

L.4.3.

FEDERAL RESERVE BANK
of KANSAS CITY

BANKING AND MONETARY DEVELOPMENTS IN OCTOBER 1962

NOV 21 1962

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Total commercial bank credit, seasonally adjusted, increased further in October. Loan expansion accounted for most of the rise reflecting growth in all major loan categories. The money supply increased and time deposits at commercial banks rose substantially further. Total reserves, required reserves and free reserves increased on a monthly average basis. Reductions in reserve requirements from 5 per cent to 4 per cent against time and savings deposits in late October and early November released about \$800 million of reserve funds.

Bank credit. Loans and investments at all commercial banks, seasonally adjusted, increased \$2.4 billion further in October, following roughly comparable increases in each of the two previous months. Credit growth continued to be larger than usual at both weekly reporting banks in leading cities and at banks not reporting weekly. Total credit growth over the past three months has been somewhat faster than in the first half of the year, but including the large July decline, growth since midyear has been somewhat slower.

Total loans at all commercial banks rose \$2 billion on a seasonally adjusted basis in October, following a record \$2.4 billion rise in September. Business, real estate, consumer, and loans to nonbank financial institutions, all increased in October. Security loans also rose somewhat further following an unusually sharp expansion in September; these loans were made largely to Government security dealers and are presumably temporary. Growth in holdings of non-Government securities was resumed in October, reflecting in part purchases of Federal agency issues. Holdings of U. S. Government securities, which generally rise in October associated with Treasury financing operations, increased slightly less than usual. On October 3, commercial banks were allotted practically the entire \$3 billion issue of tax anticipation bills of March 1963. On October 15, commercial banks were allotted about \$1.2 billion of the new \$2.5 billion Treasury bills; commercial banks held about \$400 million of the \$2 billion bills maturing on October 15.

Business loans at all commercial banks, seasonally adjusted, increased \$400 million in October, following increases of \$500 million both in August and September. Growth in these loans has been at a somewhat faster rate since June than in the first half of the year. At weekly reporting banks in leading cities, loans to public utilities rose further in October and accounted for close to half of the actual increase in business loans. Loans to textile manufacturers declined somewhat less than in the comparable weeks of 1960 and 1961. Loans to metals processors declined more than last year but less than in the three previous years; borrowing in August and September 1962 had been heavier than in other recent years. Loans to "other manufacturing and mining" concerns and to "all other business" dropped in October in contrast with increases last year. Borrowing by food processors was about seasonal but that by commodity dealers and trade concerns was smaller than usual.

Security loans at all commercial banks, seasonally adjusted, increased \$200 million further in October following a \$1 billion rise in September. Loans to U. S. Government security dealers, which had increased sharply in September in connection with the Treasury's advance refunding, declined over most of October. In the last few days of the month, however, these loans rose sharply again associated with purchases of "rights" for new Treasury issues offered in exchange for maturing November 15 and December 15 securities. Loans to brokers and dealers and to others for purchasing and carrying non-Government securities also rose somewhat further in October.

Real estate loans at all commercial banks continued to expand substantially on a seasonally adjusted basis in October. Consumer loans rose somewhat more than in other recent months. Loans to nonbank financial institutions also increased further in October; growth in these loans since June has been faster than earlier in the year.

Money supply. The daily average money supply, seasonally adjusted, increased \$900 million between the second half of September and the second half of October. In the previous four months, there had been little over-all change. In late October, the money supply was about 1-1/4 per cent above the year-ago level and slightly above the late 1961 level.

Average time and savings deposits at all commercial banks increased \$1.2 billion in October, a somewhat larger rise than in other recent months. At weekly reporting banks in leading cities, the rate of growth in savings deposits continued to increase; these deposits accounted for most of the expansion in total time and savings accounts. Other time deposits of individuals, partnerships, and corporations increased moderately further while those of States and political subdivisions declined, as is usual for this time of year.

On October 15, Federal Reserve limits on the interest rates commercial banks could pay on time deposits of foreign governments and official institutions were suspended for three years. Reports indicate that banks in large cities quickly raised rates on these deposits maturing in six months or less in order to bring them in line with yields on other short term investments. At weekly reporting banks in leading cities there was little change in these deposits in October but they subsequently rose sharply at banks in New York in early November.

The seasonally adjusted annual rate of demand deposit turnover at banks in 343 centers outside New York increased to a new high in October, 32.7, (preliminary) from 31.1 in September. In the January-October period, turnover averaged about 8 per cent above the corresponding months last year.

Bank reserves. A reduction in reserve requirements from 5 per cent to 4 per cent against time and savings deposits provided about \$780 million of reserve funds to banks in late October and early November. At reserve city banks, the reduction became effective on

October 25 and required reserves were reduced about \$415 million. At country banks, about \$365 million reserves were released on November 1. On a monthly average basis in October, total and required reserves were reduced about \$95 million as a result of the action.

Total reserves and required reserves of member banks increased substantially in October. Excess reserves increased slightly to \$478 million and borrowings from the Federal Reserve declined slightly to \$65 million. Free reserves at \$415 million were somewhat higher than the \$380 million level in September. At city banks, on balance, reserve positions shifted to free reserves from net borrowed reserves, but at county banks, free reserves declined. The effective rate on Federal funds remained high during October and early November, most frequently at 3 or 2-7/8 per cent.

During October, on a daily average basis, reserves were absorbed principally through an increase in currency in circulation, continued gold outflow, and a reduction in float. In addition to the reserves supplied through the reduction in reserve requirements, funds were also supplied through an increase in System holdings of U. S. Government securities. Heavy purchases early in the month more than offset subsequent sales.

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

November 16, 1962.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

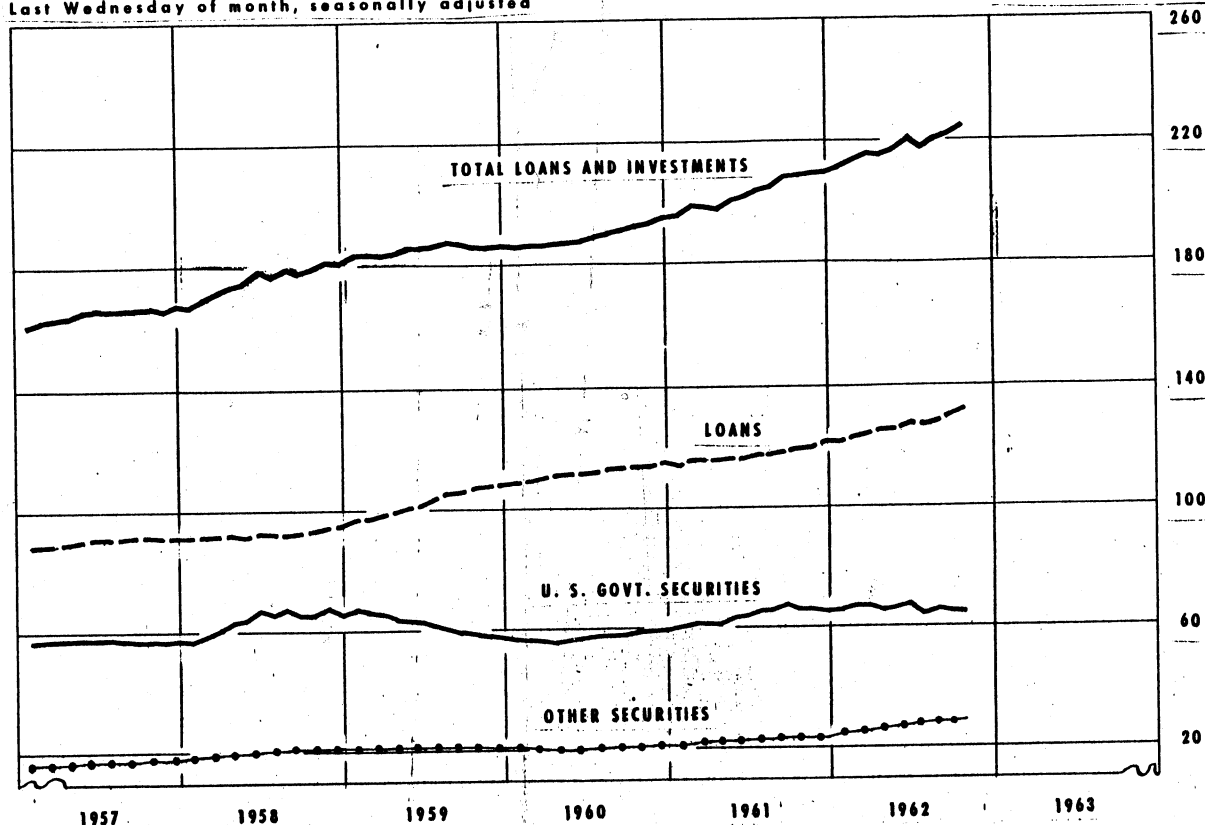


Exhibit A - Part II

Date	Total ^{1/}	Loans ^{1/}	U. S. Gov't. securities	Other securities
(In billions of dollars)				
1957--Dec. 31	166.4	91.4	57.0	17.9
1958--Dec. 31	181.0	95.6	64.9	20.5
1959--Dec. 31	185.7	107.8	57.6	20.4
1960--Dec. 31	194.5	114.2	59.6	20.7
1961--Dec. 31	209.6	121.1	64.7	23.8
1962--Jan. 31	210.7	120.8	65.7	24.2
Feb. 28	213.3	122.6	66.1	24.6
March 28	215.2	123.8	66.1	25.3
April 25	215.0	124.5	64.6	25.9
May 30	216.4	124.8	65.5	26.1
June 30	220.3	126.6	66.6	27.1
July 25 p	217.8	126.1	64.1	27.6
Aug. 29 p	220.3	127.3	65.0	28.0
Sept. 26 p	222.0	129.7	64.3	28.0
Oct. 31 p	224.4	131.7	64.1	28.6

^{1/} Adjusted to exclude interbank loans.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

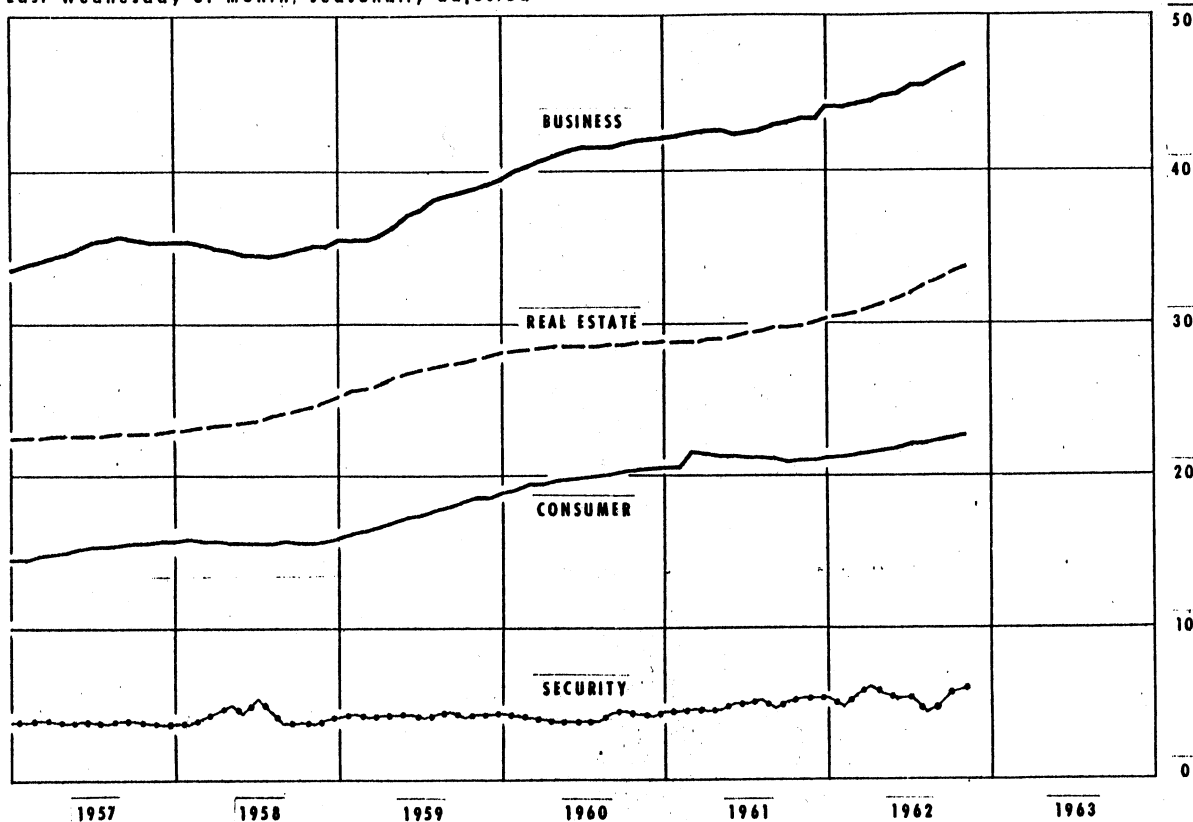


Exhibit B - Part II

Date	Business	Real Estate	Consumer	Security
(In billions of dollars)				
1957--Dec. 31	35.3	23.0	15.7	3.8
1958--Dec. 31	35.4	25.2	15.9	4.1
1959--Dec. 31	39.5	28.0	18.8	4.2
1960--Dec. 31	42.1	28.7	20.5	4.3
1961--Dec. 31	44.1	30.3	21.0	5.2
1962--Jan. 31	44.1	30.4	21.1	4.8
Feb. 28	44.2	30.6	21.2	5.5
March 28	44.5	30.9	21.4	6.0
April 25	44.8	31.2	21.6	5.6
May 30	45.0	31.6	21.8	5.2
June 30	45.5	32.0	22.0	5.3
July 25 p	45.5	32.4	22.0	4.4
Aug. 29 p	46.0	32.8	22.2	4.7
Sept. 26 p	46.5	33.2	22.3	5.7
Oct. 31 p	46.9	33.6	22.6	5.9

p - Preliminary

Exhibit C
Changes in Loans and Investments at all Commercial Banks, Seasonally Adjusted
(In billions of dollars)

Item	1961				1962									
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept. p	Oct. p
<u>Loans and investments</u> ^{2/}	<u>+2.7</u>	<u>+0.4</u>	<u>+1.2</u>	<u>+1.3</u>	<u>+1.1</u>	<u>+2.6</u>	<u>+1.9</u>	<u>-0.1</u>	<u>+1.4</u>	<u>+3.9</u>	<u>-2.5</u>	<u>+2.5</u>	<u>+1.7</u>	<u>+2.4</u>
U. S. Gov't. securities	+1.0	-0.8	<u>1/</u>	-0.6	+1.0	+0.4	<u>1/</u>	-1.5	+0.9	+1.1	-2.5	+0.9	-0.7	-0.2
Other securities	+0.6	<u>1/</u>	+0.4	+0.2	+0.4	+0.4	+0.7	+0.6	+0.2	+1.0	+0.5	+0.4	- <u>1/</u>	+0.6
Loans ^{2/}	+1.1	+1.2	+0.8	+1.7	-0.3	+1.8	+1.2	+0.7	+0.3	+1.8	-0.5	+1.2	+2.4	+2.0
Business	+0.2	+0.3	<u>1/</u>	+0.8	<u>1/</u>	+0.1	+0.3	+0.3	+0.2	+0.5	<u>4/</u>	+0.5	+0.5	+0.4
Real estate	<u>1/</u>	+0.1	+0.2	+0.3	+0.1	+0.2	+0.3	+0.3	+0.5	+0.4	+0.4	+0.4	+0.4	+0.4
Consumer	-0.2	+0.1	+0.1	<u>1/</u>	+0.1	+0.1	+0.2	+0.2	+0.2	+0.2	<u>4/</u>	+0.2	+0.1	+0.3
Security	+0.3	+0.2	<u>1/</u>	<u>1/</u>	-0.4	+0.7	+0.5	-0.4	-0.4	+0.1	-0.9	+0.3	+1.0	+0.2
Nonbank financial	+0.3	+0.2	+0.2	<u>1/</u>	<u>1/</u>	-0.1	+0.2	-0.1	+0.1	+0.3	-0.1	+0.2	+0.1	+0.3
Agriculture	<u>1/</u>	+0.1	+0.2	+0.1	+0.3	+0.1	<u>1/</u>	+0.1	-0.1	+0.1	+0.1	-0.4	<u>1/</u>	+0.2
All other	+0.2	+0.2	+0.1	+0.1	+0.2	+0.3	+0.4	- <u>1/</u>	<u>1/</u>	+0.2	+0.2	+0.1	+0.2	+0.1

NOTE--Individual loan items may not add to change in total loans because: (1) loan items are gross of valuation reserves while total loans are net; and (2) loan items and total loans are independently seasonally adjusted. Seasonally adjusted loans, by category, are experimental and are subject to revision.

^{1/} Less than \$50 million.

^{2/} Adjusted to exclude interbank loans.

p - Preliminary

Exhibit D
Changes in Loans and Investments at All Commercial Banks, at Weekly Reporting Banks, and at Other Banks, Not Adjusted for Seasonal.
(In billions of dollars)

Item	Last Wednesday of September to last Wednesday of October						
	1962	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+1.0	+0.4	-0.5	+0.2	+0.8	-0.6	+0.4
U.S. Gov't securities	+1.2	+0.5	+2.7	+0.4	+1.5	+1.4	+0.5
Other securities	+0.4	-0.1	+0.2	-0.1	-0.1	+0.5	-0.3
Total	+2.6	+0.8	+2.4	+0.4	+2.2	+1.4	+0.7
Weekly reporting banks							
Total loans	+0.6	+0.1	-0.6	-0.1	+0.3	-0.7	+0.3
U.S. Gov't securities	+0.6	-0.1	+1.8	+0.1	+0.2	+0.7	-0.1
Other securities	+0.2	-0.1	+0.1	-0.2	1/	+0.2	-0.1
Total	+1.4	-0.1	+1.2	-0.2	+0.5	+0.2	1/
Other banks							
Total loans	+0.4	+0.3	+0.1	+0.3	+0.5	+0.1	+0.1
U.S. Gov't securities	+0.6	+0.6	+0.9	+0.3	+1.3	+0.7	+0.6
Other securities	+0.2	1/	+0.1	+0.1	-0.1	+0.3	-0.2
Total	+1.2	+0.9	+1.2	+0.6	+1.7	+1.2	+0.7
Item	End of December to last Wednesday of October						
	1962	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+7.7	+1.8	+3.0	2/ +9.0	+0.2	+2.0	+5.6
U.S. Gov't securities	-1.1	+5.6	+1.5	2/ -6.8	+8.0	-1.3	-4.1
Other securities	+4.7	+2.3	-0.1	2/ 1/	+2.6	+1.3	-0.4
Total	+11.3	+9.8	+4.3	2/ +2.3	+10.8	+2.0	+1.1
Weekly reporting banks							
Total loans	+3.3	-0.7	-0.1	+4.7	-1.9	-0.2	+3.6
U.S. Gov't securities	-2.8	+3.7	+1.9	-6.4	+5.2	-1.5	-4.2
Other securities	+3.2	+1.5	-0.1	-0.2	+1.6	+0.4	-0.5
Total	+3.7	+4.5	+1.7	-2.0	+4.9	-1.2	-1.1
Other banks							
Total loans	+4.4	+2.5	+3.1	2/ +4.3	+2.1	+2.2	+2.0
U.S. Gov't securities	+1.7	+1.9	-0.4	2/ -0.4	+2.8	+0.2	+0.1
Other securities	+1.5	+0.8	1/	2/ +0.2	+1.0	+0.9	+0.1
Total	+7.6	+5.3	+2.6	2/ +4.3	+5.9	+3.2	+2.2

NOTE--Data exclude all interbank loans; call report data for weekly reporting banks used when available.

1/ Less than \$50 million. 2/ As a result of bank structure changes, total credit increased about \$1 billion: \$600 million in loans; \$300 million in U.S. Gov't securities; and \$100 million in other securities.

Exhibit E
Changes in Commercial and Industrial Loans at Weekly Reporting Banks
(In millions of dollars)

Business of Borrower	End of September to end of October 3/					End of December to end of October				
	1962	1961	1960	1959	1958	1962	1961	1960	1959	1958
Food processors	+213	+201	+275	+193	+195	-172	-201	-205	-106	-309
Commodity dealers	+125	+138	+215	+190	+152	- 25	-116	-382	+ 32	+ 24
Trade concerns	+159	+165	+194	+207	+133	+353	+ 61	+501	+569	+ 52
Total	<u>+497</u>	<u>+504</u>	<u>+684</u>	<u>+590</u>	<u>+480</u>	<u>+156</u>	<u>-256</u>	<u>- 86</u>	<u>+495</u>	<u>-233</u>
Sales finance	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	- 79	<u>2/</u>	<u>1/</u>	<u>1/</u>	<u>2/+455</u>	-1,086
Metals and products	-154	-128	-249	-184	-197	- 54	-514	+446	+567	-454
Textiles, apparel and leather	-153	-187	-170	-125	-126	+232	+ 58	+201	+241	- 62
Petroleum, coal etc.	- 5	+ 5	+ 21	+ 11	- 34	-137	- 72	-102	- 45	-202
Other manufacturing and mining	- 80	+ 87	- 67	- 78	- 60	+522	+345	+386	+241	+104
Public utilities	+ 91	+ 42	-125	+ 59	+104	-110	-260	-181	+162	-133
Construction	- 4	+ 17	- 25	- 7	+ 2	+207	+108	+130	+105	+119
All other types of business	- 21	+ 72	+ 96	- 70	+ 69	+192	+563	+317	- 28	+292
Classified	+171	+413	+165	+196	+159	+1,006	- 28	+1,111	+2,193	-1,655
Unclassified	+ 43	-133	- 48	- 56	- 66	+350	-251	-141	+ 57	-332
Total change	+213	+280	+117	+140	+ 93	+1,356	-279	+970	+2,249	-1,987
Total change excluding sales finance	+213	+280	+117	+140	+172	+1,356	-279	+970	+1,794	-901

1/ Not included in business loans on revised basis.

2/ Through July 1.

3/ Five weeks used throughout.

Exhibit F
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 ^{1/}	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: 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	109.1	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	210.9	67.2	24.1	119.6	43.4	30.4	4.7	6.4	21.0	6.4	10.0
Feb. 28	211.6	66.0	24.5	121.1	43.7	30.5	5.4	6.6	20.9	6.4	10.1
Mar. 28	212.4	64.4	25.4	122.6	44.8	30.7	5.4	6.6	21.1	6.5	10.2
Apr. 28	214.8	64.7	26.1	124.0	44.7	31.1	5.7	6.7	21.4	6.5	10.5
May 30	215.3	64.4	26.1	124.8	45.0	31.5	5.1	6.6	21.7	6.6	10.8
June 30	219.2	64.4	27.0	127.7	45.9	32.0	5.3	6.8	22.0	7.2	11.1
July 25 p	217.8	64.2	27.5	126.1	45.2	32.4	4.4	6.7	22.2	6.9	11.0
Aug. 29 p	219.0	63.9	27.9	127.3	45.7	32.8	4.6	6.2	22.4	7.2	11.1
Sept. 26 p	223.1	64.3	28.2	130.6	46.5	33.3	5.8	6.2	22.5	7.4	11.5
Oct. 31 p	225.7	65.5	28.6	131.6	46.8	33.7	5.9	6.4	22.7	7.2	11.5

p - Preliminary.

^{1/} Structure changes in 1959, on balance through August, added almost \$1 billion 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.

Exhibit G
Ratios to Total Deposits ^{1/}

Date	L O A N S						U. S. Govt. securi- ties maturing within one year	
	All com- mercial banks	Total	Member banks			Country	All commercial banks	
			Reserve city banks					
			New York City	City of Chicago	Other			
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1	2/2/2/	14.2
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5		19.2
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5		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: Dec. 31	54.0	55.6	67.3	58.2	58.2	48.2	6.7	
1960: Dec. 31	55.1	56.5	65.9	60.8	59.0	50.3	8.1	
1961: 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. 31	54.1	55.3	63.0	56.8	57.7	50.1	10.9	
Feb. 28	54.9	56.0	64.7	58.8	58.0	50.8	11.7	
Mar. 28	55.4	56.5	65.8	59.2	58.3	51.2	10.6	
Apr. 25	55.4	56.5	65.4	58.3	58.4	51.3	10.9	
May 30	55.8	56.8	64.4	57.3	59.1	51.8	11.1	
June 30	55.9	56.8	63.6	57.5	59.0	52.1	10.7	
July 25 p	55.6	56.5	63.0	56.5	59.3	51.7	10.7	
Aug. 29 p	56.0	57.0	65.8	57.1	59.5	51.7	11.9	
Sept. 26 p	56.4	57.6	68.8	58.6	59.7	51.6	9.8	
Oct. 31 p	56.1	57.3	67.4	57.6	59.8	51.4	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).
 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. Beginning August 1962, figures for both New York City and the City of Chicago include banks formerly classified as central reserve city and three banks whose classification as reserve city is continued.
 p - Preliminary.
 r - Revised.

DEPOSITS AND CURRENCY

Semi-monthly averages of daily figures, seasonally adjusted

Billions of dollars

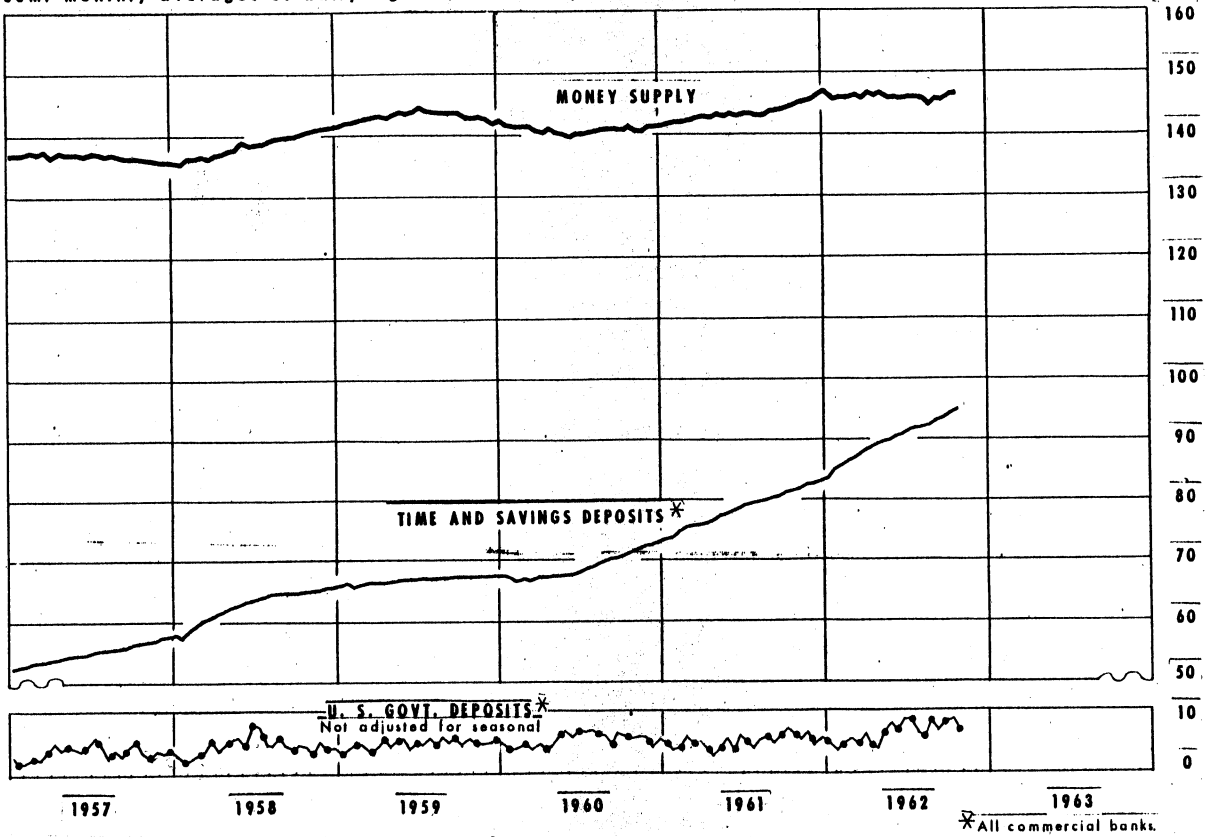


Exhibit H - Part II

Period	Seasonally adjusted data				U. S. Gov't. deposits
	Money supply			Time and savings deposits	
	Total	Demand deposits	Currency		
(In billions of dollars)					
1959--Dec. (2)	141.8	113.0	28.8	67.4	5.2
1960--Dec. (2)	141.2	112.2	28.9	73.0	5.3
1961--Dec. (2)	146.0	116.4	29.6	82.7	5.5
1962--May (2)	145.3	115.3	30.0	89.8	7.7
June (1)	145.6	115.5	30.1	90.4	6.1
(2)	145.5	115.3	30.2	90.9	8.3
July (1)	145.7	115.5	30.2	91.6	8.2
(2)	145.7	115.5	30.2	91.9	6.0
Aug. (1)	145.6	115.4	30.2	92.2	5.4
(2)	144.8	114.6	30.2	92.7	8.1
Sept. (1)	145.4	115.2	30.2	93.1	6.6
(2)	145.3	115.1	30.2	93.6	7.8
Oct. (1)	146.1	115.8	30.3	94.3	8.2
(2) p	146.2	115.9	30.3	95.0	6.5

TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

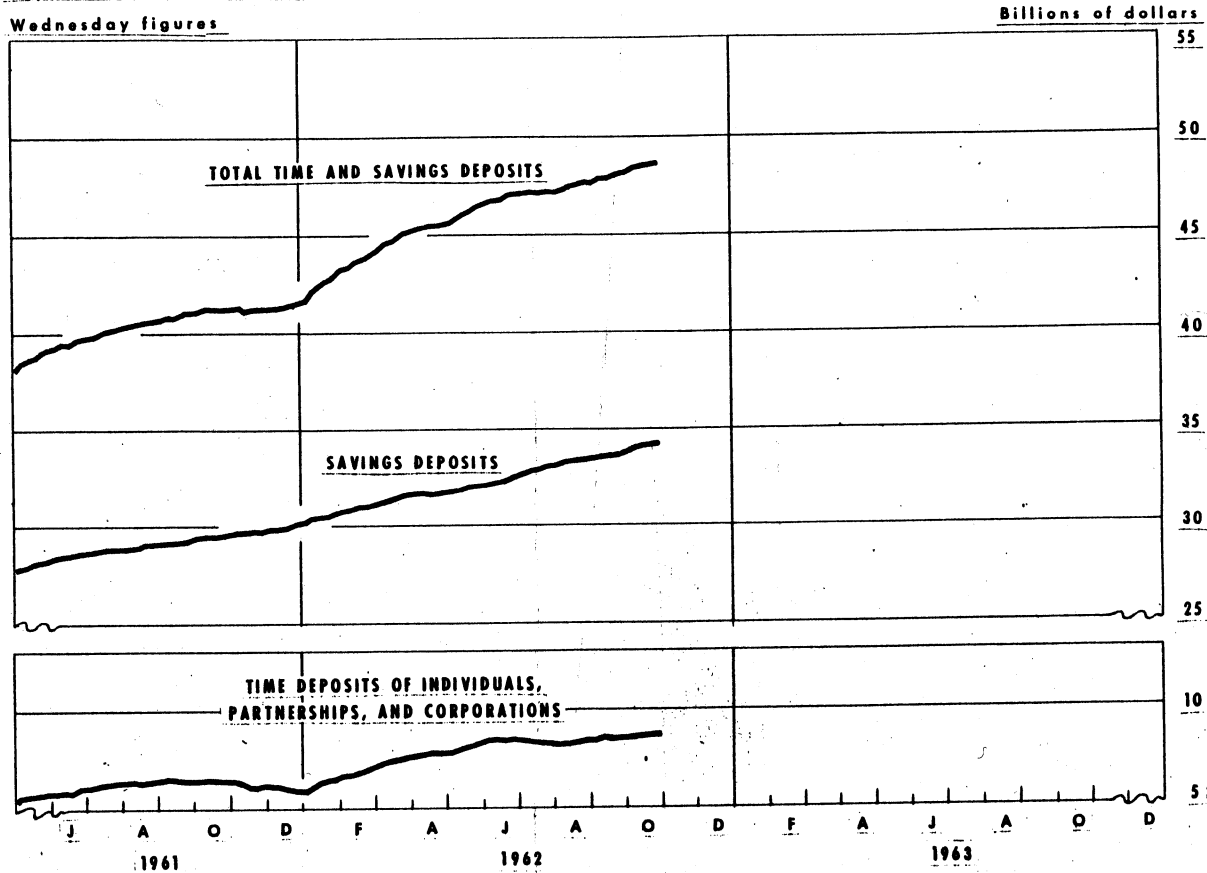


Exhibit I - Part II

Period	Time and Savings Deposits			
	Total	Savings	Individuals, partnerships, and corporations	Other time deposits ^{1/}
(In millions of dollars)				
1961--April 26	38,175	27,819	5,480	4,876
Dec. 27	41,472	30,082	5,969	5,421
1962--May 30	46,484	32,116	8,322	6,046
June 27	47,077	32,539	8,511	6,027
July 25	47,257	33,044	8,296	5,917
Aug. 29	47,729	33,404	8,428	5,897
Sept. 26	48,103	33,739	8,540	5,824
Oct. 3	48,225	33,921	8,566	5,738
10	48,431	34,058	8,647	5,726
17	48,507	34,126	8,664	5,717
24	48,616	34,185	8,696	5,735
31	48,658	34,242	8,698	5,718

^{1/} Includes States and political subdivisions, U. S. Government, foreign governments and official institutions, and interbank.

Exhibit J

Member Bank Reserves

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

Date	Free reserves (excess reserves minus borrowings)					Excess reserves	Borrowings	Total reserves held seasonally adjusted			
	All member	Reserve City Banks			Country				All member	All member	All member
		New York City	City of Chicago	Other							
Monthly averages:											
1956: December	- 36	- 91	- 86	-203	344	651	688	17,643			
1957: December	-133	-105	- 77	-228	277	577	710	17,560			
1958: December	- 41	- 80	- 32	-197	268	516	557	18,494			
1959: December	-424	-109	-104	-449	237	481	906	18,540			
1960: December	669	10	- 4	80	583	756	87	18,887			
1961: July	530	7	--	56	567	581	51	19,025			
August	537	7	1	44	484	604	67	19,242			
September	553	2	2	50	499	589	37	19,411			
October	441	12	- 24	8	446	507	65	19,640			
November	509	14	- 13	13	494	614	105	19,792			
December	424	- 50	- 22	24	471	573	149	19,704			
1962: January	546	41	2	20	483	616	70	19,812			
February	434	11	- 3	22	404	502	68	19,789			
March	379	- 24	- 6	15	394	470	91	19,764			
April	440	50	- 20	9	401	509	69	19,822			
May	434	10	3	36	385	497	63	19,957			
June	370	- 12	- 3	- 4	389	470	100	19,984			
July	442	18	6	3	416	531	89	20,006			
August	437	7	- 14	2	441	564	127	19,941			
September	378	- 19	- 10	--	408	453	80	20,074			
October p	413	34	- 2	1	380	478	65	1/ 20,281			

NOTE: Beginning July 26, 1962, figures for both New York City and the City of Chicago include banks formerly classified as central reserve city and three banks whose classification as reserve city is continued.

p - Preliminary.

1/ Data adjusted to exclude effect of change in reserve requirements.

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

End of year of month	Total liquid assets	Demand deposits adjusted and currency outside banks ^{1/}	Time deposits adjusted ^{1/}		Savings and loan shares ^{3/}	U. S. Govt. savings bonds ^{4/}	U. S. Govt. securities maturing within one year ^{5/}	Gross national product ^{6/}	R a t i o :		
			Commer- cial banks	Mutual savings banks ^{2/}					Commercial bank deposits + currency to total liquid assets ((2+3)÷1)	Total liquid assets to GNP	Money supply to GNP
	1	2	3	4	5	6	7	8	9	10	11
1956	339.9	134.5	50.7	31.6	37.0	54.8	31.3	430.0	54.5	78.8	31.2
1957	351.7	133.6	56.4	33.0	41.7	51.7	35.3	442.3	54.0	79.3	30.3
1958	368.9	138.8	63.4	35.1	47.7	50.5	33.4	460.6	54.8	79.4	30.0
1959	388.7	140.2	66.2	35.9	54.3	48.0	44.1	488.5	53.1	79.4	28.7
1960	396.0	139.2	71.7	37.1	61.8	47.1	39.1	503.3	53.3	78.3	27.6
1961:											
May	408.1	140.8	77.4	37.7	65.2	47.2	39.8		53.5		
June	413.2	140.9	78.4	38.1	65.9	47.2	42.7	513.1	53.1	79.5	27.5
July	414.4	141.5	79.0	38.3	66.5	47.3	41.8		53.2		
Aug.	414.4	141.3	79.8	38.3	67.3	47.3	40.4		53.4		
Sept.	417.2	141.9	80.6	38.6	68.0	47.4	40.7	522.3	53.3	79.4	27.1
Oct.	420.9	143.8	81.4	38.7	68.9	47.3	40.8		53.5		
Nov.	420.6	143.4	82.5	38.9	69.7	47.3	38.8		53.7		
Dec.	424.6	144.8	82.4	39.1	70.5	47.6	40.2	538.6	53.5	78.1	26.6
1962:											
Jan.	425.7	143.7	84.8	39.2	71.2	47.6	39.2		53.7		
Feb.	430.6	144.4	86.2	39.4	71.8	47.5	41.3		53.6		
Mar.	435.3	144.0	87.6	39.6	72.7	47.5	43.9	545.0	53.2	78.7	26.5
Apr.	438.9	145.8	88.3	39.8	73.3	47.4	44.3		53.3		
May	437.6	143.5	89.6	39.9	74.0	47.4	43.2		53.3		
June	442.5	143.3	90.9	40.3	74.7	47.4	45.9	552.0	52.9	79.5	26.1
July	443.7	144.3	91.5	40.7	75.2	47.5	44.5		53.1		
Aug.	447.0	142.9	92.6	40.8	76.3	47.5	46.9		52.7		
Sept. p	448.4	144.4	93.8	41.2	77.1	47.5	44.4	555.3	53.1	80.2	25.9
Oct. p	n.a.	145.1	95.0	41.4	n.a.	n.a.	n.a.		n.a.		

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Aug.	447.0	142.9	92.6	40.8	76.3	47.5	46.9		52.7		
Sept. p	448.4	144.4	93.8	41.2	77.1	47.5	44.4	555.3	53.1	80.2	25.9
Oct. p	n.a.	145.1	95.0	41.4	n.a.	n.a.	n.a.		n.a.		

Exhibit K (Continued)

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. 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 1950-60 ratios are for last quarter of year; for 1961 and 1962, for each quarter of year. Data for total liquid assets and for money supply 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.
- 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 re-classification of deposits of foreign official institutions which formerly were grouped with interbank deposits and excluded from demand and time deposits adjusted.