

BANKING AND MONETARY DEVELOPMENTS IN JULY 1967

Summary. Seasonally adjusted all commercial bank credit expanded at an extremely rapid pace in July, following modest growth in the preceding month. It appears, however, that the July credit data are somewhat overstated due to seasonal and technical factors. Early in July--in recent years not a Treasury financing month--banks acquired large amounts of the new tax anticipation bills and continued to hold most of them late in the month. Banks also made heavy acquisitions of other securities, but at a pace which continued to be somewhat slower than over the January-May period. Total loans rose sharply in July after having shown only moderate growth since the large January expansion. However, rapid growth was limited to the categories of business and security loans, which were probably overstated due to technical factors mentioned above. Growth in the money supply moderated somewhat from the high rate of the two previous months, but was close to the average of the first half of the year. Time and savings deposits increased at a rate only slightly less than the rapid pace of other recent months. Total, required, and free reserves rose over the month.

Changes in Commercial Bank Credit\*  
Money Supply and Time Deposits  
 (Seasonally adjusted)

	Annual rate (per cent)							
	1967				1966			1965
	July	1st 7 months	2nd Qtr.	1st Qtr.	2nd Half	1st Half	Year	Year
Total loans and investments	27.2	13.2	6.0	15.1	1.6	9.8	5.7	10.2
U.S. Gov't. securities	55.2	15.2	-9.0	25.8	-2.9	-9.0	-5.9	-5.6
Other securities	17.2	28.2	27.5	29.6	0.4	12.5	6.5	15.8
Total loans	23.0	9.3	4.7	8.9	3.1	14.7	9.0	14.7
Business loans	17.4	12.5	10.9	11.8	5.0	20.2	12.9	18.5
Money supply	7.5	6.8	7.4	5.9	-0.9	4.7	1.9	4.7
Time and savings deposits at all commercial banks	15.4	17.3	15.5	18.5	6.1	10.3	8.4	16.0

\* - 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 on June 30, 1966. 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. Loans and investments at all commercial banks increased \$7.4 billion in July, a record increase and the fastest rate since July 1953. (As was mentioned in the summary, however, the July credit data appear to be somewhat distorted by failure of seasonal adjustment techniques to compensate for changing patterns of tax payments and Government financing activities.) At large city banks in July, total loans and investments increased substantially in a period when they usually show relatively large declines, while at other banks the credit increase exceeded that of other recent years. Over the past seven months total credit at both the larger and the smaller banks has been significantly stronger than in the January-July period of other recent years. The 13.2 per cent rate of expansion at all commercial banks over the first seven months is more than double the rate for all of 1966, and somewhat faster than the rapid rate in 1965.

Banks increased their holdings of U.S. Government securities by \$2.6 billion over the month, mainly through heavy participation in the Treasury financing. Acquisition of Governments by large city banks was about equal in size to the substantial reductions made over the month in other recent years. Other banks made larger than usual additions to their portfolios of these securities.

Although as in June commercial banks added \$800 million to their holdings of municipal and Federal agency issues, this continued to be at a pace little more than half the 31.5 per cent rate from January through May. The strength in purchases of other securities over the month was particularly evident at smaller banks where there has customarily been little or no change in holdings during July.

Seasonally adjusted loans at all commercial banks rose \$4.1 billion in July, or at the very rapid annual rate of 23.0 per cent. This was substantially greater than the modest expansion of the first half, and boosted the rate of growth over the first seven months to 9.3 per cent--close to the 1966 yearly average. At large city banks, where July is usually a month of large seasonal repayments, the decline in total loans was less than one-third that of the previous two years.

Business loans, showing an increase of \$1.2 billion, was the strongest single loan category over the month. However, part of the July increase appears to result from failure of seasonal factors to compensate for the shifting forward of withholding tax payments which probably has delayed the usual July repayment pattern of June tax borrowing. Strength in business loans was most evident at large banks in New York City where in years prior to 1966 substantial repayments were made in July. Over the year thus far the average pace of business loan growth has been about the same as the 1966 yearly average, but below that of 1965.

Security loans also rose by a relatively large \$700 million in July, reflecting in part increased demands of dealers to finance larger inventories. Due to the continued cheaper cost of market financing, nonbank financial institutions made fairly sizable loan repayments following the small increase

in borrowing in June. Real estate and consumer loans showed further modest growth in July.

Money stock and time deposits. The money supply rose \$1.6 billion in July as the inflow of demand deposits continued at a pace somewhat below that of June, but slightly more than the second quarter average. The entire increase, however, came in the first half of the month, and was associated in part with a sharp decline in Treasury balances. Since mid-July the money supply has declined slightly as Treasury receipts have increased.

Although inflows of time and savings deposits--at a 15.4 per cent annual rate--had slackened from the June pace, the \$2.1 billion rise was close to the large second quarter average increase. Large city banks continued to report relatively strong inflows of passbook savings and time deposits other than negotiable CD's. Following only nominal growth over the second quarter, and reflecting both increased bank aggressiveness and greater corporate receptiveness in July, these banks also added substantially to their outstanding CD's over the month.

Bank reserves. Total and required reserves increased substantially in July, following more modest expansion in the previous month. Member bank excess reserves increased somewhat more than borrowings, and free reserves rose to an average of \$310 million over the four weeks ending July 26.

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

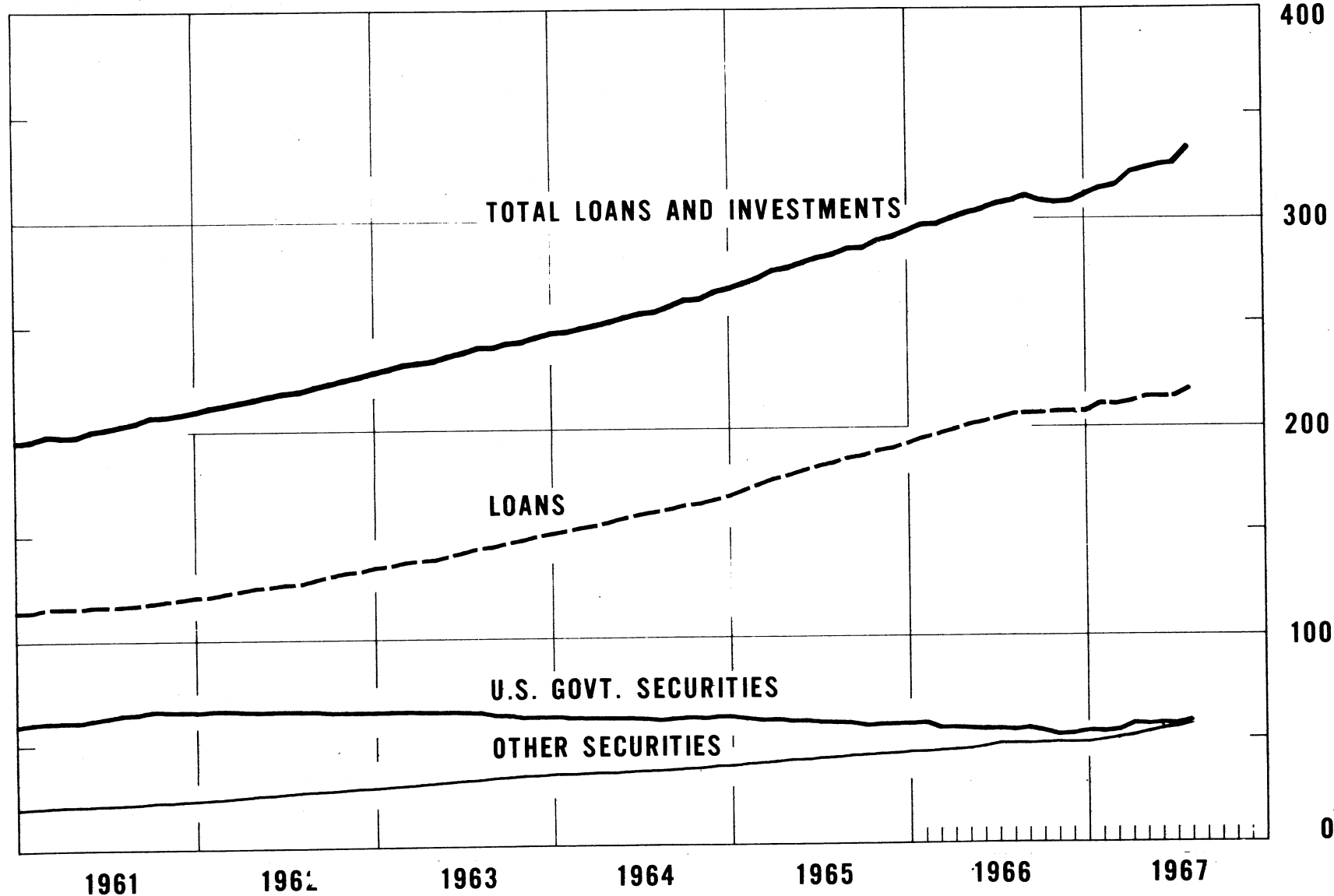


Exhibit A - Part II

Date	Total <u>1/</u>	Loans <u>1/</u>	U.S. Gov't. securities	Other securities
( In b i l l i o n s o f d o l l a r s )				
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--Dec. 31	294.4	192.0	57.7	44.8
1966--June 30	307.7 <u>3/</u>	204.0 <u>3/</u>	55.1	48.6 <u>3/</u>
July 27	309.2	206.4	54.4	48.5
Aug. 31	310.8	206.6	56.1	48.1
Sept. 28	308.7	206.1	54.3	48.3
Oct. 26	308.1	207.2	52.5	48.4
Nov. 30	308.6	207.2	53.0	48.4
Dec. 31	310.2	207.2	54.3	48.7
1967--Jan. 25	314.9	211.0	54.0	49.8
Feb. 22	316.5	210.4	55.1	51.0
Mar. 29	321.9	211.8	57.8	52.3
Apr. 26	324.1	213.8	56.6	53.7
May 31 p	326.4	213.8	57.6	55.1
June 30 <u>4/</u>	326.7	214.3	56.5	55.9
July 26 p	334.1	218.4	59.1	56.7

1/ Adjusted to exclude interbank loans.

2/ Estimated as of December 31.

3/ Beginning June 9, loan data exclude \$1.1 billion of balances accumulated for payment of personal loans. Beginning June 30, total loans exclude, and other securities include, about \$1 billion of participation certificates.

4/ Estimated as of June 30.

# LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

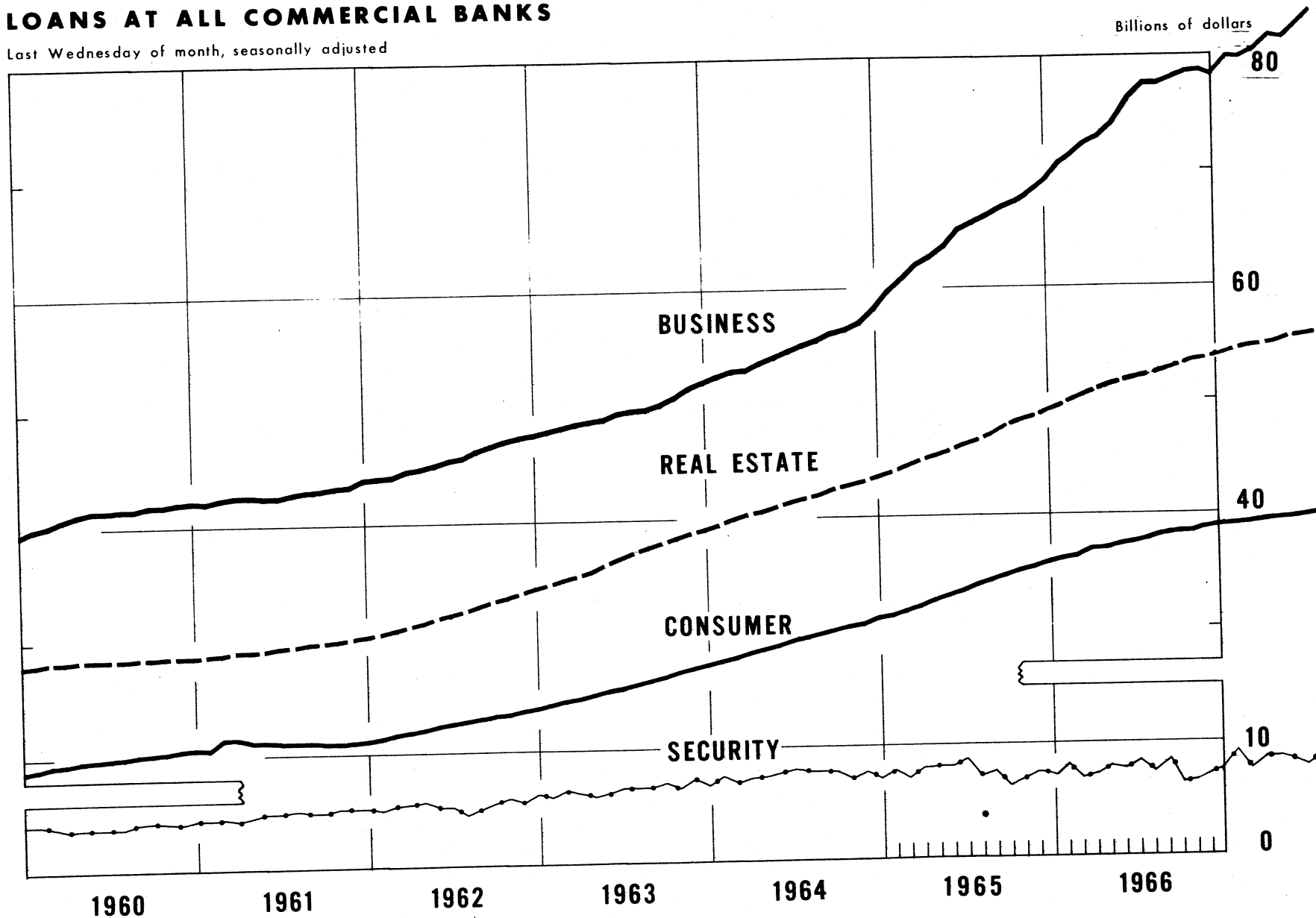


Chart revised for business loans beginning July 1966.

Exhibit B - Part II

Date	Business	Real Estate	Consumer	Security
( In b i l l i o n o f d o l l a r s )				
1962--Dec. 31 <u>1/</u>	47.6	34.2	23.7	6.2
1963--Dec. 31 <u>1/</u>	52.0	39.1	27.2	6.7
1964--Dec. 31	58.4	43.5	31.1	7.1
1965--Dec. 31	69.2	49.2	35.8	7.2
1966--June 30	76.2	51.9	37.5	8.3
July 27	77.6	52.1	37.8	7.4
Aug. 31	77.6	52.6	38.1	8.4
Sept. 28	78.0	53.0	38.3	6.6
Oct. 26	78.6	53.3	38.3	6.8
Nov. 30	78.7	53.5	38.7	7.1
Dec. 31	78.1	53.8	38.9	7.6
1967--Jan. 25	79.8	54.1	39.0	9.0
Feb. 22	79.7	54.4	39.1	7.6
Mar. 29	80.4	54.7	39.2	8.5
Apr. 26	81.7	54.8	39.3	8.5
May 31 p	81.4	55.2	39.4	8.2
Jun. 30 <u>2/</u>	82.6	55.4	r39.6	7.8
Jul. 26 p	83.8	55.6	39.8	8.5

1/ Estimated as of December 31.  
2/ Estimated as of June 30.

p - Preliminary.  
r - revised

These data are not for publication.

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

Item	1966							1967						
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June <sup>6/</sup>	July
<u>Loans and Investments</u> <sup>2/</sup>	+3.9 <sup>4/</sup>	+1.5	+1.6	-2.1	-0.6	+0.5	+1.6	+4.7	+1.6	+5.4	+2.2	+2.3	+0.3	+7.4
U. S. Gov't. securities	<u>1/</u>	-0.7	+1.7	-1.8	-1.8	+0.5	+1.3	-0.3	+1.1	+2.7	-1.2	+1.0	-1.1	+2.6
Other securities	+0.2 <sup>4/</sup>	-0.1	-0.4	+0.2	+0.1	<u>1/</u>	+0.3	+1.1	+1.2	+1.3	+1.4	+1.4	+0.8	+6.8
<u>Loans</u> <sup>2/</sup>	+3.8 <sup>4/</sup>	+2.4	+0.2	-0.5	+1.1	<u>1/</u>	<u>1/</u>	+3.8	-0.6	+1.4	+2.0	<u>1/</u>	+0.5	+4.1
Business	+2.0	+1.4	<u>1/</u>	+0.4	+0.6	+0.1	-0.6	+1.7	-0.1	+0.7	+1.3	-0.3	+1.2	+1.2 <sup>5/</sup>
Real estate	+0.4	+0.2	+0.5	+0.4	+0.3	+0.2	+0.3	+0.3	+0.3	+0.3	+0.1	+0.4	+0.2	+0.2
Consumer	+0.2	+0.3	+0.3	+0.2	<u>1/</u>	+0.4	+0.2	+0.1	+0.1	+0.1	+0.1	+0.1	+0.2	+0.2
Security	+0.6	-0.9	+1.0	-1.8	+0.2	+0.3	+0.5	+1.4	-1.4	+0.9	<u>1/</u>	-0.3	-0.4	+0.7
Nonbank financial	+1.2	-0.8	-0.9	+0.3	+0.1	<u>1/</u>	-0.5	+0.2	-0.4	+0.1	+0.4	-0.1	+0.3	-0.6
Agriculture	-0.2 <sup>4/</sup>	+0.3	+0.5	<u>1/</u>	-0.3	<u>1/</u>	-0.2	-0.1	<u>1/</u>	+0.2	+0.2	+0.3	<u>1/</u>	+0.1
All other	+0.6 <sup>4/</sup>	<u>1/</u>	-0.5	-0.1	-0.3	-0.2	<u>1/</u>	+0.3	-0.2	+0.3	-0.1	+0.1	+0.3	<u>1/</u>
Total loans excluding security <sup>3/</sup>	+4.2	+1.4	-0.1	+1.2	+0.4	+0.5	-0.8	+2.5	-0.3	+1.7	+2.0	+0.5	+2.1	+1.1
Total loans excluding security and non-bank financial <sup>3/</sup>	+3.0	+2.2	+0.8	+0.9	+0.3	+0.5	-0.3	+2.3	+0.1	+1.6	+1.6	+0.6	+1.8	+1.7

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.

<sup>4/</sup> 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. 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 June 30, 1966.

<sup>5/</sup> At large banks on a last Wednesday basis, bankers' acceptances increased \$107 million in July 1967, compared with declines of \$54 million in July 1966, and \$59 million in July 1965 (See Exhibit E).

<sup>6/</sup> Estimated as of June 30.

Data on individual loan categories are not for publication



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

Item	End of June to last Wednesday of July						
	1967 2/	1966	1965	1964	1963	1962	1961
<b>All commercial banks</b>							
Total loans	-0.7	-2.1 3/	-2.5	-2.2	-0.7	-1.6	-0.7
U. S. Gov't. securities	+2.4	-0.8	-0.6	-1.0	-1.0	-0.2	+2.8
Other securities	+0.8	-0.2 3/	+0.4	+0.1	+0.5	+0.5	+0.2
Total	+2.5	-3.0	-2.7	-3.1	-1.3	-1.4	+2.4
<b>Weekly reporting banks 5/</b>							
Total loans	-0.7	-2.4 3/	-2.6	-2.0	-0.9	-1.5	-0.6
U. S. Gov't. securities	+1.5	-1.0	-0.7	-1.0	-1.2	-0.9	+2.0
Other securities	+0.3	+0.2 3/	+0.3	+0.1	+0.4	+0.3	+0.2
Total	+1.1	-3.2	-3.0	-3.0	-1.6	-2.1	+1.6
<b>Other banks 5/</b>							
Total loans	1/	+0.3 3/	+0.1	-0.2	+0.2	-0.1	-0.1
U. S. Gov't. securities	+0.9	+0.2	+0.1	1/	+0.2	+0.7	+0.8
Other securities	+0.5	-0.4 3/	+0.1	1/	+0.1	+0.2	1/
Total	+1.4	+0.2	+0.3	-0.1	+0.3	+0.7	+0.8

Item	1967 2/	1966	1965	1964 2/	1963 2/	1962	1961
	<b>All commercial banks</b>						
Total loans	+4.7	10.5 3/4/	+10.3	+5.5	+4.5	+2.2	-0.4
U. S. Gov't. securities	+1.0	-6.8	-6.7	-5.1	-3.9	-2.4	+3.7
Other securities	+8.1	+2.8 3/	+3.8	+1.4	+3.6	+3.6	+1.4
Total	+13.9	+6.4 4/	+7.3	+1.8	+4.2	+3.4	+4.8
<b>Weekly reporting banks 5/</b>							
Total loans	-0.3	+5.1 3/4/	+5.5	+1.5	+0.9	-0.5	-2.0
U. S. Gov't. securities	+1.0	-4.6	-4.6	-3.3	-3.2	-2.5	+3.5
Other securities	+5.6	+1.0 3/	+2.4	+0.7	+2.7	+2.7	+0.9
Total	+6.3	+1.5 4/	+3.3	-1.1	+0.4	-0.2	+2.5
<b>Other banks 5/</b>							
Total loans	+5.0	+5.4 3/4/	+4.8	+4.0	+3.6	+2.7	+1.6
U. S. Gov't. securities	1/	-2.2	-2.1	-1.8	-0.7	+0.1	+0.2
Other securities	+2.5	+1.8 3/	+1.4	+0.7	+0.9	+0.9	+0.5
Total	+7.6	+4.9 4/	+4.0	+2.9	+3.8	+3.6	+2.3

N<sup>o</sup> 1 E--Data exclude all interbank loans; call report data for large commercial banks used when available.

1/ Less than \$50 million.

2/ Based on estimated data for all commercial banks on June 30, 1967, December 13, 1963, and December 31, 1962, and for large commercial banks on June 30, 1967, and December 31, 1962.

3/ 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 in late June 1966: \$700 million at large banks and \$300 million at other banks.

4/ Allowance has been made in monthly changes in total credit and in 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 9, 1966; \$400 million at large banks and \$700 million at other banks.

5/ Based on revised coverage beginning July 1966 and January 1967.

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

Business of borrower	Late June to late July 1/					Late December to late July 2/				
	1967	1966	1965	1964	1963	1967	1966	1965	1964	1963
Food processors	- 20	-111	- 69	- 57	- 82	- 597	- 267	- 481	-688	-675
Commodity dealers	+ 80	+ 29	- 23	+ 41	+ 22	- 99	- 293	- 421	-488	-242
Trade concerns	- 76	- 9	- 60	-104	- 97	- 35	+ 607	+ 588	- 93	- 22
Retail trade	- 74	- 44	- 61	-125	- 67	- 101	+ 411	+ 317	-141	- 15
Wholesale trade	- 2	+ 35	+ 1	+ 21	- 30	+ 66	+ 196	+ 271	+ 48	- 7
Metals	-115	+221	- 16	-349	-148	+1,387	+1,757	+1,102	+212	- 68
Primary metals	+ 75	- 18	- 20	- 72	- 1	+ 328	+ 215	+ 500	+105	+ 85
Machinery	- 72	+135	- 22	-133	- 63	+ 815	+ 815	+ 120	+ 36	- 39
Transportation equipment	- 16	+ 45	+ 7	-104	- 69	- 63	+ 403	+ 158	- 70	-159
Other fabricated metals	-102	+ 59	+ 19	- 40	- 13	+ 307	+ 324	+ 324	+140	+ 45
Textiles, apparel, etc.	--	+ 48	+ 69	+ 47	+ 33	+ 297	+ 598	+ 460	+254	+320
Petroleum	- 8	- 76	+ 12	-103	- 19	+ 33	+ 180	+ 204	-150	- 12
Chemicals	- 97	- 44	- 50	- 39	- 81	+ 212	+ 309	+ 300	+140	- 15
Other durable manufacturing	- 49	+ 48	+ 39	- 11	- 45	+ 126	+ 438	+ 265	+110	+ 46
Other nondurable manufacturing	+ 35	+ 65	+ 24	+ 9	+ 12	+ 196	+ 374	+ 209	+ 96	+104
Mining	- 60	+138	+ 8	+106	+ 9	+ 135	+ 482	+ 351	+203	+246
Public Utilities, total	+145	+165	+143	+ 59	-149	+ 532	+ 385	+ 651	-320	-404
Transportation <sup>3/</sup>	+ 19	n.a.	n.a.	n.a.	n.a.	+ 292	n.a.	n.a.	n.a.	n.a.
Communication <sup>3/</sup>	+ 12	n.a.	n.a.	n.a.	n.a.	+ 235	n.a.	n.a.	n.a.	n.a.
Other public utilities	+114	n.a.	n.a.	n.a.	n.a.	+ 5	n.a.	n.a.	n.a.	n.a.
Construction	+ 7	+ 8	+ 25	+ 39	+ 2	+ 17	+ 197	+ 256	+330	+135
All other types of business	+211	- 58	- 4	+142	- 19	+ 830	+ 179	+ 434	+573	+161
Bankers acceptances	+107	- 54	- 59	+118	n.a.	+ 221	- 286	- 272	n.a.	n.a.
Services <sup>3/</sup>	- 40	n.a.	n.a.	n.a.	n.a.	- 93	n.a.	n.a.	n.a.	n.a.
Other	+144	- 4	+ 55	+ 24	n.a.	+ 702	+ 465	+ 706	n.a.	n.a.
Foreign business concerns <sup>3/</sup>	-109	n.a.	n.a.	n.a.	n.a.	- 129	n.a.	n.a.	n.a.	n.a.
Classified	- 56	+424	+ 98	-220	-561	+2,805	+4,946	+3,918	+175	-425
Unclassified	- 60	+ 24	+ 37	- 2	- 50	+ 117	+ 664	+ 696	+493	+206
Total Change	-116	+448	+135	-222	-612	+2,922	+5,610	+4,614	+668	-219

1/ Four most comparable weeks used throughout; Wednesday to Wednesday changes. These data should therefore not be linked with all commercial bank data which are computed from June 30.

2/ Changes are compiled from December 28, 1966; December 29, 1965; December 30, 1964; December 25, 1963; and December 26 1962. These data cannot be linked with all commercial bank data which are always for December 31.

3/ Prior to 1967 transportation, communication, services, and foreign loans were not reported separately.

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 <u>1/</u>	189.5	58.9	20.5	110.0	40.2	28.1	4.9	5.0	18.8	7.1	8.1
1960--Dec. 31	198.5	61.0	20.9	116.7	43.1	28.7	5.1	5.7	20.6	7.1	8.7
1961--Dec. 30	214.4	66.6	23.9	123.9	45.2	30.3	6.2	6.2	21.4	7.3	9.8
1962--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--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--Mar. 30	298.5	55.4	45.4	197.6	72.6	50.3	7.2	8.6	36.4	12.5	14.1
Apr. 27	301.7	55.5	46.5	199.8	72.8	50.8	7.7	8.7	36.8	12.6	14.4
May 25	302.4	53.6	47.1	201.7	74.0	51.2	7.5	8.8	37.3	11.9	15.1
June 30	310.1 <u>2/</u>	53.5	48.8 <u>3/</u>	207.9 <u>2/3/</u>	77.2	51.9	8.6	8.5 <u>3/</u>	37.8	13.9	14.0 <u>2/3/</u>
July 27	307.1	52.7	48.6	205.8	77.1	52.3	7.2	8.6	38.1	12.8	13.7
Aug. 31	307.7	53.7	48.4	205.5	76.7	52.8	7.7	8.6	38.5	12.0	13.2
Sept. 28	309.3	53.6	48.8	206.9	77.9	53.2	7.0	8.6	38.5	12.5	13.2
Oct. 26	308.4	53.6	48.7	206.2	78.0	53.6	6.8	8.6	38.5	11.9	12.9
Nov. 30	309.5	54.4	47.9	207.2	78.6	53.8	6.8	8.7	38.7	11.9	12.7
Dec. 31	318.0	56.2	48.8	213.0	80.6	54.0	9.0	8.6	38.9	13.3	13.0
1967--Jan. 25	314.2	56.0	49.4	208.9	78.9	54.1	8.5	8.6	38.7	11.7	12.8
Feb. 22	314.9	56.6	50.7	207.6	79.1	54.1	7.6	8.7	38.6	11.3	12.5
Mar. 29	320.6	57.8	52.0	210.7	80.9	54.2	8.3	8.9	38.7	11.5	12.6
Apr. 26	322.8	56.2	54.0	212.7	81.5	54.5	8.3	9.2	39.1	11.7	12.6
May 31 p	323.8	55.9	54.8	213.2	81.2	54.9	8.0	9.3	39.4	11.5	13.1
June 30 <u>4/</u>	329.3	54.8	56.1	218.4	83.8	55.4	8.1	9.4	39.8	12.5	13.6
July 26 p	331.8	57.2	56.9	217.7	83.3	55.8	8.3	9.5	40.2	11.6	13.3

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.

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 \$100 million; and other 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 June 30, about \$1 billion of participation certificates previously included in agricultural and "all other" loans were reclassified as "other securities."

4/ Estimated on June 30.

Individual loans 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	Total	Member banks			Country	All commercial banks
			Reserve city banks				
			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--Dec. 31	63.7	65.4	75.9	70.2	68.7	57.9	7.3
1966--May 25	66.0	67.6	79.3	70.4	70.9	60.1	5.4
June 30 <u>2/</u>	66.0	67.7	80.9	73.4	70.3	59.6	5.3
July 27	66.5	68.3	82.6	73.3	71.0	60.1	5.0
Aug 31	66.5	68.3	81.9	74.0	71.3	60.2	5.6
Sept 28	66.8	68.6	81.8	75.3	71.9	60.2	5.6
Oct 26	66.5	68.4	82.9	74.2	71.4	60.1	5.8
Nov 30	66.5	68.5	82.7	77.7	71.2	60.1	5.6
Dec 31	65.8	67.9	83.5	77.0	70.2	59.2	6.1
1967--Jan 25	65.8	67.7	81.8	75.8	70.5	59.5	6.1
Feb. 22	65.4	67.3	81.8	74.8	69.6	59.3	5.4
Mar. 29	65.2	67.0	81.2	73.4	68.9	59.5	5.5
Apr. 26	65.2	66.9	80.9	72.1	68.5	59.9	5.1
May 31 p	65.1	66.8	80.0	70.9	68.4	60.2	4.6
June 28 p	66.0	67.7	82.1	73.9	69.2	60.5	4.8
July 26 p	65.0	66.7	81.5	72.3	67.5	59.9	n.a.

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.

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/ Beginning in June, 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 June the ratio for all commercial banks would be 66.3.

# DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS

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

Annual rate

Billions of dollars

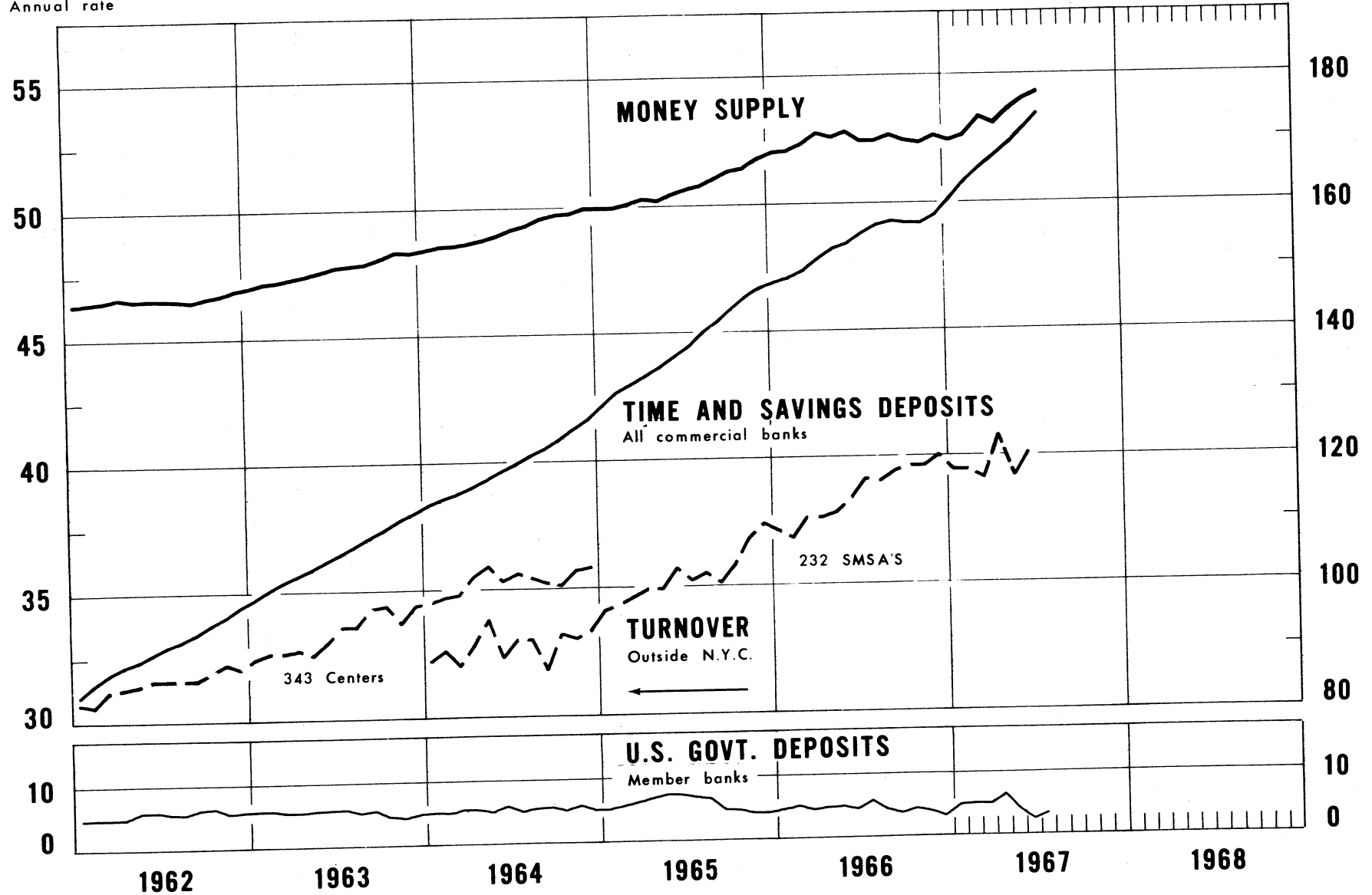


Exhibit H - Part II

Period	Seasonally Adjusted Data					
	Money Supply			Time and savings deposits <u>1/</u> (all commercial)	U. S. Gov't deposits (all member)	Turnover outside N.Y. City * (per cent)
	Total	Demand Deposits	Currency			
1964--December	159.7	125.4	34.2	126.6	5.0	33.3
1965--December	167.2	130.9	36.3	146.9	4.0	37.4
1966--December	170.3	132.1	38.3	158.0	2.9	40.0
1966--July	169.6	131.9	37.7	155.3	5.6	39.1
1967--January	169.6	131.1	38.5	160.5	4.8	39.4
February	170.4	131.7	38.7	163.2	4.9	39.4
March	172.8	133.9	r 38.9	165.3	4.8	39.1
April	172.1	r 133.1	39.0	167.3	6.4	40.8
May	174.1	134.9	39.2	169.3	4.1	39.2
June	176.0	136.6	r 39.3	171.7	2.4	40.1
July p	177.1	137.7	39.4	173.9	3.4	n.a.
<u>Week ending:</u>						
July 5	177.0	137.7	39.3	172.8	1.4	n.a.
12	177.3	137.8	39.4	173.0	1.8	n.a.
19	177.0	137.6	39.4	173.9	4.5	n.a.
26 p	177.0	137.6	39.4	174.5	3.9	n.a.

NOTE: Dollar amounts in billions.

p - Preliminary. r - Revised.

1/ Beginning on June 9, 1966, time deposit data exclude \$1.1 billion of balances accumulated for the payment of personal loans.

\* - Beginning January 1964, data for 232 metropolitan centers outside New York City.

# TIME AND SAVINGS DEPOSITS AT LARGE COMMERCIAL BANKS

Wednesday figures

Billions of dollars

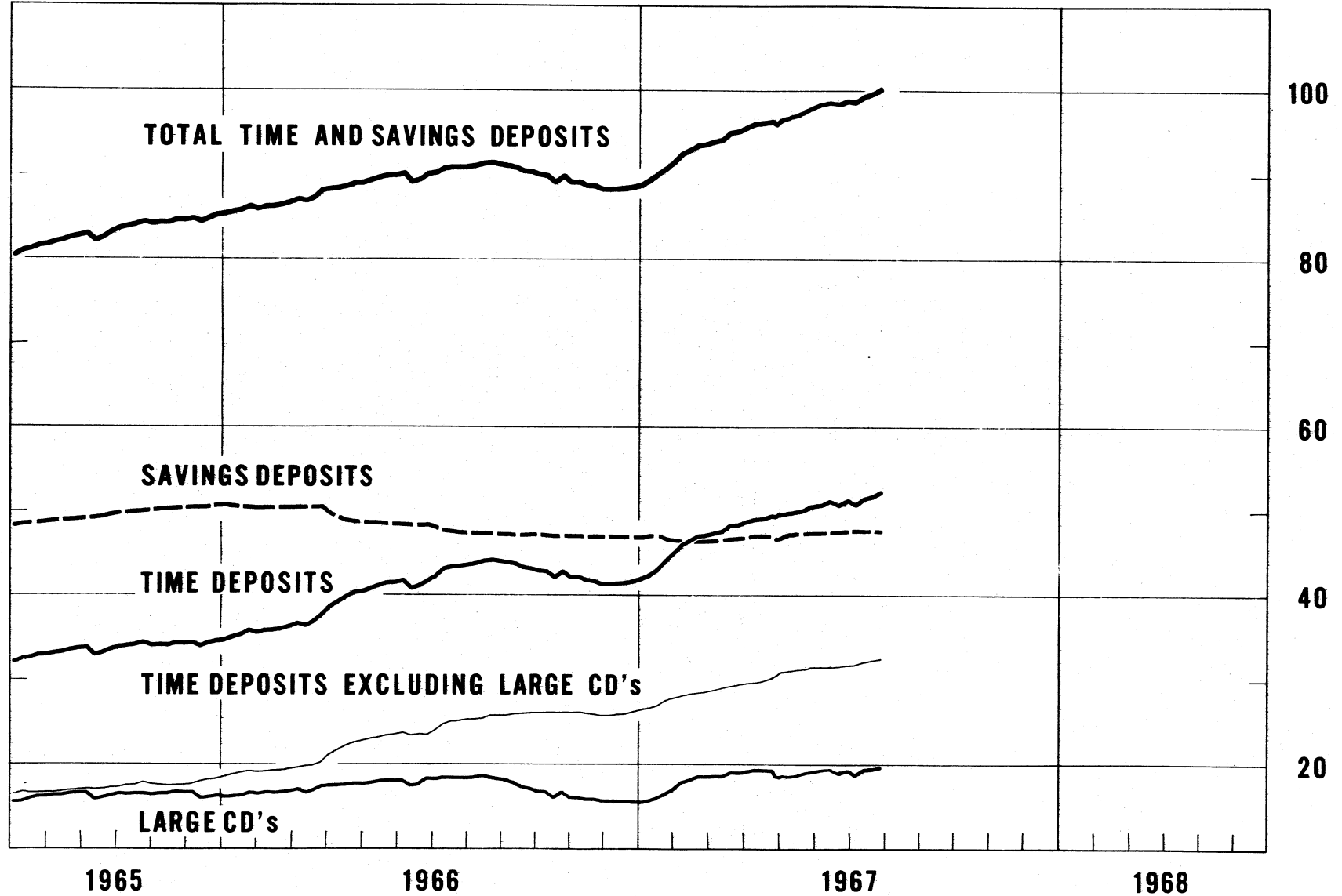


Exhibit I - Part II

Large Commercial Banks

Period	Time and Savings Deposits				Time other <u>1/</u> than large certificates of deposit
	Total <u>1/</u>	Savings	Time <u>1/</u>	Large certificates of deposit <u>2/</u>	
( In m i l l i o n s o f d o l l a r s )					
1961--Dec. 27	41,472	30,082	11,390	<u>3/</u> 2,782	8,608
1962--Dec. 26	50,011	34,712	15,299	<u>4/</u> 5,442	9,857
1963--Dec. 31	59,227	38,083	21,144	9,579	11,565
1964--Dec. 30	66,881	40,698	26,183	12,585	13,598
1965--July 7 (Old)	73,672	43,137	30,535	15,203	15,332
<u>5/</u> July 7 (New)	80,467	48,314	32,153	15,587	16,566
1965--Dec. 29	85,298	50,694	34,604	16,251	18,353
1966--July 27	90,935	47,443	43,492	18,294	25,198
Dec. 28 (Old)	89,495	47,099	42,396	15,659	26,737
<u>5/</u> Dec. 28 (New)	89,639	47,213	42,426	15,642	26,784
1967--May 31	97,829	47,285	50,544	19,077	31,467
June 28	98,848	47,739	51,109	19,153	31,956
July 5	98,770	47,848	50,922	18,953	31,969
12	99,422	47,791	51,631	19,447	32,184
19	99,779	47,822	51,957	19,524	32,433
26	100,180	47,817	52,363	19,696	32,667

1/ Beginning June 15, 1966, data exclude \$400 million of balances accumulated for the payment of personal loans.

2/ Negotiable certificates of deposit issued in denominations of \$100,000 or more.

3/ Estimated.

4/ As of December 5, 1962.

5/ Revised series.



Exhibit J

Member Bank Reserves

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

Date	Free reserves (excess reserves minus borrowings)				Country	Excess Reserves	Borrowings	Total reserves held seasonally adjusted <u>1/</u>
	All member	Reserve City Banks						
		New York City	City of Chicago	Other				
<b>Monthly Averages:</b>								
1958--December	- 41	- 80	- 32	-197	268	516	557	17,866
1959--December	-424	-109	-104	-449	237	482	906	17,903
1960--December	669	10	- 4	80	583	756	87	18,223
1961--December	419	- 50	- 22	20	471	568	149	18,961
1962--December	268	- 62	- 11	- 52	394	572	304	19,596
1963--December	209	19	- 21	-122	334	536	327	20,259
1964--December	168	- 14	- 31	-103	315	411	243	21,096
1965--December	- 2	- 70	- 8	-161	238	452	454	22,186
1966--June	-352	-143	- 12	-223	27	322	674	22,683 <u>2/</u>
July	-362	- 6	- 54	-312	9	404	766	22,827
Aug.	-390	- 26	- 24	-279	-61	338	728	22,537
Sept.	-368	- 93	- 64	-217	6	398	766	22,621
Oct.	-431	-124	- 95	-246	34	302	733	22,490
Nov.	-222	- 71	- 24	-245	118	389	611	22,431
Dec.	-165	- 95	- 50	-159	140	392	557	22,415
1967--Jan.	- 16	- 46	-123	- 80	233	373	389	22,774
Feb.	- 4	- 67	- 64	- 84	211	358	362	22,992
Mar.	236	- 68	- 15	13	306	435	199	23,407
Apr.	175	- 10	- 20	- 38	242	309	134	23,456
May	269	12	1	- 9	266	370	101	23,448
June p	297	7	- 3	33	258	420	123	23,612
July p	272	20	- 14	13	253	359	87	23,839

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.

r - revised.

1/ Series revised due to change in reserve requirements on March 16, 1967.

2/ Break in series due to redefinition of time deposits effective June 9, 1966, which reduced member bank reserves by \$24 million in June 1966, and \$34 million thereafter.

**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	495.4	149.6	112.9	44.5	0.5	90.9	47.6	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	81.5	24.1	53.5	
1965	572.9	164.0	147.1	52.6	0.3	109.7	50.5	48.6	80.0	22.8	54.3	
1966											54.2	
May	585.7	163.7	153.6	53.3	0.3	111.2	50.4	53.3			54.4	
June	589.3*	166.5	153.9*	53.6	0.2	111.4	50.4	53.4	79.7	22.5		
July	588.5	164.3	156.1	53.7	0.2	110.7	50.6	52.8			54.5	
Aug.	592.8	167.0	156.6	53.9	0.2	111.3	50.6	53.3			54.6	
Sept.	594.3	166.1	156.7	54.2	0.2	112.2	50.5	54.5	79.0	22.2	54.3	
Oct.	596.1	166.0	156.6	54.6	0.2	112.1	50.6	56.0			54.1	
Nov.	600.4	168.0	158.3	54.8	0.1	112.8	50.6	55.8			54.3	
Dec.	601.5	168.6	159.6	55.1	0.1	113.3	50.9	53.9	78.5	21.9	54.6	
1967											54.6	
Jan.	605.0	166.9	163.6	55.5	0.1	113.6	51.0	54.2			54.8	
Feb.	604.6	165.9	165.3	55.9	0.1	114.7	50.9	51.7			55.0	
Mar.	615.0	171.0	167.6	56.3	0.1	116.2	51.0	52.9	79.1	21.9	55.0	
Apr.	612.9	168.5	168.6	56.8	0.1	117.1	51.1	50.9			55.5	
May p	619.2	172.8	170.7	57.1	0.1	117.9	51.1	49.5			55.8	
June p	620.5	173.8	172.3	57.8	0.1	118.8	51.2	46.5	79.6	22.1	55.6	
July p	624.0	172.2	174.7	58.4	0.1	119.9	51.3	47.5			55.6	

For footnotes see next page.

\* - 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.    p - Preliminary.

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).