

December 19, 1966.

BANKING AND MONETARY DEVELOPMENTS IN NOVEMBER 1966

Seasonally adjusted commercial bank credit showed a slight increase in November, following a substantial reduction over the previous two months. This increase resulted from a \$500 million rise in bank holdings of U.S. Government securities, which was offset only in part by a reduction in bank portfolios of municipal and agency issues. Total loans were unchanged over the month, following an increase in October. The daily average money supply declined \$400 million from the October level, after showing no net change over the preceding three months. Time and savings deposits increased only a nominal amount in November, following a \$300 million decline in October. Total and required reserves, seasonally adjusted, dropped somewhat in November. Over the five statement weeks ending November 30, member banks' excess reserves averaged slightly more, and borrowings appreciably less, than in the previous four weeks. Net borrowed reserves fell to an average level of about \$240 million.

Changes in Commercial Bank Credit*Money Supply and Time Deposits

(Seasonally adjusted)

	Annual rate (per cent)						
	1966					1965	
	Nov.	Sept.- Nov.	Jan.- Aug.	3rd Qtr.	1st Half	2nd Half	1st Half
Total loans and investments	1.2	-3.1	8.4	3.0	8.2	9.0	10.9
U.S. Gov't. securities	11.5	-22.9	-4.7	-3.7	-11.1	-1.7	-9.5
Other securities	-5.0	0.8	6.7	-0.9	10.3	12.8	17.6
Total loans	--	1.4	12.7	5.7	13.4	11.7	16.7
Business loans	3.0	7.2	18.4	12.7	19.1	14.2	21.2
Money supply	-2.8	-0.9	2.1	-1.4	4.7	6.8	2.5
Time deposits at all commercial banks	0.8	0.8	11.0	9.6	10.5	15.7	15.2

* - Where necessary, changes in loans and other securities described above are adjusted for the definitional shift of about \$1 billion of participation certificates from loans to other securities in early July. Changes in total credit, total loans, and total time and savings deposits described above are also adjusted for the reduction of \$1.1 billion of balances accumulated for the payment of personal loans excluded on June 9 as a result of a change in Federal Reserve regulations affecting reserve requirements.

Bank credit. Total loans and investments at all commercial banks increased \$300 million in November, offsetting only in small part the cumulative reduction of \$2.7 billion over the preceding two months. Since the end of August total bank credit has declined at an annual rate of about 3.0 per cent, after expanding at a rate of about 8-1/2 per cent over the first eight months of the year. Weekly reporting banks in leading cities experienced credit growth only about 20 per cent as great as the average rise over comparable weeks of the previous three years. Similar to last month, credit expansion at nonweekly reporting banks was substantially smaller than usual, particularly in the second half of the month.

Commercial bank holdings of U.S. Government securities rose \$500 million on a seasonally adjusted basis and accounted for all the increase in total credit over the month. The substantial increase, associated with the \$1.6 billion of new bills sold by the Treasury during the week ending November 30, followed a large reduction the previous month. The fact that banks continued to hold a considerable volume of bills at the end of the week suggests that some of these may have been acquired for year-end window-dressing purposes. Acquisition of bills was especially large at weekly reporting banks outside New York City. On the other hand, nonweekly reporting banks in the second half of November held their portfolios of Government securities unchanged on a net basis, and made a slight reduction over the month as a whole.

A reduction of \$200 million in bank holdings of municipal and agency issues offset in part the increase in holdings of bills. The 5 per cent annual rate of decline in November followed small increases in the two previous months. Weekly reporting banks reduced their holdings considerably more than usual, while other banks, which usually make modest acquisitions held theirs relatively unchanged. The November decline in these securities reflects continued efforts by banks to adjust their portfolios in light of deposit attrition and limited reserve availability.

Total loans were unchanged from the October level, following a modest net increase over the preceding three months. Since July, loans have grown at an annual rate of 1.3 per cent, or less than one-tenth the pace of the previous year and a half.

Business loans at all commercial banks increased \$200 million in November or only about half the reduced average of the previous three months. The slower growth may be associated in part with the withholding-tax acceleration program which has resulted in November tax payments \$2.5 billion below what they otherwise would have been. But in all probability the weaker pace also reflects reduced credit demands of businesses, as well as perhaps reduced credit availability. The annual

rate of growth over the last four months has been slightly below 6 per cent, compared with a rate of about 20 per cent from December through July. In recent months, growth in business loans has been cut back much more sharply at weekly reporting banks outside New York than at banks in New York City. For example, over the five weeks in November the increase in business loans at New York City banks was about 75 per cent of the average rise in the past three years, while at banks outside New York, it was only about 30 per cent.

The November changes in outstandings in most categories of industrial loans made by large city banks were about the same as, or weaker than, in comparable weeks of other recent years. Loans to retailers and to mining concerns were particularly weak. Also, the construction industry continued, as it has since July, to make repayments during a period when increased borrowing has been the rule in past years. In contrast to loan repayments by most of the metals group, borrowings by manufacturers of transportation equipment were unusually heavy over the month. This was the only industry showing significant strength.

Real estate loans grew by about the same amount in November as in October, while consumer loans showed small growth, following no change last month. There was relatively little change in other major loan categories.

Money supply and time deposits. The daily average money supply after declining sharply in late October, rose somewhat in late November. For the month as a whole, the average declined \$400 million from the reduced October level. There has been little net change in the average money supply since March, while prior to March, growth had been at a rate of about 5 per cent per annum.

Time and savings deposits at commercial banks increased only \$100 million in November, following a \$300 million drop in October. The annual rate of expansion since the end of August of less than 1 per cent is in marked contrast with the rapid--though slower than 1965--pace of 11 per cent exhibited during the first eight months of the year. The recent sharp drop-off in time deposit growth is related chiefly to large declines in negotiable CD's at city banks, particularly at banks in New York City. However, this decline moderated considerably in November. On the other hand, there were substantial further declines during November in passbook savings and time deposits other than CD's at weekly reporting banks outside New York.

Bank reserves. Total reserves, seasonally adjusted, declined slightly further in November as the decline in borrowings more than offset the increase in nonborrowed reserves. Total required reserves continued to fall for the fourth consecutive month. While the decline was substantially greater than the nominal amounts of the previous two months, it was less than the large drop in August. A small rise in excess reserves, coupled with the decline in borrowings resulted in a decline in net borrowed reserves over the month to a level of about \$240 million.

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

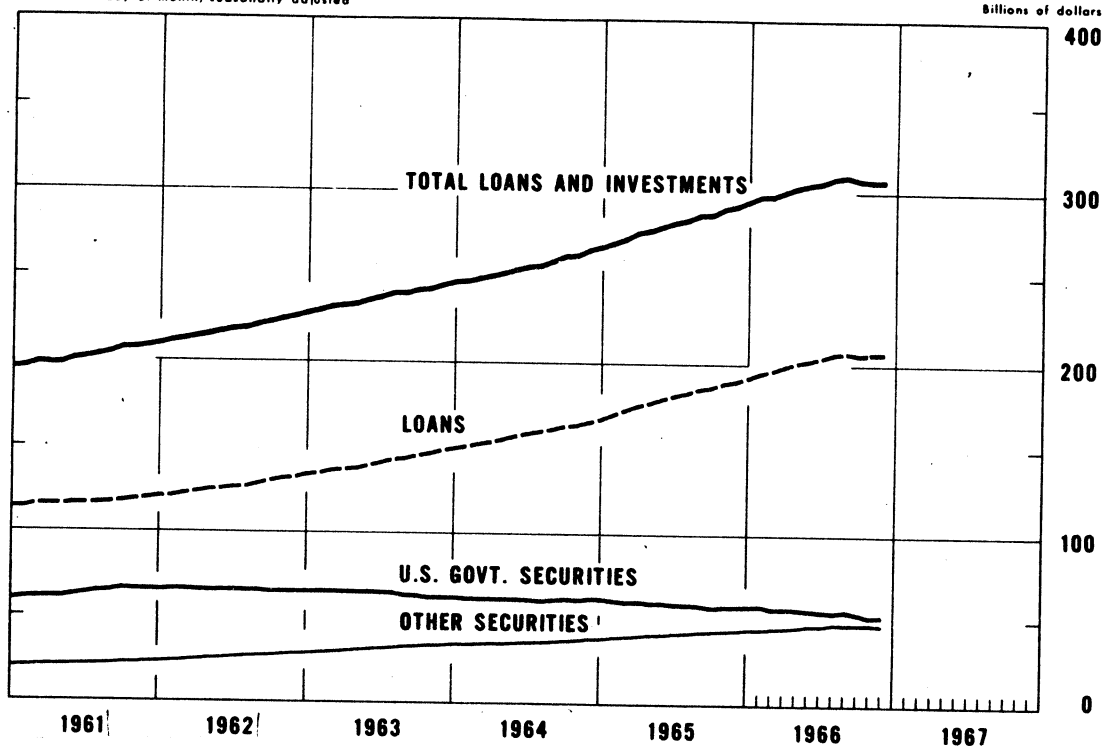


Exhibit A - Part II

Date	Total <u>1/</u>	Loans <u>1/</u>	U.S. Gov't. securities	Other securities
(In billions of dollars)				
1962--Dec. 31 <u>2/</u>	227.9	134.1	64.5	29.2
1963--Dec. 31 <u>2/</u>	246.2	149.7	61.5	35.0
1964--Dec. 31	267.2	167.4	61.1	38.7
1965--June 30	281.7	181.4	58.2	42.1
July 28	283.2	182.9	57.9	42.4
Aug. 25	286.1	185.2	57.7	43.1
Sept. 29	286.2	186.2	56.5	43.4
Oct. 27	289.9	188.6	57.4	43.9
Nov. 24	291.5	189.8	57.5	44.2
Dec. 31	294.4	192.0	57.7	44.8
1966--Jan. 26	297.4	194.5	58.0	44.9
Feb. 23	297.5	196.2	55.9	45.4
Mar. 30	300.3	198.6	56.0	45.7
Apr. 27 p	302.7	200.7	55.8	46.2
May 25 p	304.3	202.0	55.0	47.2
June 30 p <u>2/</u>	305.4 <u>3/</u>	203.7 <u>3/</u>	54.5	47.1
July 27 p	308.2	205.9 <u>4/</u>	54.1	48.2 <u>4/</u>
Aug. 31 p	309.8	206.1	55.9	47.8
Sept. 28 p	307.7	205.6	54.0	48.0
Oct. 26 p	307.1	206.8	52.2	48.1
Nov. 30 p	307.4	206.8	52.7	47.9

1/ Adjusted to exclude interbank loans.

p - Preliminary.

2/ Estimated as of December 31 and June 30.3/ Beginning June 9, loan data exclude the \$1.1 billion of balances accumulated for the payment of personal loans.4/ Beginning July 13, total loans exclude, and other securities include, about \$1 billion of participation certificates.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

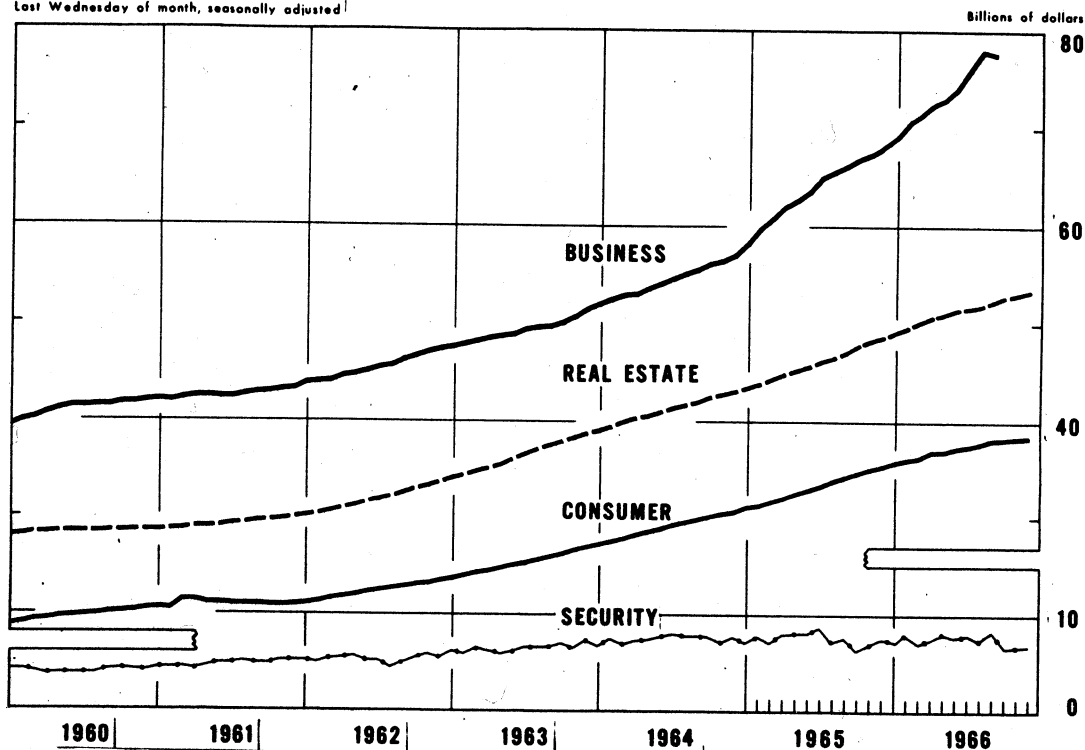


Chart not revised and not updated for Business Loans.

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 ^{1/}	47.6	34.2	23.7	6.2
1963--Dec. 31 ^{1/}	52.0	39.1	27.2	6.7
1964--Dec. 31	58.4	43.5	31.1	7.1
1965--June 30	64.6	46.2	33.4	8.7
July 28	65.3	46.6	33.9	7.2
Aug. 25	66.3	47.2	34.3	7.6
Sept. 29	66.9	47.8	34.7	6.3
Oct. 27	67.6	48.3	35.1	6.9
Nov. 24	68.3	48.7	35.4	7.5
Dec. 31	69.2	49.2	35.8	7.2
1966--Jan. 26	70.5	49.7	36.1	8.0
Feb. 23	71.3	50.2	36.3	7.0
Mar. 30	72.2	50.7	36.9	7.5
Apr. 27 p	72.9	51.0	37.0	8.1
May 25 p	74.2	51.4	37.3	7.9
June 30 p ^{1/}	75.8	51.6	37.5	8.0
July 27 p	77.6	51.9	37.8	7.4
Aug. 31 p	77.7	52.4	38.1	8.4
Sept. 28 p	78.2	52.8	38.3	6.7
Oct. 26 p	78.9	53.1	38.3	6.8
Nov. 30 p	79.1	53.4	38.4	6.9

^{1/} Estimated as of December 31 and June 30. - Preliminary.

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

Item	1965			1966										
	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May p	June p	July p	Aug. p	Sept. p	Oct. p	Nov. p
Loans and Investments 2/	<u>+3.7</u>	<u>+1.6</u>	<u>+2.9</u>	<u>+3.0</u>	<u>+0.1</u>	<u>+2.8</u>	<u>+2.4</u>	<u>+1.6</u>	<u>+2.2 4/</u>	<u>+2.8</u>	<u>+1.6</u>	<u>-2.1</u>	<u>-0.6</u>	<u>+0.3</u>
U. S. Gov't. securities	+0.9	+0.1	+0.2	+0.3	-2.1	+0.1	-0.2	-0.8	-0.5	-0.4	+1.8	-1.9	-1.8	+0.5
Other securities	+0.5	+0.3	+0.6	+0.1	+0.5	+0.3	+0.5	+1.0	-0.1	+0.1 5/	-0.4	+0.2	+0.1	-0.2
Loans 2/	<u>+2.4</u>	<u>+1.2</u>	<u>+2.2</u>	<u>+2.5</u>	<u>+1.7</u>	<u>+2.4</u>	<u>+2.1</u>	<u>+1.3</u>	<u>+2.9 4/</u>	<u>+3.2 5/</u>	<u>+0.2</u>	<u>-0.5</u>	<u>+1.2</u>	<u>1/</u>
Business	+0.7	+0.7	+0.9	+1.3	+0.8	+0.9	+0.7	+1.3	+1.6	+1.8	+0.1	+0.5	+0.7	+0.2
Real estate	+0.5	+0.4	+0.5	+0.5	+0.5	+0.5	+0.3	+0.4	+0.2	+0.3	+0.5	+0.4	+0.3	+0.3
Consumer	+0.4	+0.3	+0.4	+0.3	+0.2	+0.6	+0.1	+0.3	+0.2	+0.3	+0.3	+0.2	<u>1/ r</u>	+0.1
Security	+0.6	+0.6	-0.3	+0.7	-1.0	+0.5	+0.6	-0.2	+0.1	-0.6	+1.0	-1.7	+0.1	+0.1
Nonbank financial	+0.1	+0.1	+0.1	+0.1	<u>1/</u>	+0.7	+0.4	-0.4	+0.9	-0.7	-0.9	+0.4	<u>1/</u>	+0.1
Agriculture	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	+0.2	+0.1	+0.3	-0.1	+0.1 5/	+0.5	<u>1/</u>	-0.4	<u>1/</u>
All other	-0.2	-0.1	+0.4	-0.3	<u>1/</u>	+0.3	-0.1	+0.1	+0.7 4/	+0.3 5/	-0.4	-0.5	<u>1/ r</u>	-0.1
Total loans excluding security 3/	<u>+1.5</u>	<u>+1.4</u>	<u>+2.3</u>	<u>+1.9</u>	<u>+1.5</u>	<u>+3.2</u>	<u>+1.5</u>	<u>+2.0</u>	<u>+3.5 4/</u>	<u>+2.1 5/</u>	<u>+0.1</u>	<u>+1.0</u>	<u>+0.6</u>	<u>+0.6</u>
Total loans excluding security and non-bank financial 3/	<u>+1.4</u>	<u>+1.3</u>	<u>+2.2</u>	<u>+1.8</u>	<u>+1.5</u>	<u>+2.5</u>	<u>+1.1</u>	<u>+2.4</u>	<u>+2.6 4/</u>	<u>+2.8 5/</u>	<u>+1.0</u>	<u>+0.6</u>	<u>+0.6</u>	<u>+0.5</u>

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/ Allowance has been made in the monthly changes in total bank credit, total loans and "all other" loans for the \$1.1 billion of balances accumulated for the payment of personal loans excluded from time deposits and from loans on June 9.

5/ Allowance has been made in the monthly changes in total loans, other securities, agricultural loans and "all other loans" for approximately \$1 billion of participation certificates shifted from loans to other securities on July 13, 1966.

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 October to last Wednesday of November						
	1966	1965	1964	1963	1962	1961	1960
All commercial banks							
Total loans	+1.0	+2.2	+2.5	+2.6	+0.8	+1.0	+0.4
U. S. Gov't. securities	+0.7	+0.2	+1.3	+0.3	<u>1/</u>	-0.4	-0.2
Other securities	-0.8	-0.4	+0.1	-0.4	+0.2	+0.2	-0.1
Total	+0.9	+2.1	+3.9	+2.6	+1.1	+0.8	+0.1
Weekly reporting banks 4/							
Total loans	+0.5	+1.4	+1.4	+1.9	+0.1	+0.5	+0.4
U. S. Gov't. securities	+0.7	-0.1	+0.6	-0.1	-0.3	-0.4	-0.3
Other securities	-0.8	-0.6	-0.2	-0.4	+0.2	+0.1	-0.2
Total	+0.5	+0.7	+1.8	+1.5	<u>1/</u>	+0.2	-0.1
Other banks 4/							
Total loans	+0.5	+0.8	+1.1	+0.7	+0.7	+0.5	<u>1/</u>
U. S. Gov't. securities	<u>1/</u>	+0.3	+0.7	+0.4	+0.3	<u>1/</u>	+0.1
Other securities	<u>1/</u>	+0.2	+0.3	<u>1/</u>	<u>1/</u>	+0.1	+0.1
Total	+0.4	+1.4	+2.1	+1.1	+1.1	+0.6	+0.2
Item	End of December to last Wednesday of November						
	1966 3/	1965	1964 2/	1963 2/	1962	1961	1960
All commercial banks							
Total loans	+11.5	+17.9	+11.6	+10.7	+8.4	+2.8	+3.4
U. S. Gov't. securities	-5.5	-4.3	-0.7	-4.1	-1.0	+5.2	+1.3
Other securities	+1.6	+4.9	+3.0	+4.8	+4.9	+2.5	-0.2
Total	+7.6	+18.5	+13.9	+11.4	+12.4	+10.6	+4.4
Weekly reporting banks 4/							
Total loans	+4.9	+10.1	+4.8	+5.0	+3.5	-0.2	+0.2
U. S. Gov't. securities	-3.7	-4.0	-1.5	-4.4	-3.1	+3.3	+1.6
Other securities	-0.3	+2.3	+1.3	+3.0	+3.3	+1.6	-0.2
Total	+0.8	+8.5	+4.6	+3.6	+3.7	+4.7	+1.6
Other banks 4/							
Total loans	+6.6	+7.8	+6.8	+5.7	+4.9	+3.0	+3.2
U. S. Gov't. securities	-1.8	-0.3	+0.8	+0.3	+2.1	+1.9	-0.3
Other securities	+1.9	+2.6	+1.7	+1.8	+1.6	+0.9	<u>1/</u>
Total	+6.8	+10.0	+9.3	+7.8	+8.7	+5.9	+2.8

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

1/ Less than \$50 million.

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

3/ Where necessary, allowance has been made in monthly changes in total loans and in other securities for approximately \$1 billion of participation certificates shifted from loans to other securities on July 13, 1966 (\$700 million at weekly reporting and \$300 million at nonweekly reporting); and in total credit and total loans for the \$1.1 billion of balances accumulated for the payment of personal loans excluded from time deposits and from loans on June (\$400 million at weekly reporting banks and \$700 million at other banks).

4/ Based on revised coverage beginning July 1966.

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

Business of borrower	Late October to late November 1/					Late December to late November 2/				
	1966	1965	1964	1963	1962	1966	1965	1964	1963	1962
Food processors	+191	+204	+209	+201	+119	+257	+174	- 32	- 23	- 98
Commodity dealers	+242	+179	+223	+189	+ 89	- 12	+ 14	+ 56	+384	+ 41
Trade concerns	+130	+226	+223	+284	+132	+547	+1,148	+481	+427	+469
Retail trade	+ 57	+175	+189	+254	+122	+301	+715	+305	+352	+342
Wholesale trade	+ 73	+ 51	+ 34	+ 30	+ 10	+246	+433	+176	+ 75	+127
Metals	+ 76	- 26	+ 69	- 9	+ 61	+2,145	+1,289	+339	-135	- 8
Primary metals	- 4	+ 17	- 35	+ 11	- 8	+147	+118	- 10	- 31	-212
Machinery	- 4	+ 19	+ 66	- 54	+ 30	+1,096	+578	+187	+ 57	+ 91
Transportation equipment	+124	- 38	+ 46	+ 47	+ 50	+672	+248	+ 40	-174	+ 79
Other fabricated metals	- 40	- 24	- 8	- 13	- 10	+230	+345	+121	+ 13	+ 34
Textiles, apparel, etc.	-101	-114	-134	- 93	- 92	+321	+359	- 43	+178	+175
Petroleum	- 37	+ 13	- 12	+ 8	+ 37	+271	+347	- 91	+ 22	- 35
Chemicals	--	- 11	+ 52	- 11	+ 43	+440	+342	+270	- 33	- 49
Other durable manufacturing	- 17	- 17	- 27	- 38	- 37	+438	+358	+113	+ 43	+202
Other nondurable manufacturing	- 16	+ 16	- 31	- 10	- 31	+332	+259	+ 56	+ 75	+106
Mining	- 41	- 1	+108	+ 78	- 10	+440	+366	+297	+360	+170
Public utilities	+161	+221	+ 44	+145	+193	+932	+1,169	- 40	- 30	- 52
Construction	- 76	+ 39	+ 22	+ 7	- 2	- 14	+321	+425	+201	+192
All other types of business	+ 61	+ 45	+187	+107	+123	+325	+444	+591	+243	+286
Bankers acceptances	+ 60	- 1	+103	n.a.	n.a.	-200	-450	n.a.	n.a.	n.a.
Other, mainly services	+ 1	+ 46	+ 84	n.a.	n.a.	+525	+894	n.a.	n.a.	n.a.
Classified	+573	+774	+933	+858	+624	+6,422	+6,590	+2,422	+1,713	+1,399
Unclassified	-118	+173	+184	+ 86	+ 47	+461	+909	+719	+375	+361
Total change	+455	+947	+1,117	+944	+671	+6,883	+7,499	+3,141	+2,088	+1,760

1/ Five most comparable weeks used throughout.

2/ Changes are compiled from December 22, 1965; December 23, 1964; December 25, 1963; December 26, 1962; and December 27, 1961. Dates other than last Wednesdays of 1963 - 1965 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--Dec. 31 (est.)	252.4	63.4	35.1	153.9	53.7	39.2	7.9	7.4	27.2	10.2	11.3
1964--Dec. 31	273.9	63.0	38.8	172.1	60.2	43.7	8.4	7.5	31.0	10.9	13.9
1965--Apr. 28	275.9	58.3	41.4	176.2	62.5	45.0	7.9	8.1	32.4	10.3	13.7
May 26	277.1	57.2	41.1	178.8	63.4	45.5	7.9	8.1	33.0	10.4	14.0
June 30	283.9	56.9	42.2	184.9	65.5	46.2	9.0	8.1	33.7	11.5	14.5
July 28	281.2	56.3	42.6	182.4	64.8	46.7	7.0	8.2	34.2	11.0	14.2
Aug. 25	283.2	55.5	43.4	184.3	65.5	47.4	7.0	7.8	34.6	11.3	14.3
Sept. 29	286.8	55.9	43.9	187.0	66.8	48.0	6.7	7.9	34.9	11.8	14.4
Oct. 27	290.2	58.5	44.1	187.7	67.1	48.5	6.9	8.1	35.2	11.2	14.2
Nov. 24	292.3	58.8	43.8	189.8	68.3	49.0	7.2	8.2	35.4	11.3	14.1
Dec. 31	301.8	59.5	44.9	197.4	71.4	49.3	8.5	8.2	35.8	13.3	14.9
1966--Jan. 26	296.8	59.6	44.4	192.7	69.7	49.7	7.6	8.4	35.8	11.6	14.0
Feb. 23	296.0	57.3	45.1	193.6	70.7	49.9	7.0	8.5	35.9	11.7	13.8
Mar. 30	298.5	55.4	45.4	197.6	72.6	50.2	7.3	8.7	36.4	12.5	14.0
Apr. 27 p	301.5	55.4	46.4	199.7	72.8	50.7	7.9	8.9	36.8	12.7	14.0
May 25 p	301.9	53.5	47.0	201.4	74.0	51.1	7.7	9.0	37.3	12.1	14.3
June 30 p	307.8 ^{2/}	52.9	47.3	207.6 ^{2/}	76.9	51.6	8.3	9.0	37.8	13.8	14.1 ^{2/}
July 27 p	306.1	52.5	48.3 ^{3/}	205.3 ^{3/}	77.1	52.1	7.2	8.6 ^{3/}	38.1	12.8	13.3 ^{3/}
Aug. 31 p	306.7	53.5	48.1	205.1	76.8	52.6	7.7	8.6	38.5	12.0	12.9
Sept. 28 p	308.3	53.3	48.5	206.4	78.1	53.0	7.4	8.6	38.5	12.6	12.5
Oct. 26 p	307.4	53.3	48.3	205.8	78.3	53.4	6.8	8.5	38.5	11.9	12.4
Nov. 30 p	308.3	54.0	47.5	206.8	79.0	53.7	6.6	8.6	38.5	12.0	12.4

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.

^{2/} Beginning June 9, \$1.1 billion of balances accumulated for the payment of personal loans were deducted from time deposits and "all other" loans.

^{3/} Beginning July 13, about \$1 billion of participation certificates previously included in agricultural and "all other" loans were reclassified as "other securities."

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.

Individual loan category data are available for publication only on a June and December call data basis.

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		
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>2/</u> 7.5
1964--Dec. 31	60.5	61.9	69.3	64.4	65.0	56.0	8.0
1965--June 30	63.6	64.9	74.3	67.0	67.8	58.3	6.0
July 28	63.7	65.0	72.2	67.1	68.9	58.6	5.7
Aug. 25	64.1	65.5	74.8	67.7	69.0	58.7	6.1
Sept. 29	63.9	65.3	73.4	69.3	69.1	58.4	6.4
Oct. 27	63.8	65.2	73.8	69.6	69.1	58.2	7.1
Nov. 24	64.2	65.8	77.6	68.2	69.3	58.3	7.3
Dec. 31	63.7	65.4	75.9	70.2	68.7	57.9	7.3
1966--Jan. 26	63.8	65.5	75.9	71.3	69.2	57.9	7.5
Feb. 23	64.6	66.5	77.5	73.4	70.6	58.3	6.3
Mar. 30	65.2	67.0	77.7	73.9	70.8	59.0	5.7
p- Apr. 27	64.9	66.6	75.7	68.4	70.7	59.2	5.6
p- May 25	65.9	67.6	79.3	70.4	70.9	60.1	5.4
p- June 30	66.5	68.4	81.3	74.9	71.4	60.0	5.4
p- July 27 ^{3/}	66.5	68.3	82.6	73.3	71.0	60.1	4.9
p- Aug. 31	66.5	68.3	81.9	74.0	71.3	60.2	5.6
p- Sept. 28	66.8	68.6	81.8	75.3	71.9	60.2	5.6
p- Oct. 26	66.6	68.4	82.9	74.2	71.4	60.1	5.8
p- Nov. 30	66.6	68.5	82.7	77.7	71.2	60.1	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/ Estimated for December 31.

3/ Beginning in July, loans at all commercial banks exclude about \$1 billion of participation certificates now reported in other securities. If the \$1 billion were included in loans in July, the ratio for all commercial banks would be 66.8

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

p - Preliminary.

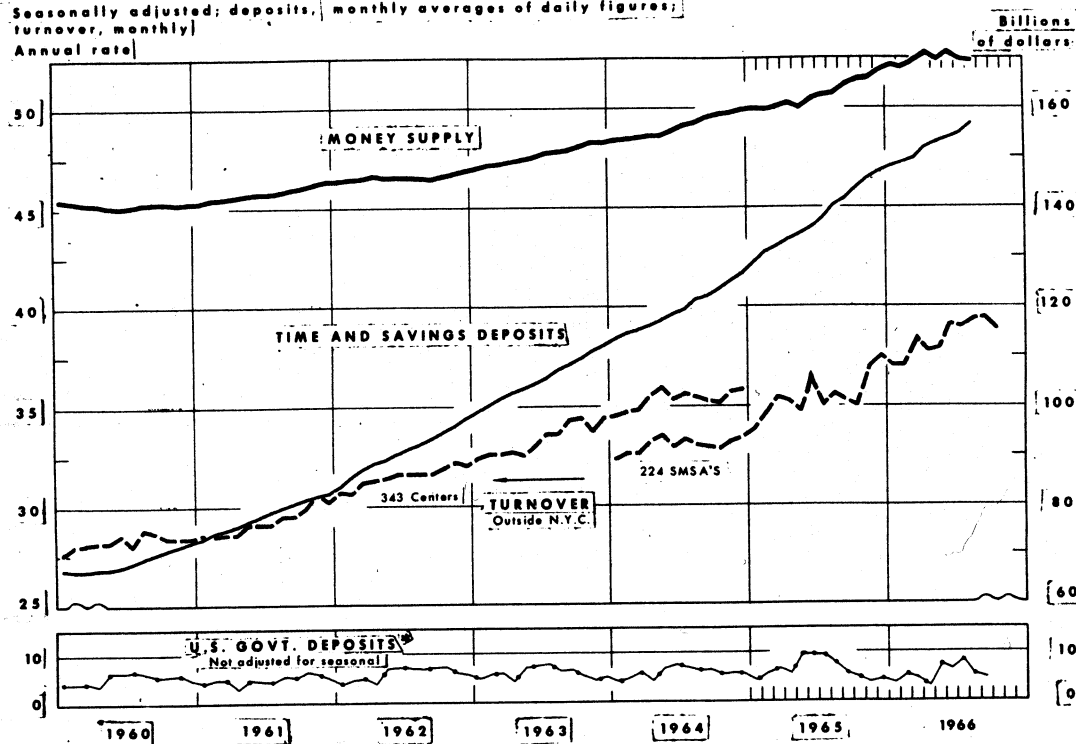
DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITSSeasonally adjusted; deposits, monthly averages of daily figures;
turnover, monthly
Annual rate

Chart not revised and not updated for Money Supply, Time and Savings Deposits, and U.S. Government Deposits.

All commercial banks.

Exhibit H - Part II

Period	Seasonally Adjusted Data					U.S. Gov't. deposits ^{1/}
	Money Supply ^{1/}			Time and savings ^{1/} deposits ^{1/}	Turnover outside N.Y. City* (per cent)	
	Total ^{1/}	Demand deposits ^{1/}	Currency			
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--December	167.2	130.9	36.3	146.9	37.5	4.6
1965--November	165.6	129.5	36.1	145.5	37.0	4.1
1966--June	171.1	133.7	37.4	153.7 ^{2/}	39.0	6.3
July	169.6	132.0	37.7	155.3	38.9	8.1
August	169.6	131.8	37.8	156.6	39.3	5.2
September	170.5	132.6	37.9	157.1	39.4	4.5
October	169.6	131.7	37.9	156.8	38.8	4.8
November p	169.2	131.2	38.0	156.9	n.a.	3.7
Week ending:						
Nov. 2	168.9	131.1	37.8	156.7	n.a.	4.7
9	168.8	130.9	38.0	156.7	n.a.	4.6
16	168.9	130.8	38.1	156.9	n.a.	3.2
23	169.3	131.3	38.0	156.9	n.a.	3.3
30	169.4	131.3	38.1	156.9	n.a.	3.5

^{1/} Revised series. Revised data beginning in 1959 published in September Bulletin.

^{2/} Beginning on June 9, time deposit data exclude \$1.1 billion of balances accumulated for the payment of personal loans.

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.

NOTE: Dollar amounts in billions.

TIME AND SAVINGS DEPOSITS AT MEMBER BANKS IN LEADING CITIES

Wednesday figures

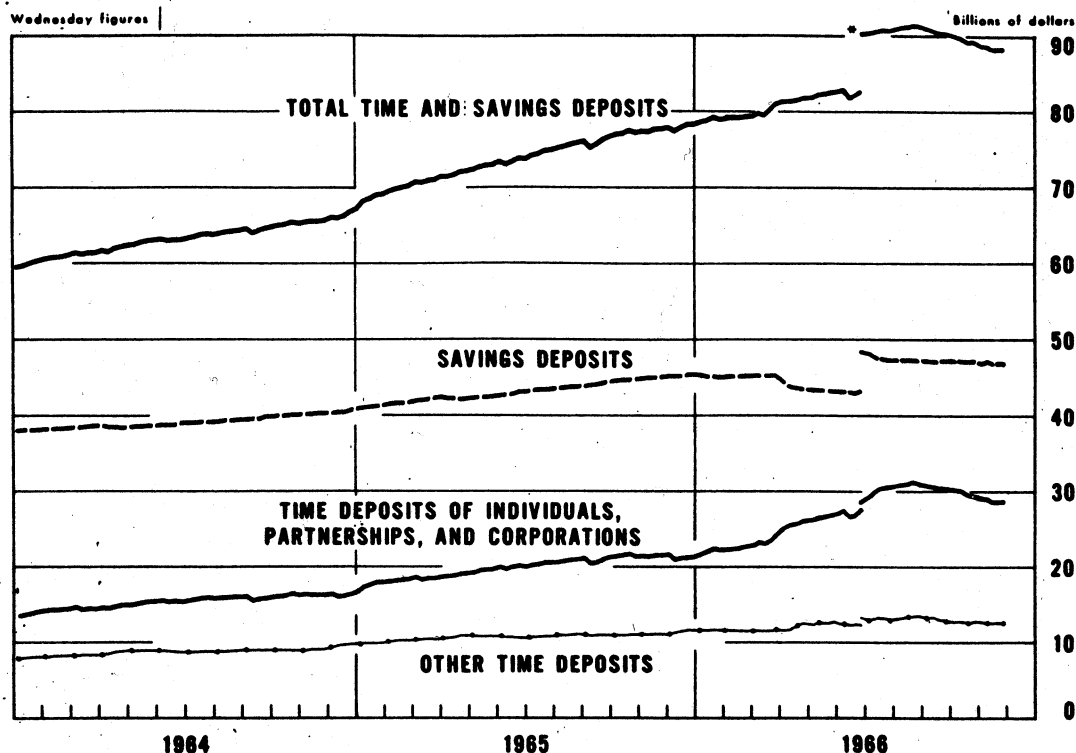


Exhibit I - Part II

(*) CHANGE IN SERIES.

Period	Time and Savings Deposits			
	Total	Savings	Individuals, partnerships, and corporations	Other time deposits 1/
(In millions of dollars)				
1961--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--Dec. 29	78,260	45,362	21,258	11,640
1965--Nov. 24	77,694	45,048	21,552	11,094
1966--June 29 (old) 2/	82,868	43,104	27,515	12,249
June 29 (new)	90,185	48,413	28,687	13,085
Aug. 31	91,258	47,228	30,859	13,171
Sept. 28	90,379	47,237	30,304	12,838
Oct. 26	89,167	47,022	29,441	12,704
Nov. 2	88,735	46,962	29,197	12,576
9	88,679	47,014	29,141	12,524
16	88,298	46,977	28,854	12,467
23	88,342	46,972	28,907	12,463
30	88,383	46,924	28,944	12,515

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

2/ Beginning June 15, data exclude the \$400 million of balances accumulated for the payment of personal loans.

Exhibit J

Member Bank Reserves

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

Date	Free reserves (excess reserves minus borrowings)					Excess reserves	Borrowings	Total reserves held seasonally adjusted
	All member	Reserve City Banks			Country	All member	All member	All member ^{1/}
		New York City	City of Chicago	Other				
<u>Monthly Averages:</u>								
1958--December	- 41	- 80	- 32	-197	268	516	557	18,392
1959--December	-424	-109	-104	-449	237	482	906	18,434
1960--December	669	10	- 4	80	583	756	87	18,765
1961--December	419	- 50	- 22	20	471	568	149	19,545
1962--December	268	- 62	- 11	- 52	394	572	304	20,224
1963--December	209	19	- 21	-122	334	536	327	20,955
1964--December	168	- 14	- 31	-103	315	411	243	21,843
1965--July	-174	-134	- 25	-214	197	350	524	22,682
Aug.	-134	- 32	- 36	-230	163	430	564	22,689
Sept.	-144	- 46	- 43	-243	190	384	528	22,667
Oct.	-146	- 28	- 80	-207	167	344	490	22,737
Nov.	- 83	- 77	- 30	-178	202	369	452	22,748
Dec.	- 2	- 70	- 8	-161	238	452	454	23,010
1966--Jan.	- 44	- 74	- 49	-141	219	358	402	23,139
Feb.	-107	- 75	- 26	-148	143	371	478	23,217
Mar.	-246	- 37	- 62	-218	71	305	551	23,274
Apr.	-268	- 29	- 33	-238	32	358	627	23,530
May	-352	- 40	- 3	-225	-84	370	722	23,536
June	-358	-143	- 12	-223	27	322	674	23,539
July	r -358	- 6	- 54	-312	9	r 408	766	23,763
Aug.	-390	- 26	- 24	-279	-61	338	728	23,363
Sapt.	r -367	- 93	- 64	-217	r 6	r 398	766	r 23,492
Oct.	-431	-124	- 95	-246	34	302	733	23,297
Nov. p	-221	- 71	- 24	-247	114	390	611	23,258

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.

^{1/} Data have been adjusted for redefinition of time deposits effective June 9, 1966.

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 de- posits 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	495.4	149.6	112.9	44.5	0.5	90.9	49.0	48.1	81.0	24.6	53.0
1964	530.5	156.7	127.1	49.0	0.4	101.4	49.9	46.1	81.6	24.1	53.5
1965											
Aug.	555.7	157.8	139.8	51.3	0.3	106.5	50.1	49.8			53.6
Sept.	560.7	160.6	141.6	51.6	0.3	107.8	50.1	48.7	80.8	23.2	53.9
Oct.	565.1	161.1	144.0	52.0	0.3	108.4	50.1	49.1			54.0
Nov.	568.3	160.4	146.5	52.3	0.3	109.3	50.1	49.4			54.0
Dec.	572.9	164.0	147.1	52.6	0.3	109.7	50.5	48.6	80.5	22.9	54.3
1966											
Jan.	578.5	164.8	149.2	52.8	0.3	109.8	50.5	51.2			54.3
Feb.	577.5	162.8	149.4	53.0	0.3	110.6	50.3	51.0			54.1
Mar.	585.5	167.0	151.1	53.1	0.3	111.4	50.3	52.1	80.2	22.8	54.3
Apr. p	587.0	166.6	152.3	53.1	0.3	111.0	50.4	53.3			54.3
May p	585.8	164.1	153.2	53.3	0.3	111.2	50.4	53.3			54.2
June p	588.6*	166.4	153.4*	53.4	0.2	111.4	50.4	53.4	80.1*	22.7	54.3*
July p	587.8	164.3	155.6	53.7	0.2	110.7	50.6	52.7			54.4
Aug. p	592.3	166.9	156.1	53.9	0.2	111.3	50.6	53.3	79.3	22.3	54.5
Sept. p	593.5	166.0	156.2	54.2	0.2	112.2	50.5	54.4			54.3
Oct. p	595.4	165.9	156.1	54.6	0.2	112.1	50.6	56.0			54.0
Nov. p	599.5	167.7	157.7	54.8	0.1	112.6	50.6	55.9			54.3

For footnotes see next page.

p - Preliminary.

* - Beginning with data for June 1966, total liquid assets and time deposits at commercial banks exclude \$1.1 billion of balances accumulated for the payment of personal loans.

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).