

FEDERAL RESERVE BANK
of ST. LOUIS CITY
FEB 25 1965

February 17, 1965.

BANKING AND MONETARY DEVELOPMENTS IN JANUARY 1965

Seasonally adjusted commercial bank credit increased substantially in January following a moderate rise in December. Strong growth in bank loans and in holdings of municipal and Federal agency securities more than offset further reductions in holdings of U. S. Treasury issues. Three-fourths of the increase in loans was due to unusually large increases in business loans and an expansion in security loans. The seasonally adjusted money supply increased somewhat while time and savings deposits at all commercial banks rose at a record rate. Both seasonally adjusted total and required reserves continued to increase. Free reserves declined somewhat but remained above the fourth quarter average as member bank borrowings rose from their reduced December level and excess reserves declined slightly.

Bank credit. Seasonally adjusted loans and investments at all commercial banks increased \$2.7 billion in January, considerably more than the \$1.1 billion rise in December. The \$1.9 billion average expansion over the two months was a little higher than the monthly average rate over all of 1964. The expansion in bank credit over the December-January period was concentrated at city banks, where the growth in credit was considerably larger than in the corresponding months of recent years. At other banks credit expansion over this period was about normal.

Several records were set in January. Seasonally adjusted loans at all commercial banks increased \$3.2 billion in January--a monthly record. Business loans rose about twice as much as in any previous month, after increasing substantially in December. Holdings of "other securities" increased \$900 million January, also a record increase. This expansion presumably reflected in part delivery on the large volume of December offerings of municipals.

Holdings of U. S. Government securities declined \$1.4 billion in January after allowance for usual seasonal changes. Moreover, there was considerable churning in bank portfolios. While commercial banks acquired virtually all of the \$1-3/4 billion June tax anticipation bills, delivered on January 18, for which they could make payments up to 50 per cent by credit to Tax and Loan Accounts, they sold bills and other securities in substantial volume at other times in the month. On January 19, commercial banks shifted \$5.6 billion of securities maturing in 5 years or less into those maturing in over 5 years through participation in the Treasury's advance refunding. This was somewhat greater than the large volume exchanged in the July refunding, but exchanges into the longest bonds were almost twice as large this time.

Business loans at all commercial banks, seasonally adjusted, increased \$1.7 billion in January, or about twice as much as in any previous month. Including the accelerated \$800 million rise in December, the average \$1.3 billion expansion over the two months was sharply above the \$500 million monthly rate over the year 1964.

Business loans at city banks (not adjusted for seasonal) increased \$1.3 billion over December and January compared with a decline of \$100 million in the corresponding months last year. Banks in New York City accounted for almost two-thirds of this year's rise whereas last year loans at these banks had accounted for all of the decline. But in practically all Federal Reserve districts, loans this year showed either larger-than-usual increases, smaller-than-usual declines, or contraseasonal expansion.

Most major loan categories showed contraseasonal increases or smaller-than-usual declines at city banks in January. Loans to seasonally oriented industries (food processors, commodity dealers, and trade concerns) were especially strong. The dock strike, which generated borrowing to cover tied-up outgoing as well as incoming merchandise, probably accounted for most of the contraseasonal rise in commodity dealer loans, but it may also have affected the loan trend for food processors and trade concerns as well. Dealer inventories of new automobiles, which at times have contributed to unusual short-run movements in trade borrowing, declined slightly on a seasonally adjusted basis in January. Loans to metals companies (reflecting continued inventory stockpiling) increased contraseasonally while those to mining concerns and public utilities declined less than usual. While information for January is not yet available, a step-up in foreign lending may have contributed to the strong business loan demand.

Real estate and consumer loans continued to show relatively substantial expansion at all commercial banks in January. Security loans increased \$700 million following a decline of approximately that amount in December. Early-year repayments by nonbank financial institutions were about seasonal.

Money supply and time deposits. The seasonally adjusted money supply increased in January by \$400 million or at a 3 per cent annual rate, a little below the 4.1 per cent annual rate in the last five months of 1964. Money supply increased substantially over the first half of January but subsequently declined in about comparable volume; these fluctuations were associated in part with contraseasonal movements in U. S. Government deposits.

Seasonally adjusted time and savings deposits at all commercial banks rose a record \$2.4 billion in January after many banks raised their deposit rates under new Regulation Q changes. Relatively, the annual rate of 23 per cent in January was exceeded only by the 27 per cent rate in February 1962 which followed an earlier increase in interest rates paid on time and savings deposits.

At city banks, both savings deposits and other time deposits increased more than usual in January. Growth was especially rapid early in the month in both categories but subsequently moderated somewhat. Growth in time deposits reflected in part substantial sales of negotiable CD's, especially at banks outside New York and Chicago, and presumably also the new nonnegotiable savings certificates that some banks recently have introduced.

Seasonally adjusted total and required reserves increased further in January. Free reserves averaged \$100 million, somewhat lower than in December, but a little above the fourth quarter average. Member bank borrowings rose from their reduced December average to \$300 million in January while excess reserves declined slightly. Reserves were supplied principally by a return flow of currency from circulation and absorbed by reductions in Federal Reserve holdings of U. S. Government securities, in gold stock, and in float.

LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

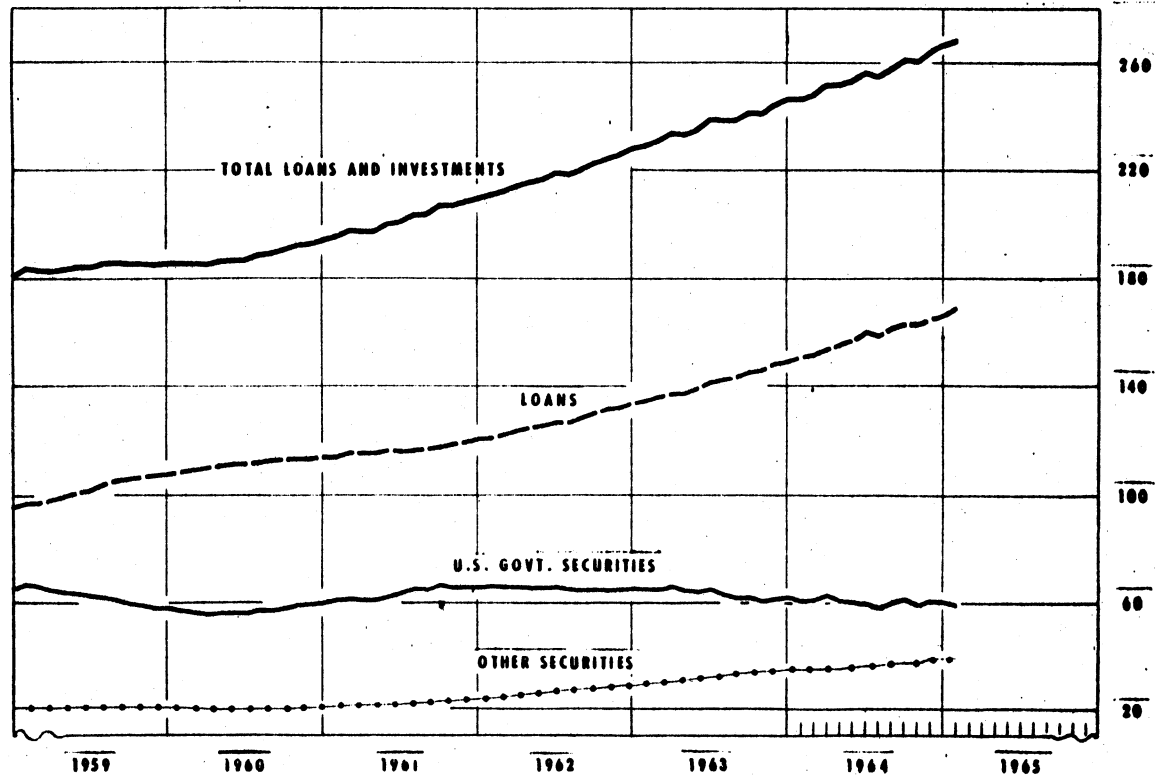


Exhibit A - Part II

Date	Total ^{1/}	Loans ^{1/}	U. S. Gov't. securities	Other securities
	(In billions of dollars)			
1960--Dec. 31	194.5	113.8	59.9	20.8
1961--Dec. 31	209.8	120.5	65.4	23.9
1962--Dec. 31 ^{2/}	228.3	133.9	65.2	29.2
1963--Nov. 27	244.2	148.4	61.4	34.4
Dec. 31 ^{2/}	246.5	149.4	62.1	35.0
1964--Jan. 29	246.7	151.0	60.8	34.9
Feb. 26	248.4	151.8	61.2	35.4
Mar. 25	251.4	153.9	62.1	35.4
Apr. 29	251.8	155.4	60.8	35.6
May 27	253.5	157.3	60.3	35.9
June 30	256.3	160.0	60.0	36.3
July 29	254.5	159.7	58.4	36.4
Aug. 26	258.7	161.5	60.2	37.0
Sept. 30 p	261.7	163.0	61.2	37.5
Oct. 28 p	260.8	163.1	59.9	37.8
Nov. 25 p	264.9	165.2	61.3	38.4
Dec. 31 p ^{2/}	266.0	166.7	60.9	38.4
1965--Jan. 27 p	268.7	169.9	59.5	39.3

^{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

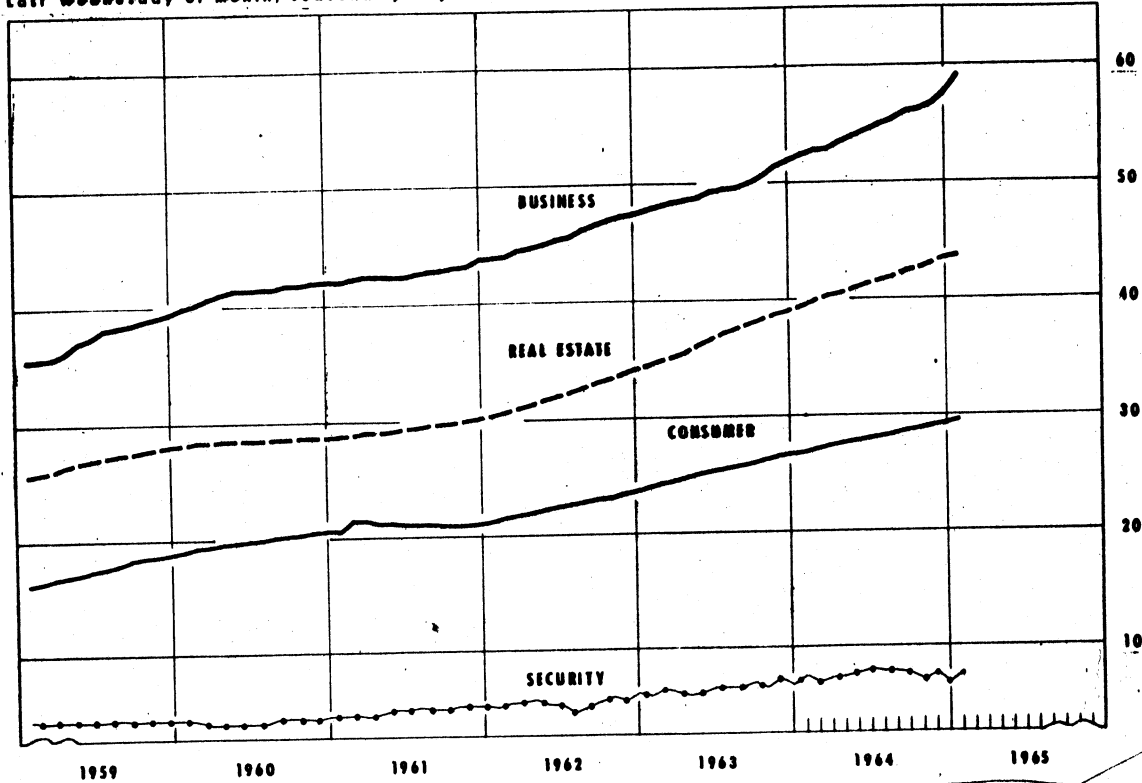


Exhibit B - Part II

Date	Business	Real estate	Consumer	Security
	(In billions of dollars)			
1960--Dec. 31	42.1	28.6	20.6	4.4
1961--Dec. 31	43.9	30.2	21.1	5.2
1962--Dec. 31 <u>1/</u>	47.6	34.2	23.7	6.2
1963--Nov. 27	51.5	38.8	26.5	7.3
Dec. 31 <u>1/</u>	52.0	39.1	26.7	6.7
1964--Jan. 29	52.5	39.5	26.8	7.5
Feb. 26	52.9	40.0	27.1	6.9
Mar. 25	53.0	40.4	27.4	7.3
Apr. 29	53.6	40.6	27.6	7.4
May 27	54.1	41.0	27.8	7.7
June 30	54.6	41.4	28.0	8.0
July 29	55.1	41.7	28.2	7.8
Aug. 26	55.5	42.0	28.4	7.8
Sept. 30 p	56.1	42.5	28.7	7.6
Oct. 28 p	56.3	42.8	28.9	7.1
Nov. 25 p	56.8	43.1	29.1	7.7
Dec. 31 p <u>1/</u>	57.6	43.5	r29.4	6.9
1965--Jan. 27 p	59.3	43.8	29.6	7.6

1/ Estimated as of December 31.

r - Revised.

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

Item	1963	1964												1965
	Dec. <u>4/</u>	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept. p	Oct. p	Nov. p	Dec. p	Jan. P 5/
Loans and Investments <u>2/</u>	+2.3	+0.2	+1.7	+3.0	+0.4	+1.7	+2.8	-1.8	+4.2	+3.0	-0.9	+4.1	+1.1	+2.7
U. S. Gov't. securities	+0.7	-1.3	+0.4	+0.9	-1.3	-0.5	-0.3	-1.6	+1.8	+1.0	-1.3	+1.4	-0.4	-1.4
Other securities	+0.6	-0.1	+0.5	<u>1/</u>	+0.2	+0.3	+0.4	+0.1	+0.6	+0.5	+0.3	+0.6	<u>1/</u>	+0.9
Loans <u>2/</u>	+1.0	+1.6	+0.8	+2.1	+1.5	+1.9	+2.7	-0.3	+1.8	+1.5	+0.1	+2.1	+1.5	+3.2
Business	+0.5	+0.5	+0.4	+0.1	+0.6	+0.5	+0.5	+0.5	+0.4	+0.6	+0.2	+0.5	+0.8	+1.7
Real estate	+0.3	+0.4	+0.5	+0.4	+0.2	+0.4	+0.4	+0.3	+0.3	+0.5	+0.3	+0.3	+0.4	+0.3
Consumer	+0.2	+0.1	+0.3	+0.3	+0.2	+0.2	+0.2	+0.2	+0.2	+0.3	+0.2	+0.2	+0.3	+0.2
Security	-0.6	+0.8	-0.6	+0.4	+0.1	+0.3	+0.3	-0.2	<u>1/</u>	-0.2	-0.5	+0.6	-0.8	+0.7
Nonbank financial	+0.2	-0.3	+0.2	+0.4	+0.1	+0.2	+0.5	-0.7	+0.1	+0.3	<u>1/</u>	+0.2	<u>1/</u>	<u>1/</u>
Agriculture	-0.1	<u>1/</u>	-0.2	+0.1	+0.1	+0.2	-0.1	+0.1	+0.2	+0.1	-0.1	+0.1	-0.1	+0.1
All other	+0.2	+0.2	+0.3	+0.3	+0.5	+0.2	+0.6	-0.2	+0.1	+0.1	+0.2	+0.2	<u>4/</u> +0.7	+0.3
Total loans excluding security <u>3/</u>	+1.3	+0.9	+1.5	+1.6	+1.7	+1.7	+2.1	+0.2	+1.3	+1.9	+0.8	+1.5	+2.1	+2.6
Total loans excluding security and non-bank financial <u>3/</u>	+1.1	+1.2	+1.3	+1.2	+1.6	+1.5	+1.6	+0.9	+1.2	+1.6	+0.8	+1.3	+2.1	+2.6

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/ Increase in "all other" reflects bank purchases of \$450 million of Export-Import Bank certificates.

5/ Credit increase overstated by \$200 million, about equally divided between loans and investments, as a result of a correction for reporting errors in one district.

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

Item	End of December to last Wednesday of January						
	1965 <u>3/</u>	1964 <u>3/</u>	1963 <u>3/</u>	1962	1961	1960	1959
All commercial banks							
Total loans	-3.5	-4.4	-4.5	-4.3	-3.9	-2.6	<u>4/</u> -1.6
U. S. Gov't. securities	-1.4	-1.3	-0.2	+0.6	+0.9	-0.9	<u>4/</u> +1.1
Other securities	<u>+0.4</u>	<u>-0.5</u>	<u>+0.2</u>	<u>+0.2</u>	<u>1/</u>	<u>-0.2</u>	<u>4/</u> -0.2
Total	<u>5/</u> -4.5	-6.2	-4.5	-3.5	-2.9	-3.9	<u>4/</u> -0.6
Weekly reporting banks							
Total loans	-3.1	-3.8	-3.9	-3.5	-3.3	-2.4	-1.7
U. S. Gov't. securities	-1.3	-1.3	-0.3	+0.2	+0.4	-1.0	+0.1
Other securities	<u>+0.2</u>	<u>-0.4</u>	<u>+0.1</u>	<u>1/</u>	<u>+0.1</u>	<u>-0.1</u>	<u>-0.2</u>
Total	-4.2	-5.4	-4.1	-3.3	-2.8	-3.5	-1.8
Other banks							
Total loans	-0.4	-0.6	-0.6	-0.8	-0.6	-0.2	<u>4/</u> +0.1
U. S. Gov't. securities	-0.1	<u>1/</u>	+0.1	+0.4	+0.5	+0.1	<u>4/</u> +1.0
Other securities	<u>+0.2</u>	<u>-0.1</u>	<u>+0.1</u>	<u>+0.2</u>	<u>-0.1</u>	<u>-0.1</u>	<u>4/</u> <u>1/</u>
Total	<u>5/</u> -0.3	-0.8	-0.4	-0.2	-0.1	-0.4	<u>4/</u> +1.2
Item	Year ending December						
	1964 <u>3/</u>	1963 <u>3/</u>	1962 <u>3/</u>	1961	1960	1959	1958
All commercial banks							
Total loans	+17.8	+16.0	+14.0	+7.2	+6.7	<u>2/</u> +12.5	+4.3
U. S. Gov't. securities	-1.0	-3.0	-0.2	+5.6	+2.1	<u>2/</u> -7.4	+8.1
Other securities	<u>+3.4</u>	<u>+5.8</u>	<u>+5.4</u>	<u>+3.1</u>	<u>+0.4</u>	<u>2/</u> -0.1	<u>+2.6</u>
Total	<u>+20.2</u>	<u>+18.8</u>	<u>+19.2</u>	<u>+15.9</u>	<u>+9.1</u>	<u>2/</u> +5.0	<u>+15.1</u>
Weekly reporting banks							
Total loans	+9.8	+9.2	+7.9	+3.5	+2.7	+7.7	+0.7
U. S. Gov't. securities	-1.0	-3.3	-1.9	+3.6	+2.5	-7.0	+5.5
Other securities	<u>+1.8</u>	<u>+3.6</u>	<u>+3.7</u>	<u>+2.0</u>	<u>+0.2</u>	<u>-0.4</u>	<u>+1.4</u>
Total	<u>+10.5</u>	<u>+9.5</u>	<u>+9.7</u>	<u>+9.1</u>	<u>+5.5</u>	<u>+0.3</u>	<u>+7.6</u>
Other banks							
Total loans	+8.0	+6.8	+6.1	+3.7	+4.0	<u>2/</u> +4.8	+3.6
U. S. Gov't. securities	<u>1/</u>	+0.3	+1.7	+2.0	-0.4	<u>2/</u> -0.4	+2.6
Other securities	<u>+1.6</u>	<u>+2.2</u>	<u>+1.7</u>	<u>+1.1</u>	<u>+0.2</u>	<u>2/</u> +0.3	<u>+1.2</u>
Total	<u>+9.7</u>	<u>+9.3</u>	<u>+9.5</u>	<u>+6.8</u>	<u>+3.6</u>	<u>2/</u> +4.7	<u>+7.5</u>

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, and December 31, 1964, for all commercial banks and weekly reporting banks and for all commercial banks, December 31, 1963. 4/ In January 1959, total credit increased over \$400 million as a result of bank structure changes; loans, \$300 million; U. S. Gov't. securities, \$100 million; and other securities \$100 million. 5/ Credit decline understated by \$200 million, about equally divided between loans and investments, as a result of a correction for reporting errors in one district.

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

Business of borrower	Late-December to end of January 1/					End of December to end of December				
	1965	1964	1963	1962	1961	1964 <u>2/</u>	1963 <u>2/</u>	1962	1961	1960
Food processors	-114	-300	-205	-180	-215	+ 73	+ 59	+ 34	+ 55	+ 21
Commodity dealers	+ 74	- 32	+ 19	- 15	- 9	+ 16	+311	- 20	+135	-171
Trade concerns	- 47	-395	-288	-219	-303	+105	+395	+373	+ 8	+346
Total	<u>- 87</u>	<u>-727</u>	<u>-474</u>	<u>-414</u>	<u>-527</u>	<u>+194</u>	<u>+765</u>	<u>+387</u>	<u>+198</u>	<u>+196</u>
Metals and products	+ 72	+ 81	-130	-161	-134	+480	- 77	+ 80	-419	+397
Textiles, apparel, etc.	- 18	-103	- 38	+ 22	- 8	- 89	+149	+111	- 64	+ 58
Petroleum, coal, etc.	- 16	+118	- 51	- 99	+ 70	+367	+ 8	- 76	- 44	+ 7
Other manufacturing and mining	+165	+ 26	+168	+146	- 70	+668	+484	+423	+468	+325
Public utilities	+ 13	-106	-183	-265	- 69	+258	+158	+145	- 50	+ 13
Construction	- 38	- 5	- 67	- 23	- 25	+433	+147	+164	+106	+131
All other types of business	<u>+114</u>	<u>+ 89</u>	<u>- 45</u>	<u>- 36</u>	<u>+ 31</u>	<u>+1,016</u>	<u>+525</u>	<u>+496</u>	<u>+833</u>	<u>+466</u>
Banker's acceptances	-193	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Other, mainly services	+307	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Classified	+205	-627	-821	-830	-732	+3,329	+2,157	+1,729	+1,028	+1,592
Unclassified	- 39	- 36	- 50	-102	-130	+932	+535	+518	-264	-101
Total change	<u>+166</u>	<u>-663</u>	<u>-871</u>	<u>-932</u>	<u>-862</u>	<u>+4,261</u>	<u>+2,692</u>	<u>+2,246</u>	<u>+764</u>	<u>+1,491</u>

- 1/ Five most comparable weeks used throughout in order to avoid turn-of-the-year dating differences. Periods begin December 23, 1964; December 25, 1963; December 26, 1962, December 27, 1961; and December 28, 1960. These changes cannot be linked with all commercial bank data which are always for December 31.
- 2/ Changes for 1964 are compiled from December 25, 1963, rather than from December 31, 1963; the December 25 date is more comparable with other years, e.g., December 30, 1964; December 26, 1962; and December 27, 1961. The ending date for 1963 is also December 25. However, these data cannot be linked with all commercial bank data which are always for December 31.

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

Date	Loans and investments	U. S. Gov't.	Other securities	Total loans	Business	Real estate	Security	Farm	Consumer	Nonbank financial institutions	All other
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--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--Dec. 31 (est.)	233.6	66.4	29.3	137.9	49.1	34.3	7.3	7.1	23.7	8.5	10.7
1963--June 29	239.1	63.5	32.4	143.1	49.9	36.7	6.9	7.5	25.5	8.6	11.0
July 31	237.8	62.5	32.9	142.4	49.0	37.3	6.4	7.2	25.7	8.9	10.8
Aug. 28	237.1	60.9	33.7	142.5	49.2	37.8	6.1	6.8	26.0	8.7	10.8
Sept. 25	241.9	61.8	34.2	146.0	50.1	38.2	7.4	7.0	26.1	9.1	11.0
Oct. 30	242.4	62.0	34.5	146.0	50.6	38.6	6.5	7.3	26.3	8.6	11.1
Nov. 27	245.0	62.3	34.1	148.6	51.9	39.0	7.0	7.4	26.5	8.6	11.3
Dec. 31 (est.)	252.4	63.4	35.1	153.9	53.7	39.2	7.9	7.4	26.7	10.2	11.8
1964--Jan. 29	246.2	62.1	34.6	149.5	51.8	39.5	7.1	7.5	26.6	8.6	11.5
Feb. 26	247.2	61.5	35.1	150.6	52.4	39.8	6.9	7.4	26.8	8.8	11.7
Mar. 25	249.9	61.5	35.6	152.8	53.2	40.0	7.1	7.5	27.0	9.3	11.8
Apr. 29	250.6	60.1	35.8	154.7	53.4	40.4	7.2	7.6	27.4	9.3	12.4
May 27	251.5	59.1	35.8	156.7	53.9	40.8	7.5	7.7	27.8	9.3	13.0
June 30	257.3	59.3	36.4	161.6	55.1	41.4	8.2	7.7	28.2	10.5	13.8
July 29	254.3	58.3	36.5	159.4	54.4	41.8	7.6	7.6	28.5	9.5	13.3
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Nov. 25 p	265.7	62.3	38.0	165.4	57.2	43.4	7.4	7.8	29.1	9.7	14.0
Dec. 31 p (est.)	272.6	62.4	38.5	171.7	59.6	43.6	8.1	7.8	r29.4	11.4	2/ 15.1
1965--Jan. 27 p	268.1	61.0	38.9	168.2	58.5	43.8	7.2	8.0	29.4	9.9	14.8

p - Preliminary. r - Revised.

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.

2/ Increase in "all other" reflects bank purchases of \$450 million of Export-Import Bank certificates.

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. Government 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	<u>2/</u> 14.2	
1949--Dec. 31	31.1	30.9	34.9	25.6	32.4	28.5	<u>2/</u> 19.2	
1950--Dec. 31	35.8	36.1	42.5	32.3	38.1	31.5	<u>2/</u> 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	7.4	
1960--Dec. 31	55.1	56.5	65.9	60.8	59.0	50.3	8.7	
1961--Dec. 31	54.5	55.7	65.0	58.0	57.7	50.2	11.2	
1962--Dec. 28	56.5	57.7	67.9	61.4	60.1	51.7	9.5	
1963--Nov. 27	59.0	60.2	69.3	61.2	63.5	54.0	7.3	
Dec. 25	58.6	59.9	67.4	62.1	63.3	53.8	<u>3/</u> 7.5	
1964--Jan. 29	58.8	60.0	67.3	62.1	63.9	53.9	7.2	
Feb. 26	59.3	60.5	67.6	62.3	64.2	54.5	6.8	
Mar. 25	59.3	60.5	67.5	62.5	64.1	54.7	6.5	
Apr. 29	60.2	61.4	68.4	61.9	65.1	55.6	6.3	
May 27	60.8	61.9	69.3	61.4	65.4	56.1	6.4	
June 30	60.7	61.9	69.1	62.6	64.9	56.2	6.6	
July 29	61.1	62.2	68.7	61.3	66.0	56.4	5.7	
Aug. 26	61.1	62.2	69.0	62.7	66.1	56.2	6.3	
Sept. 30 p	60.5	61.6	68.0	62.3	66.0	55.8	6.9	
Oct. 28 p	60.5	61.6	67.8	62.0	65.5	55.8	7.2	
Nov. 25 p	60.8	62.0	69.4	62.1	66.1	55.9	c8.0	
Dec. 30 p	61.1	62.2	70.1	65.1	65.3	56.2	8.0	
1965--Jan. 27 p	61.0	62.2	69.9	63.4	65.4	56.3	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.
3/ Estimated for December 31.

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

DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS

Seasonally adjusted; deposits, semi-monthly averages of daily figures;
turnover, monthly
Annual rate

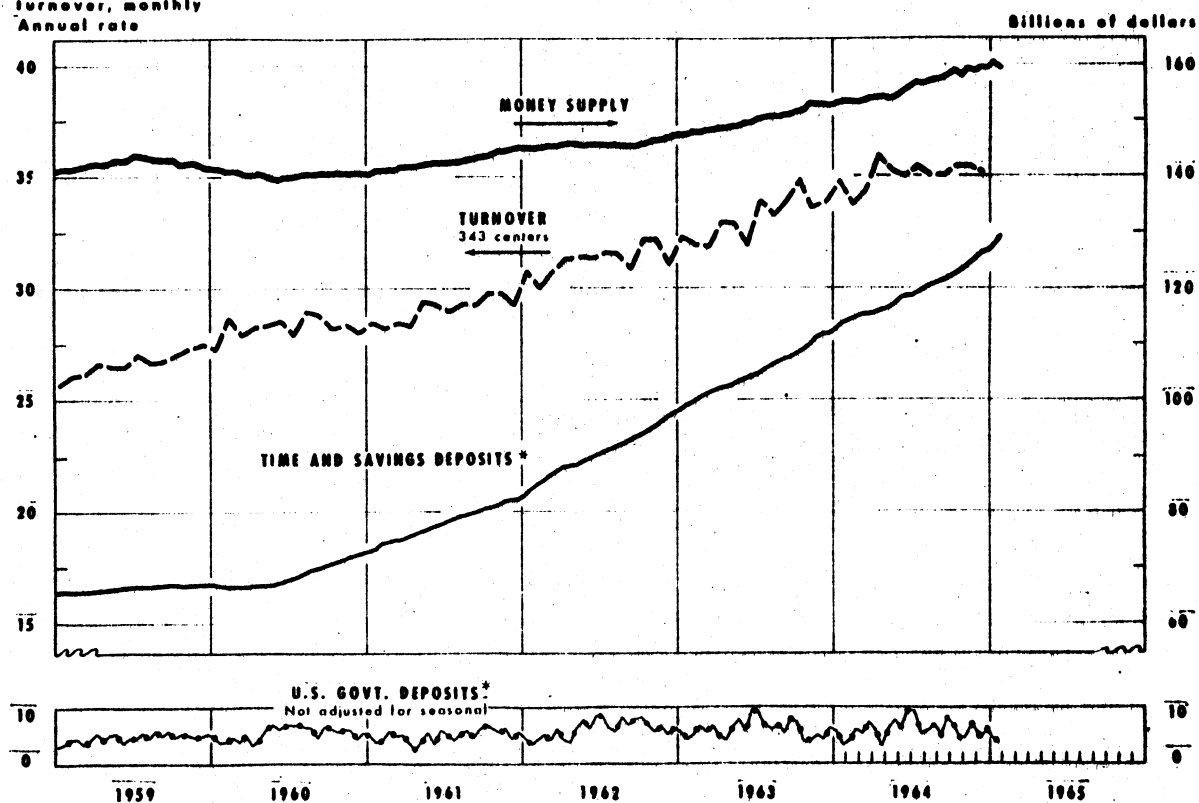


Exhibit H - Part II

*All commercial banks.

Period	Seasonally Adjusted Data					U. S. Gov't. deposits
	Money Supply			Time and savings deposits	Turnover 343 centers outside NY	
	Total	Demand deposits	Currency			
1962--December	147.6	117.1	30.6	97.9	31.3	5.6
1963--December	153.2	120.7	32.4	112.3	33.9	5.2
1964--September	158.0	124.2	33.8	121.7	35.1	6.6
October	158.6	124.7	33.9	123.1	35.5	5.6
November	159.1	124.9	34.2	125.1	35.5	5.8
December	159.4	125.2	34.2	126.5	35.2	5.5
1965--January	159.8	125.4	34.4	128.9	n. a.	4.2
1964--Nov. (1)	159.3	125.1	34.2	124.4	n. a.	4.6
(2)	158.9	124.7	34.2	125.8	n. a.	7.0
Dec. (1)	159.4	125.2	34.2	126.3	n. a.	4.9
(2)	159.4	125.2	34.2	126.7	n. a.	6.1
1965--Jan. (1)	160.1	125.8	34.4	128.0	n. a.	4.7
(2) p	159.5	125.0	34.5	129.7	n. a.	3.7

p - Preliminary.

TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

Wednesday figures

Billions of dollars

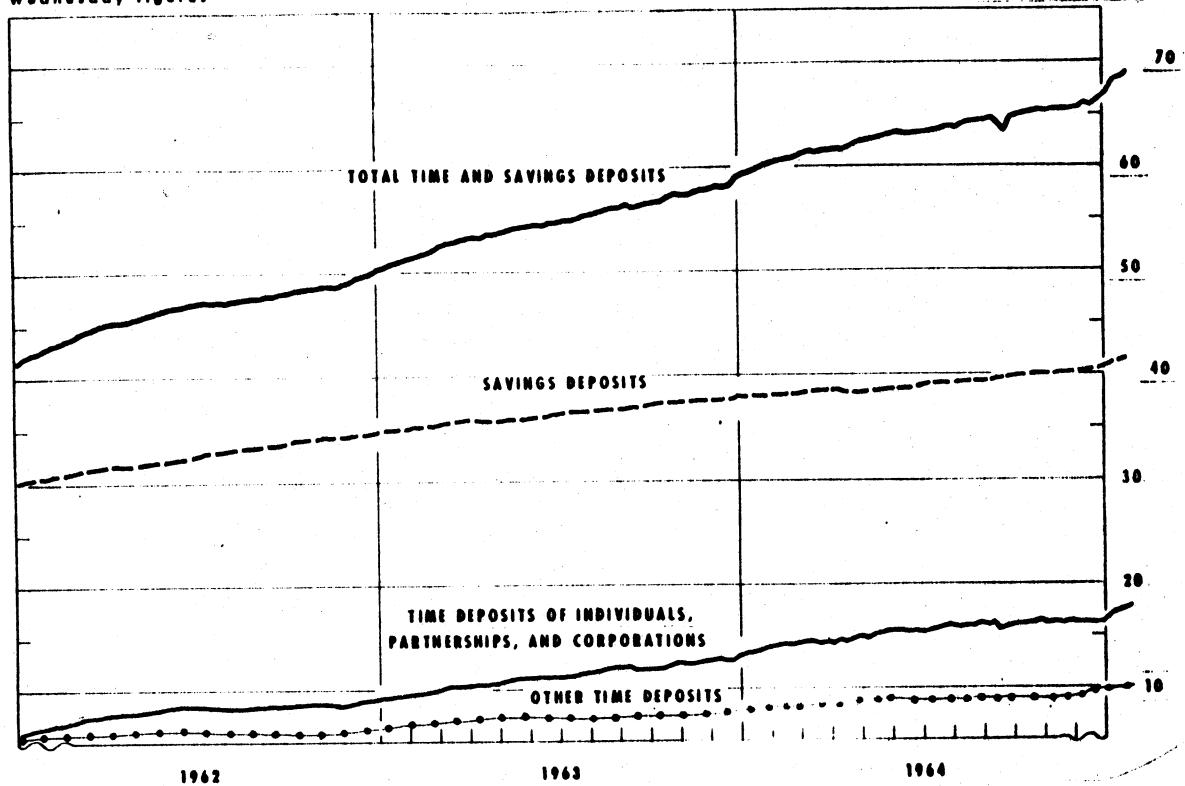


Exhibit I - Part II

Period	Time and Savings Deposits			
	Total	Savings	Individuals, partnerships, and corporations	Other time deposits ^{1/}
	(In millions of dollars)			
1961--Apr. 26	38,175	27,819	5,480	4,876
Dec. 27	41,472	30,082	5,969	5,421
1962--Dec. 26	50,011	34,712	9,080	6,219
1963--Dec. 31	59,227	38,083	13,310	7,834
1964--Oct. 28	65,478	40,061	16,464	8,953
Nov. 25	65,612	40,255	16,288	9,069
Dec. 30	66,881	40,698	16,407	9,776
1965--Jan. 6	67,334	40,860	16,714	9,760
13	68,258	41,053	17,334	9,871
20	68,642	41,132	17,635	9,875
27	69,085	41,220	17,959	9,906

^{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
	All member	Reserve City Banks			Country			
		New York City	City of Chicago	Other				
<u>Monthly averages:</u>								
1956--December	- 36	- 91	- 86	-203	344	652	688	17,185
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	482	906	17,978
1960--December	669	10	- 4	80	583	756	87	18,283
1961--December	419	- 50	- 22	20	471	568	149	18,977
1962--December	268	- 62	- 11	- 52	394	572	304	19,548
1963--October	94	- 99	- 11	- 93	298	407	313	19,923
November	33	- 74	- 36	-138	281	409	376	19,994
December	209	19	- 21	-122	334	536	327	20,240
1964--January	171	- 23	- 22	-116	334	427	256	20,250
February	91	- 7	- 89	- 87	275	395	304	20,270
March	98	- 17	- 86	- 54	255	357	259	20,459
April	162	- 2	- 14	- 78	255	375	213	20,478
May	78	- 26	- 3	-112	218	333	255	20,403
June	118	- 1	- 14	-115	247	388	270	20,682
July	132	- 18	- 19	-103	272	397	265	20,663
August	79	- 22	- 8	-155	264	413	334	20,751
September	90	- 16	- 34	-139	279	421	331	21,011
October	103	- 34	- 26	-118	281	412	309	20,948
November	- 33	- 86	- 17	-177	246	397	430	21,034
December	168	- 13	- 32	-104	317	411	243	21,087
1965--January p	102	- 70	- 17	- 82	270	401	299	21,174

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.

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 2/	Time deposits		Postal Savings System	Savings and loan shares 4/	U. S. Gov't. savings bonds 5/	U. S. Gov't. securities maturing within one year 6/	Ratios:		
			Commercial banks 3/	Mutual savings banks					Liquid assets to gross national product 7/	Demand deposits and currency to gross national product 7/	Commercial bank deposits and currency to liquid assets (2 + 3 ÷ 1)
	1	2	3	4	5	6	7	8	9	10	11
1954	320.2	130.2	48.2	26.3	2.1	27.2	55.6	30.6	85.9	35.0	55.7
1955	332.5	133.3	49.7	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	79.2	27.6	53.0
1961	424.6	142.6	82.5	38.3	0.6	70.5	47.4	42.6	78.5	26.4	53.0
1962	459.0	144.8	98.1	41.4	0.5	79.8	47.6	46.8	80.4	25.4	52.9
1963											
Nov.	493.2	149.6	111.9	44.6	0.4	90.0	48.6	48.1			53.0
Dec.	495.3	149.6	112.9	44.5	0.5	90.8	49.0	48.1	81.9	24.8	53.0
1964											
Jan.	498.8	149.5	114.8	45.0	0.5	91.3	49.1	48.6			53.0
Feb.	499.5	148.4	115.5	45.4	0.4	92.3	49.0	48.4			52.8
Mar.	503.9	150.2	115.9	45.6	0.4	93.4	49.0	49.3	82.0	24.5	52.8
Apr.	505.9	149.9	117.0	46.0	0.4	94.0	49.1	49.5			52.8
May	507.5	149.6	117.9	46.3	0.4	94.8	49.1	49.4			52.7
June	511.3	151.1	118.6	46.8	0.4	95.7	49.2	49.4	82.0	24.3	52.7
July	511.7	151.8	119.8	47.1	0.4	96.5	49.3	46.7			53.1
Aug.	514.7	152.1	120.6	47.5	0.4	97.7	49.3	47.1			53.0
Sept. p	520.7	154.8	121.9	47.9	0.4	99.0	49.4	47.4	81.9	24.3	53.2
Oct. p	522.9	154.6	123.7	48.3	0.4	99.7	49.4	46.8			53.2
Nov. p	526.2	154.6	125.7	48.6	0.4	100.7	49.5	46.7			53.3
Dec. p	529.6	156.2	126.9	48.9	0.4	101.2	49.9	46.1	82.7	24.4	53.5
1965											
Jan. p	533.0	155.5	130.3	49.4	0.4	101.8	50.0	45.7			53.6

For footnotes see next page.

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 whenever 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 one 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).