.7	53.2	48.5	44.5	205.9	53.1	
Nov.	388.2	140.1	203.7	65.9	35.8	53.7	48.3	44.4	206.0	53.1	
Dec.	388.4	140.2	204.1	65.9	35.9	54.3	48.0	44.1	206.1	53.1	79.8
1960 - Jan.	389.2	140.0	204.1	65.7	35.8	54.9	47.7	45.1	205.7	52.9	
Feb.	389.1	139.1	204.5	65.7	35.8	55.4	47.6	45.5	204.8	52.6	
p/ March	390.3	139.5	205.2	65.9	36.0	55.9	47.4	45.6	205.4	52.6	77.7
p/ April	390.4	139.4	205.7	66.0	36.1	56.4	47.2	45.3	205.4	52.6	
p/ May	386.8	137.6	206.5	66.1	36.1	57.1	47.2	42.7	203.7	52.7	
p/ June	388.8	138.2	207.6	66.9	36.0	57.6	47.1	43.0	205.1	52.8	77.0
p/ July	388.6	138.5	209.1	67.6	36.3	58.2	47.0	41.0	206.1	53.0	

p/ Preliminary. 1/ Data for demand and time deposits adjusted and currency outside banks are as of the last Wednesday of month, except that time deposits are as of June 30 and December 31 when call data for these dates are available. 2/ Includes savings deposits in the Postal Savings System. 3/ Prior to 1955 data are Board estimates based on monthly figures of inflow of new savings and withdrawals of savings capital compiled by the Federal Home Loan Bank Board. 4/ Includes all types of savings bonds held by investors other than banks and U. S. Government agencies and trust funds. 5/ Includes all marketable securities maturing within one year (adjusted to include partially tax exempt securities 12 months prior to first call date) and, prior to 1956, nonmarketable Treasury savings notes with maturities up to 24 months; figures include holdings of insurance companies, brokers and dealers, State and local governments, nonbank corporations, corporate pension funds, nonprofit institutions, foreign accounts, and individuals. 6/ Gross national product estimates are available quarterly and annually only. For 1950-58 ratios are for last quarter of year; for 1959 and 1960, for each quarter of year. Data for total liquid assets used in computing these ratios are quarterly averages for four dates: each month of the current quarter and the last month of the preceding quarter.

Table 7

Free Reserves and Total Reserves Held

(based on averages of daily figures; in millions of dollars)

Date	Free reserves (excess reserves minus borrowings)					Total reserves held seasonally adjusted
	All member	Central reserve city New York	Chicago	Reserve city	Country	All member
<u>Monthly averages:</u>						
1958: Dec.	- 41	- 80	- 32	- 197	268	18,602
1959: Jan.	- 59	- 65	- 53	- 223	281	18,706
Feb.	- 47	- 28	- 26	- 195	202	18,746
Mar.	- 140	16	- 122	- 228	194	18,615
Apr.	- 258	- 89	- 64	- 284	178	18,664
May	- 318	- 51	- 41	- 360	133	18,636
June	- 513	- 15	- 63	- 535	101	18,433
July	- 557	- 154	- 47	- 482	124	18,559
Aug.	- 535	- 225	- 35	- 420	145	18,595
Sept.	- 493	- 227	- 44	- 391	169	18,649
Oct.	- 459	- 210	- 82	- 338	171	18,666
Nov.	- 435	- 184	- 62	- 369	180	18,677
Dec.	- 425	- 109	- 104	- 449	237	18,671
1960: Jan.	- 360	- 88	- 90	- 439	257	18,691
Feb.	- 361	- 50	- 126	- 381	197	18,360
Mar.	- 219	1	- 152	- 252	182	18,228
Apr.	- 195	- 31	- 100	- 254	190	18,104
May	- 33	45	- 49	- 173	144	18,276
June	41	16	- 59	- 120	204	18,275
July	120	- 3	- 39	- 128	290	18,386
Aug.	244	- 27	- 38	- 62	372	18,462
<u>Weekly averages:</u>						
July 27	125	17	- 21	- 126	252	n.a.
Aug. 3	174	- 1	- 100	- 60	334	n.a.
10	214	3	- 103	- 22	336	n.a.
17	167	- 83	- 32	- 142	422	n.a.
24	273	12	11	- 16	268	n.a.
31	352	- 17	4	- 99	465	n.a.
Sept. 7	321	13	15	- 58	351	n.a.

Note: Data for second half of August and September are preliminary.

Table 8

**Changes in Member Bank Reserves, with Relevant Factors**  
 (Monthly average of daily figures; in millions of dollars)

Item	August		July - August		January - August	
	1960	1959	1950	1959	1960	1959
<b>Member bank reserves</b>						
Required reserves <sup>1/</sup>	- 48	- 131	+ 134	+ 97	- 488	- 241
Effect of change in requirements	---	---	---	---	---	---
Effect of deposit change	- 48	- 131	+ 134	+ 97	- 488	- 241
Excess reserve <sup>1/</sup>	+ 29	+ 73	+ 71	+ 65	+ 55	- 45
Total reserves held <sup>1/</sup>	- 19	- 58	+ 205	+ 162	- 433	- 286
Cash allowed as reserves <sup>1/</sup>	+ 78	---	+ 95	---	+ 84	---
Reserve balances	- 97	- 58	+ 110	+ 162	- 517	- 286
Total reserves held, seasonally adjusted	+ 76	+ 36	+ 187	+ 162	- 209	- 7
<b>Principal factors</b>						
	(signs indicate effect on reserves)					
Currency in circulation	+ 82	+ 56	- 165	- 177	+ 683	+ 377
Gold stock and foreign accounts	- 182	- 69	- 272	- 417	- 271	- 965
Treasury operations	+ 14	- 53	+ 28	+ 181	+ 81	+ 268
Federal Reserve float	- 244	- 132	- 276	- 118	- 529	- 605
Other factors	- 41	- 62	+ 61	+ 2	+ 215	- 65
<b>Effect of above factors on reserves</b>	- 371	- 260	- 624	- 529	+ 179	- 990
Federal Reserve loans and investments:						
<b>Total</b>	+ 276	+ 201	+ 734	+ 691	- 696	+ 703
U. S. Govt. securities	+ 364	+ 166	+ 859	+ 625	- 53	+ 276
Outright	+ 247	+ 194	+ 650	+ 599	- 225	+ 332
Repurchase agreements	+ 117	- 28	+ 209	+ 26	+ 172	- 56
Acceptances	+ 7	- 4	+ 7	- 4	- 25	- 17
Discounts and advances:						
To member banks	- 95	+ 51	- 132	+ 87	- 613	+ 451
To others	---	- 12	---	- 17	- 5	- 7

<sup>1/</sup> Preliminary for August 1960.

Not for publication

Deposits and Currency  
(In billions of dollars)

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Year or month	Seasonally adjusted money supply 1/			Seasonally adjusted money supply and time dep. at com'l. banks(1+7)	Demand deposits adjusted	Time deposits				U. S. Gov't. deposits 2/	Cur- rency outside banks	Total deposits and currency (5+6+10 +11)
	Total (2+3)	Demand deposits adjusted	Cur- rency outside banks			Total (7+8+9)	Commer- cial	Mutual savings	Postal savings			
End of Dec:												
1954	130.0	103.1	26.9	176.8	106.6	75.3	46.8	26.3	2.1	5.1	27.9	214.8
1955	133.5	106.1	27.4	181.9	109.9	78.4	48.4	28.1	1.9	4.4	28.3	221.0
1956	134.5	107.1	27.4	185.1	111.4	82.2	50.6	30.0	1.6	4.5	28.3	226.4
1957	133.6	105.8	27.8	189.7	110.3	89.1	56.1	31.7	1.3	4.7	28.3	232.3
1958	138.8	110.7	28.1	202.0	115.5	98.3	63.2	34.0	1.1	4.9	28.7	247.5
1959:												
Apr. 29 3/	140.4	112.2	28.2	204.9	112.5	99.9	64.5	34.3	1.1	5.1	27.9	245.4
May 27	140.6	112.4	28.2	205.6	110.7	100.5	65.0	34.4	1.1	5.7	28.1	245.0
June 24	140.9	112.6	28.3	206.3	110.7	100.1	65.4	34.6	1.1	5.2	28.3	245.4
July 29	141.2	112.9	28.3	206.5	112.7	100.8	65.3	34.5	1.0	5.6	28.4	247.6
Aug. 26 4/	140.9	112.6	28.3	206.4	111.1	101.2	65.5	34.7	1.0	6.5	28.5	247.4
Sept. 30	140.8	112.4	28.4	206.5	111.4	101.5	65.7	34.8	1.0	7.1	28.5	248.5
Oct. 28	140.4	112.0	28.4	205.9	112.7	101.1	65.5	34.6	1.0	6.0	28.3	248.2
Nov. 25	140.1	111.8	28.3	204.8	113.1	100.3	64.7	34.6	1.0	5.1	29.1	247.6
Dec. 31 5/	140.2	112.0	28.2	206.1	115.4	101.8	65.9	34.9	0.9	5.8	29.4	252.4
1960:												
Jan. 27	140.0	111.7	28.3	205.2	114.0	101.0	65.2	34.9	0.9	4.4	27.9	247.3
Feb. 24	139.1	110.8	28.3	204.5	110.5	101.2	65.4	34.9	0.9	5.3	28.0	244.9
Mar. 30	139.5	111.1	28.4	205.5	108.8	102.2	66.0	35.3	0.9	5.2	28.1	244.2
Apr. 27 p	139.4	111.2	28.2	205.6	111.5	102.3	66.2	35.2	0.9	5.3	27.9	247.0
May 25 p	137.6	109.4	28.2	204.1	107.8	102.6	66.5	35.2	0.9	7.7	28.1	246.2
June 29 p	138.2	110.1	28.1	205.7	108.0	103.6	67.5	35.3	0.8	7.8	28.3	247.7
July 27 p	138.5	110.3	28.2	206.5	110.1	104.2	68.0	35.4	0.8	7.0	28.3	249.6
Aug. 31 p	138.7	110.4	28.3	207.6	109.0	105.3	68.9	35.6	0.8	6.2	28.5	249.0

p Preliminary. 1/ Seasonally adjusted series begins in 1946 and is available only for last Wednesday of the month. 2/ At commercial, savings, and Federal Reserve Banks. 3/ As a result of inclusion of a national bank in Hawaii, demand deposits adjusted increased about \$100 million and time deposits at commercial banks about \$100 million. 4/ As a result of inclusion of all banks in Hawaii, demand deposits adjusted increased about \$200 million and time deposits at commercial banks about \$200 million. On balance in 1959, as a result of structure changes, demand deposits adjusted increased \$400 million, time deposits at commercial banks increased \$700 million, and time deposits at mutual savings banks declined \$300 million. 5/ Demand deposits were reduced about \$400 million as a result of a technical change under Regulation D amending the definition of such deposits.

**Loans and Investments at All Commercial Banks**  
(In billions of dollars)

Date	Loans and investments	U. S. Gov't. securities	Other securities	Total loans	Business	Real estate	Secu-rity	Farm	Con-sumer	Nonbank financial institutions	All other
1954: Dec. 31	155.7	69.0	16.3	70.4	26.9	18.4	4.5	5.2	10.9	---	5.6
1955: Dec. 31	160.3	61.6	16.7	82.0	33.2	20.8	5.0	4.5	13.2	---	6.5
1956: Dec. 31	164.5	58.6	16.3	89.7	38.7	22.5	4.3	4.2	14.6	---	6.9
1957: Dec. 31	169.3	58.2	17.9	93.2	40.5	23.1	4.2	4.1	15.8	---	7.2
1958: Dec. 31	184.4	66.4	20.6	97.5	40.4	25.3	4.7	5.0	15.9	---	8.2
1959: 1/ Jan. 28	183.8	67.5	20.4	95.9	39.2	25.6	4.2	5.0	16.0	---	8.0
Feb. 25	181.9	65.5	20.4	96.0	39.2	25.7	4.0	5.0	16.1	---	8.1
Mar. 25	181.1	63.2	20.6	97.4	40.2	25.9	3.9	4.8	16.3	---	8.2
2/ Apr. 29	183.8	63.6	20.9	99.3	40.6	26.3	4.3	4.9	16.7	---	8.4
May 27	183.9	62.6	20.8	100.5	41.4	26.6	4.1	4.9	17.0	---	8.6
(old) June 24	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.4	---	8.9
(new) June 24	184.2	60.9	20.6	102.8	37.8	26.9	4.1	5.0	17.4	5.9	7.7
July 29	185.7	61.1	20.6	103.9	37.8	27.1	4.2	5.1	17.6	6.2	7.8
3/ Aug. 26	186.1	60.3	20.5	105.3	38.2	27.3	4.2	5.1	17.9	6.6	8.0
Sept. 30	186.3	59.2	20.7	106.3	38.7	27.5	4.1	5.1	18.1	6.5	8.3
Oct. 28	186.7	59.6	20.6	106.5	38.8	27.7	4.1	5.0	18.3	6.0	8.5
Nov. 25	186.1	58.5	20.3	107.3	39.4	27.9	4.1	4.9	18.3	6.2	8.5
Dec. 31	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.5	7.1	8.5
1960: Jan. 27	185.6	58.0	20.3	107.4	39.4	28.1	4.0	4.9	18.6	6.3	8.4
Feb. 24	184.3	56.2	20.1	108.1	39.8	28.2	3.9	5.0	18.6	6.4	8.5
Mar. 30p	183.4	54.2	20.1	109.1	40.9	28.2	3.5	5.1	18.6	6.6	8.4
Apr. 27p	186.3	55.8	20.0	110.5	40.9	28.3	3.9	5.2	19.0	6.8	8.7
May 25p	186.0	55.1	19.8	111.0	41.3	28.3	3.7	5.3	19.2	6.7	8.8
June 29p	186.7	54.1	19.9	112.7	41.9	28.4	3.8	r 5.4	19.5	7.1	r 8.9
July 27p	188.6	56.6	20.0	111.9	41.1	28.5	3.8	r 5.5	r 19.5	7.0	r 8.8
Aug. 31p	189.1	56.5	20.0	112.6	41.1	28.6	4.1	5.6	19.6	6.8	8.9

r Revised. 1/ Total credit increased almost \$500 million in January as a result of bank structure changes.

2/ Total credit increased about \$200 million as a result of bank structure changes. 3/ Total credit increased about \$300 million as a result of bank structure changes. Structure changes in 1959, on balance through August, added almost \$1 billion to total credit; \$600 million in loans; \$300 million in U. S. Government securities; and \$100 million in other securities. Real estate loans increased about \$300 million; business loans \$100 million; consumer loans, \$100 million; and other loans \$100 million. Note: Data exclude interbank loans. Total loans are after and types of loans before deductions for valuation reserves. Consumer and "other loans" are partly estimated for all dates. Other data are partly estimated on all but June and December call dates. Beginning June 24, 1959, "business loans" and "all other loans" have been revised to exclude loans to nonbank financial institutions.