

FEDERAL RESERVE BANK
of KANSAS

Mr. Aull

L.4.3.

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BANKING AND MONETARY DEVELOPMENTS IN JANUARY 1963

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Total commercial bank credit, seasonally adjusted, increased further in January, but not quite as rapidly as in other recent months. Holdings of securities rose contraseasonally but total loans showed little further change following sharp growth in December. The money supply declined somewhat between the second half of December and the second half of January after having increased substantially in late 1962. Time and savings deposits at commercial banks rose more rapidly than in other recent months. Turnover of demand deposits increased in January. Total reserves of member banks, which usually decline on a monthly average basis in January, showed little change. Free reserves increased from the temporarily low December level.

Bank credit. Total loans and investments at all commercial banks, seasonally adjusted, increased \$1.2 billion further in January. This was a slower rate of growth than over the last five months of 1962 when expansion had averaged almost \$2 billion per month. Holdings of U. S. Government securities increased \$500 million and holdings of other securities, \$600 million, in January. Total loans increased only slightly further following a \$2.5 billion record growth in December. The total credit reduction at weekly reporting banks in leading cities was about the same in January 1963 as in January 1962 but growth in December 1962 had been considerably larger than a year earlier. At banks not reporting weekly, the January credit reduction was considerably larger than in January 1962 whereas the December credit growth had been only moderately larger than in the previous December.

On January 15, all commercial banks were allotted \$1.3 billion of the new \$2.5 billion Treasury bill issue. Commercial banks had held about \$400 million of the maturing \$2 billion one-year issue. Treasury financing had also occurred in January of most previous years.

Business loans at all commercial banks, seasonally adjusted, increased only slightly further in January following substantial growth in other recent months. At city banks, business loans declined \$850 million in the five weeks ending January 30, a little less than in the comparable weeks last year, but the December expansion had been much smaller than in December 1961. In January, loan repayments by food processors and trade concerns were about seasonal; loans to commodity dealers showed little net change as in January of the previous two years. Loans to metals processors and to petroleum and chemical concerns declined more in January than they had risen in December. Loans to public utilities, which had been increasing substantially in late 1962, declined a little less in January than they had increased in December.

Seasonally adjusted security loans at all commercial banks declined \$200 million in January following a \$600 million increase in December. Loans for purchasing and carrying U. S. Government securities declined by more in January than they had increased in December. The January reduction in loans for purchasing and carrying other securities, however, was considerably smaller than the December rise.

Seasonally adjusted real estate loans at all commercial banks increased further in January at about the same rate as in December, but a little less rapidly than in the other late months of 1962. Consumer loans continued to expand moderately in January.

Money supply. The daily average money supply, seasonally adjusted, declined \$600 million between the second half of December and the second half of January, following substantial growth in other recent months. In late January, the money supply was about 1-1/2 per cent above the year-ago level.

Seasonally adjusted time and savings deposits at all commercial banks increased \$1.7 billion between the second half of December and the second half of January, somewhat more rapidly than in any other month since January 1962 when interest rates on such deposits were raised. At weekly reporting banks in leading cities, savings deposits increased at a faster rate than in other recent months and other time deposits of individuals, partnerships, and corporations continued to show substantial growth following accelerated expansion in December. Other time deposits, largely those of States and political subdivisions and foreign governments and official institutions, also rose in January.

The seasonally adjusted annual rate of turnover of demand deposits at banks in 343 centers outside New York increased to 32.6 (preliminary) in January, about the same as in October and November and higher than in December when turnover had dropped. Over the four months ending January 1963 turnover averaged about 7 per cent above the comparable period a year ago.

Bank reserves. Total reserves of member banks, which usually decline in January, showed little change. Required reserves increased further. Excess reserves declined to \$485 million while member bank borrowings dropped to \$100 million. Thus, free reserves averaged \$385 million compared with \$265 million in December. Late in January and in early February, however, borrowings increased somewhat and free reserves declined. The effective rate on Federal funds was generally 3 per cent during January and early February although occasionally it dropped below.

During December, on a monthly average basis, reserves were supplied principally by seasonal currency inflow. Reserves were absorbed mainly by gold outflow, an increase in Treasury deposits at the Reserve Banks, and a reduction of \$350 million in System holdings of U. S. Government securities. Reserve Bank float remained at higher-than-normal levels through most of January but late in the month and in early February it declined to near-seasonal volume.

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

February 15, 1963.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

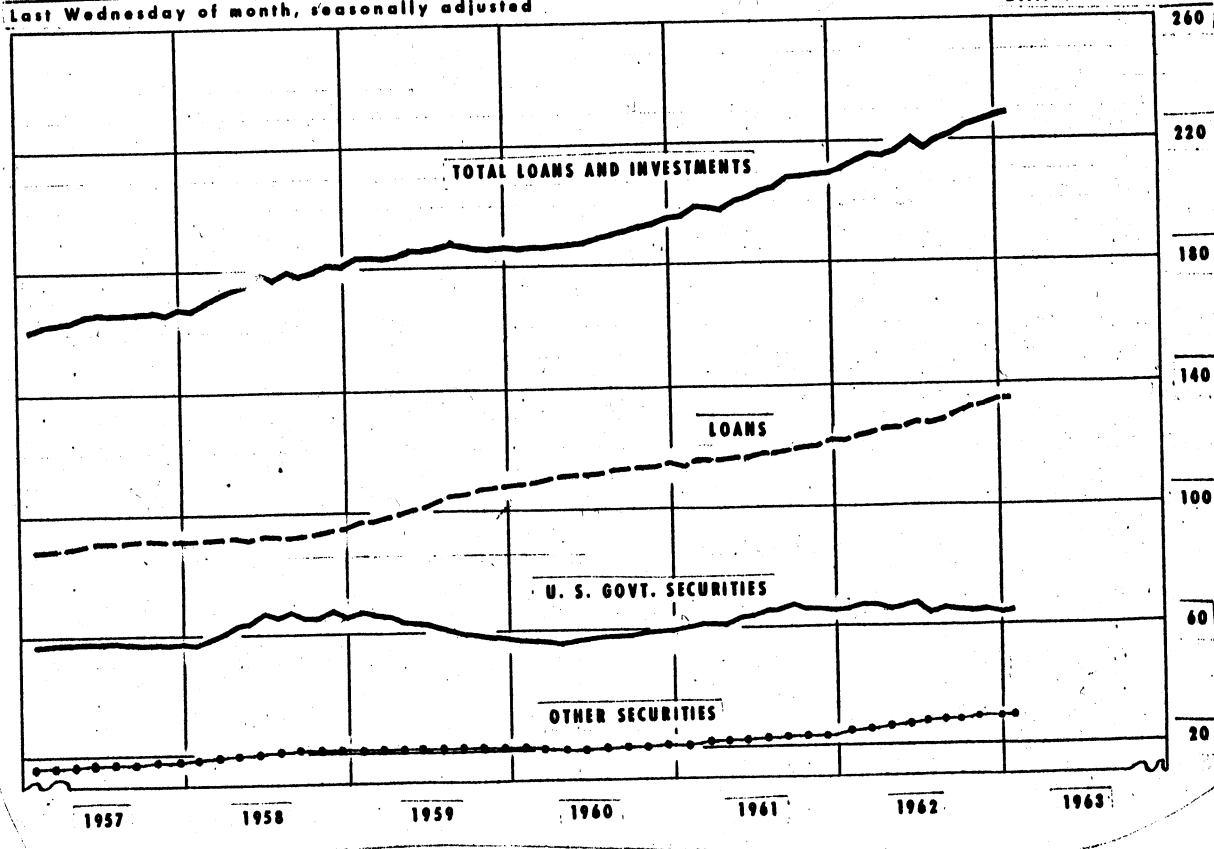


Exhibit A - Part II

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
1963--Jan. 30 p	228.8	134.9	64.3	29.6

^{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

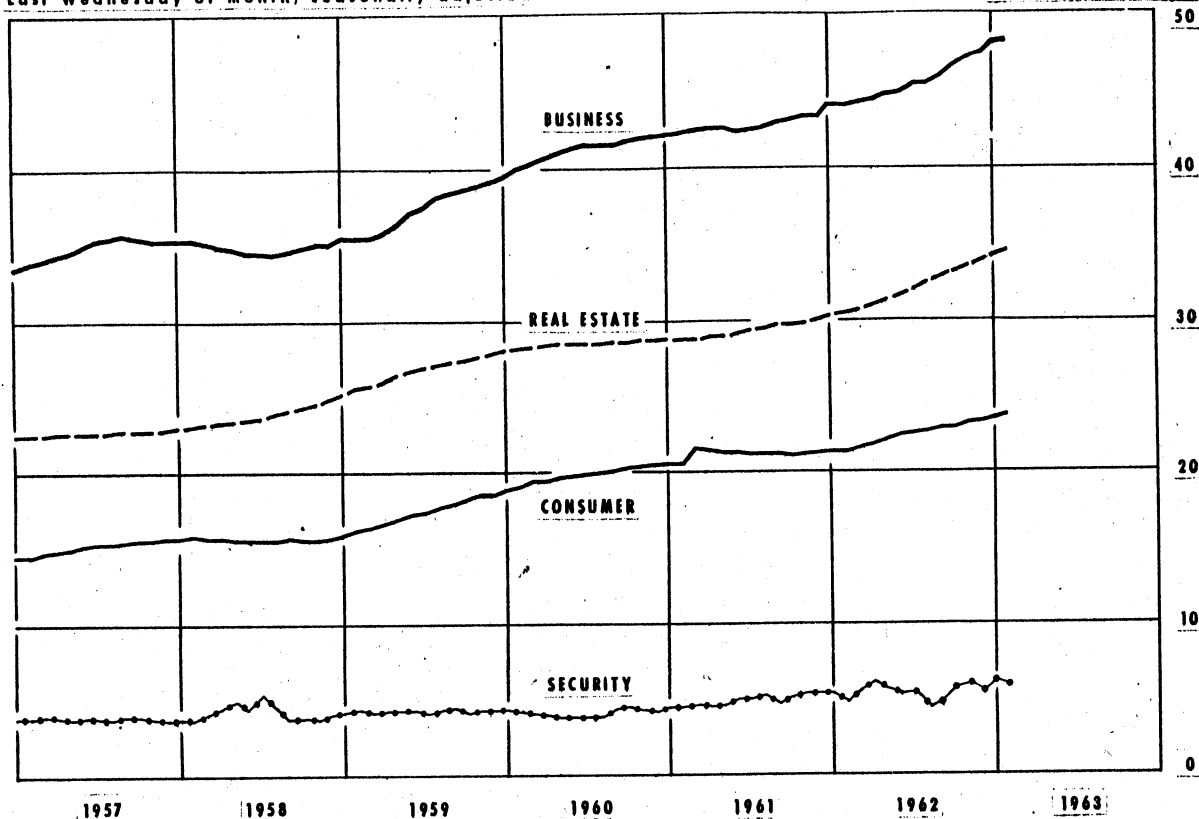


Exhibit B - Part II

Date	Business	Real Estate	Consumer	Security
(In billions of dollars)				
1960--Dec. 31	42.1	28.7	20.5	4.3
1961--Dec. 31	44.1	30.3	21.3	5.2
1962--Jan. 31	44.1	30.4	21.3	4.8
Feb. 28	44.2	30.6	21.6	5.5
March 28	44.5	30.9	21.8	6.0
April 25	44.8	31.2	22.1	5.6
May 30	45.0	31.6	22.4	5.2
June 30	45.5	32.0	22.6	5.3
July 25 p	45.5	32.4	22.7	4.4
Aug. 29 p	46.1	32.8	22.9	4.7
Sept. 26 p	46.7	33.1	22.9	5.7
Oct. 31 p	47.2	33.5	23.2	5.9
Nov. 28 p	47.5	33.9	23.3	5.5
1/Dec. 31 p	48.1	34.2	23.5	6.1
1963--Jan. 30 p	48.2	34.5	23.8	5.9

p - Preliminary.

r - Revised.

1/ Estimated as of December 31.

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

Item	1961	1962											1963	
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug. p	Sept. p	Oct. p	Nov. p	Dec. p 4/	Jan. p
<u>Loans and Investments 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	+1.2
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	+0.5
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	+0.6
<u>Loans 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	+0.1
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	+0.1
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	+0.3
Consumer	+0.1	1/	+0.3	+0.2	+0.3	+0.3	+0.2	+0.1	+0.2	1/	+0.3	+0.1	+0.2	+0.3
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	-0.2
Nonbank financial	1/	1/	-0.1	+0.2	-0.1	+0.1	+0.3	-0.1	+0.2	+0.1	+0.3	1/	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	+0.3
All other	+0.1	+0.3	1/	+0.4	1/	-0.1	+0.2	+0.1	+0.1	+0.1	+0.1	+0.1	1/	+0.1
Total loans excluding security and nonbank financial 3/	+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	+1.1

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.

3/ Derived by addition of items and not by subtraction from total loans.

4/ Estimated as of December 31, 1962.

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	End of December to last Wednesday of January						
	1963 <u>3/</u>	1962	1961	1960	1959	1958	1957
All commercial banks							
Total loans	- 4.4	- 4.3	- 3.9	- 2.6	<u>4/</u> - 1.6	- 2.7	- 2.0
U.S. Gov't securities	<u>1/</u>	+ 0.6	+ 0.9	- 0.9	<u>4/</u> + 1.1	- 0.5	- 0.9
Other securities	+ 0.3	+ 0.2	<u>1/</u>	- 0.2	<u>4/</u> - 0.2	<u>1/</u>	- 0.1
Total	- 4.1	- 3.5	- 2.9	- 3.9	<u>4/</u> - 0.6	- 3.1	- 2.9
Weekly reporting banks							
Total loans	- 3.8	- 3.5	- 3.3	- 2.4	- 1.7	- 2.4	- 2.0
U. S. Gov't securities	+ 0.2	+ 0.2	+ 0.4	- 1.0	+ 0.1	- 0.5	- 0.6
Other securities	+ 0.1	<u>1/</u>	+ 0.1	- 0.1	- 0.2	+ 0.1	- 0.1
Total	- 3.4	- 3.3	- 2.8	- 3.5	- 1.8	- 2.8	- 2.6
Other banks							
Total loans	- 0.6	- 0.8	- 0.6	- 0.2	<u>4/</u> + 0.1	- 0.3	<u>1/</u>
U. S. Gov't securities	- 0.2	+ 0.4	+ 0.5	+ 0.1	<u>4/</u> + 1.0	<u>1/</u>	- 0.3
Other securities	+ 0.2	+ 0.2	- 0.1	- 0.1	<u>4/</u> <u>1/</u>	- 0.1	<u>1/</u>
Total	- 0.7	- 0.2	- 0.1	- 0.4	<u>4/</u> + 1.2	- 0.3	- 0.3
Item	Year ending December						
	1962 <u>3/</u>	1961	1960	1959	1958	1957	1956
All commercial banks							
Total loans	+14.1	+ 7.2	+ 6.7	<u>2/</u> +12.5	+ 4.3	+ 3.5	+ 7.6
U.S. Gov't securities	- 0.7	+ 5.6	+ 2.1	<u>2/</u> - 7.4	+ 8.1	- 0.3	- 3.0
Other securities	+ 5.3	+ 3.1	+ 0.4	<u>2/</u> - 0.1	+ 2.6	+ 1.7	- 0.4
Total	+18.7	+15.9	+ 9.1	<u>2/</u> + 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	<u>2/</u> + 4.8	+ 3.6	+ 2.6	+ 2.2
U.S. Gov't securities	+ 1.7	+ 2.0	- 0.4	<u>2/</u> - 0.4	+ 2.6	- 0.1	+ 0.5
Other securities	+ 1.6	+ 1.1	+ 0.2	<u>2/</u> + 0.3	+ 1.2	+ 1.3	+ 0.3
Total	+ 9.8	+ 6.6	+ 3.6	<u>2/</u> + 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/ Based on estimated data for December 31, 1962. 4/ In January 1959, total credit increased over \$400 million as a result of bank structure changes; loans, \$300 million; U. S. Government securities, \$100 million; and other securities, \$100 million.

Exhibit E

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

Business of borrower	End of December to end of January 3/					End of December to end of December				
	1963	1962	1961	1960	1959	1962	1961	1960	1959	1958
Food processors	-195	-180	-215	-163	-230	+ 31	+ 55	+ 21	+179	-136
Commodity dealers	+ 17	- 15	- 9	-116	- 30	- 17	+135	-171	+375	+127
Trade concerns	-279	-219	-303	- 68	-190	+372	+ 8	+346	+435	+ 4
Total	-457	-414	-526	-347	-450	+386	+198	+197	+989	- 5
Sales finance	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	- 43	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>2/</u> +455	-599
Metals and products	-131	-161	-134	+142	+ 87	+ 86	-419	+397	+717	-308
Textiles, apparel, etc.	- 39	+ 22	- 8	+ 49	- 38	+111	- 64	+ 58	+160	-148
Petroleum, coal, etc.	- 50	- 99	+ 70	- 22	+ 1	- 77	- 44	+ 7	+ 86	-154
Other manufacturing and mining	+168	+146	- 70	- 18	- 26	+418	+468	+325	+214	+ 36
Public utilities	-184	-265	- 69	- 33	- 85	+145	- 50	+ 13	+339	+ 57
Construction	- 62	- 23	- 25	- 29	- 5	+165	+106	+131	+116	+106
All other types of business	- 59	- 36	+ 31	- 46	- 48	+496	+833	+464	+114	+431
Classified	-814	-830	-732	-304	-607	+1,728	+1,028	+1,592	+3,188	-544
Unclassified	- 36	-102	-130	-204	-252	+518	-283	-115	+ 10	-377
Total change	-850	-932	-862	-508	-859	+2,246	+760	+1,477	+3,198	-921
Total change excluding sales finance	-850	-932	-862	-508	-814	+2,246	+745	+1,477	+2,743	-362

- 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.	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 <u>1/</u>	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.8	7.1	8.1
1960: 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: Dec. 30	214.4	66.6	23.9	123.9	45.2	30.3	6.2	6.2	21.4	7.3	9.8
1962: Jan. 31	210.9	67.2	24.1	119.6	43.4	30.4	4.7	6.4	21.2	6.4	9.8
Feb. 28	211.6	66.0	24.5	121.1	43.7	30.5	5.4	6.6	21.3	6.4	9.7
Mar. 28	212.4	64.4	25.4	122.6	44.8	30.7	5.4	6.6	21.5	6.5	9.8
Apr. 28	214.8	64.7	26.1	124.0	44.7	31.1	5.7	6.7	21.9	6.5	10.0
May 30	215.3	64.4	26.1	124.8	45.0	31.5	5.1	6.6	22.3	6.6	10.2
June 30	219.2	64.4	27.0	127.7	45.9	32.0	5.3	6.8	22.7	7.2	10.5
July 25	217.8	64.2	27.5	126.1	45.2	32.4	4.4	6.7	22.9	6.9	10.3
Aug. 29	219.0	63.9	27.9	127.3	45.8	32.8	4.6	6.2	23.1	7.2	10.4
Sept. 26 p	223.1	64.3	28.2	130.6	46.7	33.2	5.8	6.3	23.1	7.4	10.7
Oct. 31 p	225.7	65.5	28.6	131.6	47.1	33.6	5.9	6.5	23.3	7.2	10.7
Nov. 28 p	226.7	65.4	28.8	132.4	47.8	34.0	5.3	6.6	23.4	7.2	11.0
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
1963: Jan. 30 p	229.0	65.9	29.5	133.6	47.4	34.5	5.7	7.1	23.7	7.3	10.7

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. securities maturing within one year
	All commercial banks	Member banks					All commercial 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
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	59.9	51.6	9.8
Oct. 31 p	56.1	57.3	67.4	57.6	60.0	51.2	10.4
Nov. 28 p	56.4	57.5	66.6	57.3	60.7	51.6	9.2
Dec. 26 p	r 56.7	r 57.8	67.8	58.6	r 60.1	52.0	9.6
1963: Jan. 30 p	56.4	57.4	64.7	57.7	60.5	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

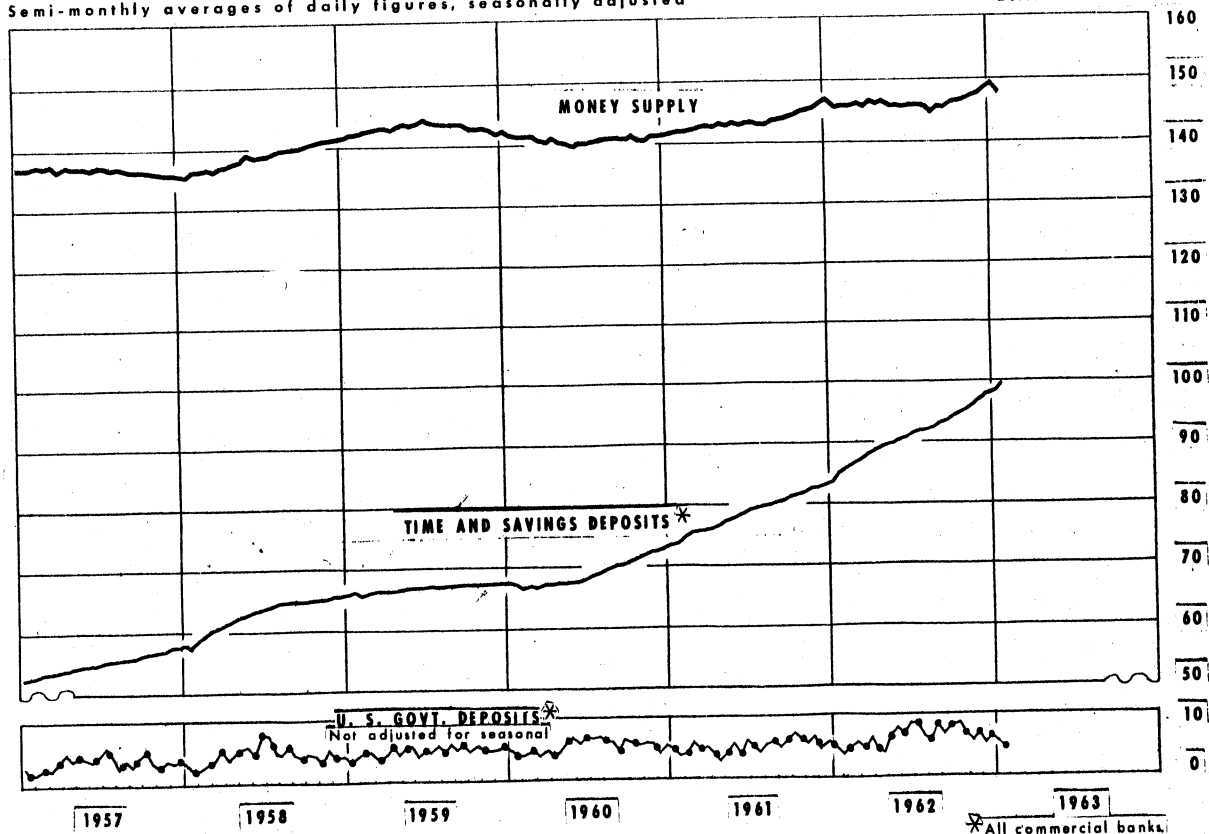


Exhibit H - Part II

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--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)	147.5	116.9	30.6	97.0	5.0	
	(2)	148.3	117.8	30.5	97.9	6.1
1963--Jan. (1)	149.3	118.7	30.7	98.6	5.4	
	(2)	147.7	117.1	30.7	99.6	4.1

TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

Billions of dollars

Wednesday figures

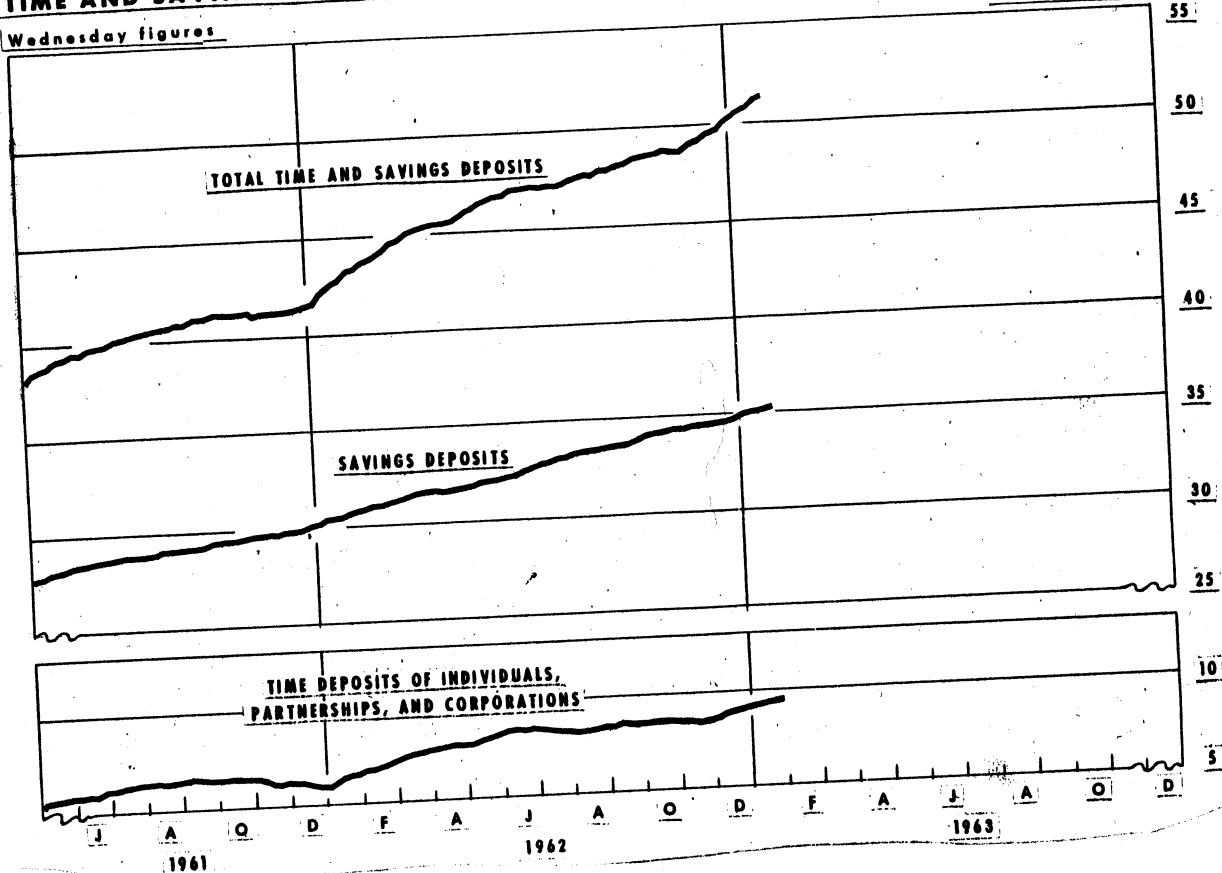


Exhibit I - Part II

	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--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. 26	50,011	34,712	9,080	6,219
1963--Jan. 2	50,386	34,963	9,200	6,223
9	50,603	34,993	9,287	6,323
16	50,873	35,042	9,390	6,441
23	51,135	35,106	9,463	6,566
30	51,302	35,143	9,555	6,604

^{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)				Country	Excess reserves	Borrowings	Total reserves held seasonally adjusted 1/
	All member	Reserve City Banks						
		New York City	City of Chicago	Other		All member	All member	All member
<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	265	- 62	- 11	- 52	391	569	304	19,606
1963: January p	385	13	- 6	- 49	427	484	99	19,681

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>	Liquid assets to gross national product <u>7/</u>	Ratios:	
			Commercial banks <u>3/</u>	Mutual savings banks						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	458.3	144.5	97.6	41.3	0.5	80.0	47.6	46.8	80.9	25.5	52.8
Jan. p	n.a.	144.2	99.9	41.6	0.5	n.a.	47.9	46.8			n.a.

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).