

M. W. Dow

MA JAN 19 1961
RESEARCH LIBRARY

BANKING AND MONETARY DEVELOPMENTS IN DECEMBER 1960

Bank credit. Total credit at all commercial banks increased \$3.8 billion in December, probably a postwar record expansion for this month. Loans rose by a near record \$2.4 billion, mainly temporary tax and dividend related borrowing by security dealers and finance companies. Holdings of U. S. Government securities rose \$900 million, somewhat more than usual, in spite of the fact that there was no Treasury cash financing as frequently occurs in December. All the increase was in issues maturing within one year. Holdings of other securities also rose more than in December of other recent years. This year's accelerated increase in investment holdings was concentrated at weekly reporting banks in leading cities. Loan expansion was relatively strong at both city and outside banks.

Since June, total loans and investments at all commercial banks have increased \$11.2 billion, about twice as much as in most other recent years and somewhat more than the previous record growth in the comparable period of 1954. Over 60 per cent of the total expansion was in holdings of U. S. Government securities, which rose a record amount. Holdings of other securities showed near-record growth. Loan expansion, however, was smaller than in any other recent year except 1957. The sharp expansion in credit in the second half of 1960 was concentrated at banks in leading cities. At banks outside leading cities, credit growth was substantial, but not as large as in the comparable period of 1958. At both groups of banks, additions to investment holdings accounted for the greater part of the expansion.

Over the year 1960 total credit expansion exceeded \$8 billion, or somewhat more than half the record rise of \$15 billion in 1958. The sharp second-half rise followed a larger-than-usual reduction early in the year. Loan growth totaled nearly \$6 billion, about half that of the previous year, with all major categories of loans showing smaller increases.

Business loans at all commercial banks increased \$300 million in December, considerably less than in the same month of other recent years. Midmonth tax and dividend borrowing was larger than last year but so were net repayments early and late in December. Corporate tax payments during December were about the same as in December 1959 but there were no maturing tax bills to apply against this year's taxes as there were a year ago. In December, loans to food processors and commodity dealers increased about as usual while seasonal repayments by trade concerns were larger than usual. Loans to metals companies and public utilities rose less than in December of other recent years, while loans to petroleum and chemicals companies rose more. Loans to textile manufacturers continued to show a more-than-seasonal decline.

Since June, business loans have increased only \$500 million compared with \$2.4 billion last year and \$3.7 billion in 1955. In the first half of 1960, growth in business loans had been only slightly less than in the first half of 1959 and 1955. Over the second half of 1960, seasonal borrowing by food processors and commodity dealers was close to the average

Not for publication

of previous years but that by trade concerns was less. Metals companies reduced bank loans by a record amount for the period. Loans to textile manufacturers rose more than usual, but loans to petroleum and chemicals companies and public utilities rose less.

Loans to nonbank financial institutions rose \$800 million in December, about the same as last year but more than in December of most other recent years. Most of the rise was in loans to finance companies, which generally borrow from banks at this time of year to retire open market paper held by nonfinancial corporations. Since June, loans to finance companies have declined somewhat compared with increases in most other years. This year's reduction has been associated with substantial capital market financing by these institutions.

Security loans increased \$900 million in December, a larger increase than usual. Most of the rise was in loans to Government security dealers which rose sharply in mid-December when corporations were selling securities to meet tax and dividend payments. The \$1.3 billion rise since midyear has exceeded that of any other comparable period, but the \$1.1 reduction in the first half of 1960 had also been unusually large.

Consumer loans increased moderately further in December bringing the total rise since June to \$400 million, less than half as much as the sharp increases in the comparable months of 1959 and 1955 but about the same as in other recent years. First half expansion had also been below that of 1959. Real estate loans declined further in December at city banks but probably continued to expand slowly at banks outside leading cities.

Deposit ratios. The ratio of total loans to total deposits at all commercial banks was about unchanged in December at 55.5 per cent. It had also shown little change in November following some decline from the early summer peak. The ratio of U. S. Government securities maturing within one year to total deposits rose further to 8.1 per cent in November. This ratio has been rising steadily since June and is now higher than at any other time since late 1958.

Deposits and currency. The daily average money supply increased \$600 million on a seasonally adjusted basis between the second half of November and the second half of December. This followed a decline of \$1.3 billion in the comparable period a month earlier. Since June, the money supply has increased at an annual rate of 1-1/2 per cent but the current level is still almost 1 per cent below the level a year ago. The seasonally adjusted last Wednesday of month money supply series increased \$200 million in December, also following a substantial decline in November. Over the year, it has declined \$1.2 billion or almost 1 per cent.

Time deposits at commercial banks increased substantially further in December (estimated through December 31), bringing the increase since June to about \$4 billion, a record growth for the period. Over the year 1960, the \$5.6 billion rise in these deposits was below the record \$7 billion increase of 1958, reflecting relatively small growth in the first half of the year. Deposit growth at mutual savings banks in recent months has been considerably larger than last year and somewhat larger than in most other

Not for publication

years although not of record proportions. Over the year as a whole, however, these deposits increased somewhat less than in all other recent years except 1959. Savings and loan shares increased an estimated \$7.5 billion in 1960, substantially more than in any previous year.

Deposit turnover. The seasonally adjusted annual rate of demand deposit turnover at banks outside New York and other financial centers declined from 26.2 in November to 25.1 (preliminary) in December. This was about 1 per cent above the level in December 1959. Over the past six months, however, turnover has averaged 4 per cent above the comparable period last year.

Bank reserves. Member bank reserve positions eased further in December and free reserves rose to \$670 million from \$615 million in November. Average excess reserves remained at \$760 million while borrowings declined to \$90 million. Free reserves at both reserve city and country banks increased somewhat in December.

During December, on a daily average basis, reserves were supplied by an increase of \$420 million in Reserve Bank float bringing the December level somewhat above that of other recent years. Cash allowed as reserves increased \$1.3 billion reflecting, on a carry-over basis, the November 24 Federal Reserve Board action authorizing banks to count all vault cash in meeting reserve requirements. Reserves were absorbed principally by a currency outflow of \$545 million and a reduction of \$625 million in System holdings of U. S. Government securities. Gold outflow continued heavy but was offset in part by a gold purchase of \$300 million from the International Monetary Fund early in the month. There were also small drains from other factors. Required reserves increased \$265 million; a sharp increase at the midmonth associated with credit expansion around the tax date was offset in part by reductions early in the month. A small part of the rise in required reserves reflected the carry-over effect of the increase in reserve requirements at country banks on November 24 offset in part by the reduction in reserve requirements at central reserve city banks on December 1.

Banking Section,
Division of Research and Statistics,
Board of Governors of the Federal Reserve System
January 13, 1961

Not for publication

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

Item	Last Wednesday of Nov. to end of Dec. 3/					
	1960	1959	1958	1957	1956	1955
Total loans (less interbank)	+2.4	+2.7	+2.8	+1.7	+1.5	+1.8
Business (excluding nonbank financial or sales finance companies) 2/	+0.3	+0.8	+0.6	+0.3	+0.4	+0.4
Nonbank financial	+0.8	+0.9	n.a.	n.a.	n.a.	n.a.
Sales finance companies	<u>4/</u>	<u>4/</u>	+0.5	+0.6	+0.5	+0.5
(Business (including nonbank financial or sales finance companies))	5/ (+1.1)	5/ (+1.7)	(+1.1)	(+0.9)	(+0.9)	(+0.9)
Real estate	+0.1	+0.2	+0.3	+0.1	<u>1/</u>	+0.1
Security	+0.9	+0.8	+0.8	+0.6	+0.3	+0.5
Agricultural	<u>1/</u>	+0.1	+0.1	+0.1	+0.1	+0.2
Consumer	+0.1	+0.2	+0.2	+0.1	+0.1	+0.2
All other 2/	+0.2	<u>1/</u>	+0.3	<u>1/</u>	+0.1	<u>1/</u>
U. S. Government securities	+0.9	+0.4	-1.3	+1.3	+0.4	+0.2
Other securities	+0.5	+0.2	+0.3	+0.5	<u>1/</u>	+0.1
Total (less bank)	+3.8	+3.4	+1.7	+3.4	+1.8	+2.1

Item	Last Wednesday of Nov. to end of Dec. 3/					
	1954	1953	1952	1951	1950	1949
Total loans (less interbank)	+1.5	+0.7	+1.0	+1.0	+1.1	+0.4
Business (excluding nonbank financial or sales finance companies) 2/	+0.1	-0.8	<u>1/</u>	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	+0.2	+0.4	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	(+0.3)	(-0.6)	(+0.4)	(+0.6)	(+0.8)	n.a.
Real estate	+0.2	<u>1/</u>	+0.1	+0.1	+0.1	n.a.
Security	+0.7	+0.6	+0.4	+0.4	+0.1	n.a.
Agricultural	+0.1	+0.5	-0.2	<u>1/</u>	<u>1/</u>	n.a.
Consumer	+0.1	+0.1	+0.3	+0.1	<u>1/</u>	+0.1
All other 2/	+0.1	<u>1/</u>	+0.1	-0.1	+0.1	n.a.
U. S. Government securities	-1.1	-0.3	-0.8	-0.1	+0.3	+0.1
Other securities	+0.1	+0.1	-0.1	+0.3	+0.3	+0.2
Total (less bank)	+0.6	+0.6	+0.2	+1.3	+1.6	+0.6

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/ Except for 1960, which is for December 28, dates are for December 31. 4/ Included with nonbank financial. 5/ Not strictly comparable with previous data since all nonbank financial are included rather than sales finance only.
Not for Publication

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

Item	End of June to end of December 6/					
	1960 3/	1959 3/4/	1958 3/	1957 3/	1956	1955
Total loans (less interbank)	+3.2	+7.2	+3.6	+1.2	+3.4	+7.3
Business (excluding nonbank financial or sales finance companies) 2/	+0.5	+2.4	+1.2	+0.1	+2.5	5/+3.7
Nonbank financial	-0.1	+1.2	n.a.	n.a.	n.a.	n.a.
Sales finance companies	7/	7/	+0.3	-0.1	+0.1	+0.7
(Business (including nonbank financial or sales finance companies)) 8/	(+0.4)	(+3.6)	(+1.5)	(1/)	(+2.6)	(+4.4) 5/
Real estate	+0.4	+1.2	+1.6	+0.5	+0.7	5/+1.0
Security	+1.3	+0.8	-1.0	+0.3	-0.2	+0.6
Agricultural	+0.3	1/	+0.4	+0.1	-0.1	+0.1
Consumer	+0.4	+1.3	+0.2	+0.4	+0.4	+1.1
All other 2/	+0.2	+0.5	+0.9	+0.1	+0.2	+0.2
U. S. Government securities	+7.1	-2.0	+2.2	+2.7	+1.9	-1.7
Other securities	+0.9	-0.1	+0.4	+1.1	-0.2	-0.1
Total (less bank)	+11.2	+5.3	+6.2	+5.0	+5.1	+5.5

Item	End of June to end of December 6/					
	1954	1953	1952	1951	1950	1949
Total loans (less interbank)	+3.2	+2.6	+4.9	+2.9	+7.5	+1.9
Business (excluding nonbank financial or sales finance companies) 2/	+0.7	-0.1	+2.1	n.a.	n.a.	n.a.
Nonbank financial	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Sales finance companies	1/	-0.1	+0.5	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	(+0.7)	(-0.2)	(+2.6)	(+2.2)	(+5.0)	(+0.6)
Real estate	+1.2	+0.5	+0.7	+0.4	+1.1	+0.5
Security	+0.7	+0.8	+0.1	-0.1	+0.1	-0.3
Agricultural	+0.1	+1.3	+0.3	+0.3	1/	+0.2
Consumer	+0.1	+0.3	+1.1	1/	+0.8	+0.7
All other 2/	+0.4	1/	+0.3	+0.1	+0.6	+0.3
U. S. Government securities	+5.5	+4.8	+2.1	+3.0	-3.7	+3.8
Other securities	+0.8	+0.4	+0.1	+0.6	+1.2	+0.7
Total (less bank)	+9.5	+7.7	+7.2	+6.6	+4.9	+6.4

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/ 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. 5/ In October 1955, the level of business loans was increased by, and that of real estate loans decreased by, \$300 million to correct classification errors. 6/ Except for 1960, which is for December 28, dates are for December 31. 7/ Included with nonbank financial. 8/ Not strictly comparable with previous data since all nonbank financial are included rather than sales finance only.

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

Item	Year ending December 7/					
	1960	1959 3/	1958	1957	1956	1955
<u>Total loans (less interbank)</u>	+ 5.8	+12.5	+ 4.3	+3.5	+7.6	+11.6
Business (excluding nonbank financial or sales finance companies) 2/	+ 2.2	+ 4.2	+ 0.5	+1.5	+5.7	6/+5.1
Nonbank financial	- 0.1	4/+ 1.2	n.a.	n.a.	n.a.	n.a.
Sales finance companies	8/	5/+ 0.3	- 0.6	+0.3	-0.2	+1.3
(Business (including nonbank financial or sales finance companies))	9/ (+ 2.1)	2/ (+5.7)	(- 0.1)	(+1.8)	(+5.5)	6/ (+6.4)
Real estate	+ 0.7	+2.8	+ 2.1	+0.6	+1.7	6/+2.4
Security	+ 0.2	+0.2	+ 0.4	-0.1	-0.8	+0.6
Agricultural	+ 0.7	1/	+ 0.9	-0.1	-0.3	-0.7
Consumer	+ 1.4	+2.9	+ 0.2	+1.2	+1.4	+2.3
All other 2/	+ 0.6	+1.1	+ 1.0	+0.3	+0.4	+0.9
U. S. Government securities	+ 2.4	-7.4	+ 8.1	-0.3	-3.0	-7.4
Other securities	+ 0.3	-0.1	+ 2.6	+1.7	-0.4	+0.4
<u>Total (less interbank)</u>	+ 8.4	+5.0	+15.1	+4.9	+4.2	+4.6

Item	Year ending December 7/					
	1954	1953	1952	1951	1950	1949
<u>Total loans (less interbank)</u>	+ 2.9	+ 3.4	+ 6.4	+5.4	+9.3	+0.5
Business (excluding nonbank financial or sales finance companies) 2/	- 0.2	- 0.5	+ 1.7	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	- 0.2	+ 0.3	n.a.	n.a.	n.a.
(Business (including nonbank financial or sales finance companies))	(- 0.3)	(-0.7)	(+ 2.0)	(+4.0)	(+4.9)	(-1.9)
Real estate	+ 1.7	+ 1.0	+ 1.1	+1.0	+2.0	+0.7
Security	+ 0.9	+ 0.4	+ 0.6	-0.3	+0.2	+0.3
Agricultural	+ 0.2	+ 1.0	+ 0.5	+0.5	-0.1	+0.2
Consumer	1/	+ 1.5	+ 1.9	+0.1	+1.6	+1.0
All other 2/	+ 0.6	+ 0.2	+ 0.3	+0.3	+0.9	+0.3
U. S. Government securities	+ 5.6	+ 0.1	+ 1.8	-0.5	-5.0	+4.4
Other securities	+ 1.6	+ 0.5	+ 0.8	+0.9	+2.2	+1.0
<u>Total (less interbank)</u>	+10.2	+ 4.1	+ 9.0	+5.9	+6.5	+5.9

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/ Total credit increased about \$1 billion as a result of bank structure changes; \$600 million in loans; \$300 million in U. S. Gov't. securities; and \$100 million in other securities. 4/ July-Dec. 5/ Jan.-June. 6/ In Oct. 1955, the level of business loans was increased by, and that of real estate loans decreased by, \$300 million to correct classification errors. Most of the misclassification probably occurred during 1955.

For 7/, 8/ and 9/, see reverse side.

7/ Except for 1960, which is for December 28, dates are for December 31.

8/ Included with nonbank financial.

9/ Not strictly comparable with previous data since all nonbank financial are included rather than sales finance only.

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

Item	Last Wednesday in November to last Wednesday in December					
	1960	1959	1958	1957	1956	1955
<u>Weekly reporting banks</u> 1/						
Total loans	+ 1.7	+ 2.4	+ 2.0	+ 1.3	+ 1.3	+ 1.0
U. S. Government securities	+ 0.9	+ 0.4	- 0.6	+ 1.4	+ 0.5	+ 0.5
Other securities	+ 0.5	+ 0.1	+ 0.1	+ 0.2	- 0.1	- 0.1
Total loans and investments	+ 3.0	+ 2.9	+ 1.5	+ 2.9	+ 1.7	+ 1.4
<u>Nonreporting banks</u> 1/						
Total loans	+ 0.7	+ 0.3	+ 0.8	+ 0.4	+ 0.2	+ 0.8
U. S. Government securities	2/	2/	- 0.7	- 0.1	+ 0.1	- 0.3
Other securities	2/	+ 0.1	+ 0.2	+ 0.3	- 0.1	+ 0.2
Total loans and investments	+ 0.8	+ 0.5	+ 0.2	+ 0.5	+ 0.1	+ 0.7
Item	Last Wednesday in November to last Wednesday in December					
	1954	1953	1952	1951	1950	1949
<u>Weekly reporting banks</u> 1/						
Total loans	+ 1.0	+ 0.7	+ 0.9	+ 1.0	+ 1.0	+ 0.3
U. S. Government securities	- 0.5	+ 0.1	- 0.6	+ 0.4	+ 0.7	+ 0.2
Other securities	+ 0.1	+ 0.1	- 0.1	+ 0.2	+ 0.2	+ 0.1
Total loans and investments	+ 0.6	+ 0.8	+ 0.3	+ 1.6	+ 1.9	+ 0.6
<u>Nonreporting banks</u> 1/						
Total loans	+ 0.5	2/	+ 0.1	2/	+ 0.1	+ 0.1
U. S. Government	- 0.6	- 0.4	- 0.2	- 0.5	- 0.4	- 0.1
Other securities	2/	2/	2/	+ 0.1	+ 0.1	+ 0.1
Total loans and investments	2/	- 0.2	- 0.1	- 0.3	- 0.3	2/

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.

2/ Less than \$50 million.

Table 2

L.4.3

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

Item	Last Wednesday in June to last Wednesday in December					
	1960	1959	1958	1957	1956	1955
Weekly reporting banks ^{1/}						
Total loans	+ 1.5	+ 5.1	+ 1.6	+ 0.2	+ 2.6	+ 4.7
U. S. Government securities	+ 4.8	- 2.5	- 0.7	+ 1.5	+ 0.1	- 2.0
Other securities	+ 0.7	- 0.4	- 0.1	+ 0.3	- 0.4	- 0.5
Total loans and investments	+ 7.0	+ 2.3	+ 0.7	+ 2.0	+ 2.3	+ 2.3
Nonreporting banks ^{1/}						
Total loans	+ 1.7	^{3/} + 2.1	+ 2.0	+ 1.0	+ 0.8	+ 2.6
U. S. Government securities	+ 2.3	^{3/} + 0.5	+ 2.9	+ 1.2	+ 1.8	+ 0.3
Other securities	+ 0.2	^{3/} + 0.3	+ 0.5	+ 0.8	+ 0.2	+ 0.4
Total loans and investments	+ 4.2	^{3/} + 3.0	+ 5.5	+ 3.0	+ 2.8	+ 3.2

Item	Last Wednesday in June to last Wednesday in December					
	1954	1953	1952	1951	1950	1949
Weekly reporting banks ^{1/}						
Total loans	+ 2.0	+ 1.6	+ 3.6	+ 2.6	+ 6.0	+ 1.0
U. S. Government securities	+ 3.2	+ 3.6	^{2/}	+ 1.3	- 3.0	+ 3.3
Other securities	+ 0.4	+ 0.1	^{2/}	+ 0.3	+ 0.8	+ 0.5
Total loans and investments	+ 5.6	+ 5.3	+ 3.6	+ 4.2	+ 3.8	+ 4.8
Nonreporting banks ^{1/}						
Total loans	+ 1.2	+ 1.0	+ 1.3	+ 0.3	+ 1.5	+ 0.9
U. S. Government	+ 2.3	+ 1.2	+ 2.1	+ 1.7	- 0.7	+ 0.5
Other securities	+ 0.4	+ 0.3	+ 0.1	+ 0.3	+ 0.4	+ 0.2
Total loans and investments	+ 3.9	+ 2.4	+ 3.6	+ 2.4	+ 1.1	+ 1.6

^{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 December 31, 1959 have been used.

^{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.

Not for publication

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

Item	Year ending December					
	1960	1959	1958	1957	1956	1955
Weekly reporting banks ^{1/}						
Total loans	+ 1.9	+ 6.3	+ 0.7	+ 0.9	+ 5.4	+ 7.4
U. S. Government securities	+ 2.5	- 6.9	+ 5.5	- 0.2	- 3.5	- 6.8
Other securities	+ 0.3	- 0.4	+ 1.4	+ 0.4	- 0.7	- 0.4
Total loans and investments	+ 4.6	- 0.9	+ 7.6	+ 1.1	+ 1.2	+ 0.2
Nonreporting banks ^{1/}						
Total loans	+ 3.9	^{3/} + 6.2	+ 3.6	+ 2.6	+ 2.2	+ 4.2
U. S. Government securities	- 0.1	^{3/} - 0.5	+ 2.6	- 0.1	+ 0.5	- 0.6
Other securities	^{2/}	^{3/} + 0.3	+ 1.2	+ 1.3	+ 0.3	+ 0.8
Total loans and investments	+ 3.8	^{3/} + 5.9	+ 7.5	+ 3.8	+ 3.0	+ 4.4
Item	Year ending December					
	1954	1953	1952	1951	1950	1949
Weekly reporting banks ^{1/}						
Total loans	+ 0.6	+ 1.4	+ 4.0	+ 3.9	+ 6.7	- 0.7
U. S. Government securities	+ 4.1	- 0.2	+ 0.3	- 1.2	- 3.8	+ 4.5
Other securities	+ 1.1	+ 0.1	+ 0.5	+ 0.3	+ 1.5	+ 0.9
Total loans and investments	+ 5.9	+ 1.3	+ 4.8	+ 3.1	+ 4.4	+ 4.7
Nonreporting banks ^{1/}						
Total loans	+ 2.3	+ 2.0	+ 2.4	+ 1.5	+ 2.6	+ 1.2
U. S. Government	+ 1.5	+ 0.3	+ 1.5	+ 0.7	- 1.2	- 0.1
Other securities	+ 0.5	+ 0.4	+ 0.3	+ 0.6	+ 0.7	+ 0.1
Total loans and investments	+ 4.3	+ 2.8	+ 4.2	+ 2.8	+ 2.1	+ 1.2

^{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.

Not for publication

Table 3

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

Business of Borrower	Last Wednesday in November to last Wednesday in December								
	1960	1959 3/	1958 3/	1957	1956	1955	1954 3/	1953 3/	1952 3/
Food processors	+ 57	+148	+ 12	+ 99	+168	+ 62	+ 60	+ 59	+ 19
Commodity dealers	+ 49	+125	+ 9	+ 88	+104	- 7	+ 37	+ 45	- 16
Trade concerns	-267	-309	-174	-149	- 78	- 44	- 77	-158	-124
Total	-161	- 36	-153	+ 38	+194	+ 11	+ 20	- 54	-121
Sales finance	<u>2/</u>	<u>2/</u>	+438	+472	+516	+482	+183	+148	+374
Metals and products	+ 9	+139	+102	+ 94	+153	+145	- 14	- 64	+ 45
Textiles, apparel and leather	- 42	+ 9	- 26	---	+ 3	+ 2	- 2	- 22	- 30
Petroleum, coal etc.	+ 97	+ 57	+ 56	+ 52	- 58	+ 56	+ 42	+ 33	+ 40
Other manufacturing and mining	+ 15	+ 6	- 10	- 50	- 8	+ 8	- 13	- 25	- 25
Public utilities	+118	+119	+170	+109	+136	- 31	+ 67	+ 43	+ 25
Construction	+ 14	+ 26	+ 7	+ 14	- 9	+ 5	+ 15	- 8	- 15
All other types of business	+ 69	+ 94	+115	+ 77	+ 22	+ 58	- 34	+ 36	+ 62
Classified	+120	+413	+674	+779	+948	+734	+264	+ 89	+356
Unclassified	+ 62	+ 37	+ 54	- 19	- 28	- 41	- 55	+157	- 96
Total change	+182	+450	+728	+760	+920	+693	<u>4/</u> +209	<u>5/</u> +246	+260
Total change excluding sales finance	+182	+450	+290	+288	+404	+211	<u>4/</u> + 26	<u>5/</u> + 98	-114

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

2/ Not included in business loans on revised basis.

3/ In order to keep comparisons on a four-week basis, the following dates were used:
1959, Dec. 2-Dec. 30; 1958, Dec. 3-Dec. 31; 1957, Nov. 27-Dec. 25; 1954, Dec. 1-29;
1953, Dec. 2-30; 1952, Dec. 30-Dec. 31.

4/ Includes CCC certificates of interest which are estimated to have declined \$7 million.

5/ Includes CCC certificates of interest which are estimated to have increased \$235 million.

Not for publication

Table 3

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

Business of Borrower	Last Wednesday in June to last Wednesday in December								
	1960	1959 7/	1958 7/	1957	1956	1955	1954	1953	1952
Food processors	+579	+638	+522	+331	+822	+480	+498	+501	+754
Commodity dealers	+507	+729	+410	+420	+739	+469	+539	+380	+662
Trade concerns	- 26	+128	+162	- 8	+178	+327	+120	+ 1	+141
Total	+1,060	+1,495	+1,094	+743	+1,739	+1,276	+1,157	+882	+1,557
Sales finance	2/	6/+134	+294	-108	+ 98	+704	+ 32	-138	+544
Metals and products	-665	-128	-454	-496	- 71	+224	-548	-351	+ 1
Textiles, apparel and leather	-215	- 53	-232	-159	- 6	+ 71	- 26	-101	- 40
Petroleum, coal etc.	+ 58	+228	- 14	+150	+428	+208	+ 88	+102	+250
Other manufacturing and mining	- 29	+ 15	-121	-161	+ 72	+ 63	- 62	- 54	+ 36
Public utilities	+ 61	+495	+234	+183	+350	+ 27	-225	+ 18	- 57
Construction	+ 35	+ 12	+ 50	- 49	- 66	+106	+ 82	- 23	+ 13
All other types of business	+310	- 16	+362	+ 58	+176	+370	+132	+ 98	+191
Classified	+615	+2,181	+1,214	+161	+2,719	+3,050	+630	+433	+2,494
Unclassified	-316	-175	-197	-457	-260	2/-162	3/- 91	4/+150	- 59
Total change	+299	+2,006	+1,017	-296	+2,459	+2,888	3/+539	4/+583	+2,435
Total change excluding sales finance	+299	+1,872	+723	-188	+2,361	2/+2,184	3/+507	4/+721	+1,891

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

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

3/ Includes CCC certificates of interest which are estimated to have increased \$346 million.

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

5/ Not included in business loans on revised basis.

6/ Week of July 1 on old basis.

7/ Prior to July 1, 1959 data have not been revised for additional banks and coverage.

Not for publication

Table 3

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

Business of Borrower	Last Wednesday in December to last Wednesday in December								
	1960	1959	1958 6/	1957	1956	1955	1954	1953	1952
Food processors	+ 21	+179	-136	-125	+520	- 60	- 7	-120	-114
Commodity dealers	-170	+375	+127	-118	+353	+ 8	+176	-252	+ 28
Trade concerns	+346	+435	+ 4	- 9	+349	+473	+ 79	+208	+ 36
Total	+197	+989	- 5	-252	+1,222	+421	+248	-164	- 50
Sales finance	2/	+455	-559	+258	-224	+1,293	-143	-228	+327
Metals and products	+397	+717	-308	+439	+1,291	+401	-1,125	+ 94	+1,111
Textiles, apparel and leather	+ 58	+160	-148	- 12	+232	+291	+ 29	+ 49	-113
Petroleum, coal etc.	+ 6	+ 86	-154	+441	+852	+521	+ 78	+ 93	+426
Other manufacturing and mining	+325	+214	+ 36	+ 53	+441	+216	- 63	+ 41	+112
Public utilities	+ 13	+339	+ 57	+696	+715	+411	- 99	+103	- 59
Construction	+131	+116	+106	- 61	- 12	+240	+153	- 5	+ 31
All other types of business	+465	+114	+431	+ 3	+325	+513	+238	+ 90	+163
Classified	+1,592	+3,188	-544	+1,565	+4,843	+4,307	-684	+ 74	+1,948
Unclassified	-115	+ 10	-377	-612	-141	2/- 23	3/-273	4/- 84	-150
Total change	+1,477	+3,198	-921	+953	+4,702	2/+4,284	3/-957	4/- 10	+1,798
Total change excluding sales finance	+1,477	+2,743	-362	+695	+4,926	2/+2,991	3/-814	4/+218	+1,471

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

2/ Includes CCC certificates of interest which are estimated to have declined \$821 million.

3/ Includes CCC certificates of interest which are estimated to have increased \$411 million.

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

5/ Not included in business loans on revised basis after July 1.

6/ Data for 1958 have not been revised for additional banks and coverage.

Not for publication

Table 4

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

Item	1960	1959	1958	1957	1956	1955
<u>Last half of November to last half of December</u>						
<u>Seasonally adjusted data 1/</u>						
Demand deposit component	+0.6	-0.6	+0.4	-0.1	+0.2	+0.3
Currency component	<u>3/</u>	<u>3/</u>	<u>3/</u>	<u>3/</u>	<u>+0.1</u>	<u>3/</u>
Total	+0.6	-0.6	+0.4	-0.2	+0.4	+0.3
<u>Last Wednesday of Nov. to last Wednesday of Dec.</u>						
<u>Seasonally adjusted data 2/</u>						
Demand deposits adjusted	+0.2	+0.2	+0.1	-0.1	+0.1	+0.5
Currency outside banks	<u>3/</u>	<u>-0.1</u>	<u>+0.1</u>	<u>+0.1</u>	<u>-0.1</u>	<u>-0.1</u>
Total	+0.2	+0.1	+0.2	<u>3/</u>	<u>3/</u>	+0.4
<u>Seasonally unadjusted data 2/</u>						
Demand deposits adjusted	+2.6	+2.3	+3.6	+3.1	+3.1	+3.0
Currency outside banks	+0.1	+0.3	-0.1	-0.2	+0.3	+0.4
Total	<u>+2.7</u>	<u>+2.6</u>	<u>+3.5</u>	<u>+2.9</u>	<u>+3.4</u>	<u>+3.4</u>
Time deposits	+1.4	+1.5	+1.5	+1.5	+1.3	+1.0
Commercial banks	+1.0	+1.1	+1.1	+1.1	+1.0	+0.7
Mutual savings banks	+0.4	+0.3	+0.5	+0.4	+0.4	+0.3
U. S. Government deposits	+0.4	+0.7	-1.4	+1.0	-1.2	-0.6
Total	<u>+4.5</u>	<u>+4.7</u>	<u>+3.8</u>	<u>+5.3</u>	<u>+3.5</u>	<u>+3.8</u>
(signs indicate effect on deposits and currency)						
<u>Factors affecting deposits and currency</u>						
Bank loans and investments other than U. S. Govt. sec. 4/	<u>+3.2</u>	<u>+3.7</u>	<u>+3.7</u>	<u>+2.7</u>	<u>+2.0</u>	<u>+2.3</u>
Commercial	+2.9	+2.9	+3.1	+2.2	+1.3	+1.9
Mutual savings	+0.2	+0.1	+0.2	+0.1	+0.1	+0.2
Bank holdings of U. S. Govt. securities:	+0.7	+0.4	-0.8	+2.0	+1.0	+0.7
Federal Reserve	<u>-0.2</u>	<u>-0.1</u>	<u>+0.5</u>	<u>+0.7</u>	<u>+0.6</u>	<u>+0.5</u>
Commercial	+0.8	+0.4	-1.3	+1.3	+0.4	+0.2
Mutual saving and other	<u>3/</u>	-0.1	<u>3/</u>	-0.1	<u>3/</u>	<u>3/</u>
Gold stock and foreign deposits at F. R. Banks	-0.1	+0.1	-0.1	-0.1	+0.1	<u>3/</u>
Other factors	+0.7	+0.5	+1.0	+0.7	+0.4	+0.8

1/ Averages of daily figures.

2/ 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.

3/ Less than \$50 million.

4/ 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."

Table 4

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

Item	1960	1959 <u>2/</u>	1958	1957	1956	1955
	<u>Last half of June to last half of December</u>					
<u>Seasonally adjusted data</u> <u>1/</u>						
Demand deposit component	+ 1.0	- 1.2	+ 2.9	- 0.8	+ 0.3	+ 0.4
Currency component	+ 0.1	- 0.1	+ 0.2	<u>3/</u>	+ 0.3	+ 0.2
Total	+ 1.1	- 1.2	+ 3.1	- 0.8	+ 0.7	+ 0.6
	<u>Last Wednesday of June to last Wednesday of December</u>					
<u>Seasonally adjusted data</u> <u>2/</u>						
Demand deposits adjusted	+ 0.9	- 0.6	+ 3.2	- 1.5	+ 0.4	+ 1.0
Currency outside banks	+ 0.1	- 0.1	+ 0.3	<u>3/</u>	- 0.1	+ 0.4
Total	+ 1.0	- 0.7	+ 3.5	- 1.5	+ 0.3	+ 1.4
<u>Seasonally unadjusted data</u> <u>2/</u>						
Demand deposits adjusted	+ 6.7	+ 4.7	+ 9.8	+ 4.7	+ 6.7	+ 6.7
Currency outside banks	+ 0.5	+ 1.1	+ 0.9	+ 0.5	<u>3/</u>	+ 0.9
Total	+ 7.2	+ 5.8	+10.7	+ 5.2	+ 6.7	+ 7.6
Time deposits	+ 4.6	+ 0.7	+ 2.7	+ 2.7	+ 1.6	+ 1.3
Commercial banks	+ 3.6	+ 0.5	+ 1.6	+ 2.1	+ 0.9	+ 0.6
Mutual savings banks	+ 1.0	+ 0.3	+ 1.2	+ 0.8	+ 0.8	+ 0.8
U. S. Government deposits	- 1.3	+ 0.6	- 5.3	- 0.5	- 1.6	- 1.4
Total	+10.3	+ 7.0	+ 8.2	+ 7.4	+ 6.7	+ 7.5
<u>Factors affecting deposits and and currency</u>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. sec. <u>4/</u>	+ 5.4	+ 8.7	+ 5.7	+ 3.7	+ 4.5	+ 8.4
Commercial	+ 4.1	+ 7.3	+ 4.5	+ 2.3	+ 3.2	+ 7.1
Mutual savings	+ 1.1	+ 0.8	+ 1.2	+ 1.1	+ 1.2	+ 1.1
Bank holdings of U. S. Govern- ment securities:	+ 7.8	- 1.7	+ 2.9	+ 3.6	+ 2.7	- 0.8
Federal Reserve	+ 1.0	+ 0.7	+ 1.3	+ 1.3	+ 1.2	+ 1.2
Commercial	+ 7.1	- 2.0	+ 1.8	+ 2.7	+ 1.9	- 1.7
Mutual savings and other	- 0.3	- 0.2	- 0.1	- 0.6	- 0.4	- 0.3
Gold stock and foreign deposits at F. R. Banks	- 1.5	- 0.3	- 0.8	+ 0.2	+ 0.1	<u>3/</u>
Other factors	- 1.4	+ 0.3	+ 0.4	- 0.1	- 0.6	- 0.1

1/ Averages of daily figures. 2/ Seasonally adjusted data are for last Wednesday through-
out; unadjusted data are for last Wednesday except in case of June and December call
dates, when available. Beginning 1957, all June data are for last Wednesday of the month.
3/ Less than \$50 million. 4/ 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 synchroni-
zation in reporting asset and liability items used in computing "loans net". 5/ 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. In December
1959, as a result of the redefinition of gross demand deposits, demand deposits adjusted
were reduced by \$400 million.

Digitized for FRASER
Not for publication

Table 4

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

	1960	1959 ^{5/}	1958	1957	1956	1955
Last half of December to last half of December						
<u>Seasonally adjusted data 1/</u>						
Demand deposit component	-1.1	+0.3	+5.1	-1.1	+1.4	+2.3
Currency component	+0.1	+0.3	+0.3	<u>3/</u>	+0.5	+0.4
Total	-1.0	+0.6	+5.4	-1.1	+1.9	+2.7
Last Wednesday of Dec. to last Wednesday of Dec.						
<u>Seasonally adjusted data 2/</u>						
Demand deposits adjusted	-1.2	+1.3	+4.9	-1.3	+1.0	+3.0
Currency outside banks	<u>3/</u>	+0.1	+0.3	+0.4	<u>3/</u>	+0.5
Total	-1.2	+1.4	+5.2	-0.9	+1.0	+3.5
<u>Seasonally unadjusted data 2/</u>						
Demand deposits adjusted	-0.9	-0.1	+5.2	-1.1	+1.5	+3.4
Currency outside banks	-0.6	+0.7	+0.4	<u>3/</u>	+0.1	+0.4
Total	-1.5	+0.6	+5.7	-1.2	+1.5	+3.8
Time deposits	+6.4	+3.5	+9.2	+6.9	+3.8	+3.1
Commercial banks	+5.1	+2.7	+7.1	+5.6	+2.2	+1.5
Mutual savings banks	+1.5	+0.9	+2.3	+1.7	+1.9	+1.8
U. S. Government deposits	+0.7	+0.9	+0.3	+0.2	<u>3/</u>	-0.6
Total	+5.6	+5.0	+15.2	+5.9	+5.4	+6.3
<u>Factors affecting deposits and currency</u>	(signs indicate effect on deposits and currency)					
Bank loans and investments other than U. S. Govt. sec. ^{4/}	+ 8.1	+14.0	+9.8	+7.5	+9.9	+14.5
Commercial	+6.1	+12.4	+7.0	+5.2	+7.2	+12.0
Mutual savings	+2.2	+1.6	+2.8	+2.3	+2.5	+2.3
Bank holdings of U. S. Govt. securities:						
Federal Reserve	+2.2	-7.7	+9.8	-1.8	-3.6	-8.1
Commercial	+0.6	+0.3	+2.1	-0.8	+0.1	-0.1
Mutual savings and other	+2.3	-7.4	+8.1	-0.3	-3.0	-7.4
Gold stock and foreign deposits at F. R. Banks	-0.7	-0.6	-0.4	-0.8	-0.7	-0.5
Other factors	-1.5	-1.1	-2.2	+0.8	+0.3	+0.1
	-3.2	-0.2	-2.2	-0.6	-1.2	-0.2

1/ Averages of daily figures.

2/ 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.

3/ Less than \$50 million.

4/ 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."

5/ 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. In December 1959, as a result of the redefinition of gross demand deposits, demand deposits adjusted were reduced by \$400 million.

Table 5
Ratios to Total Deposits 1/

Date	L O A N S						U.S. Govt. secur- ities maturing within one year	
	All com- mercial 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	21.2/ 19.2/ 15.2/ 9.8	
1947: Dec. 31	27.7	28.2	31.0	30.3	31.1	23.4		
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1		
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5		
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5		
1951: Dec. 31	37.2	37.6	46.3	36.2	39.4	32.1		
1952: Dec. 31	39.3	39.9	50.6	38.9	41.1	33.9		
1953: Dec. 31	40.5	41.1	50.6	39.1	42.2	36.1		
1954: Dec. 31	40.3	40.7	46.8	38.3	41.9	37.1		
1955: Dec. 31	45.8	46.7	56.7	46.3	48.5	40.7		
1956: Dec. 31	48.8	50.1	61.7	52.7	52.7	42.6		
1957: Dec. 31	49.7	51.0	61.9	55.2	53.3	44.1		
1958: Dec. 31	48.4	49.4	57.7	49.4	51.3	44.4		
1959: 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. 30	56.4	58.0	69.4	64.5	61.4	50.3	4.6	
Apr. 27	56.2	57.7	67.6	62.0	61.1	50.6	4.9	
May 25	56.8	58.3	68.0	63.8	61.7	51.4	4.4	
June 29	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	56.6	58.0	67.7	61.1	61.0	51.6	5.4	
Sept. 28p	56.3	57.6	66.0	61.4	60.6	51.5	6.4	
Oct. 26p	55.3	56.7	65.5	61.4	59.4	50.6	7.7	
Nov. 30p	55.4	56.8	3/66.0	60.3	59.7	3/50.4	8.1	
Dec. 28p	55.5	56.8	67.1	61.3	59.1	50.6	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
- 3/ Data not strictly comparable with previous figures as one large country bank merged with a central reserve city bank.

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	18,389
Aug.	247	- 27	- 38	- 62	375	18,464
Sept.	413	- 2	- 5	- 44	464	$\frac{1}{1}$ 18,750
Oct.	489	9	- 2	- 2	483	$\frac{1}{1}$ 18,915
Nov.	614	34	- 4	38	546	$\frac{1}{1}$ 19,097
Dec.	672	10	- 4	80	585	$\frac{1}{1}$ 19,018
<u>Weekly averages:</u>						
1960: Nov. 30	1,082	156	12	161	754	n.a.
Dec. 7	639	20	4	37	580	n.a.
14	637	23	7	100	510	n.a.
21	673	2	- 12	38	643	n.a.
28	652	28	5	74	546	n.a.
1961: Jan. 4	828	- 53	- 42	83	841	n.a.

Note: Data for late December and January are preliminary.

 $\frac{1}{1}$ Data have been adjusted to exclude effect of changes in reserve requirements.Not for publication

Table 7

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

Item	December		July-December		January-December	
	1960	1959	1960	1959	1960	1959
<u>Member bank reserves</u>						
Required reserves ^{1/}	+ 263	+ 274	+ 683	+ 406	+ 61	+ 68
Effect of change in requirements	+ 41	---	+ 5	---	+ 5	---
Effect of deposit change	+ 222	+ 274	+ 678	+ 406	+ 56	+ 68
Excess reserves ^{1/}	+ 3	+ 37	+ 293	+ 75	+ 277	- 35
Total reserves held ^{1/}	+ 266	+ 311	+ 976	+ 481	+ 338	+ 33
Cash allowed as reserves ^{1/}	+1,315	+ 304	+2,289	+ 304	+2,278	+ 304
Reserve balances	-1,049	+ 7	-1,313	+ 177	-1,940	- 271
<u>Principal factors</u>						
Currency in circulation	- 545	- 569	-1,092	- 959	- 243	- 405
Gold stock and foreign accounts	- 111	- 143	-1,418	- 632	-1,417	-1,180
Treasury operations	- 58	- 14	+ 22	+ 236	+ 74	+ 323
Federal Reserve float	+ 422	+ 332	+ 497	+ 417	+ 244	- 70
Other factors	- 68	+ 40	- 140	+ 35	+ 14	- 32
<u>Effect of above factors on reserves</u>	- 360	- 354	-2,131	- 903	-1,328	-1,364
Federal Reserve loans and investments:						
<u>Total</u>	- 690	+ 363	+ 817	+1,080	- 613	+1,092
U. S. Govt. securities	- 623	+ 304	+1,124	+1,073	+ 212	+ 724
Outright	- 372	+ 365	+1,052	+1,044	+ 177	+ 777
Repurchase agreements	- 251	- 61	+ 72	+ 29	+ 35	- 53
Acceptances	---	+ 33	+ 24	+ 34	- 8	+ 21
Discounts and advances:						
To member banks	- 55	+ 28	- 338	- 15	- 819	+ 349
To others	- 12	- 2	+ 7	- 12	+ 2	- 2

^{1/} Preliminary for December 1960.

Not for publication

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

End of month	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 4	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	r 368.9	138.8	196.7	63.4	35.1	47.7	50.5	r 33.4	202.2	r 54.8	79.3
1959											
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	
Mar.	390.3	139.5	205.2	65.9	36.0	55.9	47.4	45.6	205.4	52.6	77.7
Apr.	390.4	139.4	205.7	66.0	36.1	r 56.5	47.2	45.3	205.4	52.6	
May	386.7	137.5	206.5	66.1	36.1	r 57.1	47.2	42.7	203.6	52.7	
June	388.6	138.0	207.6	66.8	36.1	r 57.7	47.1	43.0	204.8	52.7	77.0
July	388.7	138.6	209.1	67.5	36.4	58.2	47.0	41.0	206.1	53.0	
Aug.	390.2	138.6	210.9	68.6	36.4	59.0	46.9	40.7	207.2	53.1	
Sept.	392.6	138.5	212.5	69.3	36.6	59.6	47.0	41.6	207.8	52.9	78.1
Oct.	394.0	139.9	214.2	70.0	36.8	60.5	46.9	39.9	209.9	53.3	
Nov.	393.8	138.8	216.1	71.1	37.0	61.1	46.9	38.9	209.9	53.3	

For footnotes see end of table.

p Preliminary.

- 1/ Data for demand and time deposits adjusted and currency outside banks are as of last Wednesday of month, except that time deposits are as of June 30 and December 31 when call data for these dates were 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 average for four dates: each month of the current quarter and the last month of the preceding quarter.

Money Supply

(Averages of daily figures. In billions of dollars)

Semimonthly period	Seasonally adjusted			Without seasonal adjustment		
	Total	Cur- rency	Demand deposits 1/	Total	Cur- rency	Demand deposits 1/
1954--Dec. (2)	132.0	27.4	104.6	135.7	27.9	107.9
1955--Dec. (2)	134.7	27.8	106.9	138.5	28.3	110.2
1956--Dec. (2)	136.6	28.3	108.3	140.4	28.8	111.6
1957--Dec. (2)	135.5	28.3	107.2	139.3	28.9	110.4
1958--Dec. (2)	140.9	28.6	112.3	144.9	29.2	115.7
1959--Oct. (1)	142.6	29.0	113.6	142.2	29.1	113.0
(2)	142.2	29.0	113.3	142.4	28.9	113.5
Nov. (1)	142.2	29.0	113.2	143.3	29.2	114.1
(2)	142.1	28.9	113.2	143.4	29.2	114.1
Dec. (1)	<u>2/141.5</u>	28.9	<u>2/112.6</u>	<u>2/144.4</u>	29.5	<u>2/115.0</u>
(2)	141.5	28.9	112.6	145.4	29.5	116.0
1960--Jan. (1)	141.3	28.9	112.4	145.2	29.1	116.1
(2)	141.2	29.0	112.3	143.6	28.5	115.1
Feb. (1)	141.1	28.9	112.1	141.8	28.7	113.2
(2)	141.0	29.0	112.0	139.6	28.5	111.1
Mar. (1)	140.9	29.0	111.8	140.0	28.7	111.3
(2)	140.3	29.0	111.3	138.6	28.6	110.0
Apr. (1)	140.5	29.1	111.5	139.6	28.9	110.7
(2)	140.6	29.0	111.6	140.9	28.6	112.3
May (1)	140.2	29.0	111.2	139.0	28.8	110.2
(2)	139.6	29.0	110.6	137.0	28.7	108.3
June (1)	139.5	28.9	110.6	138.2	29.0	109.2
(2)	139.4	28.9	110.5	137.9	28.8	109.1
July (1)	139.6	28.9	110.7	138.2	29.3	108.9
(2)	139.7	29.0	110.7	139.3	29.0	110.3
Aug. (1)	139.7	29.0	110.7	139.6	29.2	110.4
(2)	139.7	28.8	110.9	138.2	28.9	109.3
Sept. (1)	140.3	29.0	111.3	139.9	29.2	110.7
(2)	140.5	28.9	111.6	139.6	28.9	110.7
Oct. (1)	140.0	29.0	111.0	r 139.8	29.2	110.6
(2)	141.2	29.0	112.2	141.4	29.0	112.4
Nov. (1)	140.6	29.0	111.6	r 141.7	29.2	112.4
(2)	139.9	29.0	110.9	141.2	29.3	111.9
Dec. (1)	140.3	28.9	111.4	143.3	29.5	113.8
(2) p.	140.5	29.0	111.5	144.4	29.6	114.9

p. Preliminary. r Revised.

1/ At all commercial banks.

2/ Change in series beginning with first half of December 1959 reflects redefinition of gross demand deposits in line with the revision of Regulation D effective Dec. 1, 1959. This change reduced such deposits in early December by an estimated \$400 million.

Not for publication

Table 10
Deposits and Currency
(In billions of dollars)

Year or month	(1) Seasonally adjusted money supply 1/		(3) Cur- rency outside banks	(4) Seasonally adjusted money supply and time dep. at com. banks(1+7)	(5) Demand deposits adjusted	(6) Time deposits				(9) U. S. Govt. deposits 2/	(10) Cur- rency outside banks	(12) Total deposits and currency (5+6+10 +11)
	(2) Total (2+3)	(3) Demand deposits adjusted				(7) Total (7+8+9)	(8) Commer- cial	(9) Mutual savings	(10) 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:												
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 3/	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	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	137.5	109.3	28.2	204.0	107.7	102.6	66.5	35.2	0.9	7.7	28.1	246.1
June 29	138.0	109.9	28.1	205.4	107.8	103.6	67.4	35.4	0.8	7.8	28.3	247.7
July 27	138.6	110.3	28.3	206.5	110.1	104.2	67.9	35.5	0.8	7.0	28.4	249.6
Aug. 31	138.6	110.3	28.3	207.5	108.9	105.3	68.9	35.6	0.8	6.2	28.5	248.8
Sept. 28 p	138.5	110.3	28.2	207.9	109.3	106.0	69.4	35.8	0.8	8.2	28.3	251.8
Oct. 26 p	139.9	111.5	28.4	209.9	112.2	106.7	70.0	35.9	0.8	6.7	28.3	254.0
Nov. 30 p	138.8	110.6	28.2	208.8	111.9	106.8	70.0	36.0	0.8	6.1	28.7	253.5
Dec. 28 p	139.0	110.8	28.2	210.0	114.5	108.2	71.0	36.4	0.8	6.5	28.8	258.0

p Preliminary. r Revised.

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/ Demand deposits were reduced about \$400 million as a result of a technical change under Regulation D amending the definition of such deposits. 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.

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

Date	Loans and investments	U. S. Govt. securities	Other securities	Total loans	Business	Real estate	Security	Farm	Consumer 2/	Nonbank financial institutions	All other 2/
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: June (old)	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.5	---	8.8
June (new)	184.2	60.9	20.6	102.8	37.8	26.9	4.1	5.0	17.5	5.9	7.6
1959: Sept. 30	186.3	59.2	20.7	106.3	38.7	27.5	4.1	5.1	18.4	6.5	8.0
Oct. 28	186.7	59.6	20.6	106.5	38.8	27.7	4.1	5.0	18.6	6.0	8.2
Nov. 25	186.1	58.5	20.3	107.3	39.4	27.9	4.1	4.9	18.6	6.2	8.2
Dec. 31 <u>1/</u>	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.8	7.1	8.1
1960: Jan. 27	185.6	58.0	20.3	107.4	39.4	28.1	4.0	4.9	18.9	6.3	8.1
Feb. 24	184.3	56.2	20.1	108.1	39.8	28.2	3.9	5.0	19.0	6.4	8.1
Mar. 30	183.4	54.2	20.1	109.1	40.9	28.2	3.5	5.1	19.0	6.6	8.0
Apr. 27	186.2	55.8	20.0	110.4	40.9	28.3	3.9	5.2	19.3	6.8	8.3
May 22 ⁵	185.9	55.1	19.8	110.9	41.3	28.3	3.7	5.3	19.5	6.7	8.4
June 29	186.7	54.2	19.9	112.6	41.9	28.4	3.8	5.4	19.8	7.1	8.5
July 27	188.6	56.7	20.0	111.9	41.2	28.4	3.8	5.5	19.9	7.0	8.3
Aug. 31	189.0	56.6	20.0	112.5	41.2	28.5	4.1	5.6	20.0	6.8	8.5
Sept. 28 ^p	191.4	57.7	20.2	113.5	41.8	28.6	4.4	r5.6	20.1	6.7	8.6
Oct. 26 ^p	193.9	60.5	20.4	113.0	41.7	28.7	4.3	5.7	20.1	6.2	8.5
Nov. 30 ^p	194.1	60.4	20.3	113.4	42.1	28.7	4.2	5.7	20.1	6.2	8.5
Dec. 28 ^p	197.9	61.3	20.8	115.8	42.4	28.8	5.1	5.7	20.2	7.0	8.7

p Preliminary. r Revised on basis of Oct. 3 call. 1/ 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. 2/ Revised on basis of revision in consumer credit statistics beginning 1958.

Not for publication