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FEDERAL RESERVE BANK  
September 16, 1965

BANKING AND MONETARY DEVELOPMENTS IN AUGUST 1965

FEDERAL RESERVE BANK OF KANSAS CITY  
SEP 20 1965  
Research Library

Summary. Seasonally adjusted commercial bank credit increased sharply in August following a moderate decline in July. Over the June-August period, however, credit growth was at about the average rate for the year to date. Loans and holdings of principal and agency issues showed further substantial expansion in August, and holdings of U.S. Government securities also rose. The money supply increased somewhat further but less rapidly than in June or July. Growth in time and savings deposits at commercial banks accelerated further, however, from the advanced July rate of expansion. U.S. Government deposits declined sharply, and, as a consequence, seasonally adjusted total and required reserves dropped. While member bank borrowings continued to expand, excess reserves also increased and net borrowed reserves declined.

Changes in Commercial Bank Credit  
(Seasonally adjusted)

	Annual rate (per cent)						
	1965				1964		
	June Aug.	April May	Jan. March	Jan. Aug.	Sept. Dec.	Jan. Aug.	Year
Total loans & investments	9.9	7.8	12.4	10.6	9.9	7.4	8.4
U.S. Gov't. securities	-12.3	-11.1	-11.7	-11.5	6.0	- 4.6	- 1.1
Other securities	21.3	18.0	14.5	18.6	13.8	8.6	10.6
Total loans	14.5	11.9	20.8	16.8	10.4	12.1	11.8
Business loans	17.0	15.5	26.1	20.9	14.6	10.1	11.9

Bank credit. Seasonally adjusted loans and investments at all commercial banks increased \$4.5 billion in August following a \$700 million decline in July. Over the past three months, however, the 10 per cent annual rate of growth has been similar to the average rate in the earlier months of the year--although somewhat above that of the April-May period and somewhat below the unusually high rate of the January-March period. The recent expansion has also been in line with the accelerated growth rate in the last four months of 1964.

Loan expansion continued strong in August and accounted for about two-thirds of the total credit growth. Over the past three months,

loans have increased at an annual rate of 14-1/2 per cent, a pickup from the April-May period. This was also faster than the rate of loan growth over either the entire year 1964 or over the latter part of that year.

Business loans at all commercial banks rose substantially further in August. Seasonally adjusted, these loans increased \$700 million--an annual rate of 13 per cent, close to both the July rate and that of April-May. In August, however, growth in business loans was concentrated at banks in New York City whereas in July, business loan demand had been weaker at the New York City banks and stronger at other weekly reporting banks. Borrowing by metals concerns continued considerably heavier than in most other years. Loans to textile manufacturers also showed further substantial expansion and those to the service industries were unusually large. On the other hand, borrowing by food processors has tapered off recently and that by public utilities, which had been heavy in other recent months, declined contraseasonally in August.

Real estate and consumer loans continued to show relatively strong growth in August. Security loans increased somewhat following a sharp reduction in July. The August rise was associated largely with a contraseasonal increase in loans to Government security dealers; in July, such loans had declined contraseasonally and, in addition, broker loans had dropped sharply.

Holdings of municipal and agency issues increased \$900 million, seasonally adjusted, at all commercial banks in August--more than in any other month this year except for April. Growth in these holdings quickened after the first quarter of 1965 and has been over two-fifths larger than the substantial increases of late 1964 and early 1965. Holdings of U.S. Government securities increased somewhat in August following steady declines in other recent months. Over the June-August period, however, the annual rate of reduction in these securities, 12 per cent, was about the same as the average decline in earlier months of the year.

Money supply and time deposits. The money supply increased only moderately further in August, \$200 million, or at an annual rate of 1-1/2 per cent. This followed two months of substantial expansion although the July rate of 5 per cent was less than half the exceptional June increase. The slower growth in money stock in August did not appear to be associated with contraseasonal movements in U.S. Government deposits at commercial banks, which, in fact, declined more than usual. So far this year, private money supply expansion has been at an annual rate of 2.8 per cent compared with 4.3 per cent over the entire year 1964.

Expansion in commercial bank time and savings deposits, which had accelerated in July, was even more rapid in August. Total time and savings accounts increased \$2.5 billion, an annual rate of almost 22 per cent. This was slightly faster than the unusually high rates in January and February associated with interest rate increases. Sales of CD's continued large in August but were concentrated at banks in New York City rather than at banks in other leading cities as had been the case in July. Increases in savings deposits were also substantial, especially outside New York City.

Bank reserves. Seasonally adjusted total and required reserves declined somewhat in August following increases over the two previous months. Member bank borrowing rose further to about \$565 million outstanding but excess reserves also increased after several months of little change. As a result, net borrowed reserves declined to \$130 million from \$175 million in July. The effective rate on Federal funds was almost consistently 4-1/8 per cent in August, dropping below that level on only two days.

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

## LOANS AND INVESTMENTS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

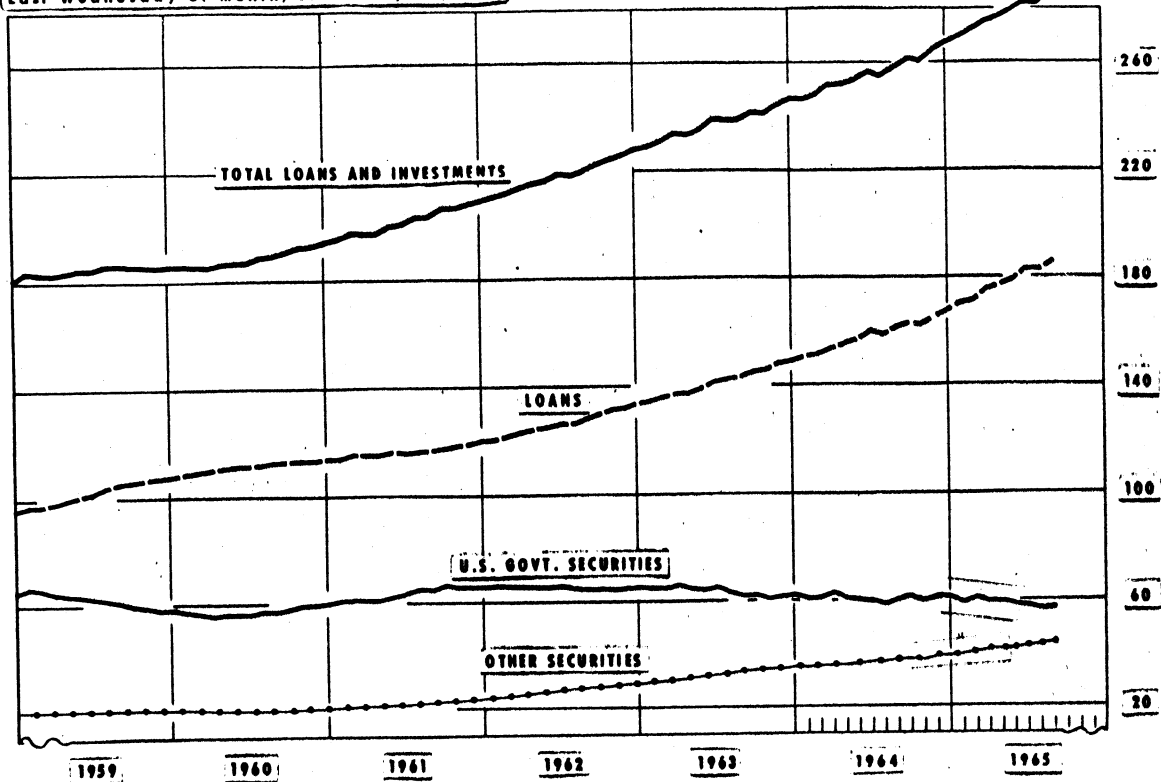
Billions of  
dollars.

Exhibit A - Part II

Date	Total <sup>1/</sup>	Loans <sup>1/</sup>	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 <sup>2/</sup>	228.3	133.9	65.2	29.2
1963--Dec. 31 <sup>2/</sup>	246.5	149.4	62.1	35.0
1964--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	261.7	163.0	61.2	37.5
Oct. 28	261.1	163.2	60.0	37.9
Nov. 25	265.5	165.4	61.6	38.5
Dec. 31	267.2	167.1	61.4	38.7
1965--Jan. 27	269.6	170.2	59.9	39.5
Feb. 24	272.1	171.9	60.2	40.0
Mar. 31 p	275.5	175.8	59.6	40.1
Apr. 28 p	277.3	177.1	59.1	41.1
May 26 p	279.1	179.3	58.5	41.3
June 30 p	282.2	182.6	57.6	42.0
July 28 p	281.5	182.8	56.1	42.6
Aug. 25 p	286.0	185.8	56.7	43.5

<sup>1/</sup> Adjusted to exclude interbank loans.<sup>2/</sup> Estimated as of December 31.

p - Preliminary.

**LOANS AT ALL COMMERCIAL BANKS**

Last Wednesday of month, seasonally adjusted.

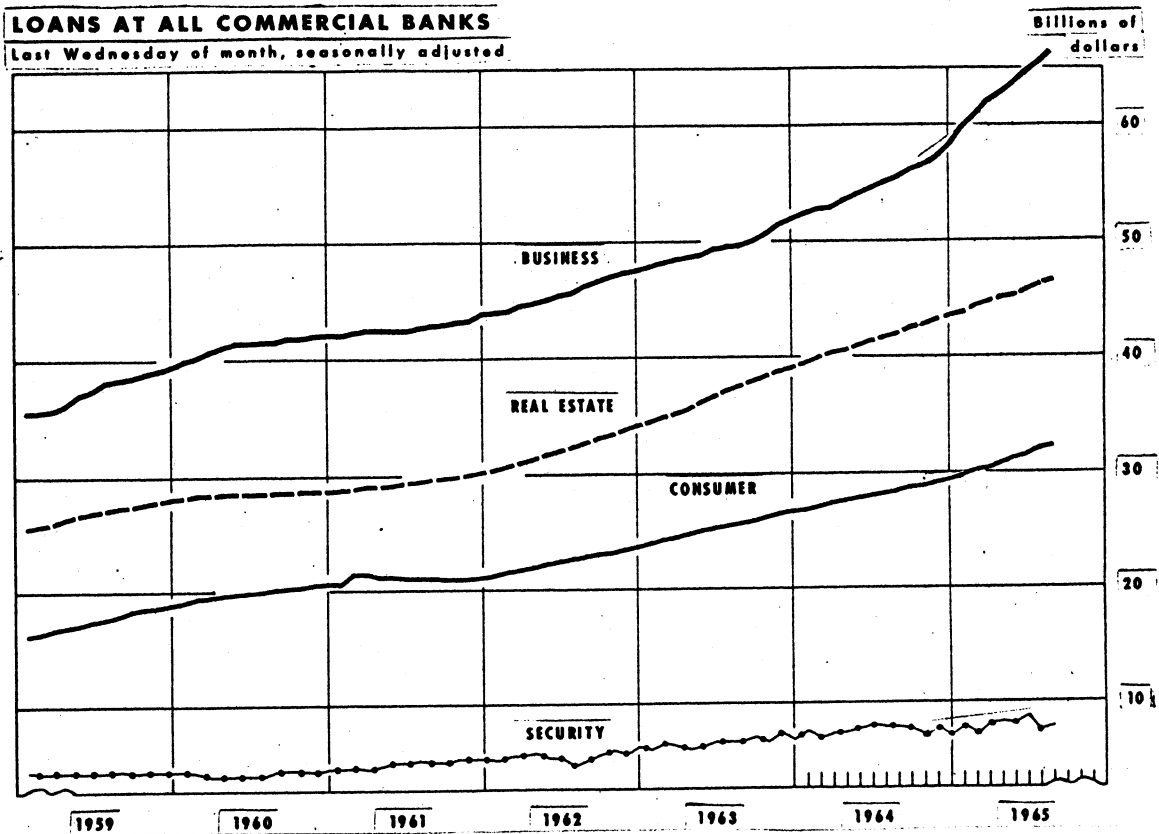


Exhibit B - Part II

Date	Business	Real estate	Consumer	Security
(In billion 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 <sup>1/</sup>	47.6	34.2	23.7	6.2
1963--Dec. 31 <sup>1/</sup>	52.0	39.1	26.7	6.7
1964--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	56.1	42.5	28.7	7.7
Oct. 28	56.4	42.8	28.9	7.1
Nov. 25	57.0	43.1	29.1	7.7
Dec. 31	58.2	43.5	29.4	7.1
1965--Jan. 27	59.7	43.8	29.7	7.8
Feb. 24	60.8	44.3	30.1	7.2
Mar. 31 p	62.0	44.7	30.4	8.1
Apr. 28 p	62.7	45.0	30.9	8.2
May 26 p	63.6	45.3	31.2	8.1
June 30 p	64.8	45.7	31.6	8.7
July 28 p	65.6	46.1	32.0	7.4
Aug. 25 p	66.3	46.5	32.3	7.9

<sup>1/</sup> Estimated as of December 31.

p - Preliminary.

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

Item	1964						1965							
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar. p	Apr. p	May p	June p	July p	Aug. p
<b>Loans and Investments <sup>2/</sup></b>	<b>-1.8</b>	<b>+4.2</b>	<b>+3.0</b>	<b>-0.6</b>	<b>+4.4</b>	<b>+1.7</b>	<b>+2.4</b>	<b>+2.5</b>	<b>+3.4</b>	<b>+1.8</b>	<b>+1.8</b>	<b>+3.1</b>	<b>-0.7</b>	<b>+4.5</b>
U. S. Gov't. securities	-1.6	+1.8	+1.0	-1.2	+1.6	-0.2	-1.5	+0.3	-0.6	-0.5	-0.6	-0.9	-1.5	+0.6
Other securities	+0.1	+0.6	+0.5	+0.4	+0.6	+0.2	+0.8	+0.5	+0.1	+1.0	+0.2	+0.7	+0.6	+0.9
<b>Loans <sup>2/</sup></b>	<b>-0.3</b>	<b>+1.8</b>	<b>+1.5</b>	<b>+0.2</b>	<b>+2.2</b>	<b>+1.7</b>	<b>+3.1</b>	<b>+1.7</b>	<b>+3.9</b>	<b>+1.3</b>	<b>+2.2</b>	<b>+3.3</b>	<b>+0.2</b>	<b>+3.0</b>
Business	+0.5	+0.4	+0.6	+0.3	+0.6	+1.2	+1.5	+1.1	+1.2	+0.7	+0.9	+1.2	+0.8	+0.7
Real estate	+0.3	+0.3	+0.5	+0.3	+0.3	+0.4	+0.3	+0.5	+0.4	+0.3	+0.3	+0.4	+0.4	+0.4
Consumer	+0.2	+0.2	+0.3	+0.2	+0.2	+0.3	+0.3	+0.4	+0.3	+0.5	+0.3	+0.4	+0.4	+0.3
Security	-0.2	<u>1/</u>	-0.1	-0.6	+0.6	-0.7	+0.7	-0.6	+0.9	+0.1	-0.1	+0.6	-1.3	+0.5
Nonbank financial	-0.7	+0.1	+0.2	<u>1/</u>	+0.1	-0.2	+0.3	+0.1	+0.5	<u>1/</u>	+0.3	+0.4	-0.1	+0.1
Agriculture	+0.2	+0.2	<u>1/</u>	-0.2	<u>1/</u>	-0.1	<u>1/</u>	<u>1/</u>	+0.1	+0.2	+0.1	-0.1	+0.3	+0.1
All other	-0.2	+0.1	+0.2	+0.3	+0.4	+0.8	<u>1/</u>	+0.3	+0.4	+0.1	<u>1/</u>	+0.1	+0.1	+0.2
<b>Total loans excluding security <sup>3/</sup></b>	<b>+0.3</b>	<b>+1.3</b>	<b>+1.8</b>	<b>+0.9</b>	<b>+1.6</b>	<b>+2.4</b>	<b>+2.4</b>	<b>+2.4</b>	<b>+2.9</b>	<b>+1.8</b>	<b>+1.9</b>	<b>+2.4</b>	<b>+1.9</b>	<b>+1.8</b>
<b>Total loans excluding security and non-bank financial <sup>3/</sup></b>	<b>+1.0</b>	<b>+1.2</b>	<b>+1.6</b>	<b>+0.9</b>	<b>+1.5</b>	<b>+2.6</b>	<b>+2.1</b>	<b>+2.3</b>	<b>+2.4</b>	<b>+1.8</b>	<b>+1.6</b>	<b>+2.0</b>	<b>+2.0</b>	<b>+1.7</b>

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.

<sup>1/</sup> Less than \$50 million.

<sup>2/</sup> Adjusted to exclude interbank loans.

<sup>3/</sup> 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 Seasonally Adjusted**  
**(In billions of dollars)**

Item	Last Wednesday of July to last Wednesday of August						
	1965	1964	1963	1962	1961	1960	1959
<b>All commercial banks</b>							
Total loans	+1.9	+0.8	+0.3	+1.2	<u>1/</u>	+0.6	<u>2/</u> +1.4
U. S. Gov't. securities	-0.8	+0.5	-1.7	-0.3	-0.5	-0.1	<u>2/</u> -0.8
Other securities	+0.9	+0.6	+0.8	+0.4	+0.2	<u>1/</u>	<u>2/</u> -0.1
Total	+1.9	+1.9	-0.7	+1.2	-0.3	+0.4	<u>2/</u> +0.4
<b>Weekly reporting banks</b>							
Total loans	+1.3	+0.4	+0.1	+0.9	-0.3	+0.1	+0.8
U. S. Gov't. securities	-0.8	+0.3	-1.4	-0.7	-0.6	+0.1	-1.0
Other securities	+0.5	+0.4	+0.4	+0.1	+0.2	<u>1/</u>	-0.1
Total	+1.1	+1.0	-0.9	+0.4	-0.7	+0.2	-0.3
<b>Other banks</b>							
Total loans	+0.6	+0.4	+0.2	+0.3	+0.3	+0.5	<u>2/</u> +0.6
U. S. Gov't. securities	<u>1/</u>	+0.2	-0.3	+0.4	+0.1	-0.2	<u>2/</u> +0.2
Other securities	+0.4	+0.2	+0.4	+0.3	<u>1/</u>	<u>1/</u>	<u>2/</u> <u>1/</u>
Total	+0.8	+0.9	+0.2	+0.8	+0.4	+0.2	<u>2/</u> +0.7

Item	End of December to last Wednesday of August						
	1965	1964 <u>4/</u>	1963 <u>4/</u>	1962	1961	1960	1959
<b>All commercial banks</b>							
Total loans	+12.2	+6.1	+4.6	+3.4	-0.4	+2.5	<u>3/</u> +7.8
U. S. Gov't. securities	-7.7	-4.7	-5.6	-2.7	+3.2	-2.3	<u>3/</u> -6.1
Other securities	+4.8	+2.1	+4.4	+4.0	+1.6	-0.5	<u>3/</u> -0.1
Total	+9.2	+3.5	+3.5	+4.6	+4.5	-0.5	<u>3/</u> +1.7
<b>Weekly reporting banks</b>							
Total loans	+6.8	+1.9	+1.0	+0.5	-2.3	-0.3	+4.1
U. S. Gov't. securities	-5.4	-3.1	-4.6	-3.2	+2.9	-0.3	-5.4
Other securities	+2.9	+1.1	+3.1	+2.9	+1.1	-0.3	-0.2
Total	+4.4	-0.1	-0.4	+0.2	+1.7	-0.9	-1.4
<b>Other banks</b>							
Total loans	+5.4	+4.2	+3.6	+2.9	+1.9	+2.8	<u>3/</u> +3.7
U. S. Gov't. securities	-2.3	-1.6	-1.0	+0.5	+0.3	-2.0	<u>3/</u> -0.7
Other securities	+1.9	+1.0	+1.3	+1.1	+0.5	-0.2	<u>3/</u> +0.1
Total	+4.8	+3.6	+3.9	+4.4	+2.8	+0.4	<u>3/</u> +3.1

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, credit increased about \$300 million with \$200 million in loans and \$100 million in U.S. Government securities.

3/ As a result of bank structure changes, total credit increased about \$1 billion: \$600 million in loans; \$300 million in U.S. Government securities; and \$100 million in other securities.

4/ Based on estimated data for December 31, 1963 and 1962, for all commercial banks and for December 31, 1962, for weekly reporting banks.

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

Business of borrower	End of July to end of August <sup>1/</sup>					Late December to end of August <sup>2/</sup>				
	1965	1964	1963	1962	1961	1965	1964	1963	1962	1961
Food processors	+ 3	+ 63	+ 50	+ 20	+ 61	-478	-646	-598	-545	-500
Commodity dealers	+ 26	--	+108	+ 21	+ 56	-395	-477	-107	-192	-187
Trade concerns	<u>+ 40</u>	<u>+ 25</u>	<u>- 80</u>	<u>+ 63</u>	<u>+ 53</u>	<u>+628</u>	<u>+ 13</u>	<u>- 80</u>	<u>+133</u>	<u>-142</u>
<b>Total</b>	<b>+ 69</b>	<b>+ 88</b>	<b>+ 78</b>	<b>+104</b>	<b>+170</b>	<b>-245</b>	<b>-1,110</b>	<b>-784</b>	<b>-604</b>	<b>-829</b>
Metals and products	+150	+ 50	- 58	+128	+ 7	+1,252	+243	-131	- 7	-424
Textiles, apparel, etc.	+144	+ 48	+ 89	+ 79	+ 78	+604	+276	+421	+399	+249
Petroleum, coal, etc.	+ 42	- 10	+ 44	- 10	-139	+546	- 38	+ 2	- 93	-113
Other manufacturing and mining	+110	+ 83	+ 79	+ 39	+ 31	+935	+471	+456	+551	+241
Public utilities	- 70	+ 52	- 34	+ 83	-103	+581	-275	-423	-413	-475
Construction	+ 32	+ 89	+ 24	+ 36	+ 21	+288	+423	+166	+215	+ 79
All other types of business	<u>+109</u>	<u>- 50</u>	<u>- 19</u>	<u>- 52</u>	<u>+130</u>	<u>+543</u>	<u>+513</u>	<u>+143</u>	<u>+187</u>	<u>+539</u>
Banker's acceptances	- 7	+ 1	n.a.	n.a.	n.a.	-279	n.a.	n.a.	n.a.	n.a.
Other, mainly services	+116	- 51	n.a.	n.a.	n.a.	+822	n.a.	n.a.	n.a.	n.a.
Classified	+586	+350	+204	+407	+193	+4,504	+503	-150	+234	-733
Unclassified	+ 29	+ 54	- 14	+ 57	- 15	+725	+541	+188	+288	+ 53
<b>Total change</b>	<b>+615</b>	<b>+404</b>	<b>+190</b>	<b>+464</b>	<b>+178</b>	<b>+5,229</b>	<b>+1,044</b>	<b>+ 38</b>	<b>+522</b>	<b>-680</b>

1/ Four most comparable weeks used throughout.

2/ Changes are compiled from December 23, 1964; December 25, 1963; December 26, 1962; December 27, 1961; and December 28, 1960. Dates other than last Wednesdays of 1963 and 1964 were selected in order to avoid turn-of-the-year dating differences. 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--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	254.2	58.3	36.5	159.4	54.4	41.8	7.6	7.7	28.5	9.5	13.3
Aug. 26	256.1	58.8	37.1	160.2	54.9	42.2	7.2	7.5	28.7	9.7	13.4
Sept. 30	262.2	60.7	37.8	163.7	56.1	42.7	8.1	7.5	28.9	10.1	13.7
Oct. 28	262.4	61.4	38.0	163.0	56.3	43.0	7.1	7.5	29.0	9.5	14.0
Nov. 25	266.3	62.7	38.1	165.5	57.4	43.4	7.4	7.6	29.1	9.6	14.4
Dec. 31	273.9	63.0	38.8	172.1	60.2	43.7	8.4	7.5	29.4	10.9	15.5
1965--Jan. 27 p	269.1	61.3	39.1	168.5	58.9	43.8	7.4	7.7	29.5	9.8	15.0
Feb. 24 p	270.7	60.5	39.7	170.5	60.3	44.0	7.2	7.8	29.7	9.9	15.1
Mar. 31 p	273.9	59.0	40.3	174.5	62.2	44.3	7.9	7.9	30.0	10.5	15.3
Apr. 28 p	275.9	58.3	41.4	176.2	62.5	44.7	8.0	8.1	30.7	10.3	15.6
May 26 p	276.9	57.1	41.2	176.6	63.4	45.1	7.9	8.1	31.2	10.5	16.0
June 30 p	283.4	56.8	42.2	184.4	65.4	45.7	9.0	8.1	31.9	11.6	16.3
July 28 p	281.2	56.1	42.7	182.4	64.8	46.2	7.2	8.2	32.3	11.2	16.1
Aug. 25 p	283.1	55.3	43.6	184.3	65.6	46.7	7.3	7.9	32.6	11.4	16.3

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. 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--Dec. 25	58.6	59.9	67.4	62.1	63.3	53.8	<u>3/</u> 7.5	
1964--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	60.4	61.6	68.0	62.3	66.0	55.8	6.9	
Oct. 28	60.4	61.6	67.8	62.0	65.5	55.8	7.2	
Nov. 25	60.7	62.0	69.4	62.1	66.1	55.9	8.0	
Dec. 31	60.5	61.9	69.3	64.4	65.0	56.0	8.0	
1965--Jan. 27	60.9	62.2	69.9	63.4	65.4	56.3	7.1	
Feb. 24	61.6	63.0	71.8	65.0	66.4	56.4	7.0	
Mar. 31 p	61.9	63.3	71.9	67.6	66.1	56.9	6.4	
Apr. 28 p	62.4	63.7	71.2	64.9	67.1	57.6	6.3	
May 26 p	63.3	64.6	72.7	65.3	68.1	58.3	6.2	
June 30 p	63.5	64.9	74.4	67.2	67.8	58.3	6.0	
July 28 p	63.7	65.0	72.2	67.1	68.9	58.6	5.7	
Aug. 25 p	64.1	65.5	74.8	67.7	69.0	58.7	n.a.	

1/ Total loans (adjusted to exclude loans to banks); U.S. Government securities maturing within one year estimated on basis of Treasury survey of ownership and total deposits (adjusted to exclude cash items in process of collection).

2/ Prior to 1951, data are on call basis and beginning in 1951, they are on maturity basis. On a call basis, data for 1951 and 1952 are 21.5 and 19.1, respectively.

3/ Estimated for December 31.

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

**DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS**

Seasonally adjusted; deposits, monthly averages of daily figures; turnover, monthly

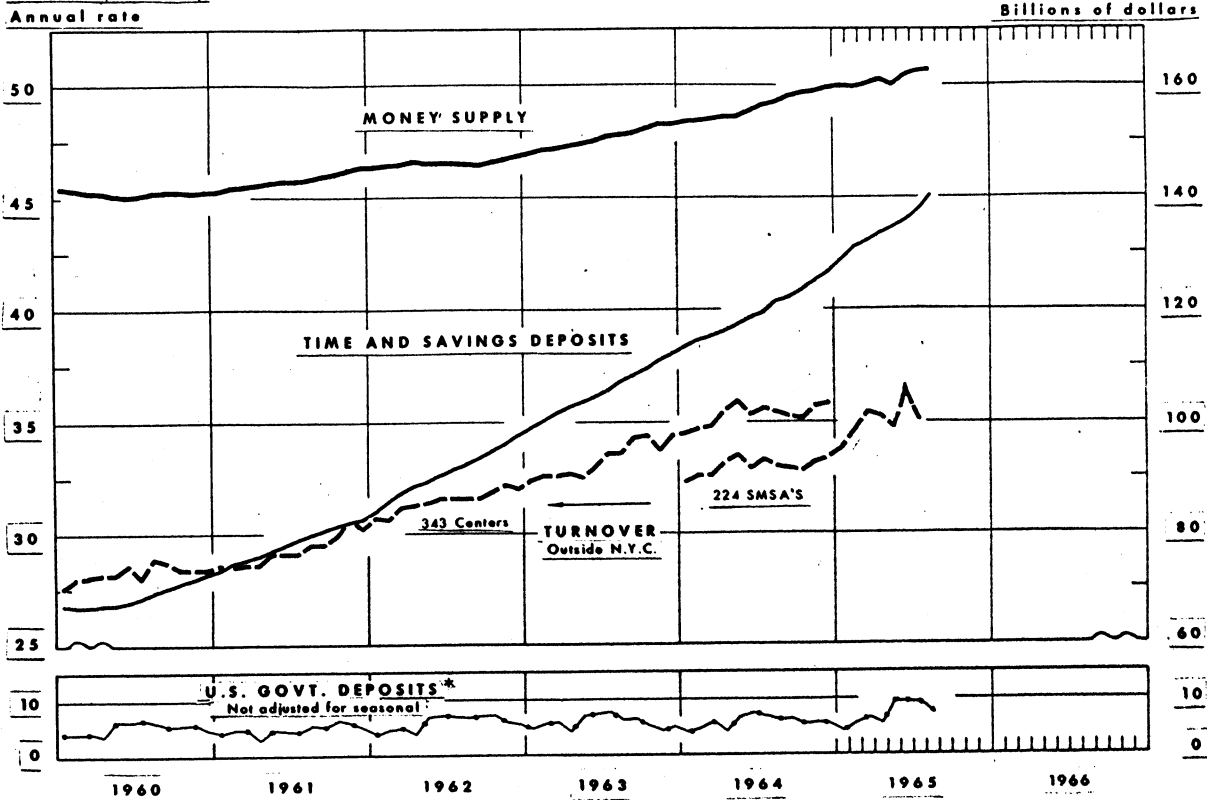


Exhibit H - Part II

\* All commercial banks.

Period	Seasonally Adjusted Data					U. S. Gov't. deposits
	Money Supply			Time and savings deposits	Turnover outside N Y City*	
	Total	Demand deposits	Currency			
1962--December	147.5	116.9	30.6	97.8	31.3	5.6
1963--December	153.1	120.6	32.5	112.2	33.9	5.1
1964--December	159.7	125.4	34.2	126.6	* 33.4	5.5
1965--March	160.3	125.6	34.7	132.1	35.4	6.7
April	161.1	126.4	34.7	133.5	35.2	5.6
May	160.0	125.1	34.9	134.6	34.7	9.7
June	161.8	126.8	35.0	135.9	36.3	9.3
July	162.5	127.3	35.2	137.6	35.1	9.1
August p	162.7	127.3	35.4	140.1	n.a.	7.4
<b>Week ending:</b>						
Aug. 4	162.9	127.7	35.3	138.9	n.a.	7.5
11	162.5	127.1	35.4	139.5	n.a.	6.6
18	162.5	127.1	35.4	140.0	n.a.	7.6
25	162.4	127.0	35.4	140.4	n.a.	8.1
Sept.1 p	163.1	127.7	35.3	141.0	n.a.	6.9

p - Preliminary.

\* Beginning January 1964, data are for 224 metropolitan centers outside New York City. Figure for December 1964 on old basis is 35.3.

**TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES**

Wednesday figures

Billions of dollars

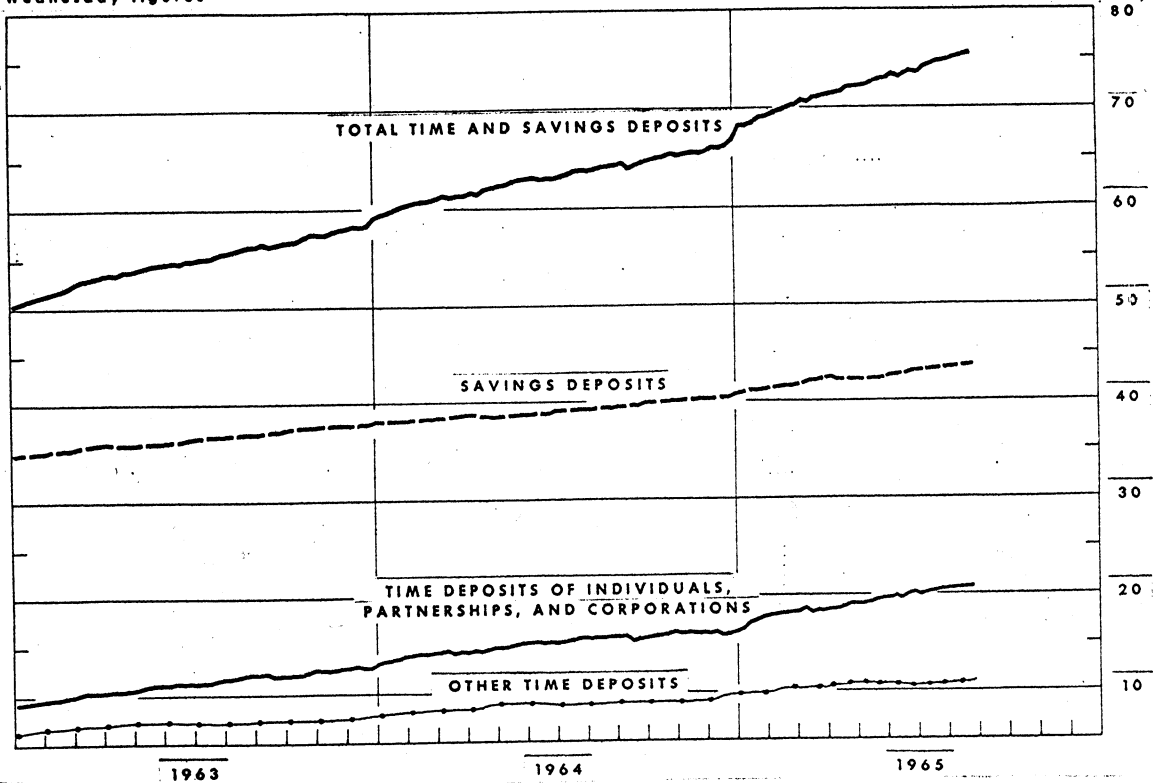


Exhibit I - Part II

**Time and Savings Deposits**

Period	Time and Savings Deposits			
	Total	Savings	Individuals, partnerships, and corporations	Other time deposits <sup>1/</sup>
(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--Dec. 30	66,881	40,698	16,407	9,776
1965--Mar. 31	71,140	42,323	18,456	10,361
Apr. 28	72,081	42,149	19,051	10,881
May 26	72,868	42,448	19,623	10,797
June 30	73,818	43,129	20,130	10,559
July 28	74,760	43,429	20,542	10,789
Aug. 4	74,905	43,544	20,571	10,790
11	75,178	43,644	20,610	10,924
18	75,375	43,719	20,753	10,903
25	75,703	43,779	20,923	11,001

<sup>1/</sup> 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			
		New York City	City of Chicago	Other				
<b>Monthly averages:</b>								
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--December	209	19	- 21	-122	334	536	327	20,240
1964--April	167	- 1	- 14	- 77	259	380	213	20,482
May	82	- 25	- 2	-112	221	337	255	20,404
June	120	--	- 13	-114	248	390	270	20,682
July	135	- 17	- 19	-102	273	400	265	20,665
August	83	- 21	- 7	-154	265	417	334	20,753
September	89	- 16	- 33	-140	278	420	331	21,012
October	106	- 34	- 26	-116	282	415	309	20,949
November	- 34	- 86	- 16	-178	246	396	430	21,033
December	168	- 14	- 31	-103	315	411	243	21,082
1965--January	103	- 70	- 17	- 82	270	402	299	21,174
February	32	- 90	- 37	-144	302	437	405	21,355
March	- 76	- 97	- 45	-148	215	340	416	21,506
April	-112	- 50	- 40	-238	216	359	471	21,722
May	-178	- 13	- 4	-333	173	327	505	21,671
June	-184	-114	- 15	-274	220	344	528	21,840
July	-176	-135	- 25	-214	199	349	524	21,865
Aug. p	-132	- 32	- 36	-231	164	432	564	21,817

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	85.3	34.7	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	79.7	31.3	54.4
1957	356.0	133.5	57.5	31.6	1.3	41.7	51.6	38.8	80.5	30.4	53.6
1958	373.1	138.8	65.4	33.9	1.1	47.7	50.5	35.6	79.5	29.7	54.8
1959	393.9	139.7	67.4	34.9	0.9	54.3	47.9	48.8	80.2	28.6	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	424.6	142.6	82.5	38.3	0.6	70.5	47.4	42.6	78.4	26.4	53.0
1962	459.0	144.8	98.1	41.4	0.5	79.8	47.6	46.8	79.5	25.1	52.9
1963	495.4	149.6	112.9	44.5	0.5	90.9	49.0	48.1	81.3	24.7	53.0
1964											
Jan.	498.9	149.5	114.8	45.0	0.5	91.4	49.1	48.6			53.0
Feb.	499.6	148.4	115.5	45.4	0.4	92.4	49.0	48.4			52.8
Mar.	504.0	150.2	115.9	45.6	0.4	93.5	49.0	49.3	81.4	24.3	52.8
Apr.	506.1	149.9	117.0	46.0	0.4	94.1	49.1	49.5			52.7
May	507.7	149.7	117.9	46.3	0.4	94.9	49.1	49.4			52.7
June	511.4	151.2	118.6	46.8	0.4	95.8	49.2	49.4	81.3	24.1	52.7
July	511.8	151.8	119.8	47.1	0.4	96.6	49.3	46.7			53.1
Aug.	514.9	152.2	120.6	47.5	0.4	97.8	49.3	47.1			53.0
Sept.	521.0	155.0	121.9	47.9	0.4	99.1	49.4	47.4	81.1	24.0	53.2
Oct.	523.4	155.0	123.8	48.3	0.4	99.8	49.4	46.8			53.3
Nov.	526.9	155.0	125.9	48.6	0.4	100.8	49.5	46.7			53.3
Dec.	530.4	156.7	127.1	49.0	0.4	101.3	49.9	46.1	82.0	24.2	53.5
1965											
Jan.	534.9	156.1	130.6	49.4	0.4	101.7	50.0	46.8			53.6
Feb.	536.4	154.8	131.9	49.6	0.4	102.6	49.9	47.3			53.4
Mar. p	542.8	158.6	133.0	49.8	0.4	103.6	49.9	47.6	81.7	23.8	53.7
Apr. p	543.3	156.3	134.1	50.1	0.4	103.9	49.9	48.6			53.5
May p	542.8	155.4	134.7	50.4	0.4	104.4	49.9	47.6			53.5
June p	549.5	159.4	136.1	50.6	0.4	105.1	50.0	48.0	81.8	23.6	53.8
July p	550.7	157.7	138.1	51.1	0.4	105.5	50.1	47.9			53.8
Aug. p	555.7	157.9	139.6	51.3	0.3	106.5	50.1	50.0			53.5

For footnotes see next page.  
 p - Preliminary

NOTE: Ratios to GNP revised in accordance with August 1965 revision in GNP beginning in 1929.

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).