

FEDERAL RESERVE BANK  
of KANSAS CITY

*Mr. Tow*

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BANKING AND MONETARY DEVELOPMENTS IN JULY 1962

Total commercial bank credit, seasonally adjusted, declined in July following substantial growth both in June and earlier in the year. Holdings of U. S. Government securities dropped but holdings of other securities continued to expand rapidly. Total loans increased slightly further with business, consumer, and real estate loans continuing to show moderate growth. The money supply declined somewhat further while time deposits at commercial banks continued to rise. U. S. Government deposits declined. Total reserves and free reserves of member banks increased.

Bank credit. Total credit at all commercial banks, seasonally adjusted, declined \$1.5 billion in July following an increase of almost \$3 billion in June. <sup>1/</sup> U. S. Government security holdings, unadjusted for seasonal, declined slightly in July, whereas for seasonal reasons they would be expected to rise, influenced in the past by large seasonal Treasury financing operations in that month. This year, however, financing in July included only increases of \$200 million in each weekly bill issue. And after seasonal adjustment bank holdings of U. S. Government securities declined by about \$3 billion.

Holdings of non-Government securities rose substantially further reflecting in large part continuing bank purchases of Federal agency issues. Total seasonally adjusted loans increased slightly further but less than in other recent months. Business, consumer, and real estate loans continued to show moderate growth but security loans dropped sharply.

The decline in total credit in July occurred at weekly reporting banks in leading cities. At other banks, total credit appeared to grow about as usual. Changes in U. S. Government security holdings at weekly reporting and other banks followed a pattern similar to that in total credit. Holdings of other securities increased more than they usually do at each group of banks. There was a fairly substantial decline in total loans at city banks as there has been four of the past five years (1959 being the exception), while loans at other banks showed little change, as is usual.

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<sup>1/</sup> Seasonally adjusted data for total bank credit and major components were presented through June in the July 1962 Federal Reserve Bulletin. Monthly data for July were shown in the Board's G.7 release, "Assets and Liabilities of All Banks in the United States." Beginning next month, the format of "Banking and Monetary Developments" will be revised to incorporate those data and other changes.

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So far this year, total bank credit, seasonally adjusted, has increased \$7.8 billion, or at an annual rate of 6.3 per cent. This was slower than the rate of growth in 1961 but faster than usual in the postwar period. Since March, however, there has been some slowdown in credit expansion. During the first seven months, bank credit at leading city banks fell much less than in other recent years when it had declined--1955-57 and 1959-60; at other banks credit growth has been larger than usual.

Loan growth was moderate over the entire January-July period while holdings of non-Government securities increased rapidly, associated early in the period with purchases of municipal issues and more recently with purchases of Federal agency issues. Holdings of U. S. Government securities declined more than usual through July, wholly as a result of experience during the last month.

Business loans at all commercial banks rose moderately further on a seasonally adjusted basis in July. So far this year growth in business loans has been at about the same rate as in 1961 but considerable below that in earlier periods of economic expansion.

Loan repayments by metals concerns in July more than offset the smaller-than-usual rise in June. Loans to petroleum concerns declined about as usual for this time of year. Net repayments by food processors and net new borrowing by commodity dealers were also about seasonal. Loans to public utilities increased slightly further following a moderate rise in June. Loans to "other manufacturing" groups, which had been increasing substantially earlier in the year declined more than usual in July after allowance for one large lumber loan included in the category.

Security loans declined substantially further on a seasonally adjusted basis in July. Loans to U. S. Government security dealers dropped almost steadily following mid-June tax and dividend borrowing. Broker loans on other securities, which had been declining since early May, dropped further in July. So far this year, seasonally adjusted security loans have declined almost \$1 billion--about the same as the increase in 1961.

Real estate loans at all commercial banks continued to expand substantially in July. So far this year these loans have increased at an annual rate of 12 per cent, only slightly below growth in the comparable months of the two previous recoveries. Consumer loans at all commercial banks rose further in July.

Money supply. The daily average money supply, seasonally adjusted, declined \$200 million further between the second half of June and the second half of July. In late July, deposits and currency were somewhat below the late December level, over \$1 billion below the April peak, and about 2 per cent above the year-ago level.

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Time and savings deposits at all commercial banks, seasonally adjusted increased \$700 million further in July, a somewhat smaller expansion than in May or June. At weekly reporting banks in leading cities, savings deposits, which had picked up in late June following some slow-down in the spring, rose substantially further in July. Other time deposits, however, declined for the first time this year.

The seasonally adjusted annual rate of demand deposit turnover at banks in 343 centers outside New York increased to 32.3 (preliminary) in July from 31.4 in June. After increasing in January, turnover showed little further change in the first quarter. Since then it has been rising, however, and over the past four months has averaged 9 per cent above the comparable months a year ago.

Bank reserves. Required and excess reserves of member banks increased further in July. Excess reserves at \$530 million were somewhat above the \$470 million June average while borrowings at \$90 million were about unchanged. Free reserves averaged \$445 million compared with \$370 million a month earlier. At central reserve and reserve city banks, reserve positions shifted to free reserves from net borrowed reserves, and at country banks, free reserves increased. The effective rate on Federal funds was high during July and early August--seldom below 2-3/4 per cent and often at 3 per cent.

During July, on a daily average basis, reserves were absorbed primarily through an increase in currency in circulation and an outflow of gold. Reserves were supplied through an increase in float, which was above seasonal levels throughout the month primarily because of the airline strike. In addition, other F. R. accounts declined reflecting in part System purchases of foreign currencies. Federal Reserve holdings of U. S. Government securities were about unchanged. Purchases were substantial in late June and early July, associated in part with turn-of-the-month and holiday currency drains. Sales were heavy, however, around the midmonth when float increased sharply.

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

August 15, 1962.

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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 July					
	1962 6/	1961	1960 6/	1959 6/	1958 6/	1957 6/
Total loans (less interbank)	-0.9	-0.7	-0.7	+1.1	-1.4	-1.0
Business (excluding nonbank financial or sales finance companies) 2/	-0.5	-0.5	-0.7	1/	-0.8	-0.6
Nonbank financial	-0.2	-0.3	-0.1	+0.3	3/	3/
Sales finance companies (Business (including nonbank financial or sales finance companies))	4/	4/	4/	4/	-0.1	-0.3
Real estate	7/(-0.7)	7/(-0.8)	7/(-0.8)	7/(+0.3)	(-0.9)	(-0.9)
Security	+0.4	+0.2	1/	+0.2	+0.2	+0.1
Agricultural	-0.5	+0.2	1/	+0.1	-0.9	-0.2
Consumer	1/	1/	+0.1	+0.1	1/	-0.1
All other 2/	+0.2	5/1/	+0.1	+0.3	+0.1	+0.1
U. S. Government securities	-0.1	-0.2	-0.2	1/	1/	1/
Other securities	-0.2	+2.8	+2.5	+0.2	-0.5	+0.8
Total (less bank)	+0.7	+0.2	+0.1	1/	-0.1	1/
	-0.4	+2.4	+1.9	+1.5	-2.0	-0.2

Item	End of June to last Wednesday of July					
	1956	1955	1954	1953	1952	1951
Total loans (less interbank)	-0.4	+0.6	-0.6	+0.3	+0.2	-0.6
Business (excluding nonbank financial or sales finance companies) 2/	-0.1	+0.2	-0.3	+0.1	-0.2	n.a.
Nonbank financial	3/	3/	3/	3/	3/	3/
Sales finance companies (Business (including nonbank financial or sales finance companies))	-0.2	1/	1/	1/	n.a.	n.a.
Real estate	(-0.3)	(+0.2)	(-0.3)	(+0.1)	(-0.2)	(-0.3)
Security	+0.1	+0.2	+0.2	+0.1	+0.1	+0.1
Agricultural	-0.1	1/	-0.4	+0.2	1/	-0.1
Consumer	-0.1	-0.2	1/	+0.1	+0.1	-0.1
All other 2/	+0.1	+0.2	1/	+0.1	+0.1	1/
U. S. Government securities	-0.1	+0.1	+0.1	1/	+0.1	-0.2
Other securities	-0.4	+0.4	+0.8	+4.6	+1.7	+0.2
Total (less bank)	-0.2	-0.1	+0.2	1/	+0.1	+0.1
	-1.0	+1.0	+0.4	+5.0	+2.1	-0.3

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/ Included in business and "all other." 4/ Included with nonbank financial. 5/ Includes about \$100 million repayment on Sears' transaction. 6/ Data are for last Wednesday of June. 7/ Not strictly finance only.

Table 1

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

Item	End of December to last Wednesday of July					
	1962	1961	1960	1959	8/ 1958	1957
Total loans (less interbank)	+1.8	-0.4	+1.9	+6.4	-1.0	+1.4
Business (excluding nonbank financial or sales finance companies) 2/	-0.2	-0.8	+1.0	+1.8	-1.6	+1.0
Nonbank financial	-0.4	-1.4	-0.1	9/+0.3	3/	3/
Sales finance companies (Business (including nonbank financial or sales finance companies))	4/	4/	4/	10/+0.3	-1.0	-0.1
Real estate	7/(-0.6)	7/(-2.2)	7/(+0.9)	7/(+2.4)	(-2.6)	(+0.9)
Security	+2.1	+0.8	+0.3	+1.8	+0.8	+0.2
Agricultural	-1.8	1/	-1.1	-0.5	+0.3	-0.6
Consumer	+0.5	+0.3	+0.5	+0.1	+0.5	-0.3
All other 2/	+1.1	5/+0.6	+1.3	+1.9	1/	+0.9
U. S. Government securities	+0.6	+0.3	1/	+0.6	1/	+0.2
Other securities	-2.6	+3.7	-2.2	-5.3	+5.9	-2.3
Total (less bank)	+3.8	+1.4	-0.5	1/	+2.0	+0.5
	+3.0	+4.8	-0.9	+1.3	+6.9	-0.4

Item	End of December to last Wednesday of July					
	1956	1955	1954	1953	1952	1951
Total loans (less interbank)	+3.8	+5.0	-0.8	+1.2	+1.7	+1.9
Business (excluding nonbank financial or sales finance companies) 2/	+3.1	+1.6	-1.2	-0.3	-0.6	n.a.
Nonbank financial	3/	3/	3/	3/	3/	3/
Sales finance companies (Business (including nonbank financial or sales finance companies))	-0.5	+0.6	-0.2	-0.1	-0.2	n.a.
Real estate	(+2.6)	(+2.2)	(-1.4)	(-0.4)	(-0.8)	(+1.5)
Security	+1.1	+1.6	+0.7	+0.6	+0.5	+0.7
Agricultural	-0.7	1/	-0.3	-0.2	+0.5	-0.4
Consumer	-0.3	-1.0	+0.1	-0.1	+0.4	+0.3
All other 2/	+1.1	+1.4	-0.1	+1.3	+0.9	1/
U. S. Government securities	+0.2	+0.7	+0.2	+0.2	+0.2	1/
Other securities	-5.4	-5.3	+0.9	-0.1	+1.4	-3.3
Total (less bank)	-0.4	+0.4	+1.0	+0.2	+0.8	+0.4
	-2.0	+0.1	+1.1	+1.3	+3.9	-1.0

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/ Included in business and "all other." 4/ Included with nonbank financial. 5/ Includes about \$600 million net increase due to Sears' transaction. 7/ Business loans subsequent to 1959 are not strictly comparable with previous data since all nonbank financial are included rather than sales finance only. 8/ As a result of bank structure changes in January and April 1959 total credit increased about \$700 million; total loans \$400 million; U. S. Government securities \$200 million; and other securities \$100 million. 9/ July. 10/ January - June.

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Table 2

**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 July					
	1962	1961 <sup>3/</sup>	1960	1959	1958	1957
<b>Weekly reporting banks <sup>1/</sup></b>						
Total loans	-0.9	-0.6	-0.8	+1.0	-1.6	-0.9
U. S. Government securities	-0.7	+2.0	+2.0	+0.2	-0.6	+0.3
Other securities	+0.4	+0.2	+0.2	<u>2/</u>	-0.1	<u>2/</u>
Total loans and investments	-1.1	+1.6	+1.3	+1.2	-2.3	-0.6
<b>Nonreporting banks <sup>1/</sup></b>						
Total loans	<u>1/</u>	-0.1	+0.1	+0.1	+0.2	-0.1
U. S. Government securities	+0.5	+0.8	+0.5	<u>2/</u>	+0.1	+0.5
Other securities	+0.3	<u>2/</u>	-0.1	<u>2/</u>	<u>2/</u>	<u>2/</u>
Total loans and investments	+0.7	+0.8	+0.6	+0.3	+0.3	+0.4

  

Item	Last Wednesday in June to last Wednesday in July					
	1956	1955	1954	1953	1952	1951
<b>Weekly reporting banks <sup>1/</sup></b>						
Total loans	-0.4	+0.4	-0.7	+0.2	<u>2/</u>	-0.4
U. S. Government securities	-0.5	+0.1	+0.5	+3.5	+0.8	-0.2
Other securities	-0.2	<u>2/</u>	+0.1	+0.1	+0.2	+0.1
Total loans and investments	-1.1	+0.4	-0.2	+3.8	+1.0	-0.5
<b>Nonreporting banks <sup>1/</sup></b>						
Total loans	<u>2/</u>	+0.2	+0.1	+0.1	+0.2	-0.2
U. S. Government	+0.1	+0.3	+0.3	+1.1	+0.9	+0.4
Other securities	<u>2/</u>	-0.1	+0.1	-0.1	-0.1	<u>2/</u>
Total loans and investments	+0.1	+0.6	+0.6	+1.2	+1.1	+0.2

- <sup>1/</sup> Changes may not correspond exactly with published data for weekly reporting banks because loans to foreign banks have been excluded from this tabulation.
- <sup>2/</sup> Less than \$50 million.
- <sup>3/</sup> Call report data for June 30, 1961.

Not for publication

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

Item	End of December to last Wednesday in July					
	1962	1961	1960	1959	1958	1957
<b><u>Weekly reporting banks</u> 1/</b>						
Total loans	-0.5	-2.0	-0.4	+3.3	-2.5	-0.2
U. S. Government securities	-2.5	+3.5	-0.4	-4.4	+5.6	-1.4
Other securities	+2.7	+0.9	-0.3	-0.1	+1.4	+0.1
Total loans and investments	-0.2	+2.5	-1.0	-1.1	+4.5	-1.6
<b><u>Nonreporting banks</u> 1/</b>						
Total loans	+2.3	+1.6	+2.3	2/+3.1	+1.5	+1.6
U. S. Government securities	-0.1	+0.2	-1.8	2/-0.9	+0.3	-0.9
Other securities	+1.1	+0.5	-0.2	2/+0.1	+0.6	+0.4
Total loans and investments	+3.2	+2.3	+0.1	2/+2.4	+2.4	+1.2
Item	End of December to last Wednesday in July					
	1956	1955	1954	1953	1952	1951
<b><u>Weekly reporting banks</u> 1/</b>						
Total loans	+2.3	+3.1	-2.1	2/	+0.4	+0.9
U. S. Government securities	-4.1	-4.7	+1.4	-0.3	+1.0	-2.7
Other securities	-0.5	+0.1	+0.8	+0.1	+0.7	+0.1
Total loans and investments	-2.2	-1.6	+0.1	-0.2	+2.1	-1.7
<b><u>Nonreporting banks</u> 1/</b>						
Total loans	+1.5	+1.9	+1.3	+1.2	+1.3	+1.0
U. S. Government securities	-1.3	-0.6	-0.5	+0.2	+0.4	-0.6
Other securities	+0.1	+0.3	+0.2	+0.1	+0.1	+0.3
Total loans and investments	+0.2	+1.7	+1.0	+1.5	+1.8	+0.7

1/ 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 end of December 1959, 1960, and 1961 have been used.

2/ Less than \$50 million.

3/ As a result of bank structure changes in January and April 1959, total credit increased about \$700 million; total loans \$400 million; U. S. Govt. securities, \$200 million; and other securities, \$100 million.

NOTE--Prior to 1958, December 31 Call Report data for weekly reporting banks are not available and therefore weekly reporting data are not on the same basis as all commercial bank data. Consequently, the nonreporting bank data, which are residual items, are neither strictly accurate nor comparable with later data.

**Not for publication**

Table 3

Changes in Commercial and Industrial Loans 1/2/  
(In millions of dollars)

Business of Borrower	Last Wednesday in June to last Wednesday in July							
	1962	1961	1960	1959	1958	1957	1956	1955
Food processors	- 97	-108	-104	-131	-116	- 89	-100	- 65
Commodity dealers	+ 6	+ 51	- 9	+ 29	- 7	+ 41	+142	+ 66
Trade concerns	- 18	- 28	- 45	- 26	- 6	- 39	- 4	+ 30
Total	-109	- 85	-158	-128	-129	- 87	+ 38	+ 31
Sales finance	<u>3/</u>	<u>3/</u>	<u>3/</u>	<u>6/</u> +134	- 74	-292	-204	- 37
Metals and products	-276	-242	-308	+ 41	-285	-166	-121	- 46
Textiles, apparel and leather	+ 9	- 4	+ 25	+ 57	- 11	+ 8	+ 29	+ 28
Petroleum, coal etc.	- 83	- 51	- 79	- 18	- 84	- 23	+ 64	+ 18
Other manufacturing and mining	+ 45	- 25	+ 7	+ 58	--	- 23	+ 75	+ 29
Public utilities	+ 5	- 50	- 20	+101	-120	- 82	- 28	+ 2
Construction	+ 7	+ 16	+ 5	--	+ 3	+ 2	- 16	+ 36
All other types of business	+ 22	+ 15	+ 5	-117	+ 13	- 4	+ 24	+ 65
Classified	-380	-425	-524	+128	-687	-638	-139	+125
Unclassified	- 14	- 24	-140	- 13	- 47	-104	- 90	<u>4/</u> -100
Total change	-394	-449	-664	+115	-734	-742	-229	<u>4/</u> + 25
Total change excluding sales finance	-394	-449	-664	- 19	-660	-450	- 25	<u>4/</u> + 62

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

2/ At weekly reporting banks.

3/ Not included in business loans on revised basis.

4/ Includes CCC certificates of interest which are estimated to have declined \$100 million.

5/ In order to keep comparisons on a four-week basis, the following dates were used:  
1959, June 24-July 22; 1958, June 25-July 23; 1957, June 26-July 24.

6/ Week of July 1 only.

Not for publication

Table 4  
Demand Deposits, Currency, and Related Items  
(Averages of daily figures. In billions of dollars)

Period	Money Supply			Related deposits--all commercial banks	
	Seasonally adjusted			Without seasonal adjustment	
	Total	Cur- rency	Demand deposits	Gross time	U. S. Govt. demand
1954--Dec. (2)	132.0	27.4	104.6	48.7	4.6
1955--Dec. (2)	134.7	27.8	106.9	50.1	3.5
1956--Dec. (2)	136.6	28.3	108.3	52.0	3.5
1957--Dec. (2)	135.5	28.3	107.2	57.3	3.7
1958--Dec. (2)	140.9	28.6	112.3	65.3	4.0
1959--Dec. (2)	141.5	28.9	112.6	67.2	5.2
1960--Dec. (2)	140.5	29.0	111.5	72.8	5.2
1961--May (1)	142.0	29.0	113.0	77.8	3.9
(2)	141.9	28.9	113.0	78.3	5.3
June (1)	142.4	28.9	113.5	78.8	3.3
(2)	141.9	29.0	112.9	79.2	5.8
July (1)	142.1	29.0	113.1	79.7	4.8
(2)	141.9	29.0	112.9	80.1	3.9
Aug. (1)	141.9	29.0	112.8	80.5	5.1
(2)	141.8	29.0	112.8	80.8	5.8
Sept. (1)	142.7	29.2	113.6	81.2	4.5
(2)	143.3	29.2	114.1	81.5	5.9
Oct. (1)	143.1	29.4	113.8	81.9	6.9
(2)	144.2	29.3	114.9	82.1	6.1
Nov. (1)	144.5	29.4	115.1	82.2	5.3
(2)	143.7	29.5	114.2	81.9	6.3
Dec. (1)	144.4	29.4	114.9	82.1	4.3
(2)	145.5	29.6	115.9	82.4	5.5
1962--Jan. (1)	144.9	29.6	115.4	83.4	4.4
(2)	144.3	29.6	114.8	84.5	3.4
Feb. (1)	144.7	29.6	115.1	85.5	4.3
(2)	144.0	29.7	114.3	86.2	5.2
Mar. (1)	144.6	29.8	114.8	87.3	4.2
(2)	144.8	29.9	114.9	88.1	6.0
Apr. (1)	145.3	30.0	115.3	89.0	4.0
(2)	146.1	30.0	116.1	89.3	3.8
May (1)	146.0	30.0	116.0	89.8	6.2
(2)	144.9	29.9	115.0	90.5	7.7
June (1)	145.5	30.0	115.5	91.2	6.3
(2)	145.1	30.1	115.1	91.7	8.3
July (1)	145.1	30.1	115.0	92.4	8.2
(2)	144.9	30.0	114.9	92.6	6.1

NOTE: Demand deposits are those other than domestic commercial interbank and U. S. Government, less cash items reported as in process of collection and Federal Reserve float. Currency is that outside the Treasury, the Federal Reserve, and the vaults of all commercial banks.

Table 5

Negotiable Time Certificates of Deposit as  
Reported by Selected Large Banks in  
New York and Chicago <sup>1/</sup>  
(In millions of dollars)

Date <sup>2/</sup>	New York	Chicago	Date <sup>2/</sup>	New York	Chicago
1961:			1962:		
April 26	463	n.a.	Feb. 7	1,102	289
May 31	632	n.a.	14	1,113	296
June 28	792	n.a.	21	1,141	307
July 26	999	n.a.	28	1,197	317
Sept. 6	1,061	n.a.	March 7	1,243	326
13	1,097	n.a.	14	1,244	326
20	1,079	n.a.	21	1,253	336
27	1,073	n.a.	28	1,289	374
Oct. 4	1,139	256	April 4	1,234	432
11	1,150	255	11	1,223	450
18	1,146	268	18	1,255	442
25	1,160	267	25	1,252	429
Nov. 1	1,149	248	May 2	1,240	421
8	1,154	248	9	1,291	422
15	1,152	259	16	1,347	427
22	1,163	264	23	1,380	435
29	1,166	262	30	1,395	453
Dec. 6	1,142	267	June 6	1,415	462
13	1,094	258	13	1,412	464
20	1,043	250	20	1,393	455
27	1,004	254	27	1,404	465
1962:			July 4		
Jan. 3	960	244	11	1,394	457
10	952	243	18	1,372	453
17	978	252	25	1,358	441
24	1,017	267		1,365	435
31	1,052	270			

<sup>1/</sup> Reported by 9 banks in New York and 5 banks in Chicago; prior to September 8, 1961, 10 banks in New York reported but on that date 2 reporting banks merged.

<sup>2/</sup> Data first reported as of April 19, 1961, for banks in New York and October 4, 1961, for banks in Chicago.

n.a. - Not available.

Not for publication

Table 6

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					Country	All commercial banks	
		Total	Central reserve city		Reserve city				
			New York	Chicago					
1946: Dec. 31	23.3	23.7	27.7	27.3	26.0	18.9			
1947: Dec. 31	27.7	28.2	31.0	30.3	31.1	23.4	2/	14.3	
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1	2/	14.0	
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5	2/	14.2	
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5	2/	19.2	
1951: Dec. 31	37.2	37.6	46.3	36.2	39.4	32.1	2/	15.2	
1952: Dec. 31	39.3	39.9	50.6	38.9	41.1	33.9		9.8	
1953: Dec. 31	40.5	41.1	50.6	39.1	42.2	36.1		11.7	
1954: Dec. 31	40.3	40.7	46.8	38.3	41.9	37.1		16.9	
1955: Dec. 31	45.8	46.7	56.7	46.3	48.5	40.7		10.0	
1956: Dec. 31	48.8	50.1	61.7	52.7	52.7	42.6		5.1	
1957: Dec. 31	49.7	51.0	61.9	55.2	53.3	44.1		7.5	
1958: Dec. 31	48.4	49.4	57.7	49.4	51.3	44.4		8.4	
1959: Dec. 31	54.0	55.6	67.3	58.2	58.2	48.2		8.3	
1960: Dec. 31	55.1	56.5	65.9	60.8	59.0	50.3		6.7	
								8.1	
1961: May 31	55.8	56.9	65.4	58.3	59.3	51.4		9.8	
June 30	55.7	56.6	64.0	57.1	58.9	51.8		10.8	
July 26	54.8	55.7	62.0	54.8	58.0	51.1		12.2	
Aug. 31	55.1	56.1	62.8	57.1	58.6	51.1		11.4	
Sept. 27	54.7	55.7	63.6	56.6	57.9	50.7		11.8	
Oct. 25	54.3	55.3	62.9	57.9	57.7	50.2		11.4	
Nov. 29	54.7	55.7	63.5	57.7	58.3	50.5		10.4	
Dec. 30	54.5	55.7	65.0	58.0	57.7	50.2		10.6	
1962: Jan. 31p	54.1	55.3	63.0	56.8	57.7	50.1		10.9	
Feb. 28p	54.9	56.0	64.7	58.8	58.0	50.8		11.7	
Mar. 28p	55.4	56.5	65.8	59.2	58.3	51.2		10.6	
Apr. 25p	55.4	56.5	65.4	58.3	58.4	51.3		10.9	
May 30p	55.7	56.8	64.4	57.3	59.1	51.8		11.1	
June 27p	55.8	56.8	63.8	57.7	58.8	52.3		10.8	
July 25p	55.5	56.5	63.0	56.5	59.3	51.7		n.a.	

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.

NOTE: Comparability of figures affected by changes in Federal Reserve membership, mergers, etc.; by changes in the reserve classification of cities or individual banks, and by changes in items.

p - Preliminary. n.a. - Not available.

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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 1/
	All member	Central reserve city New York	Chicago	Reserve city	Country	All member
<u>Monthly averages:</u>						
1958: Dec.	- 41	- 80	- 32	-197	268	18,494
1959: Dec.	-424	-109	-104	-449	237	18,540
1960: Dec.	669	10	- 4	80	583	18,887
1961: May	453	- 22	5	18	451	18,989
June	549	40	5	66	438	19,099
July	530	7	--	56	467	19,025
Aug.	537	7	1	44	484	19,242
Sept.	553	2	2	50	499	19,411
Oct.	441	12	- 24	8	446	19,640
Nov.	509	14	- 13	13	494	19,792
Dec.	424	- 50	- 22	24	471	19,704
1962: Jan.	536	41	2	17	476	19,812
Feb.	434	11	- 3	22	404	19,789
Mar.	379	- 24	- 6	15	394	19,764
Apr.	440	50	- 20	9	401	19,822
May	434	10	3	36	385	19,957
June	370	- 12	- 3	- 4	389	19,984
July	443	18	6	3	416	20,003
<u>Weekly averages:</u>						
1962: June 27	325	- 21	6	- 31	372	n.a.
July 4	423	10	10	34	369	n.a.
11	491	8	- 5	23	464	n.a.
18	399	- 33	- 15	- 73	523	n.a.
25	517	75	10	33	399	n.a.

NOTE: Data for July are preliminary.

1/ Series revised; revised data first published in "Banking and Monetary Developments" for August, 1961. Revised seasonal factors and back data may be obtained from Banking Section.

p - Preliminary.

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Table 8

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

End of year or 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/					
				Commer- cial banks 4/	Mutual savings banks 2/						
	1	2	3	4	5	6	7	8	9	10	11
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	368.9	138.8	196.7	63.4	35.1	47.7	50.5	33.4	202.2	54.8	79.4
1959	388.7	140.2	204.4	66.2	35.9	54.3	48.0	44.1	206.4	53.1	79.4
1960	396.0	139.2	217.7	71.7	37.1	61.8	47.1	39.1	210.9	53.3	78.3
1961:											
Apr.	406.8	141.5	224.0	74.8	37.6	64.5	47.1	41.3	216.3	53.2	
May	408.1	140.8	227.5	77.4	37.7	65.2	47.2	39.8	218.2	53.5	
June	413.2	140.9	229.6	78.4	38.1	65.9	47.2	42.7	219.3	53.1	79.5
July	414.4	141.5	231.1	79.0	38.3	66.5	47.3	41.8	220.5	53.2	
Aug.	414.4	141.3	232.7	79.8	38.3	67.3	47.3	40.4	221.1	53.4	
Sept.	417.2	141.9	234.6	80.6	38.6	68.0	47.4	40.7	222.5	53.3	79.4
Oct.	420.9	143.8	236.3	81.4	38.7	68.9	47.3	40.8	225.2	53.5	
Nov.	420.6	143.4	238.4	82.5	38.9	69.7	47.3	38.8	225.9	53.7	
Dec.	424.6	144.8	239.6	82.4	39.1	70.5	47.6	40.2	227.2	53.5	78.1
1962:											
Jan.	425.7	143.7	242.8	84.8	39.2	71.2	47.6	39.2	228.5	53.7	
Feb.	430.6	144.4	244.9	86.2	39.4	71.8	47.5	41.3	230.6	53.6	
Mar.	435.3	144.0	247.4	87.6	39.6	72.7	47.5	43.9	231.6	53.2	78.7
Apr.	438.8	145.7	248.8	88.3	39.8	73.3	47.4	44.3	234.0	53.3	
May	437.5	143.4	250.9	89.5	39.9	74.1	47.4	43.2	232.9	53.2	
June	442.3	143.4	253.0	90.7	40.2	74.7	47.4	45.9	234.1	52.9	
July	n.a.	144.3	n.a.	91.4	40.5	n.a.	n.a.	n.a.	235.7	n.a.	79.4

- 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. Demand deposits adjusted are total demand deposits less interbank and U. S. Government demand deposits and cash items reported as in process of collection. Time deposits adjusted are total time deposits less interbank and U. S. Government time deposits.
- 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/ Beginning May 1953 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 36 months; figures include holdings of insurance companies, brokers and dealers, State and local governments, nonbank corporations, corporate pension funds, non-profit institutions, foreign accounts, and individuals; prior to May 1953 includes securities callable within one year.
- 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.
- 7/ Demand deposits adjusted (before seasonal adjustment) was increased by \$400 million and time deposits adjusted (before seasonal adjustment) was increased by \$1.5 billion due to the reclassification of deposits of foreign official institutions which formerly were grouped with interbank deposits and excluded from demand and time deposits adjusted.

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Table 9  
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	Nonbank financial institutions	All other
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 24 (old)	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.5	--	8.8
June 24 (new)	184.2	60.9	20.6	102.8	37.8	26.9	4.1	5.0	17.5	5.9	7.6
Dec. 31 <sup>1/</sup>	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.8	7.1	8.1
1960: Dec. 31	198.5	61.0	20.9	116.7	43.1	28.7	5.1	5.7	20.6	7.1	8.7
1961: May 31	<del>2</del> 199.2	61.5	21.9	115.8	42.3	29.0	4.8	6.0	21.1	6.0	<del>2</del> /8.9
June 30	200.9	61.8	22.1	117.0	42.8	29.3	4.9	6.0	21.2	6.0	9.2
July 26	203.3	64.7	22.3	116.3	42.3	29.5	5.1	6.0	21.2	5.7	9.0
Aug. 30	203.0	64.2	22.5	116.3	42.5	29.7	4.6	5.8	21.2	5.9	9.1
Sept. 27	207.5	66.1	23.3	118.1	43.0	29.8	5.1	5.8	21.0	6.4	9.4
Oct. 25	208.3	66.6	23.2	118.5	43.2	29.9	5.2	5.9	21.0	6.1	9.6
Nov. 29	209.1	66.2	23.4	119.5	43.6	30.1	5.0	6.0	21.0	6.3	9.9
Dec. 30	214.4	66.6	23.9	123.9	45.2	30.3	6.2	6.2	21.1	7.3	10.2
1962: Jan. 31 p	210.9	67.2	24.1	119.6	43.4	30.4	4.7	6.4	21.0	6.4	10.0
Feb. 28 p	211.6	66.0	24.5	121.1	43.7	30.5	5.4	6.6	20.9	6.4	10.1
Mar. 28 p	212.4	64.4	25.4	122.6	44.8	30.7	5.4	6.6	21.1	6.5	10.2
Apr. 28 p	214.7	64.6	26.2	123.9	44.7	31.1	5.7	6.7	21.4	6.5	10.4
May 30 p	215.0	64.3	26.2	124.5	44.9	31.5	5.1	6.6	21.7	6.6	10.7
June 27 p	217.8	64.2	27.0	126.6	45.5	32.0	4.9	6.7	22.0	7.1	10.9
July 25 p	217.4	64.0	27.7	125.7	45.0	32.4	4.4	6.7	22.2	6.9	10.8

p - Preliminary. <sup>1/</sup> 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. <sup>2/</sup> Increase of \$200 million due to reclassification of foreign interbank loans into other loans. Total loans are also affected by this same amount. 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.