

M. Hall

FEDERAL RESERVE BANK
of KANSAS CITY

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BANKING AND MONETARY DEVELOPMENTS IN DECEMBER 1962

Total commercial bank credit, seasonally adjusted, increased further in December reflecting substantial loan growth. Holdings of U. S. Government and other securities rose less than usual. The money supply and time and savings deposits at commercial banks continued to expand rapidly. Total and required reserves rose while free reserves declined.

Bank credit. Total loans and investments at all commercial banks, seasonally adjusted, increased \$1.8 billion further between November 28 and December 31. (All credit items have been estimated for December 31, the date to which seasonal factors apply, rather than using December 26, the last Wednesday. Normally, credit increases sharply between the last Wednesday of December and the 31st, and this expansion should be reflected in monthly data for December). The December rise was about in line with average growth over other recent months. Seasonally adjusted total loans rose a record \$2.5 billion in December, reflecting in part a sharp rise in security loans. Holdings of U. S. Government and other securities rose less than usual. Credit expansion was large at both weekly reporting banks in leading cities and at other banks.

Over 1962, credit at all commercial banks increased about \$19 billion, \$3 billion more than the previous record expansion in 1961. The annual rate of growth of about 8-1/2 per cent, however, was about the same as the high growth rates of 1961 and 1958. Most of the 1962 credit expansion was in loans, which rose about \$14 billion or 11 per cent. This was also a larger dollar increase than in any past year but the rate of growth was below that of 1959 and 1955. Holdings of State and local and nonguaranteed Federal agency issues rose a record \$5.3 billion in 1962, and the rate of growth was faster than in any other year except 1950. Holdings of U. S. Government securities, however, declined slightly in 1962 whereas they had accounted for a substantial part of the rapid credit expansions of 1961 and 1958. Credit growth was large at both weekly reporting banks in leading cities and at other banks but it was of record proportions, both in volume and rate, at the latter group.

Business loans at all commercial banks, seasonally adjusted, increased \$600 million further in December (estimated through December 31), about the same as in other recent months. Growth was at a considerably faster rate in the second half of 1962 than in the early months of the year. Over 1962, business loans increased about \$4 billion, somewhat less than in most other recent years of high-level economic activity.

Business loans at weekly reporting banks increased \$485 million over the four weeks ending December 26, much less than in the corresponding weeks of 1961 but a little more than in December 1959. Business borrowing over the mid-December tax and dividend payment period was smaller than in the corresponding weeks of 1961 and 1960 although tax payments were of comparable volume and there were no maturing tax bills in any of these years. Corporations apparently obtained funds by selling U. S. Government securities to a greater extent than usual and by borrowing less than usual from banks. Government security dealers, in turn, however, acquired unusually large trading positions and borrowed heavily from banks.

At city banks in December, loans to food processors rose about seasonally. Trade loans declined less than usual, but loans to commodity dealers, which usually rise in December, also declined. Loans declined more than usual in the textiles industry and rose less than usual in the metals and petroleum industries. Loans to public utilities, which had been increasing sharply in recent months, rose substantially further in December as did those to "all other businesses."

Seasonally adjusted security loans at all commercial banks increased \$600 million in December. At weekly reporting banks in leading cities (between the last Wednesday of November and the last Wednesday of December) loans on U. S. Government securities increased almost \$1 billion, and those on other securities, about \$700 million, both much more than in the corresponding weeks of past years. Over 1962, total security loans increased \$1 billion, about the same as last year, but more than in any other recent year. Loans to non-bank financial institutions also increased \$1 billion in 1962; growth had also been large in 1959 and 1955 but small in other years.

Real estate loans at all commercial banks increased further in December although probably not quite as rapidly as in other recent months. Over 1962, they showed a record rise of \$4 billion. Consumer loans expanded moderately further in December and over the year rose \$2.2 billion, somewhat less than in 1959 and 1955.

Money supply. The daily average money supply, seasonally adjusted, increased \$1.2 billion between the second half of November and the second half of December, following substantial expansion over the two previous months. This brought the annual rate of growth over the fourth quarter to 8-1/2 per cent and over the year to 1-1/2 per cent.

Seasonally adjusted time and savings deposits at all commercial banks increased \$1.5 billion between the second half of November and the second half of December. This was about the same as in October and November and more than in other recent months. Over 1962, time and savings deposits increased \$15.2 billion or more than 18 per cent, a postwar record. At weekly reporting banks in leading cities, growth in savings deposits, as in November, was smaller than in other recent months. Other time deposits of individuals, partnerships, and corporations, increased sharply in December, however, following little change over the summer and fall.

The seasonally adjusted annual rate of turnover of demand deposits at banks in 343 centers outside New York was 31.3 (preliminary) in December compared with 32.6 in November. Over the fourth quarter of the year, turnover averaged about 7-1/2 per cent above the corresponding period last year.

Bank reserves. Total and required reserves of member banks increased in December. Excess reserves declined somewhat to \$560 million while member bank borrowings from the Federal Reserve rose to \$305 million. Free reserves dropped to \$250 million from \$470 million in November. The December level was the lowest monthly average since mid-1960. Free reserves declined at country banks in December and net borrowed reserves rose at city banks. The effective rate on Federal funds was usually about 2-7/8 per cent in early December but after the midmonth was consistently at 3 per cent.

During December, on a monthly average basis, reserves were supplied by a \$600 million increase in float to a record level of \$2.3 billion. In addition, System holdings of U. S. Government securities increased \$350 million. Reserves were absorbed principally by a \$700 million pre-Christmas currency drain.

Revised series on "Total Reserves, Seasonally Adjusted." A revised series on seasonally adjusted total reserves is now available and replaces the one previously shown in Exhibit J of this Report. Monthly data, seasonally unadjusted and adjusted, along with seasonal factors, beginning in 1948, have been appended as Exhibit L in this issue. Basic data have been revised in accordance with the recent changes in reserve requirements against time deposits, and new seasonal factors have been developed.

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

January 15, 1963

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

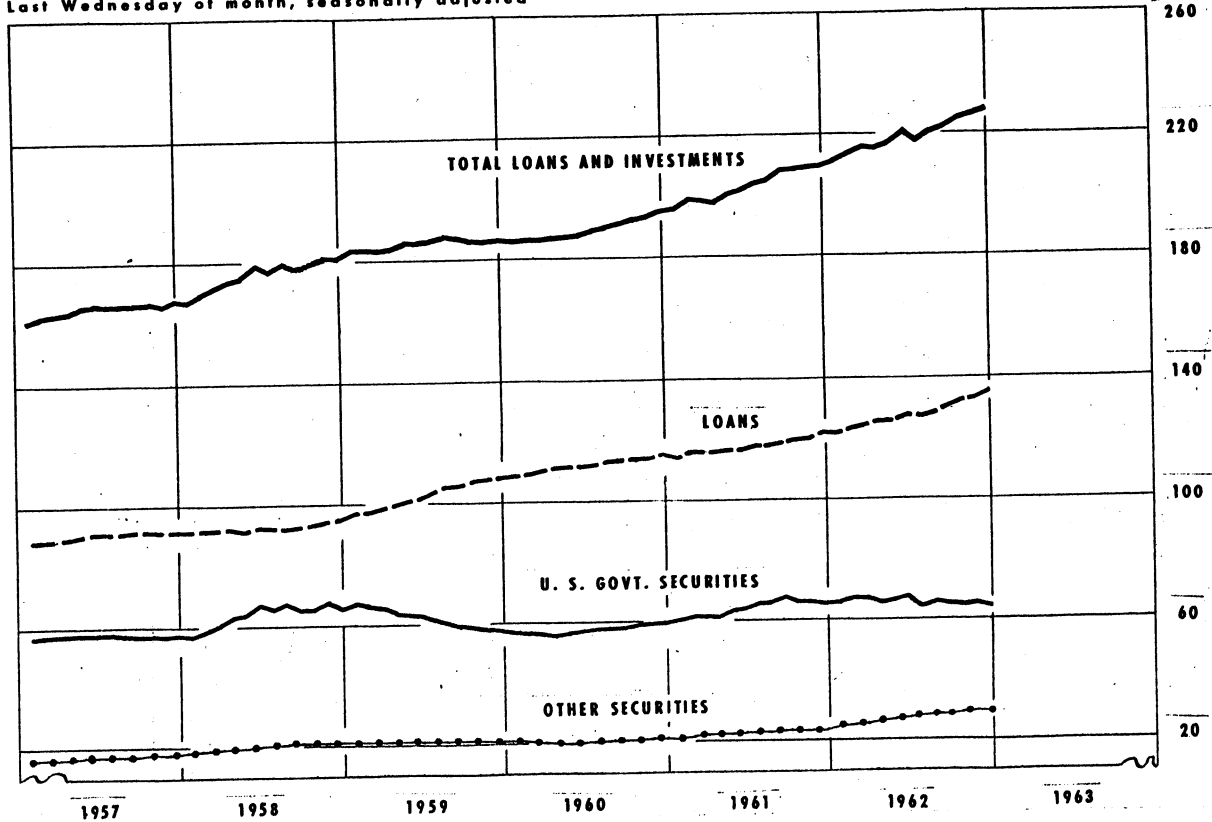


Exhibit A - Part II

Date	Total ^{1/}	Loans ^{1/}	U. S. Gov't. securities	Other securities
(In billions of dollars)				
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
Nov. 28 p	225.8	132.3	64.4	29.1
^{2/} Dec. 31 p	227.6	134.8	63.8	29.0

^{1/} Adjusted to exclude interbank loans.

^{2/} Estimated as of December 31.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

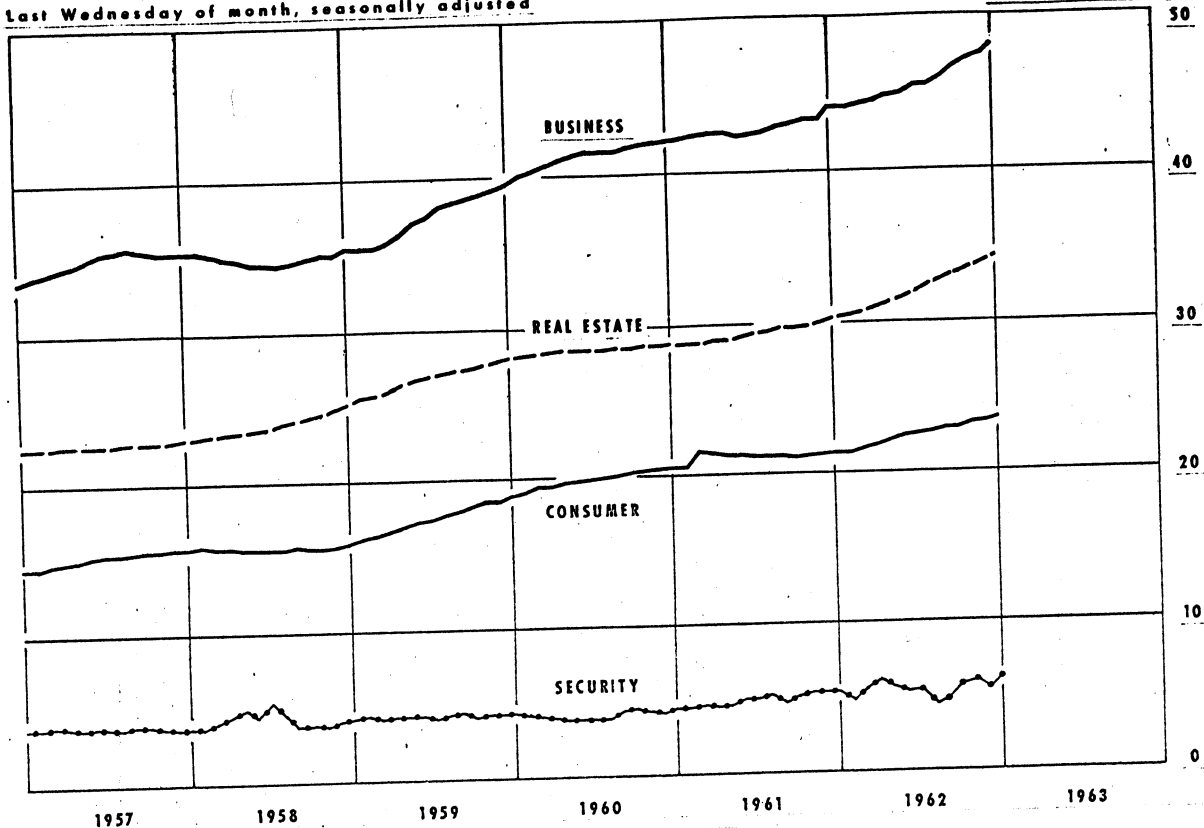


Exhibit B - Part II

Date	Business	Real Estate	Consumer ^{2/}	Security
(In billions of dollars)				
1960--Dec. 31	42.1	28.7	20.5	4.3
1961--Dec. 31	44.1	30.3	r 21.3	5.2
1962--Jan. 31	44.1	30.4	r 21.3	4.8
Feb. 28	44.2	30.6	r 21.6	5.5
March 28	44.5	30.9	r 21.8	6.0
April 25	44.8	31.2	r 22.1	5.6
May 30	45.0	31.6	r 22.4	5.2
June 30	45.5	32.0	r 22.6	5.3
July 25 p	45.5	32.4	r 22.7	4.4
Aug. 29 p	46.1	32.8	r 22.9	4.7
Sept. 26 p	46.7	33.1	r 22.9	5.7
Oct. 31 p	47.2	33.5	r 23.2	5.9
Nov. 28 p	47.5	33.9	r 23.3	5.5
<u>1/</u> Dec. 31 p	48.1	34.2	23.5	6.1

p - Preliminary.

r - Revised.

1/ Estimated as of December 31.

2/ Revised in accordance with revision in consumer credit statistics.

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

Item	1961	1962											
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. p	Sept. p	Oct. p	Nov. p	Dec. p 4/
Loans and Investments <u>2/</u>	+1.3	+1.1	+2.6	+1.9	-0.1	+1.4	+3.9	-2.5	+2.5	+1.7	+2.4	+1.4	+1.8
U. S. Gov't. securities	-0.6	+1.0	+0.4	1/	-1.5	+0.9	+1.1	-2.5	+0.9	-0.7	-0.2	+0.3	-0.6
Other securities	+0.2	+0.4	+0.4	+0.7	+0.6	+0.2	+1.0	+0.5	+0.4	1/	+0.6	+0.5	-0.1
Loans <u>2/</u>	+1.7	-0.3	+1.8	+1.2	+0.7	+0.3	+1.8	-0.5	+1.2	+2.4	+2.0	+0.6	+2.5
Business	+0.8	1/	+0.1	+0.3	+0.3	+0.2	+0.5	1/	+0.6	+0.6	+0.5	+0.3	+0.6
Real estate	+0.3	+0.1	+0.2	+0.3	+0.3	+0.5	+0.4	+0.4	+0.4	+0.3	+0.4	+0.4	+0.3
Consumer <u>3/</u>	+0.1	1/	+0.3	+0.2	+0.3	+0.3	+0.2	+0.1	+0.2	1/	+0.3	+0.1	+0.2
Security	1/	-0.4	+0.7	+0.5	-0.4	-0.4	+0.1	-0.9	+0.3	+1.0	+0.2	-0.4	+0.6
Nonbank financial	1/	1/	-0.1	+0.2	-0.1	+0.1	+0.3	-0.1	+0.2	+0.1	+0.3	1/	1/
Agriculture	+0.1	+0.3	+0.1	1/	+0.1	-0.1	+0.1	+0.1	-0.4	+0.1	+0.2	+0.2	+0.2
All other <u>3/</u>	+0.1	+0.3	1/	+0.4	1/	-0.1	+0.2	+0.1	+0.1	+0.1	+0.1	+0.1	1/
Total loans excluding security and nonbank financial <u>5/</u>	+1.4	+0.7	+0.7	+1.2	+1.0	+0.8	+1.4	+0.7	+0.9	+1.1	+1.5	+1.1	+1.3

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.

3/ Consumer credit data revised beginning in 1961. "All other" loans, which is a residual item is accordingly revised in the opposite direction.

4/ Estimated as of December 31, 1962.

5/ Derived by addition of items and not by subtraction from total 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 November to end of December						
	1962 3/	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+ 5.6	+ 4.4	+ 3.3	+ 2.7	+ 2.8	+ 1.7	+ 1.5
U.S. Gov't securities	+ 0.5	+ 0.4	+ 0.8	+ 0.4	- 1.3	+ 1.3	+ 0.4
Other securities	+ 0.4	+ 0.5	+ 0.6	+ 0.2	+ 0.3	+ 0.5	1/
Total	+ 6.4	+ 5.3	+ 4.6	+ 3.4	+ 1.7	+ 3.4	+ 1.8
Weekly reporting banks							
Total loans	+ 4.1	+ 3.7	+ 2.5	+ 2.4	+ 2.0	+ 1.3	+ 1.3
U. S. Gov't securities	+ 0.7	+ 0.3	+ 0.9	+ 0.4	- 0.6	+ 1.4	+ 0.5
Other securities	+ 0.3	+ 0.4	+ 0.5	+ 0.1	+ 0.1	+ 0.2	- 0.1
Total	+ 5.2	+ 4.4	+ 3.9	+ 2.9	+ 1.5	+ 2.9	+ 1.7
Other banks							
Total loans	+ 1.5	+ 0.7	+ 0.8	+ 0.3	+ 0.8	+ 0.4	+ 0.2
U.S. Gov't securities	- 0.2	+ 0.1	- 0.1	1/	- 0.7	- 0.1	+ 0.1
Other securities	+ 0.1	+ 0.1	+ 0.1	+ 0.1	+ 0.2	+ 0.3	- 0.1
Total	+ 1.2	+ 0.9	+ 0.7	+ 0.5	+ 0.2	+ 0.5	+ 0.1
Item	Year ended December						
	1962 3/	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+14.1	+ 7.2	+ 6.7	2/+12.5	+ 4.3	+ 3.5	+ 7.6
U.S. Gov't securities	- 0.7	+ 5.6	+ 2.1	2/- 7.4	+ 8.1	- 0.3	- 3.0
Other securities	+ 5.3	+ 3.1	+ 0.4	2/- 0.1	+ 2.6	+ 1.7	- 0.4
Total	+18.7	+15.9	+ 9.1	2/+ 5.0	+15.1	+ 4.9	+ 4.2
Weekly reporting banks							
Total loans	+ 7.6	+ 3.5	+ 2.7	+ 7.7	+ 0.7	+ 0.9	+ 5.4
U.S. Gov't securities	- 2.4	+ 3.6	+ 2.5	- 7.0	+ 5.5	- 0.2	- 3.5
Other securities	+ 3.7	+ 2.0	+ 0.2	- 0.4	+ 1.4	+ 0.4	- 0.7
Total	+ 8.9	+ 9.3	+ 5.5	+ 0.3	+ 7.6	+ 1.1	+ 1.2
Other banks							
Total loans	+ 6.5	+ 3.7	+ 4.0	2/+ 4.8	+ 3.6	+ 2.6	+ 2.2
U.S. Gov't securities	+ 1.7	+ 2.0	- 0.4	2/- 0.4	+ 2.6	- 0.1	+ 0.5
Other securities	+ 1.6	+ 1.1	+ 0.2	2/+ 0.3	+ 1.2	+ 1.3	+ 0.3
Total	+ 9.8	+ 6.6	+ 3.6	2/+ 4.7	+ 7.5	+ 3.8	+ 3.0

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. 3/ Estimated as of December 31, 1962, for all commercial banks and weekly reporting banks.

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

Business of borrower	End of November to end of December 3/					End of December to end of December				
	1962	1961	1960	1959	1958	1962	1961	1960	1959	1958
Food processors	+131	+ 92	+ 57	+148	+103	+ 34	+ 55	+ 21	+179	-136
Commodity dealers	- 60	+120	+ 49	+125	- 7	- 19	+135	-171	+375	+127
Trade concerns	- 99	-185	-267	-309	- 60	+370	+ 8	+346	+435	+ 4
Total	<u>- 19</u>	<u>+ 27</u>	<u>-161</u>	<u>- 36</u>	<u>+ 36</u>	<u>+385</u>	<u>+198</u>	<u>+197</u>	<u>+989</u>	<u>- 5</u>
Sales finance	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	+264	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>2/</u> +455	-599
Metals and products	+ 80	+123	+ 9	+139	+ 81	+ 77	-419	+397	+717	-308
Textiles, apparel, etc.	- 64	- 19	- 42	+ 9	- 17	+111	- 64	+ 58	+160	-148
Petroleum, coal, etc.	+ 12	+ 51	+ 97	+ 57	- 23	- 81	- 44	+ 7	+ 86	-154
Other manufacturing and mining	- 34	+133	+ 15	+ 6	- 1	+444	+468	+325	+214	+ 36
Public utilities	+189	+207	+118	+119	+150	+138	- 50	+ 13	+339	+ 57
Construction	- 27	- 6	+ 14	+ 26	- 18	+165	+106	+131	+116	+106
All other types of business	+195	+199	+ 69	+ 94	+ 67	+481	+833	+464	+114	+431
Classified	+323	+713	+120	+413	+540	+1,723	+1,028	+1,592	+3,188	-544
Unclassified	+163	+ 98	+ 62	+ 37	+ 17	+524	-283	-115	+ 10	-377
Total change	+486	+811	+182	+450	+557	+2,246	+760	+1,477	+3,198	-921
Total change excluding sales finance	+486	+811	+182	+450	+293	+2,246	+745	+1,477	+2,743	-362

1/ Not included in business loans on revised basis.

2/ Through July 1.

3/ Four weeks used throughout.

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

Date	Loans and investments	U. S. Govt.	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: Nov. 29	109.1	66.2	23.4	119.5	43.6	30.1	5.0	6.0	r 21.3	6.3	r 9.6
Dec. 30	214.4	66.6	23.9	123.9	45.2	30.3	6.2	6.2	r 21.4	7.3	r 9.8
1962: Jan. 31	210.9	67.2	24.1	119.6	43.4	30.4	4.7	6.4	r 21.2	6.4	r 9.8
Feb. 28	211.6	66.0	24.5	121.1	43.7	30.5	5.4	6.6	r 21.3	6.4	r 9.7
Mar. 28	212.4	64.4	25.4	122.6	44.8	30.7	5.4	6.6	r 21.5	6.5	r 9.8
Apr. 28	214.8	64.7	26.1	124.0	44.7	31.1	5.7	6.7	r 21.9	6.5	r10.0
May 30	215.3	64.4	26.1	124.8	45.0	31.5	5.1	6.6	r 22.3	6.6	r10.2
June 30	219.2	64.4	27.0	127.7	45.9	32.0	5.3	6.8	r 22.7	7.2	r10.5
July 25	217.8	64.2	27.5	126.1	45.2	32.4	4.4	6.7	r 22.9	6.9	r10.3
Aug. 29	219.0	63.9	27.9	127.3	45.8	32.8	4.6	6.2	r 23.1	7.2	r10.4
Sept. 26 p	223.1	64.3	28.2	130.6	46.7	33.2	5.8	6.3	r 23.1	7.4	r10.7
Oct. 31 p	225.7	65.5	28.6	131.6	47.1	33.6	5.9	6.5	r 23.3	7.2	r10.7
Nov. 28 p	226.7	65.4	28.8	132.4	47.8	34.0	5.3	r 5.6	r 23.4	7.2	r11.0
Dec. 31 p (est.)	233.1	65.9	29.2	138.0	49.3	34.3	7.2	6.9	23.6	8.3	11.0

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--Date 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. Consumer and "all other" loans revised in accordance with recent revision in consumer credit statistics.

Exhibit G
Ratios to Total Deposits ^{1/}

Date	L O A N S						U. S. Govt. securities maturing within one year	All commercial banks
	All commercial banks	Member banks						
		Total	Reserve city banks			Country		
New York City	City of Chicago		Other					
1948: Dec. 31	31.2	31.3	35.9	30.4	33.4	27.1	2/	14.2
1949: Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5	2/	19.2
1950: Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5	2/	15.2
1951: Dec. 31	37.2	37.6	46.3	36.2	39.4	32.1		9.8
1952: Dec. 31	39.3	39.9	50.6	38.9	41.1	33.9		11.7
1953: Dec. 31	40.5	41.1	50.6	39.1	42.2	36.1		16.9
1954: Dec. 31	40.3	40.7	46.8	38.3	41.9	37.1		10.0
1955: Dec. 31	45.8	46.7	56.7	46.3	48.5	40.7		5.1
1956: Dec. 31	48.8	50.1	61.7	52.7	52.7	42.6		7.5
1957: Dec. 31	49.7	51.0	61.9	55.2	53.3	44.1		8.4
1958: Dec. 31	48.4	49.4	57.7	49.4	51.3	44.4		8.3
1959: 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: Nov. 29	54.7	55.7	63.5	57.7	58.3	50.5		10.4
1961: 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
1962: Feb. 28	54.9	56.0	64.7	58.8	58.0	50.8		11.7
1962: Mar. 28	55.4	56.5	65.8	59.2	58.3	51.2		10.6
1962: Apr. 25	55.4	56.5	65.4	58.3	58.4	51.3		10.9
1962: May 30	55.8	56.8	64.4	57.3	59.1	51.8		11.1
1962: June 30	55.9	56.8	63.6	57.5	59.0	52.1		10.7
1962: July 25 p	55.6	56.5	63.0	56.5	59.3	51.7		10.7
1962: Aug. 29 p	56.0	57.0	65.8	57.1	59.5	51.7		11.9
1962: Sept. 26 p	56.4	57.6	68.8	58.6	59.9	51.6		9.8
1962: Oct. 31 p	56.1	57.3	67.4	57.6	60.0	51.2		10.4
1962: Nov. 28 p	56.4	57.5	66.6	57.3	60.7	51.6		9.2
1962: Dec. 26 p	56.8	57.9	67.8	58.6	60.3	52.0		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. 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 whole classification as reserve city is continued.

p - Preliminary.

DEPOSITS AND CURRENCY

Semi-monthly averages of daily figures, seasonally adjusted

Billions of dollars

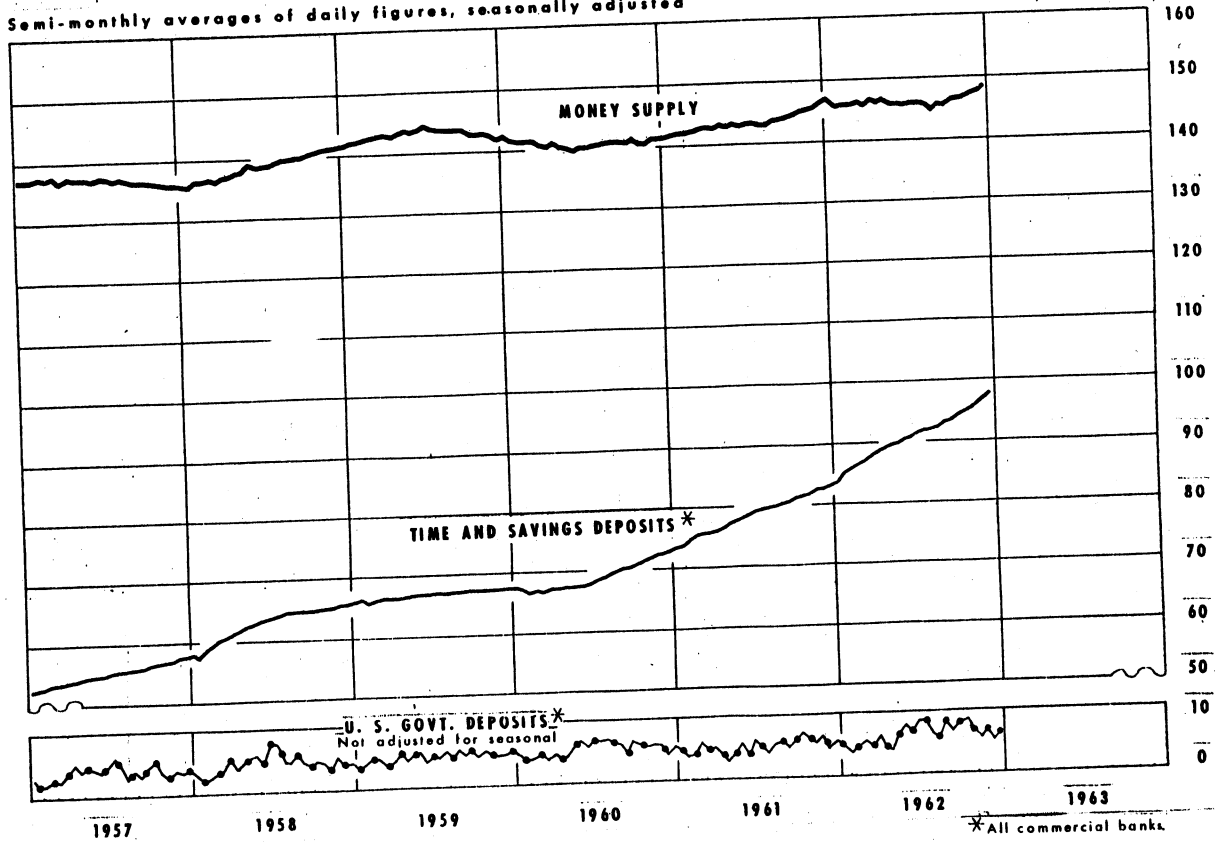


Exhibit H - Part II

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--July (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)	146.2	115.9	30.3	95.0	6.5
Nov. (1)	146.7	116.3	30.4	95.6	5.4
(2)	147.1	116.6	30.5	96.4	6.6
Dec. (1)	147.4	116.8	30.6	97.0	5.0
(2) p	148.3	117.8	30.5	97.9	6.1

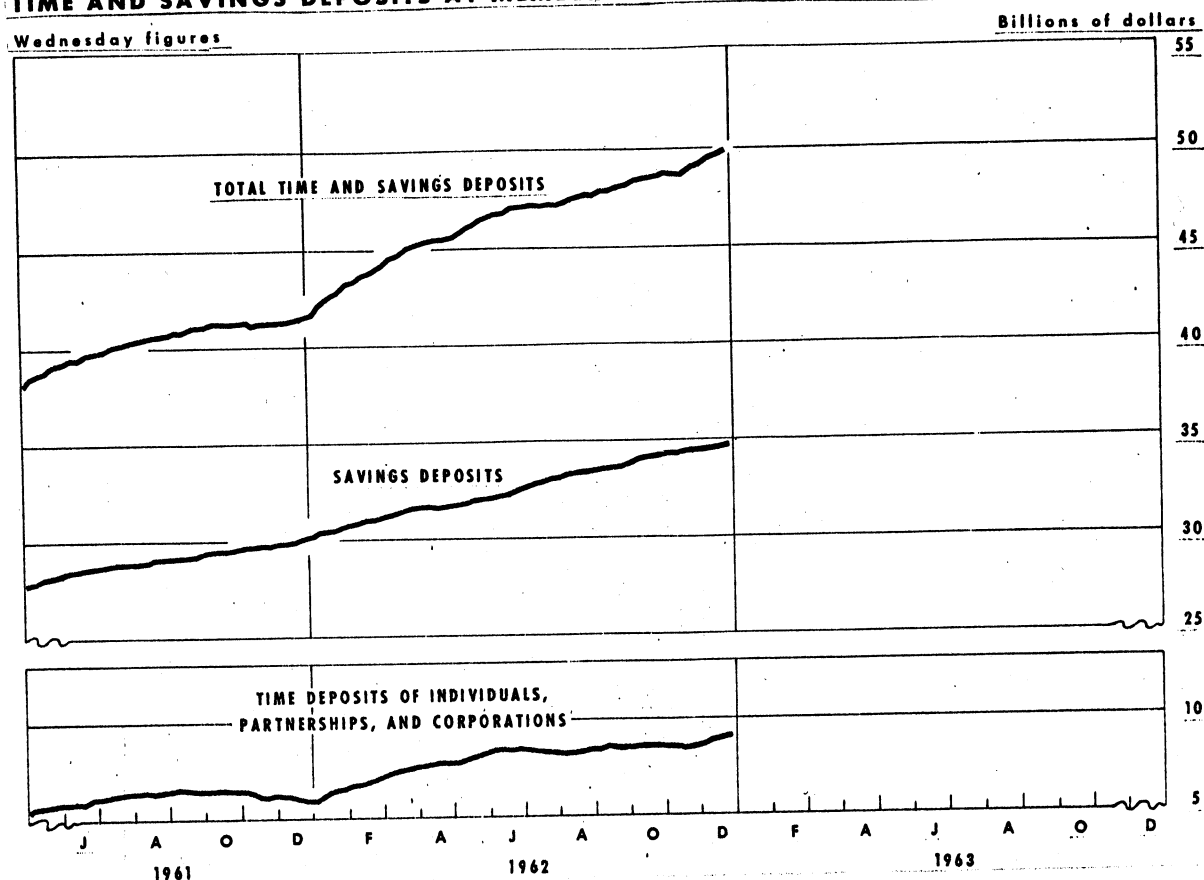
TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

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--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. 31	48,658	34,246	8,688	5,724
Nov. 28	49,023	34,459	8,590	5,974
Dec. 5	49,251	34,535	8,713	6,003
12	49,594	34,572	8,924	6,098
19	49,765	34,607	9,002	6,156
26	49,992	34,703	9,082	6,207

^{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 1/
	All member	Reserve City Banks			Country			
New York City		City of Chicago	Other					
<u>Monthly averages:</u>								
1956: December	- 36	- 91	- 86	-203	344	651	688	17,201
1957: December	-133	-105	- 77	-228	277	577	710	17,077
1958: December	- 41	- 80	- 32	-197	268	516	557	17,942
1959: December	-424	-109	-104	-449	237	481	906	17,978
1960: December	669	10	- 4	80	583	756	87	18,233
1961: November	509	14	- 13	13	494	614	105	19,059
December	424	- 50	- 22	24	471	573	149	18,977
1962: January	546	41	2	20	483	616	70	19,062
February	434	11	- 3	22	404	502	68	18,986
March	379	- 24	- 6	15	394	470	91	19,060
April	440	50	- 20	9	401	509	69	19,148
May	434	10	3	36	385	497	63	19,253
June	370	- 12	- 3	- 4	389	470	100	19,312
July	442	18	6	3	416	531	89	19,348
August	437	7	- 14	2	441	564	127	19,237
September	378	- 19	- 10	--	408	458	80	19,305
October	419	34	- 1	5	382	484	65	19,427
November	470	13	- 7	- 19	483	589	119	19,484
December p	253	- 62	- 11	- 56	382	557	304	19,606

NOTE: Beginning July 26, 1962, figures for both New York 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/ Revised series. Back data and seasonal factors available, Exhibit L, "Banking and Monetary Developments" for December 1962.

Exhibit K
Liquid Assets Held by the Public - Seasonally Adjusted Series 1/
(Amounts in billions of dollars; ratios expressed as percentages)

End of year or month	Total	Demand deposits and currency <u>2/</u>	Time deposits		Postal Savings System	Savings and loan shares <u>4/</u>	U. S. Govt. savings bonds <u>5/</u>	U. S. Govt. securities maturing within one year <u>6/</u>	Ratios:		
			Commercial banks <u>3/</u>	Mutual savings banks					Liquid assets to gross national product <u>7/</u>	Demand deposits and currency to gross national product <u>7/</u>	Commercial bank deposits & currency to liquid assets (2+3+1)
	1	2	3	4	5	6	7	8	9	10	11
1954	320.3	130.2	118.2	26.3	2.1	27.2	55.6	30.6	85.9	35.0	55.7
1955	332.5	133.3	149.7	28.1	1.9	32.0	55.9	31.6	81.3	32.6	55.0
1956	343.2	134.6	52.0	30.0	1.6	37.0	54.8	33.2	79.6	31.2	54.4
1957	356.0	133.5	57.5	31.6	1.3	41.7	51.6	38.8	80.3	30.3	53.6
1958	373.1	138.8	65.4	33.9	1.1	47.7	50.5	35.6	80.2	29.9	54.8
1959	393.9	139.7	67.4	34.9	0.9	54.3	47.9	48.8	80.5	28.7	52.6
1960	399.2	138.4	73.1	36.2	0.8	61.8	47.0	41.9	79.0	27.5	53.0
1961											
Oct.	420.7	141.7	81.5	38.0	0.7	68.9	47.3	42.6			53.1
Nov.	422.2	142.0	82.5	38.2	0.7	69.8	47.4	41.7			53.2
Dec.	424.6	142.6	82.5	38.3	0.6	70.5	47.4	42.6	78.2	26.3	53.0
1962											
Jan.	427.1	142.0	85.1	38.6	0.6	71.1	47.4	42.4			53.2
Feb.	430.6	142.3	86.4	38.8	0.6	71.8	47.4	43.3			53.1
Mar.	435.3	142.2	87.8	39.0	0.6	72.8	47.4	45.5	78.8	26.1	52.8
Apr.	438.2	143.4	88.6	39.2	0.6	73.4	47.4	45.6			52.9
May	439.6	142.8	89.7	39.3	0.6	74.0	47.4	45.7			52.9
June	442.9	142.3	91.2	39.7	0.6	74.8	47.4	46.9	79.5	25.9	52.7
July p	444.1	142.2	91.7	40.0	0.6	75.4	47.5	46.8			52.6
Aug. p	447.9	141.3	92.7	40.2	0.6	76.4	47.5	49.2			52.2
Sept. p	449.0	142.5	93.9	40.5	0.6	77.4	47.5	46.6	80.3	25.6	52.6
Oct. p	453.4	143.8	95.2	40.9	0.6	78.2	47.5	47.2			52.7
Nov. p	456.8	143.4	96.8	41.2	0.5	79.2	47.5	48.2			52.6
Dec. p	458.7	144.8	97.4	41.3	0.5	80.0	47.6	47.1	80.8	25.5	52.8

For footnotes see next page.

NOTE: This is a new series first shown in "Banking and Monetary Developments" for November 1962, and differs from the one previously shown in concept and coverage. Back figures available from Banking Section, Division of Research and Statistics.

Exhibit K (Continued)

- 1/ Excludes holdings of the United States Government, Government agencies and trust funds, domestic commercial banks, and Federal Reserve Banks. Adjusted to avoid double counting wherever possible. All series adjusted for seasonal variation by the X-9 variant of Method II developed by the Bureau of the Census.
- 2/ Data are for demand deposits adjusted and currency outside banks and are as of the last Wednesday of the month. In concept the figures agree with the daily average money supply described in detail in the Federal Reserve Bulletin for August 1962, p. 941, except that demand deposits held by mutual savings banks and by savings and loan associations have been deducted to avoid double counting. Demand deposits of commercial banks in Alaska and Hawaii are included beginning January 1959 and August 1959, respectively, except that one national bank in Alaska and 1 national bank in Hawaii were included in April 1954 and April 1959, respectively. Demand deposits due to banks in United States possessions are included throughout.
- 3/ Total time deposits at commercial banks except interbank, U. S. Treasurer's open account, and postal savings redeposited in commercial banks. Data are as of the last Wednesday of month except June 30 and December 31 when call data for these dates were used when available. Time deposits of commercial banks in Alaska and Hawaii and time deposits due to banks in U. S. possessions are included as indicated for demand deposits in footnote 2 above.
- 4/ Figures compiled by the Federal Savings and Loan Insurance Corporation except that prior to 1955 data are Board estimates based on monthly figures of inflow of new savings and withdrawal of savings capital compiled by the Federal Home Loan Bank Board.
- 5/ Includes all types of savings bonds held by investors other than commercial and mutual savings banks and U. S. Government agencies and trust funds. Holdings of savings and loan associations are also excluded beginning in February 1960, the earliest date for which separate figures for these institutions are available. Figures are from data compiled by the U. S. Treasury Department.
- 6/ Beginning December 1950 figures include Treasury marketable securities and Federal agency securities maturing within one year, except holdings of domestic commercial, mutual savings, and Federal Reserve Banks, Government agencies and trust funds, and beginning February 1960, savings and loan associations. Figures have been 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. Prior to December 1950 figures for marketable issues include securities callable within one year. Figures represent par value and are from the U. S. Treasury Department's Survey of Ownership of U. S. Government securities.
- 7/ Gross national product figures are available quarterly and annually only. Data for total liquid assets used in computing these ratios are quarterly averages calculated for four dates (each month of the current quarter and the last month of the preceding quarter).

Exhibit L
TOTAL MEMBER BANK RESERVES 1/
Unadjusted Data
(daily average figures, in millions of dollars)

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1948	14 380	13 828	13 686	13 542	13 534	13 670	13 638	13 771	13 908	13 864	13 868	13 982
1949	13 994	13 674	13 548	13 386	13 401	13 420	13 706	13 865	13 990	14 025	14 037	14 181
1950	14 402	14 063	14 017	13 851	13 889	14 110	14 168	14 174	14 470	14 599	14 605	15 193
1951	15 048	14 728	14 959	15 074	14 699	15 063	14 995	14 953	15 124	15 532	15 448	15 864
1952	16 010	15 586	15 783	15 409	15 391	15 689	15 965	15 819	16 015	16 068	16 185	16 533
1953	16 368	16 015	15 912	15 588	15 510	15 844	16 104	16 160	16 195	16 183	16 330	16 503
1954	16 757	16 181	16 196	16 055	16 152	16 451	16 446	16 618	16 555	16 986	17 289	17 344
1955	17 199	16 928	16 751	16 899	16 852	16 826	16 930	16 846	16 837	16 975	17 016	17 317
1956	17 225	16 844	17 026	16 957	16 852	17 033	16 955	16 899	17 121	17 048	17 271	17 597
1957	17 308	16 928	16 975	17 164	16 928	17 057	17 197	16 934	17 043	17 116	17 055	17 470
1958	17 357	17 100	17 377	17 543	17 671	18 020	18 031	18 009	17 866	17 926	18 005	18 355
1959	18 344	18 026	17 869	18 104	18 019	17 893	18 110	18 063	18 048	18 068	18 094	18 392
1960	18 341	17 688	17 494	17 569	17 696	17 746	17 963	17 937	18 125	18 287	18 469	18 703
1961	18 725	18 360	18 195	18 261	18 222	18 401	18 413	18 567	18 705	18 993	19 173	19 432
1962	19 405	18 872	18 831	18 995	19 080	19 177	19 290	19 160	19 266	19 524	19 601	20 037
1963												

Seasonally Adjusted Data

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1948	14 016	13 842	13 769	13 818	13 838	13 794	13 762	13 854	13 811	13 740	13 772	13 654
1949	13 639	13 687	13 630	13 659	13 703	13 542	13 817	13 949	13 907	13 900	13 939	13 349
1950	14 037	14 077	14 102	14 134	14 204	14 238	14 254	14 288	14 398	14 469	14 503	14 822
1951	14 681	14 743	15 019	15 366	15 030	15 184	15 070	15 074	15 094	15 409	15 341	15 477
1952	15 635	15 602	15 846	15 723	15 737	15 816	15 907	15 947	15 999	15 956	16 057	16 130
1953	16 031	16 031	15 976	15 800	15 843	15 972	16 136	16 258	16 179	16 086	16 200	16 938
1954	16 445	16 213	16 277	16 333	16 431	16 550	16 479	16 718	16 588	16 901	17 152	16 928
1955	16 928	16 979	16 869	17 070	17 074	16 911	16 964	16 948	16 888	16 941	16 898	16 911
1956	16 954	16 980	17 146	17 042	17 022	17 119	16 972	17 001	17 173	17 014	17 202	17 201
1957	17 094	17 066	17 112	17 250	17 082	17 143	17 214	17 036	17 094	17 082	17 004	17 077
1958	17 084	17 230	17 535	17 631	17 831	18 111	18 049	18 081	17 920	17 890	17 957	17 942
1959	18 037	18 153	18 068	18 195	18 183	18 019	18 128	18 136	18 102	18 032	18 022	17 978
1960	18 017	17 795	17 706	17 693	17 857	17 871	17 981	18 009	18 161	18 250	18 395	18 283
1961	18 394	18 471	18 416	18 408	18 387	18 531	18 468	18 642	18 742	18 917	19 059	18 977
1962	19 062	18 986	19 060	19 148	19 253	19 312	19 348	19 237	19 305	19 427	19 484	19 606
1963												

(Exhibit L (Continued))
TOTAL MEMBER BANK RESERVES 1/

Seasonal Adjustment Factors 2/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1948	102.6	99.9	99.4	98.0	97.8	99.1	99.1	99.4	100.7	100.9	100.7	102.4
1949	102.6	99.9	99.4	98.0	97.8	99.1	99.2	99.4	100.6	100.9	100.7	102.4
1950	102.6	99.9	99.4	98.0	97.8	99.1	99.4	99.2	100.5	100.9	100.7	102.5
1951	102.5	99.9	99.6	98.1	97.8	99.2	99.5	99.2	100.2	100.8	100.7	102.5
1952	102.4	99.9	99.6	98.1	97.8	99.2	99.8	99.2	100.1	100.7	100.8	102.5
1953	102.1	99.9	99.6	98.1	97.9	99.2	99.8	99.4	100.1	100.6	100.8	102.5
1954	101.9	99.8	99.5	98.3	98.3	99.4	99.8	99.4	99.8	100.5	100.8	102.4
1955	101.6	99.7	99.3	99.0	98.7	99.5	99.8	99.4	99.7	100.2	100.7	102.4
1956	101.6	99.2	99.3	99.5	99.0	99.5	99.9	99.4	99.7	100.2	100.4	102.3
1957	101.6	99.2	99.2	99.5	99.1	99.5	99.9	99.4	99.7	100.2	100.3	102.3
1958	101.6	99.2	99.1	99.5	99.1	99.5	99.9	99.6	99.7	100.2	100.3	102.3
1959	101.7	99.3	98.9	99.5	99.1	99.3	99.9	99.6	99.7	100.2	100.3	102.3
1960	101.8	99.4	98.8	99.3	99.1	99.3	99.9	99.6	99.8	100.2	100.4	102.3
1961	101.8	99.4	98.8	99.2	99.1	99.3	99.7	99.6	99.8	100.4	100.6	102.2
1962	101.8	99.4	98.8	99.2	99.1	99.3	99.7	99.6	99.8	100.5	100.6	102.2
1963	101.8	99.4	98.8	99.2	99.1	99.3	99.7	99.6	99.8	100.5	100.6	102.2

1/ Figures are actual for the period beginning with November 1962, when the latest change in reserve requirements became effective. In order to eliminate the effects of differences in reserve requirements in earlier months, figures for those months were synthesized by taking the sum of actual excess reserves and a figure for required reserves reconstructed by applying November 1962 reserve requirements against demand and time deposits by class of bank.

2/ Based on figures for the period January 1948 - October 1962.