

JAN 22 1968

BANKING AND MONETARY DEVELOPMENTS IN DECEMBER 1967

Summary. Seasonally adjusted commercial bank credit showed little further change in December following relatively moderate growth over the three previous months. Total loans and business loans increased at a somewhat faster pace than earlier but bank holdings of U.S. Government securities declined sharply and their acquisitions of other securities slowed. The money supply increased only slightly following substantial growth in other recent months, even though U.S. Government deposits declined. Expansion in time and savings deposits continued to slacken due in part to heavy attrition of negotiable CD's and in part to reduced inflows of other time and savings deposits. Free reserves declined as member bank borrowings rose.

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

	Annual rate (per cent)								
	1967					1966			1965
	Dec.	Sept.- Nov.	July- Aug.	1st Half	Year	2nd Half	1st Half	Year	Year
Total loans and investments	0.3	8.3	21.6	9.9	11.0	2.2	9.2	5.7	10.2
U.S. Govt. sec.	-35.0	--	69.3	6.3	11.7	-4.4	-8.4	-6.3	-5.6
Other sec.	4.0	20.2	10.7	31.2	24.0	0.8	12.1	6.5	15.8
Total loans	9.2	7.5	12.1	5.9	7.8	4.3	13.6	9.1	14.7
Business loans	18.4	3.8	6.5	10.9	9.3	7.7	18.2	13.3	18.8
Money supply	1.3	4.9	9.9	6.8	6.5	-0.2	4.6	2.2	4.7
Time and savings deposits at all commercial banks	8.5	12.0	16.7	17.4	15.9	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, 1966 as a result of a change in Federal Reserve regulations affecting reserve requirements.

Bank credit. Total loans and investments at all commercial banks increased only \$100 million in December, compared with an average monthly rise of \$2.3 billion over the previous three months and nearly \$6 billion in July-August, when there was a large volume of Treasury financing. Loan growth in December was at a somewhat faster pace than in the September-November period but was more than offset by a sharp reduction in holdings of U.S. Government securities. Holdings of municipal and agency issues increased only slightly. The accelerated loan expansion was concentrated at weekly reporting banks and resulted in large part from a substantial pick-up in business loan demand.

Over the year 1967, total credit at all commercial banks increased at a postwar record 11 per cent--about 1 percentage point faster than in 1965. Total investment holdings increased more rapidly than in any postwar year while loans grew at the slowest pace since 1960-61. While the rate of increase in U.S. Government security holdings alone was somewhat below that of the peak postwar increase in 1958, municipal and agency issues increased at a slightly faster pace than in the previous record year, 1962. At both weekly reporting and at other banks, investment holdings increased in unusually large volume while the slackening in loan expansion occurred principally at the larger banks.

Holdings of U.S. Government securities at all commercial banks declined \$1.8 billion (seasonally adjusted) at all commercial banks in December. At weekly reporting banks, bill holdings (not seasonally adjusted) declined fairly substantially early in the month but subsequently rose in the last two statement weeks and presumably increased further as year-end adjustments were made.

Holdings of municipal and agency issues increased only \$200 million at all commercial banks in December following an average monthly rise of \$800 million earlier in the second half. At city banks, over 60 per cent of the December increase was in holdings of longer-term municipals--about the same proportion as in other recent months.

Business loans rose \$1.3 billion in December following an average monthly increase of \$400 million earlier in the second half of 1967. Growth had been more substantial over the first half of the year--averaging \$700 million a month--when corporations were acquiring funds to meet accelerated income tax payments. Over the year, business loans increased at a rate of 9.3 per cent compared with 13.3 per cent in 1966 and 18.8 per cent in 1965--a year of unusually rapid expansion.

In December, business loan demand was heavy at both New York City banks and at other weekly reporting banks. Borrowing by many industry categories was larger than usual. In the case of mining concerns, "carve-out" loans normally made in late December were much bigger than in other recent years. An expanded volume of loans to commodity dealers was associated with financing needs to cover unusually large cotton purchases from the CCC. A lower volume of repayments by retail trade concerns presumably reflected higher dealer inventories of automobiles. In addition, loans to primary metals manufacturers increased sharply probably due to stockpiling of steel in anticipation of a strike in 1968.

Growth in real estate and consumer loans continued in December at the somewhat higher rate evident earlier in the second half of the year. Over the entire year, however, expansion in real estate loans (7.2 per cent) and in consumer loans (6.2 per cent) was 2 to 2-1/2 per cent below the reduced 1966 pace--which had followed four years of large and sustained growth.

Security loans declined somewhat in December as inventories of U.S. Government security dealers were reduced. Increases in broker loans were substantial, however. Growth in security loans over the entire second half of 1967 was relatively large and more than offset the first half decline, bringing the year's increase to 12.7 per cent compared with 6.7 per cent in 1966 and no change in 1965. Loans to nonbank financial institutions increased only slightly in December and showed no change over the year. In 1966, also, growth had been negligible. This lack of increase was associated over most of the period with generally lower costs of direct financing in the short-term paper market relative to the cost of bank borrowing.

Money supply and time deposits. The money supply rose \$200 million in December following an average monthly increase of almost \$1 billion earlier in the year. The 6.5 per cent annual rate of growth over 1967 was the largest for any year since monthly average data became available in 1948. U.S. Government deposits at commercial banks declined in December following generally steady increases from the unusually low level prevailing in June.

Growth in time and savings deposits at all commercial banks slowed further in December to an annual rate of 8.5 per cent. While this slower pace was associated in large part with attrition of negotiable CD's (\$800 million at large commercial banks), expansion in other time and savings deposits continued to slacken; the latter probably reflected in part diversion of some funds into higher-yielding market securities. Over the year, time and savings deposits increased at a near-record rate of 15.9 per cent--almost double that of 1966. All categories of deposits shared in the growth; at large commercial banks, negotiable CD's rose by almost a third from their reduced level a year earlier, other time deposits by over a fourth, and savings deposits recouped about two-fifths of their 1966 loss. Growth in total time and savings deposits was unusually strong through August and then began to moderate.

Bank reserves. Free reserves averaged about \$145 million over the four statement weeks ending December 27 compared with \$225 million over the five November weeks. The December level was the lowest since February 1967. Most of the December reduction was associated with an increase in member bank borrowings which averaged \$185 million--higher than at any time since March--but excess reserves also dropped slightly. Total reserves (seasonally adjusted on a calendar month basis) declined somewhat in December following substantial increases in other recent months. Over the year, both total and required reserves increased at an annual rate of about 10 per cent.

Increase in member bank reserve requirements. On December 27, 1967, the Board of Governors announced an increase in reserve requirements against demand deposits which will increase required reserves by an estimated \$550 million--approximately \$360 million for reserve city banks and \$190 million for other member banks. The action will lift reserve requirements against demand deposits in excess of \$5 million at each bank from 16-1/2 per cent to 17 per cent for reserve city banks and from 12 per cent to 12-1/2 per cent for other member banks. Effective dates of the increase are January 11 for reserve city banks and January 18 for other member banks.

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

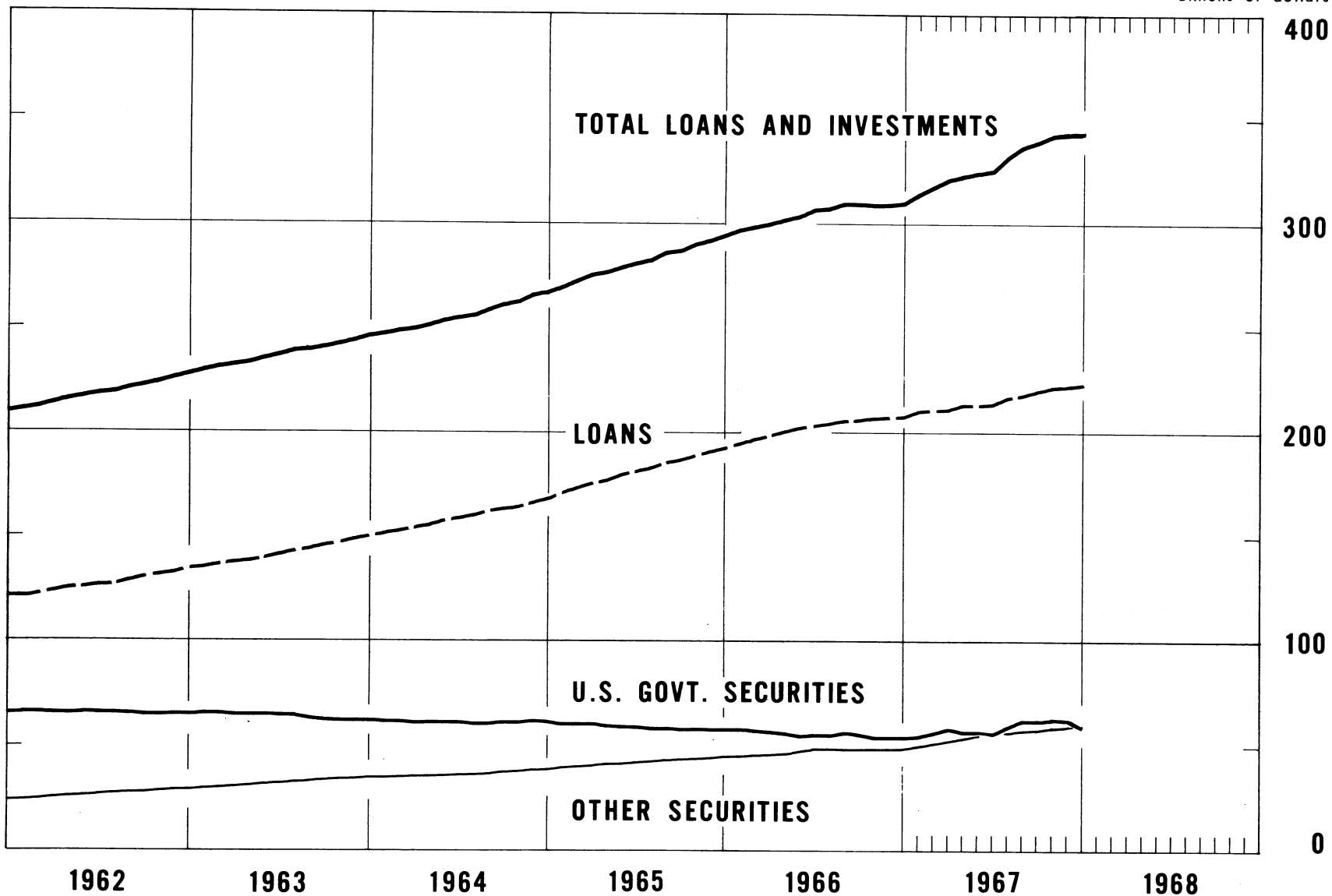


Exhibit A - Part II

Loans and Investments at All Commercial Banks
(Seasonally Adjusted)

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	167.7	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	325.6	213.9	55.4	56.3
July 26	332.4	217.1	58.8	56.5
Aug. 30	337.3	218.2	61.8	57.3
Sept. 27 p	339.5	220.2	61.6	57.7
Oct. 25 p	342.6	221.8	62.3	58.6
Nov. 29 p	344.3	222.3	61.8	60.2
Dec. 31 <u>2/</u>	344.4	224.0	60.0	60.4

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.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

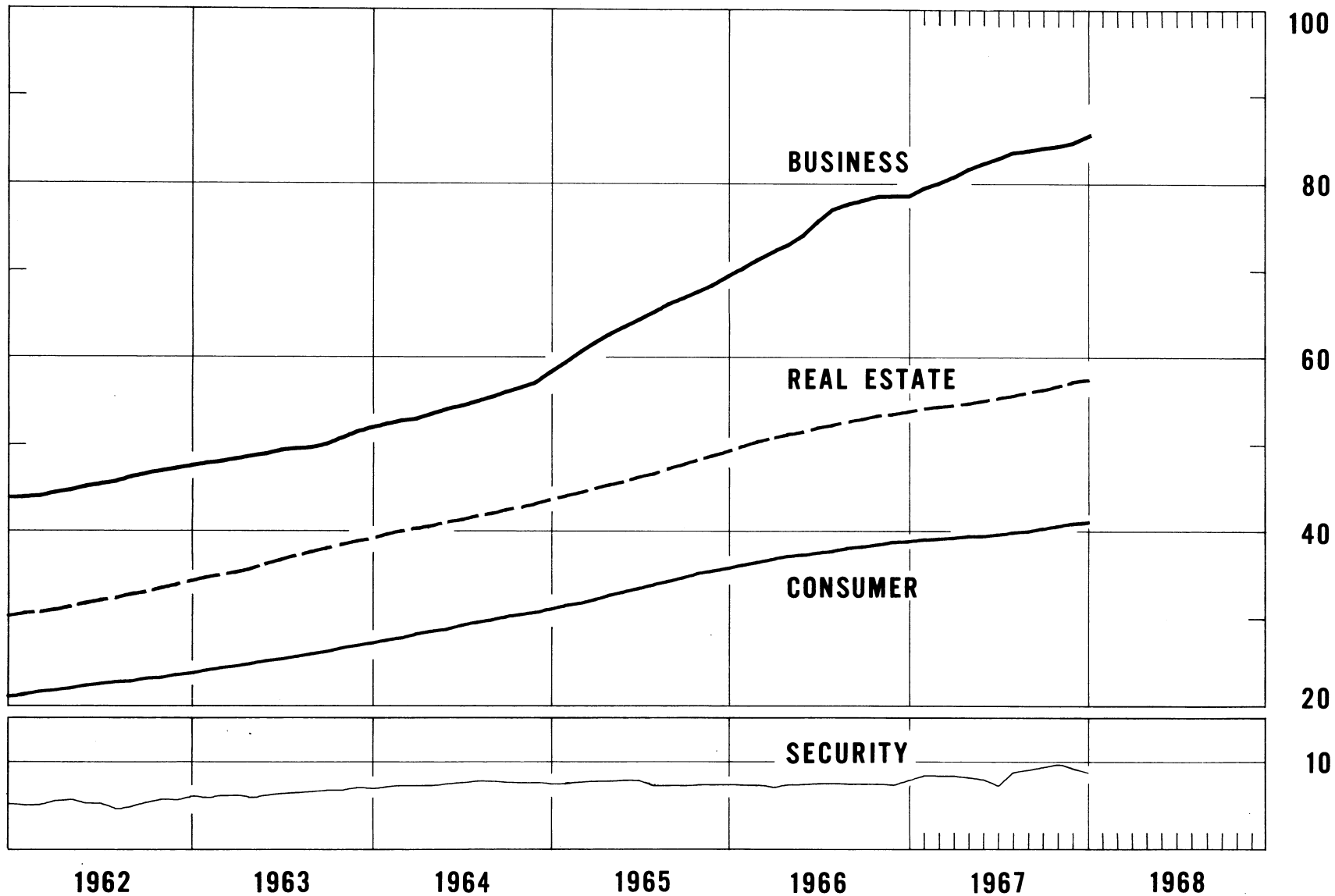


Exhibit B - Part II

Loans at All Commercial Banks
Seasonally Adjusted

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	43.6	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	40.3	9.4
Oct. 25 p	84.3	56.7	40.6	9.7
Nov. 29 p	r 84.6	57.2	40.9	9.2
Dec. 31 <u>1/</u>	85.9	57.7	41.2	8.9

1/ Estimated as of December 31.

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

^{1/} Less than \$50 million.

^{2/} Adjusted to exclude interbank loans.

^{3/} At large banks on a last Wednesday basis, bankers' acceptances increased \$39 million in Dec. 1967, compared with an increase of \$81 million in Dec. 1966 and an increase of \$74 million in Dec. 1965.

Data on individual loan categories are not for publication.

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 November to end of December						
	1967 <u>2/</u>	1966	1965	1964 <u>2/</u>	1963 <u>2/</u>	1962	1961
All commercial banks							
Total loans	+ 8.1	+ 6.3	+ 7.6	+ 6.6	+ 5.3	+ 5.6	+ 4.4
U. S. Gov't. securities	<u>1/</u>	+ 1.8	+ 0.7	+ 0.3	+ 1.1	+ 0.8	+ 0.4
Other securities	+ <u>0.9</u>	+ <u>0.9</u>	+ <u>1.1</u>	+ 0.7	+ 1.0	+ 0.5	+ 0.5
Total	+ 9.1	+ 8.9	+ 9.5	+ 7.6	+ 7.4	+ 6.8	5.3
Weekly reporting banks <u>5/</u>							
Total loans	+ 6.3	+ 4.4	+ 5.4	+ 4.8	+ 4.2	+ 4.5	+ 3.7
U. S. Gov't. securities	<u>1/</u>	+ 1.7	+ 0.6	+ 0.7	+ 1.1	+ 1.2	+ 0.3
Other securities	+ <u>0.1</u>	- <u>0.4</u>	+ <u>0.3</u>	+ <u>0.5</u>	+ <u>0.6</u>	+ <u>0.3</u>	+ <u>0.4</u>
Total	+ 6.5	+ 6.0	+ 6.3	+ 6.0	+ 5.9	+ 6.0	+ 4.4
Other banks <u>5/</u>							
Total loans	+ 1.8	+ 1.9	+ 2.2	+ 1.8	+ 1.1	+ 1.1	+ 0.7
U. S. Gov't. securities	<u>1/</u>	+ 0.1	+ 0.1	- 0.4	<u>1/</u>	- 0.4	+ 0.1
Other securities	+ <u>0.8</u>	+ <u>1.0</u>	+ <u>0.8</u>	+ <u>0.2</u>	+ <u>0.4</u>	+ <u>0.2</u>	+ <u>0.1</u>
Total	+ 2.6	+ 2.9	+ 3.2	+ 1.6	+ 1.5	+ 0.8	+ 0.9
Item	Year ended December						
	1967 <u>2/</u>	1966	1965	1964 <u>2/</u>	1963 <u>2/</u>	1962	1961
All commercial banks							
Total loans	+16.6	+17.7 ^{3/4/}	+25.3	+18.2	+16.0	+14.0	+ 7.2
U. S. Gov't. securities	+ 6.7	- 3.4 ^{3/4/}	- 3.4	- 0.4	- 3.0	- 0.2	+ 5.6
Other securities	+11.7	+ 3.0 ^{3/4/}	+ 6.1	+ 3.7	+ 5.8	+ 5.4	+ 3.1
Total	+35.2	+17.2 ^{3/4/}	+27.9	+21.5	+18.8	+ 19.2	+15.9
Weekly reporting banks <u>5/</u>							
Total loans	+ 8.6	+ 9.4 ^{3/4/}	+15.5	+ 9.6	+ 9.2	+ 7.9	+ 3.5
U. S. Gov't. securities	+ 3.2	- 2.0 ^{3/4/}	- 3.3	- 0.8	- 3.3	- 1.9	+ 3.6
Other securities	+ 6.9	- 0.5 ^{3/4/}	+ 2.6	+ 1.8	+ 3.6	+ 3.7	+ 2.0
Total	+18.7	+ 7.0 ^{3/4/}	+14.8	+10.6	+ 9.5	+ 9.7	+ 9.1
Other banks <u>5/</u>							
Total loans	+ 8.0	+ 8.3 ^{3/4/}	+ 9.8	+ 8.6	+ 6.8	+ 6.1	+ 3.7
U. S. Gov't. securities	+ 3.5	- 1.4 ^{3/4/}	- 0.1	+ 0.4	+ 0.3	+ 1.7	+ 2.0
Other securities	+ 4.8	+ 3.5 ^{3/4/}	+ 3.5	+ 1.9	+ 2.2	+ 1.7	+ 1.1
Total	+16.5	+10.2 ^{3/4/}	+13.1	+10.9	+ 9.3	+ 9.5	+ 6.8

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, 1967, 1963, and 1962, and for large commercial banks on December 31, 1967 and 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 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 November to late December 1/					Late December to late December 2/				
	1967	1966	1965	1964	1963	1967	1966	1965	1964	1963
Food processors	+ 227	+ 166	+ 222	+ 106	+ 82	+ 38	+ 419	+ 390	+ 67	+ 59
Commodity dealers	+ 80	+ 35	+ 25	- 40	- 73	+ 200	+ 12	+ 46	+ 23	+ 310
Trade concerns	+ 16	- 106	- 240	- 382	- 34	+ 143	+ 671	+1,057	+ 248	+ 395
Retail trade	- 54	- 97	- 254	- 389	- 82	- 21	+ 408	+ 604	+ 59	+ 271
Wholesale trade	+ 70	- 9	+ 14	+ 7	+ 48	+ 164	+ 263	+ 453	+ 189	+ 123
Metals	+ 77	+ 265	+ 189	+ 146	+ 58	+ 742	+2,428	+1,474	+ 481	- 77
Primary metals	+ 161	- 9	+ 50	+ 19	+ 16	+ 540	+ 98	+ 177	+ 18	- 14
Machinery	- 56	+ 170	+ 84	+ 63	+ 71	+ 257	+1,260	+ 655	+ 243	+ 127
Transportation equipment	- 42	+ 116	+ 3	+ 41	- 26	- 183	+ 832	+ 249	+ 79	- 200
Other fabricated metals	+ 14	- 12	+ 52	+ 23	- 3	+ 128	+ 238	+ 393	+ 140	+ 9
Textiles, apparel, etc.	- 127	- 85	- 102	- 46	- 30	- 113	+ 276	+ 260	- 85	+ 148
Petroleum	+ 53	- 127	+ 120	+ 29	+ 2	+ 128	+ 2	+ 448	- 81	+ 23
Chemicals	+ 65	+ 53	+ 88	+ 158	+ 17	+ 226	+ 486	+ 382	+ 380	- 16
Other durable manufacturing	+ 5	+ 22	+ 1	- 1	- 20	+ 33	+ 474	+ 368	+ 121	+ 23
Other nondurable manufacturing	+ 66	+ 20	- 3	- 32	--	+ 256	+ 373	+ 265	+ 33	+ 75
Mining	+ 466	+ 45	+ 252	+ 235	+ 26	+ 359	+ 526	+ 464	+ 378	+ 386
Public Utilities, total	+ 425	+ 286	+ 396	+ 298	+ 189	+1,077	+1,141	+1,466	+ 159	+ 158
Transportation 3/	+ 244	n.a.	n.a.	n.a.	n.a.	+ 701	n.a.	n.a.	n.a.	n.a.
Communication 3/	+ 66	n.a.	n.a.	n.a.	n.a.	+ 227	n.a.	n.a.	n.a.	n.a.
Other public utilities	+ 115	n.a.	n.a.	n.a.	n.a.	+ 149	n.a.	n.a.	n.a.	n.a.
Construction	- 18	- 2	- 43	+ 8	- 53	- 93	+ 16	+ 285	+ 440	+ 147
All other types of business	+ 519	+ 65	+ 286	+ 430	+ 282	+1,617	+ 248	+ 546	+ 837	+ 525
Bankers acceptances	+ 39	+ 81	+ 74	+ 126	n.a.	+ 668	- 168	- 399	n.a.	n.a.
Services 3/	+ 175	n.a.	n.a.	n.a.	n.a.	+ 168	n.a.	n.a.	n.a.	n.a.
Other	+ 305	- 16	+ 212	+ 304	n.a.	+ 781	+ 416	+ 945	n.a.	n.a.
Foreign business concerns 3/	+ 34	n.a.	n.a.	n.a.	n.a.	- 132	n.a.	n.a.	n.a.	n.a.
Classified	+1,888	+ 642	+1,191	+ 909	+ 444	+4,481	+7,072	+7,451	+3,001	+2,157
Unclassified	+ 197	+ 10	+ 271	+ 211	+ 160	+ 590	+ 511	+ 994	+ 809	+ 535
Total Change	+2,085	+ 652	+1,462	+1,120	+ 604	+5,071	+7,583	+8,445	+3,810	+2,692

1/ Four most comparable weeks used through.

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--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
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	c 317.9	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
Nov. 29 p	344.0	62.9	59.6	221.5	r 84.5	57.5	8.4	9.2	40.9	11.6	r 13.8
Dec. 31 (est.)	353.1	62.9	60.5	229.6	88.0	57.8	10.2	9.1	41.3	13.3	14.4

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. c - Corrected.

^{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."

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	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--Dec. 31	63.7	65.4	75.9	70.2	68.7	57.9	7.3
1966--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	59.8	5.1
May 31	65.1	66.6	80.0	70.9	68.3	59.9	4.6
June 30	65.6	67.3	82.1	74.0	68.6	60.0	4.3
July 26	65.1	66.2	81.5	72.3	67.8	59.6	5.1
Aug. 30	64.9	66.5	81.0	71.4	68.4	60.4	5.5
Sept. 27 p	64.8	66.3	79.8	72.2	68.3	58.8	5.6
Oct. 25 p	64.0	65.5	77.8	70.7	67.7	58.6	6.3
Nov. 29 p	64.1	65.7	78.7	71.0	68.3	58.4	6.5
Dec. 27 p	64.2	65.8	79.9	70.8	68.1	58.2	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.

DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS

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

Annual rate

Billions of dollars

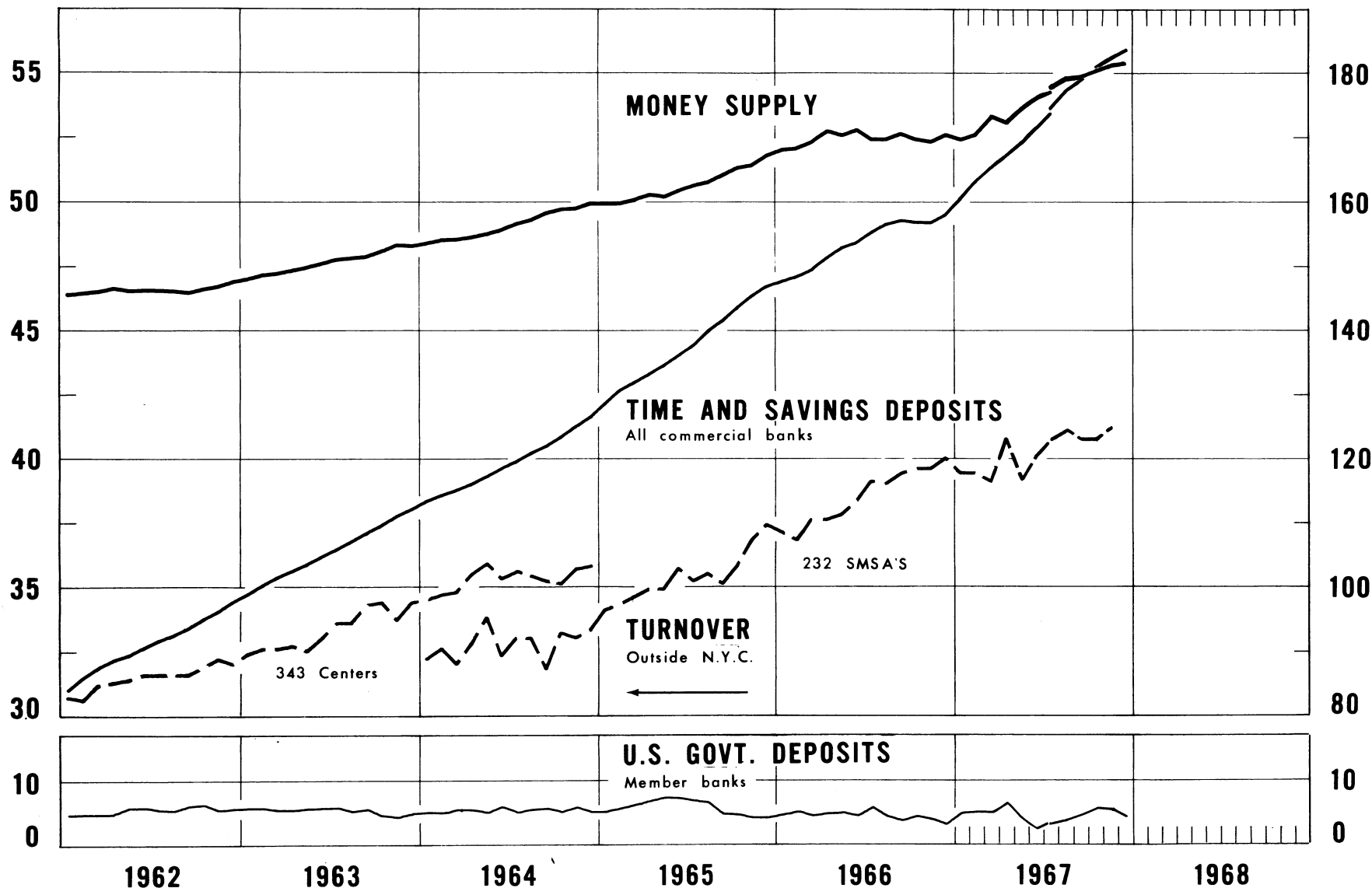


Chart on revised basis for Money Supply, Time and Savings Deposits, and U.S.Govt. Deposits beginning July 1967

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
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	179.2	139.5	39.8	178.9	4.5	40.8
October	180.2	140.3	39.9	180.8	5.6	40.8
November p	181.3	141.3	40.0	182.5	5.3	41.2
December p	181.5	141.1	40.3	183.8	4.3	n.a.
Week ending:						
December 6 p	181.4	141.3	40.1	183.8	4.6	n.a.
13 p	180.9	140.6	40.3	184.1	4.2	n.a.
20 p	180.8	140.4	40.3	183.9	4.5	n.a.
27 p	182.0	141.5	40.5	183.6	4.4	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

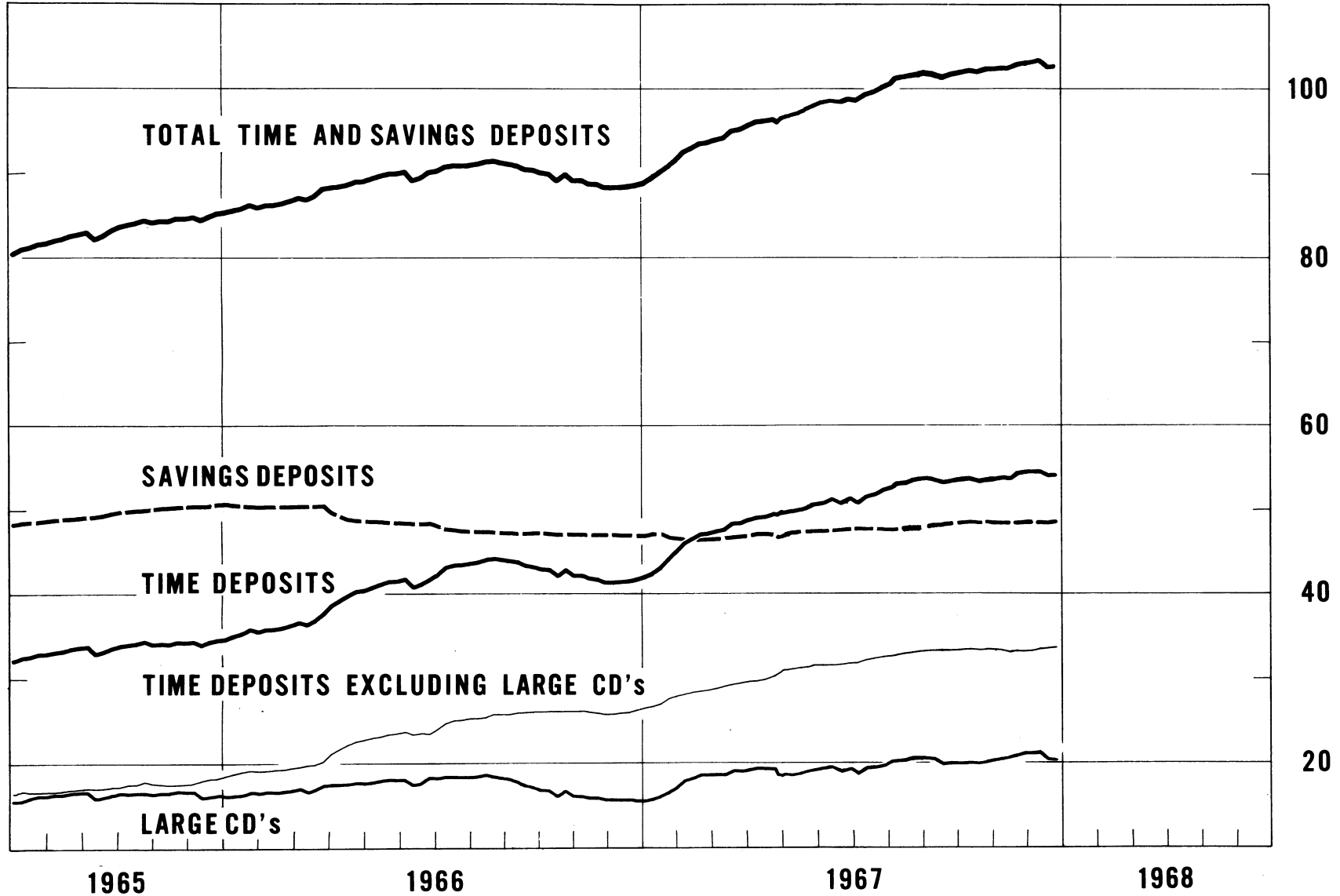


Exhibit I - Part II

Large Commercial Banks

P e r i o d	T i m e a n d S a v i n g s D e p o s i t s				
	Total <u>1/</u>	Savings	Time <u>1/</u>	Large certificates of deposit <u>2/</u>	Time other <u>1/</u> than large certificates of deposit
(I n 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--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--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	47,956	53,870	20,742	33,128
Sept. 27	101,659	48,349	53,310	19,897	33,413
Oct. 25	102,173	48,428	53,745	20,107	33,638
Nov. 29	102,969	48,533	54,436	21,131	33,305
Dec. 6	103,027	48,505	54,522	21,097	33,425
13	103,211	48,442	54,769	21,115	33,654
20	102,505	48,437	54,068	20,384	33,684
27	102,739	48,588	54,151	20,359	33,792

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 ^{1/} adjusted
	All member	Reserve City Banks						
		New York City	City of Chicago	Other				
						All member	All member	All member
Monthly Averages:								
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--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	268	39	3	- 6	231	358	90	24,297
Oct.	160	- 10	4	- 24	191	286	126	24,608
Nov.	270	23	11	14	222	403	133	24,763
Dec. p	99	- 21	- 5	- 63	187	337	238	24,612

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											
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. r	601.5	168.6	159.3	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.	613.2	168.6	168.6	56.8	0.1	117.1	51.1	50.9			55.0
May	619.7	172.9	170.7	57.4	0.1	118.0	51.1	49.5			55.4
June	620.6	173.7	172.4	57.8	0.1	118.9	51.2	46.5	79.6	22.1	55.8
July	623.0	171.9	174.7	58.4	0.1	119.9	51.3	46.7			55.6
Aug.	630.2	174.1	177.2	58.7	0.1	121.0	51.3	47.8			55.7
Sept. r	635.4	176.2	178.1	58.9	0.1	122.5	51.4	48.2	79.3	22.0	55.8
Oct. r	638.1	175.7	180.1	59.5	--	123.0	51.4	48.3			56.0
Nov. r	645.7	177.8	183.7	59.9	--	123.7	51.5	49.1			55.8
Dec. p	648.8	180.3	182.5	59.9	--	123.8	51.9	50.5	79.5	22.0	56.0

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. r - Revised

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).