

BANKING AND MONETARY DEVELOPMENTS IN SEPTEMBER 1967

Summary. Seasonally adjusted commercial bank credit rose more rapidly in October than in the previous month. Banks participated heavily in the large Treasury financing early in October, but --seasonally adjusted--added much less to their net holdings of U.S. Government securities over the month than they had in July and August when Treasury cash financings also were large. Acquisitions of State and local obligations accelerated from the slackened September rate. Total loans increased somewhat less than in September, but continued at a more rapid pace than that over the first half of the year. Business loan expansion remained modest. The money supply rose following little change in the preceding month. Time and savings deposit inflows accelerated somewhat from the reduced pace of September. Total and required reserves rose, but free reserves dropped slightly.

Changes in Commercial Bank Credit 1/ 2/
Money Supply and Time Deposits
 (Seasonally adjusted)

	Annual rate (per cent)								
	1967					1966			1965
	Oct.	3rd Qtr.	July-Oct.	1st half	1st 10 mos.	2nd half	1st half	Year	Year
Total loans and investments	11.0	17.1	15.7	9.9	12.5	2.2	9.2	5.7	10.2
U.S. Govt. sec.	13.6	44.8	37.4	6.3	19.2	- 4.4	- 8.4	- 6.3	- 5.6
Other sec.	18.7	9.9	12.3	31.2	24.4	0.8	12.1	6.5	15.8
Total loans	8.7	11.8	11.1	5.9	8.1	4.3	13.6	9.1	14.7
Business loans	2.8	5.8	5.1	10.9	8.7	7.7	18.2	13.3	18.8
Money supply	6.7	6.8	6.8	6.8	6.9	- 0.2	4.6	2.2	4.7
Time and savings deposits at all commercial banks	13.4	15.1	14.8	17.4	16.9	6.5	10.8	8.8	16.0

1/ 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.

2/ Changes in commercial bank credit are based on data revised to reflect adjustments to June 1967 benchmarks.

Bank credit. Total loans and investments at all commercial banks rose \$3.1 billion in October. The annual rate of growth at 11.0 per cent was substantially faster than the relatively strong pace of September, but only about half as fast as the extremely rapid pace of July and August. Reflecting in large part the heavy Treasury financings in the second half of the year, total credit growth accelerated over the July-October period from the moderate second quarter pace to a rate of nearly 16 per cent. This exceeded slightly the high first quarter rate which was inflated by accelerated corporate tax-related borrowing.

U.S. Government security holdings at all commercial banks increased \$700 million over the month, mainly reflecting heavier than seasonal acquisitions of bills by large city banks. Banks were allotted virtually all of the \$4.5 billion of new April and June tax anticipation bills issued October 9, 75 per cent payable in tax and loan credits, and subsequent sales of these bills by large city banks appeared to have been offset to considerable degree by purchases of shorter bills. Despite the small decline in September when there was on new Treasury financing, bank holdings of Governments have increased at an annual rate of 37.4 per cent over the July-October period.

As further reflection of continued bank demand for liquidity and of light loan demand relative to deposit inflows banks accelerated their acquisitions of other securities from the reduced 8.4 per cent rate of September to 18.7 per cent in October, adding \$900 million to their holdings over the month. Purchases of municipals and participation certificates were particularly heavy at large banks outside New York City, but small banks as well as large banks in October--and over the year thus far--have made larger than usual additions to their portfolios of these securities. While the annual rate of increase over the last four months at 12.3 per cent is less than half as rapid as the rate over the first half, it is close to the strong pace of 1965.

Total loans at commercial banks rose \$1.6 billion in October, or somewhat less than the average increase over the preceding three months. However, the annual rate of increase over the period since June--at 11.1 per cent--continued to be slightly more than double the pace over the first half. In October relative to the comparable period of other years, loans at smaller banks appeared somewhat stronger than loans at larger banks. Over the first ten months of the year loans have grown at an 8.1 per cent rate--more rapid than over the last half of 1966, but considerably slower than the pace of the first half of 1966 and all of 1965.

During the January-October period smaller banks, which have maintained their lending at close to the pace of other recent year, have accounted for a much larger than usual share of total loan growth.

Business loans increased \$200 million in October, expanding at about the same modest rate as in the previous two months. Large New York City banks experienced heavier than usual repayments over the month, while large banks outside New York had contraseasonal repayments. The decline in business loans at these banks would have been even greater had it not been for their large acquisitions of bankers' acceptances during the month. There was no strong borrowing by any industry category, and the machinery, other durable goods, trade, and public utilities groups showed weakness.

Security loans rose \$300 million for the third consecutive month, as Government security dealers continued to borrow and brokers made smaller than usual repayments to banks. Following a net decline of \$700 million over the first half of the year, security loans have increased \$2.5 billion over the four months since June, accounting for nearly one-third of total loan growth over this period. Non-bank financial loans increased \$400 million in October, or slightly more than in the previous month, as the narrowing gap between the cost of market and bank financing contributed to much smaller than seasonal loan repayments by finance companies. Consumer and real estate loans expanded further at about the same moderate rate of other recent months.

Money stock and time deposits. The money supply rose \$1.0 billion in October as demand deposit inflows resumed at a rate of 6.9 per cent, following a small decline in September. Since June the nation's money stock has grown at a pace of 6.8 per cent--the same as in the first half of the year and more than three times the pace over the year 1966.

Time and savings deposits at all commercial banks increased \$2.0 billion in October. While this rise--at a 13.4 per cent annual rate--exceeded the September pace, growth continued slower than over the preceeding eight months. The slackened rate of growth has resulted chiefly from the failure of banks to replace the large negotiable CD runoff that occurred during the September tax period. Inflows of time deposits other than negotiable CD's continued relatively strong.

Bank reserves. Total and required reserves rose substantially further in October. Excess reserves increased, but member bank borrowings increased more. Free reserves declined about \$40 million to an average of \$212 million over the four statement weeks ending October 25. The average effective rate of Federal funds declined slightly from 3.99 in September to 3.87 in October.

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

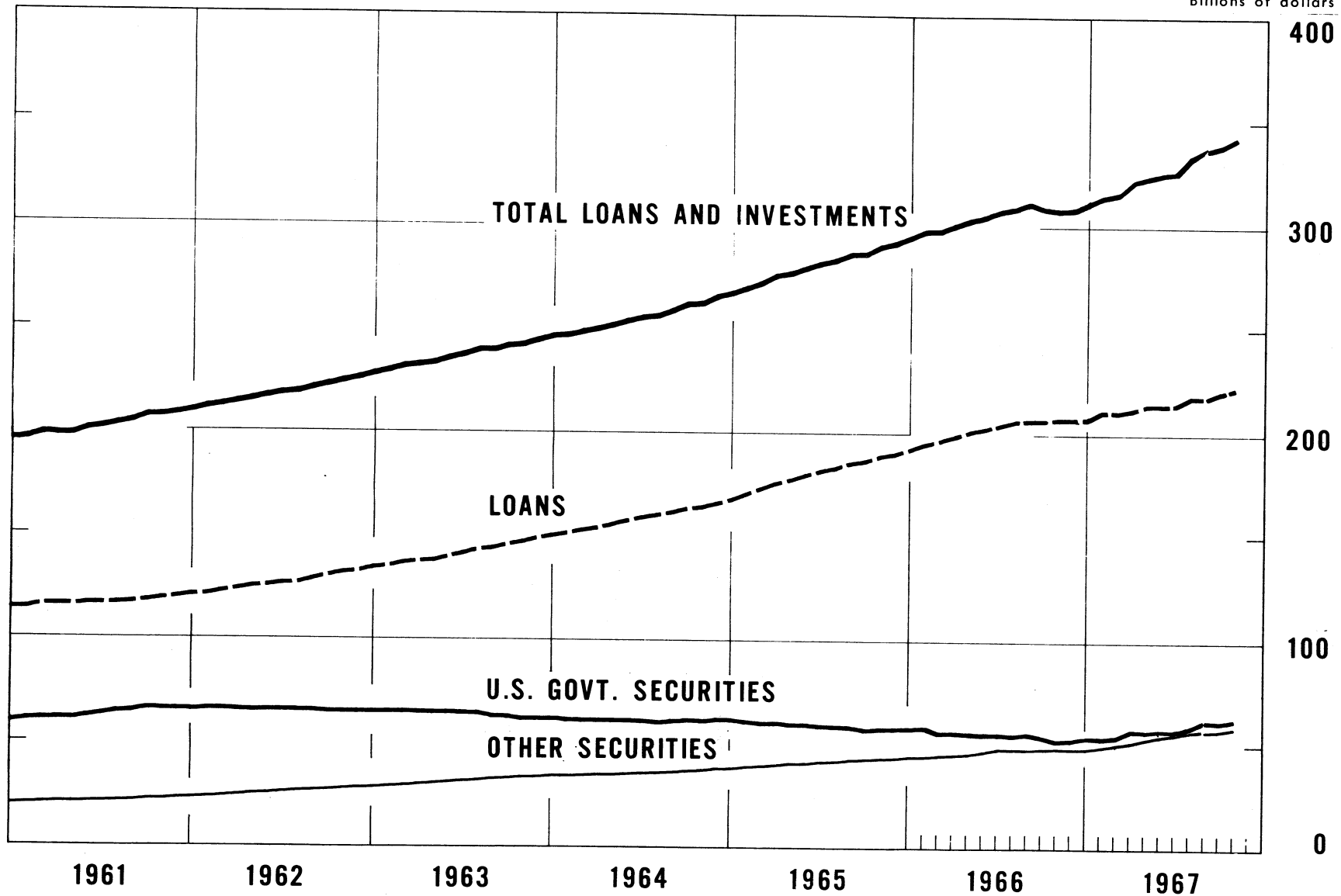


Chart revised beginning August 1967.

Exhibit A - Part II

Date	Total <u>1/</u> <u>4/</u>	Loans <u>1/</u> <u>4/</u>	U.S. Gov't. securities <u>4/</u>	Other securities <u>4/</u>
(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	167.7	60.7	38.7
1965--Dec. 31	294.4	192.4	57.3	44.8
1966--June 30	306.8 <u>3/</u>	203.4 <u>3/</u>	54.9	48.5 <u>3/</u>
July 27	307.5	204.5	54.5	48.5
Aug. 31	309.9	205.8	56.0	48.0
Sept. 28	309.4	206.2	54.9	48.3
Oct. 26	308.9	207.2	53.4	48.4
Nov. 30	309.3	207.5	53.4	48.4
Dec. 31	310.2	207.8	53.7	48.7
1967--Jan. 25	314.4	210.4	54.2	49.9
Feb. 22	318.0	211.0	55.9	51.1
Mar. 29	321.4	211.3	57.8	52.3
Apr. 26	323.2	213.5	56.1	53.6
May 31	324.6	213.5	56.1	55.0
June 30	325.8	214.0	55.4	56.3
July 26	332.3	217.0	58.8	56.5
Aug. 30	337.2	218.1	61.8	57.3
Sept. 27 p	339.4	220.1	61.6	57.7
Oct. 25 p	342.6	221.8	62.3	58.6

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/ Series revised beginning April 1967 to reflect adjustment to benchmarks for June 1967.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

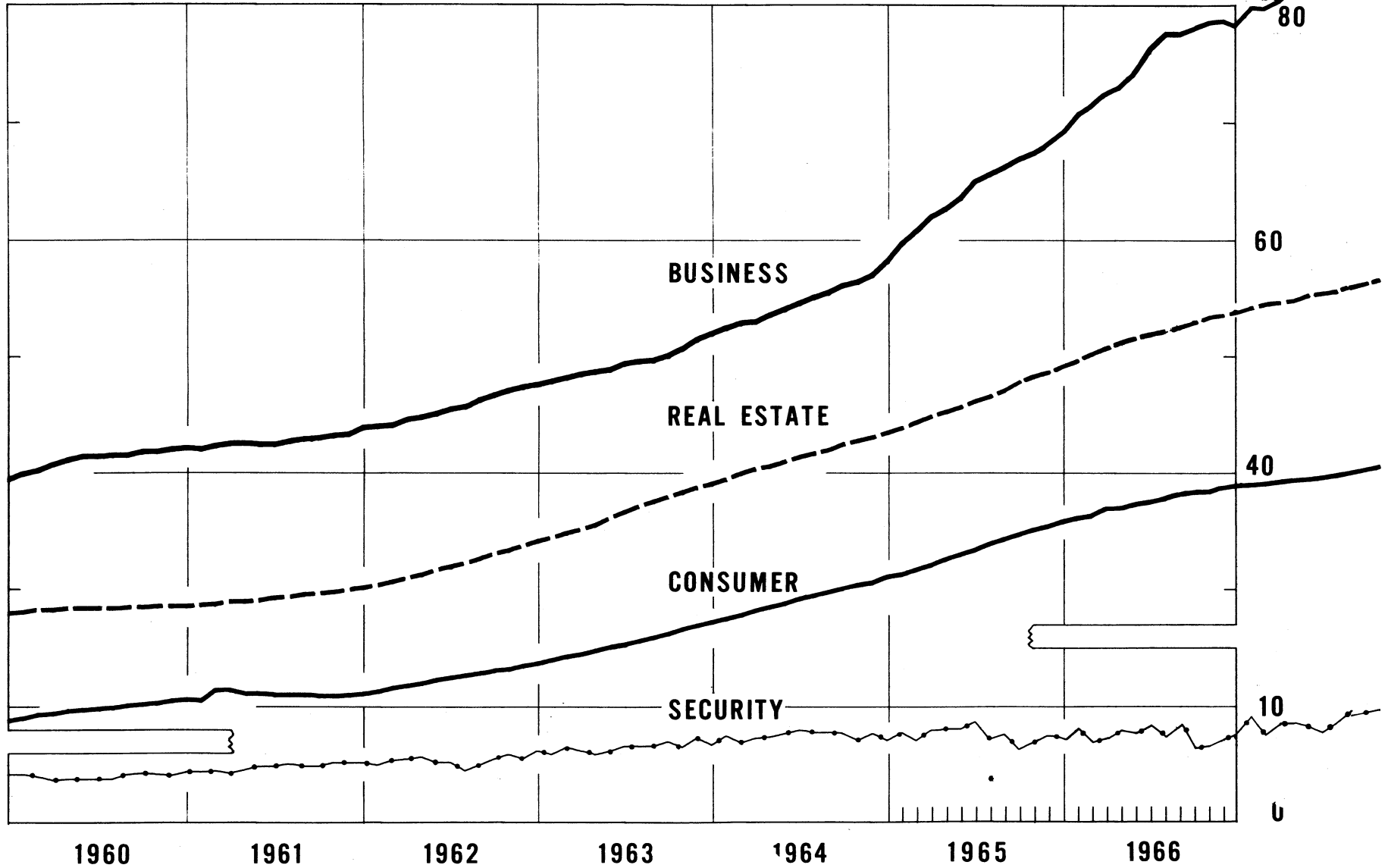


Chart revised beginning August 1967.

Exhibit B - Part II

Date	Business 2/	Real Estate 2/	Consumer	Security 2/
(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	43.6	31.1	7.1
1965--Dec. 31	69.4	49.2	35.7	7.4
1966--June 30	75.7	51.9	37.5	7.5
July 27	77.1	52.2	37.7	7.5
Aug. 31	77.7	52.6	38.0	7.4
Sept. 28	78.1	52.9	38.2	7.4
Oct. 26	78.6	53.3	38.4	7.4
Nov. 30	78.6	53.5	38.7	7.3
Dec. 31	78.6	53.8	38.8	7.9
1967--Jan. 25	79.5	54.1	39.0	8.4
Feb. 22	80.1	54.3	39.1	8.3
Mar. 29	80.8	54.5	39.2	8.3
Apr. 26	81.7	54.7	39.4	8.1
May 31	82.3	55.0	39.4	7.9
June 30	82.9	55.3	39.6	7.2
Jul. 26	83.6	55.6	39.8	8.8
Aug. 30	83.8	56.0	40.0	9.1
Sept. 27 p	84.1	56.3	r 40.3	9.4
Oct. 25 p	84.3	56.7	40.6	9.7

1/ Estimated as of December 31.

p - Preliminary.

2/ Series revised beginning January 1967 to reflect adjustment to benchmarks for June 1967.

These data are not for publication.

Exhibit C
Changes in Loans and Investments at All Commercial Banks, Seasonally Adjusted ^{5/}
(In billions of dollars)

Item	1 9 6 6				1 9 6 7									
	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June ^{3/}	July	Aug.	Sept. p	Oct. p
Loans and Investments ^{2/}	- 0.5	- 0.5	+ 0.4	+ 0.9	+ 4.2	+ 3.6	+ 3.4	+ 1.8	+ 1.4	+ 1.0	+ 6.8	+ 4.9	+ 2.2	+ 3.1
U. S. Gov't. securities	- 1.1	- 1.5	<u>1/</u>	+ 0.3	+ 0.5	+ 1.7	+ 1.9	- 1.7	<u>1/</u>	- 0.7	+ 3.4	+ 3.0	- 0.2	+ 0.7
Other securities	+ 0.3	+ 0.1	<u>1/</u>	+ 0.3	+ 1.2	+ 1.2	+ 1.2	+ 1.3	+ 1.4	+ 1.3	+ 0.2	+ 0.8	+ 0.4	+ 0.9
Loans ^{2/}	+ 0.4	+ 1.0	+ 0.3	+ 0.3	+ 2.6	+ 0.6	+ 0.3	+ 2.2	<u>1/</u>	+ 0.4	+ 3.2	+ 1.1	+ 2.0	+ 1.6
Business	+ 0.4	+ 0.5	<u>1/</u>	<u>1/</u>	+ 0.9	+ 0.6	+ 0.7	+ 0.9	+ 0.6	+ 0.6	+ 0.7	+ 0.2	+ 0.3	+ 0.2
Real estate	+ 0.3	+ 0.4	+ 0.2	+ 0.3	+ 0.3	+ 0.2	+ 0.2	+ 0.2	+ 0.3	+ 0.3	+ 0.3	+ 0.4	+ 0.3	+ 0.4
Consumer	+ 0.2	+ 0.2	+ 0.3	+ 0.1	+ 0.2	+ 0.1	+ 0.1	+ 0.2	<u>1/</u>	+ 0.2	+ 0.2	+ 0.2	+ 0.3	+ 0.3
Security	<u>1/</u>	<u>1/</u>	- 0.1	+ 0.6	+ 0.5	- 0.1	<u>1/</u>	- 0.2	- 0.2	- 0.7	+ 1.6	+ 0.3	+ 0.3	+ 0.3
Nonbank financial	<u>1/</u>	+ 0.2	- 0.1	- 0.1	+ 0.1	- 0.3	- 0.4	+ 0.2	- 0.1	- 0.2	- 0.1	<u>1/</u>	+ 0.3	+ 0.4
Agriculture	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	<u>1/</u>	+ 0.2	<u>1/</u>	+ 0.1	+ 0.2	+ 0.1	+ 0.1	<u>1/</u>	<u>1/</u>
All other	- 0.5	- 0.3	<u>1/</u>	- 0.6	+ 0.6	+ 0.1	- 0.5	+ 0.9	- 0.7	<u>1/</u>	+ 0.4	- 0.1	+ 0.5	<u>1/</u>
Total loans excluding security	+ 0.4	+ 1.0	+ 0.4	- 0.3	+ 2.1	+ 0.7	+ 0.3	+ 2.4	+ 0.2	+ 1.1	+ 1.6	+ 0.8	+ 1.7	+ 1.3
Total loans excluding security and non-bank financial	+ 0.4	+ 0.8	+ 0.5	- 0.2	+ 2.0	+ 1.0	+ 0.7	+ 2.2	+ 0.3	+ 1.3	+ 1.7	+ 0.8	+ 1.4	+ 0.9

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/} At large banks on a last Wednesday basis, bankers' acceptances increased \$150 million in October 1967, compared with an increase of \$24 million in October 1966 and a decline of \$68 million in October 1965.

^{5/} Series revised beginning January 1967 to reflect adjustments to benchmarks for June 1967.

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	Last Wednesday of September to last Wednesday of October						
	1967	1966	1965	1964	1963	1962	1961
All commercial banks							
Total loans	- 0.2	- 0.6	+ 0.7	- 0.7	<u>1/</u>	+ 0.9	+ 0.4
U. S. Gov't. securities	+ 2.3	<u>1/</u>	+ 2.6	+ 0.7	+ 0.2	+ 1.3	+ 0.5
Other securities	<u>+ 0.7</u>	- 0.1	<u>+ 0.2</u>	<u>+ 0.2</u>	<u>+ 0.3</u>	<u>+ 0.4</u>	- 0.1
Total	<u>+ 2.8</u>	- 0.8	<u>+ 3.4</u>	<u>+ 0.2</u>	<u>+ 0.5</u>	<u>+ 2.6</u>	<u>+ 0.8</u>
Large commercial banks ^{5/}							
Total loans	- 0.6	- 1.0	<u>1/</u>	- 1.2	- 0.5	+ 0.6	+ 0.1
U. S. Gov't. securities	+ 1.6	- 0.4	+ 1.6	- 0.3	- 0.1	+ 0.6	- 0.1
Other securities	<u>+ 0.3</u>	- 0.4	- 0.1	<u>1/</u>	<u>1/</u>	<u>+ 0.2</u>	- 0.1
Total	<u>+ 1.3</u>	- 1.8	<u>+ 1.5</u>	- 1.5	- 0.5	<u>+ 1.4</u>	- 0.1
Other banks ^{5/}							
Total loans	+ 0.4	+ 0.4	+ 0.7	+ 0.5	+ 0.5	+ 0.3	+ 0.3
U. S. Gov't. securities	+ 0.7	+ 0.4	+ 1.0	+ 1.0	+ 0.3	+ 0.7	+ 0.6
Other securities	<u>+ 0.4</u>	<u>+ 0.3</u>	<u>+ 0.3</u>	<u>+ 0.2</u>	<u>+ 0.3</u>	<u>+ 0.2</u>	<u>1/</u>
Total	<u>+ 1.5</u>	<u>+ 1.0</u>	<u>+ 1.9</u>	<u>+ 1.7</u>	<u>+ 1.0</u>	<u>+ 1.2</u>	<u>+ 0.9</u>
Item	End of December to last Wednesday of October						
	1967	1966 ^{3/}	1965	1964 ^{2/}	1963 ^{2/}	1962	1961
All commercial banks							
Total loans	+ 7.2 ^{3/}	+ 10.5 ^{3/4/}	+ 15.6	+ 9.1	+ 8.1	+ 7.6	+ 1.8
U. S. Gov't. securities	+ 6.2	- 5.9 ^{3/}	- 4.5	- 2.0	- 4.4	- 1.0	+ 5.6
Other securities	<u>+ 10.2</u>	<u>+ 2.8 ^{3/}</u>	<u>+ 5.3</u>	<u>+ 2.9</u>	<u>+ 5.2</u>	<u>+ 4.7</u>	<u>+ 2.3</u>
Total	<u>+ 23.7</u>	<u>+ 7.3 ^{4/}</u>	<u>+ 16.3</u>	<u>+ 10.0</u>	<u>+ 8.8</u>	<u>+ 11.3</u>	<u>+ 9.8</u>
Large commercial banks ^{5/}							
Total loans	+ 1.5	+ 4.6 ^{3/4/}	+ 8.7	+ 3.4	+ 3.1	+ 3.3	+ 0.7
U. S. Gov't. securities	+ 3.4	- 4.4 ^{3/}	- 3.8	- 2.1	- 4.3	- 2.8	+ 3.7
Other securities	<u>+ 6.6</u>	<u>+ 0.4 ^{3/}</u>	<u>+ 2.9</u>	<u>+ 1.5</u>	<u>+ 3.4</u>	<u>+ 3.2</u>	<u>+ 1.5</u>
Total	<u>+ 11.6</u>	<u>+ 0.6 ^{4/}</u>	<u>+ 7.8</u>	<u>+ 2.8</u>	<u>+ 2.1</u>	<u>+ 3.7</u>	<u>+ 4.5</u>
Other banks ^{5/}							
Total loans	+ 5.7	+ 5.9 ^{3/4/}	+ 6.9	+ 5.7	+ 5.0	+ 4.3	+ 2.5
U. S. Gov't. securities	+ 2.8	- 1.5 ^{3/}	- 0.7	+ 0.1	- 0.1	+ 1.8	+ 1.9
Other securities	<u>+ 3.6</u>	<u>+ 2.4 ^{3/}</u>	<u>+ 2.4</u>	<u>+ 1.4</u>	<u>+ 1.8</u>	<u>+ 1.5</u>	<u>+ 0.8</u>
Total	<u>+ 12.1</u>	<u>+ 6.7 ^{4/}</u>	<u>+ 8.5</u>	<u>+ 7.2</u>	<u>+ 6.7</u>	<u>+ 7.6</u>	<u>+ 5.3</u>

NOTE: 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 December 31, 1963, and December 31, 1962, and for large commercial banks on 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 September to late October ^{1/}					Late December to end of October ^{2/}				
	1967	1966	1965	1964	1963	1967	1966	1965	1964	1963
Food processors	+ 141	+ 162	+ 231	+ 212	+ 221	- 408	+ 62	- 36	- 242	- 225
Commodity dealers	+ 125	+ 35	+ 170	+ 208	+ 224	- 176	- 265	- 158	- 167	+ 195
Trade concerns	+ 5	+ 105	+ 95	+ 29	+ 166	- 3	+ 647	+1071	+ 258	+ 143
Retail trade	- 89	+ 109	+ 21	- 11	+ 113	- 99	+ 448	+ 683	+ 116	+ 98
Wholesale trade	+ 94	- 4	+ 74	+ 40	+ 53	+ 96	+ 199	+ 388	+ 142	+ 45
Metals	- 272	- 45	- 156	- 116	- 122	+ 750	+2087	+1311	+ 269	- 126
Primary metals	--	- 47	- 56	- 2	- 9	+ 356	+ 111	+ 110	+ 25	- 42
Machinery	- 187	+ 54	- 18	- 36	- 49	+ 318	+1094	+ 552	+ 121	+ 111
Transportation equipment	- 24	- 5	- 15	- 27	- 40	- 94	+ 592	+ 284	- 6	- 221
Other fabricated metals	- 61	- 47	- 67	- 51	- 24	+ 170	+ 290	+ 365	+ 129	+ 26
Textiles, apparel, etc.	- 135	- 194	- 120	- 179	- 88	+ 137	+ 462	+ 476	+ 92	+ 271
Petroleum	+ 15	+ 2	+ 24	+ 16	- 20	+ 52	+ 166	+ 315	- 79	+ 15
Chemicals	+ 18	- 1	+ 15	+ 22	- 47	+ 215	+ 433	+ 305	+ 218	- 22
Other durable manufacturing	- 99	+ 1	- 19	- 38	- 32	+ 86	+ 469	+ 384	+ 140	+ 82
Other nondurable manufacturing	- 47	- 67	- 59	- 31	- 67	+ 244	+ 369	+ 252	+ 87	+ 85
Mining	- 61	- 44	- 9	- 48	+ 15	- 86	+ 522	+ 213	+ 189	+ 282
Public Utilities, total	- 59	+ 104	+ 11	- 105	+ 96	+ 566	+ 694	+ 849	- 84	- 176
Transportation ^{3/}	+ 56	n.a.	n.a.	n.a.	n.a.	+ 424	n.a.	n.a.	n.a.	n.a.
Communication ^{3/}	- 25	n.a.	n.a.	n.a.	n.a.	+ 193	n.a.	n.a.	n.a.	n.a.
Other public utilities	- 90	n.a.	n.a.	n.a.	n.a.	- 51	n.a.	n.a.	n.a.	n.a.
Construction	- 32	- 26	+ 1	+ 8	- 6	- 67	+ 89	+ 289	+ 403	+ 195
All other types of business	+ 127	+ 42	- 39	- 49	- 47	+ 915	+ 122	+ 215	+ 404	+ 136
Bankers acceptances	+ 150	+ 24	- 68	- 55	n.a.	+ 517	- 309	- 472	n.a.	--
Services ^{3/}	+ 67	n.a.	n.a.	n.a.	n.a.	- 69	n.a.	n.a.	n.a.	n.a.
Other	- 90	+ 18	+ 29	+ 6	n.a.	+ 467	+ 431	+ 687	n.a.	+ 136
Foreign business concerns ^{3/}	- 68	n.a.	n.a.	n.a.	n.a.	- 185	n.a.	n.a.	n.a.	--
Classified	- 342	+ 74	+ 145	- 71	+ 292	+2040	+5857	+5486	+1489	+ 856
Unclassified	+ 53	+ 10	- 42	--	+ 74	+ 264	+ 543	+ 615	+ 535	+ 288
Total Change	- 289	+ 84	+ 103	- 71	+ 366	+2304	+6400	+6101	+2024	+1144

^{1/} Four most comparable weeks used throughout.

^{2/} Changes are compiled from December 28, 1966; December 29, 1965; December 30, 1964 and 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 ^{4/}
(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--Jun. 24 (old)	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.5	---	8.8
Jun. 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--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--Jul. 27	306.9 ^{2/}	52.7	48.6 ^{3/}	205.6 ^{2/3/}	77.1	52.3	7.2	8.6 ^{2/}	38.1	12.8	13.5 ^{2/3/}
Aug. 31	207.4	53.7	48.4	205.2	76.7	52.8	7.7	8.6	38.5	12.0	13.1 ^{2/3/}
Sept. 28	308.8	53.6	48.8	206.4	77.9	53.2	7.0	8.6	38.5	12.5	12.8
Oct. 26	308.0	53.6	48.7	205.8	78.0	53.6	6.8	8.6	38.5	11.9	12.5
Nov. 30	309.0	54.4	47.9	206.7	78.6	53.8	6.8	8.7	38.7	11.9	12.4
Dec. 31	307.9	56.2	48.8	213.0	80.6	54.0	9.0	8.6	38.9	13.3	13.0
1967--Jan. 25	313.8	56.0	49.4	208.5	78.9	54.0	8.5	8.6	38.7	11.7	12.4
Feb. 22	314.5	56.6	50.7	207.2	79.1	54.0	7.6	8.7	38.6	11.3	12.2
Mar. 29	320.1	57.8	52.0	210.3	81.1	54.1	8.3	8.9	38.7	11.5	12.1
Apr. 26	322.5	56.2	54.0	212.4	81.8	54.4	8.3	9.1	39.1	11.6	12.4
May 31	323.6	55.8	54.7	213.1	81.7	54.8	8.1	9.2	39.4	11.3	12.9
Jun. 30	329.5	54.2	56.7	218.6	84.6	55.3	8.2	9.3	39.9	12.2	13.5
Jul. 26	331.8	57.1	56.7	218.0	84.0	55.7	8.4	9.4	40.2	11.4	13.2
Aug. 30	334.2	59.1	57.8	217.3	82.5	56.2	8.9	9.4	40.5	11.2	13.0
Sept. 27 P	338.8	60.1	58.3	220.4	83.9	56.6	9.0	9.3	40.6	12.0	13.5
Oct. 25 P	341.6	62.4	59.0	220.2	83.7	57.0	8.9	9.3	40.7	11.6	13.5

NOTE: Data exclude interbank loans. Total loans are after and type 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/} Revisions beginning in January 1967 reflect adjustment to benchmarks for June 1967.

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 <u>3/</u>	Member banks					
		Total <u>3/</u>	Reserve city banks			Country <u>3/</u>	
New York City	City of Chicago		Other <u>3/</u>	All commercial banks			
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
1967--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	60.0	5.0
Aug. 31	66.4	68.3	81.9	74.0	71.3	59.9	5.6
Sept. 28	66.6	68.5	81.8	75.3	71.9	60.1	5.6
Oct. 26	66.4	68.3	82.9	74.2	71.6	59.9	5.8
Nov. 30	66.4	68.3	82.7	77.7	71.5	59.8	5.6
Dec. 31	65.8	67.9	83.5	77.0	70.2	59.2	6.1
1967--Jan. 25	65.6	67.6	81.8	75.8	70.4	59.3	6.1
Feb. 22	65.3	67.2	81.8	74.8	69.5	59.3	5.4
Mar. 29	65.1	66.9	81.2	73.4	68.7	59.5	5.5
Apr. 26	65.1	66.8	80.9	72.1	68.3	59.9	5.1
May 31	65.3	66.6	80.0	70.9	68.2	60.1	4.6
June 30	65.6	67.6	82.1	73.9	69.0	60.5	4.3
July 26	65.1	66.2	81.5	72.3	67.5	59.8	5.1
Aug. 30	64.9	66.5	81.0	71.4	68.1	59.4	5.5
Sept. 27 p	64.6	66.3	79.8	72.2	68.1	59.1	5.6
Oct. 25 p	64.0	65.5	77.8	70.7	67.4	59.3	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. r - revised.

- 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
- 3/ Revisions beginning in April 1967 reflect adjustments to June 30, 1967 benchmarks.

DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS

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

Annual rate

Billions of dollars

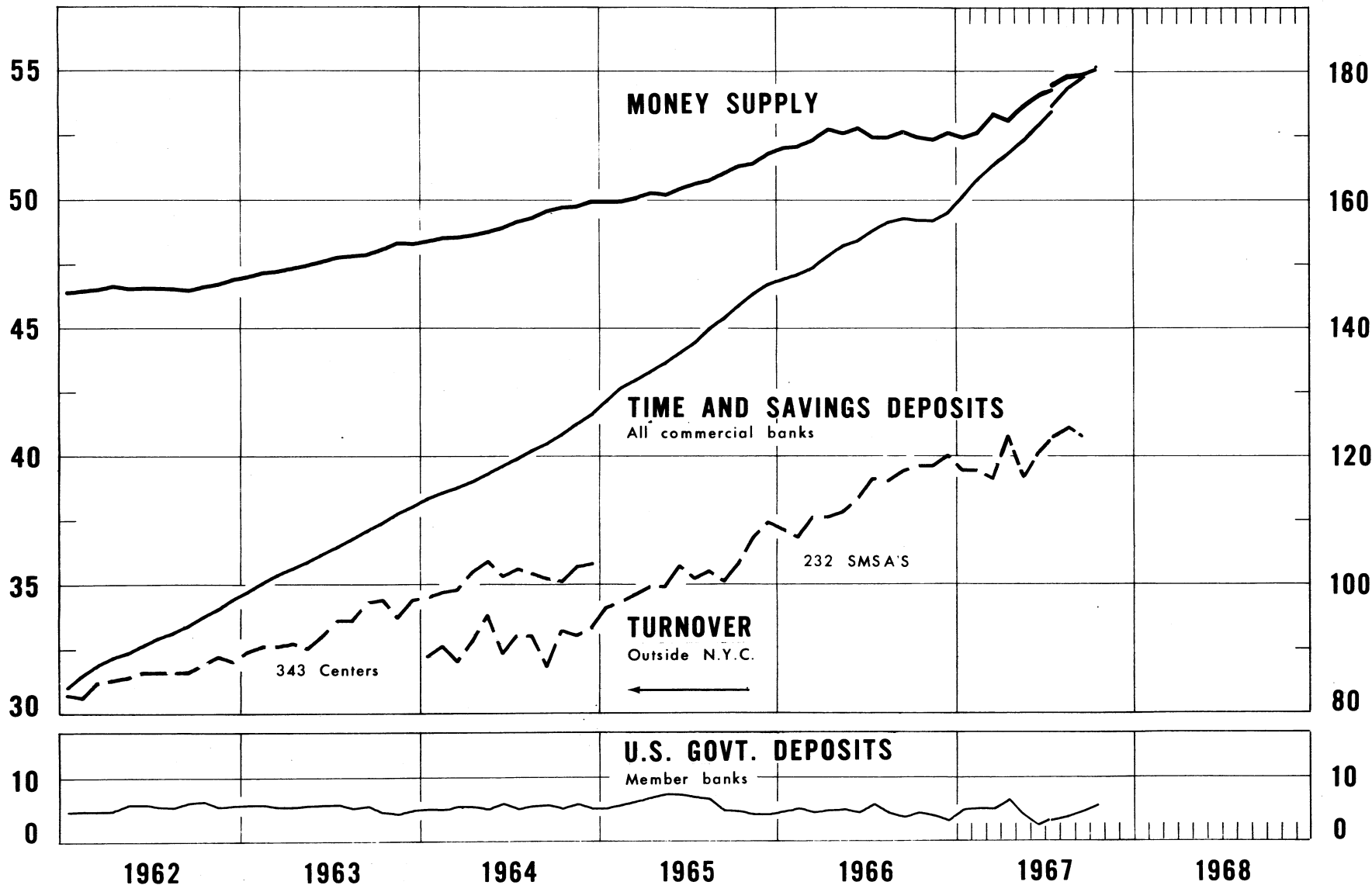


Chart on revised basis for Money Supply, Time and Savings Deposits, and U.S.Govt. Deposits beginning July 1967

Exhibit H - Part II

Period	Seasonally Adjusted Data					
	Money Supply <u>1/</u>			Time and <u>1/</u> savings deposits (all commercial)	U. S. Govt. deposits (all member)	Turnover outside N.Y. City* (per cent)
	Total	Demand deposits	Currency			
1964--December	159.3	125.1	34.2	126.6	5.1	33.3
1965--December	166.8	130.5	36.3	146.9	4.2	37.4
1966--December	170.4	132.1	38.3	158.6	3.2	40.0
1966--October	170.1	132.1	38.0	157.6	4.0	39.6
1967--January	170.3	131.8	38.5	160.8	4.9	39.4
February	171.5	132.8	38.7	163.5	5.0	39.4
March	173.1	134.2	38.9	166.1	4.8	39.1
April	172.7	133.6	39.1	168.1	5.8	40.8
May	174.5	135.3	39.2	170.0	4.1	39.2
June	176.2	136.8	39.3	172.4	2.2	40.1
July	177.9	138.4	39.5	174.6	3.2	40.7
August	179.1	139.6	39.6	177.2	3.7	41.1
September p	179.2	139.5	39.8	178.9	4.5	40.8
October p	180.2	140.3	39.9	180.8	5.6	n.a.
<u>Week ending:</u>						
October 4	180.3	140.5	39.8	179.5	3.6	n.a.
11	180.9	140.9	39.9	180.1	4.1	n.a.
18	180.4	140.4	40.0	180.9	6.3	n.a.
25	179.7	139.8	39.9	181.2	6.4	n.a.

NOTE: Dollar amounts in billions.

p - Preliminary r - Revised

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

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

TIME AND SAVINGS DEPOSITS AT LARGE COMMERCIAL BANKS

Wednesday figures

Billions of dollars

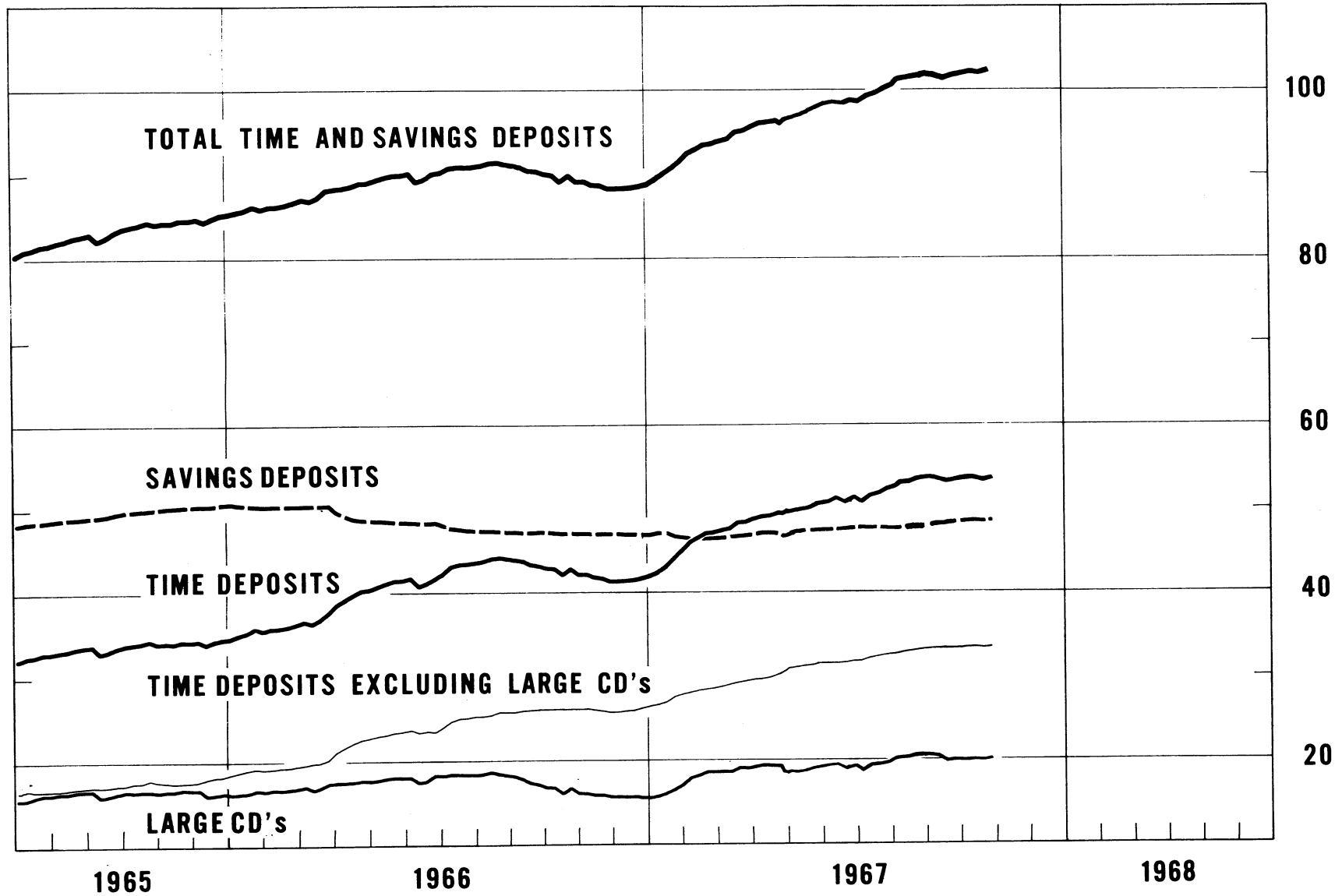


Exhibit I - Part II

Large Commercial Banks

Period	Time and Savings Deposits				
	Total 1/	Savings	Time 1/	Large certificates of deposit 2/	Time other 1/ than large certificates of deposit
(In millions of dollars)					
1961--Dec. 27	41,472	30,082	11,390	^{3/} 2,782	8,608
1962--Dec. 26	50,011	34,712	15,299	^{4/} 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--Oct. 26	89,167	47,022	42,145	15,918	26,227
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 26	100,200	47,817	52,383	19,696	32,687
Aug. 30	101,827	47,957	53,870	20,742	33,128
Sept. 27	101,659	48,349	53,310	19,897	33,413
Oct. 4	101,869	48,391	53,478	19,988	33,490
11	102,069	48,424	53,645	20,075	33,570
18	101,933	48,409	53,524	19,993	33,531
25	102,173	48,428	53,745	20,107	33,638

^{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)					Excess Reserves	Borrowings	Total reserves held seasonally adjusted			
	All member	Reserve City Banks			Country				All member	All member	All member
		New York City	City of Chicago	Other							
<u>Monthly Averages:</u>											
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 ^{1/}			
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	297	7	- 3	33	258	420	123	23,612			
July	272	20	- 15	12	254	359	87	23,835			
Aug	298	6	4	16	271	387	89	24,104			
Sept	r268	39	r 3	- 6	r231	r358	90	r24,297			
Oct. p	183	- 11	4	- 24	214	309	126	24,625			

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/} 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
 (Amounts in billions of dollars; ratios expressed as percentages)

End of year or month	Total	Demand deposits and currency <u>2/</u>	Time deposits		Postal Savings System	Savings and loan shares <u>4/</u>	U. S. Gov't. savings bonds <u>5/</u>	U. S. Gov't. securities maturing within one year <u>6/</u>	Ratios:		
			Commercial banks <u>3/</u>	Mutual savings banks					Liquid assets to gross national product <u>7/</u>	Demand deposits and currency to gross national product <u>7/</u>	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	81.0	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	573.0	164.0	147.1	52.6	0.3	109.8	50.5	48.6	80.0	22.8	54.3
1966											54.2
May	585.9	163.7	153.6	53.3	0.3	111.3	50.4	53.3			54.2
June	589.5*	166.5	153.9*	53.6	0.2	111.5	50.4	53.4	79.7	22.5	54.3
July	588.6	164.3	156.1	53.7	0.2	110.9	50.6	52.8			54.4
Aug.	592.9	167.0	156.6	53.9	0.2	111.4	50.6	53.3			54.6
Sept.	594.5	166.1	156.7	54.2	0.2	112.3	50.5	54.5	79.0	22.2	54.3
Oct.	596.2	166.0	156.6	54.6	0.2	112.2	50.6	56.0			54.1
Nov.	600.6	168.0	158.3	54.8	0.1	113.0	50.6	55.8			54.3
Dec.	601.7	168.6	159.6	55.2	0.1	113.4	50.9	53.9	78.5	21.9	54.5
1967											
Jan.	605.1	166.9	163.6	55.5	0.1	113.7	51.0	54.2			54.6
Feb.	604.7	165.8	165.3	55.9	0.1	114.8	50.9	51.7			54.8
Mar.	615.1	171.0	167.6	56.3	0.1	116.3	51.0	52.9	79.2	21.9	55.0
Apr.	r613.2	r168.6	168.6	56.8	0.1	117.1	51.1	50.9			55.0
May	r619.7	r172.9	170.7	57.4	0.1	118.0	51.1	49.5			55.4
June	r620.6	r173.7	172.4	57.8	0.1	118.9	51.2	46.5	79.6	22.1	55.8
July	r623.0	r171.9	174.7	58.4	0.1	119.9	51.3	46.7			r55.6
Aug.	r630.2	r174.1	r177.2	58.7	0.1	121.0	51.3	47.8			r55.7
Sept. p	r635.3	r176.2	r178.1	58.9	0.1	r122.4	51.4	r48.2	r79.3	r22.0	55.8
Oct. p	638.7	175.6	180.1	59.5	--	123.0	51.4	49.0			55.7

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.

NOTE: Revisions in total liquid assets, demand deposits and currency, and time deposits at commercial banks beginning in April 1967 reflect adjustment to benchmarks for June 1967.

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).