

1968
BANKING AND MONETARY DEVELOPMENTS IN MAY 1968

Summary. Commercial bank credit increased moderately in May with growth somewhat smaller than the average monthly rise earlier in the year. Increased holdings of U.S. Government securities, associated principally with bank participation in the mid-month Treasury financing, accounted for most of the expansion, since there was little growth in either loans or holdings of other securities. The money supply increased somewhat more rapidly than in April and considerably faster than in the first quarter. U.S. Government deposits declined substantially in both April and May. Growth in time and savings deposits was small, as in April, following relatively rapid expansion over the February-March period. Holdings of large negotiable CD's declined further and consumer type time and savings deposits showed a moderate rise. Net borrowed reserves and member bank borrowings rose further.

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

	Annual rate (per cent)								
	1965	1966	1967		Dec. 1967 to May 1968	1968			
	Year	Year	Year	1st half		2nd half	Jan.- March	Jan.- May	May
Total loans and investments	10.2	5.7	11.5	9.9	12.5	6.9	6.8	7.2	5.8
U.S. Govt. sec.	- 5.6	- 6.3	11.0	6.3	15.2	- 3.6	2.0	4.4	30.4
Other sec.	15.8	6.5	26.1	31.2	18.1	10.6	13.7	8.2	1.9
Total loans	14.7	9.1	8.2	5.9	10.3	8.7	6.4	7.6	0.5
Business loans	18.8	13.3	9.8	10.9	8.2	11.6	7.0	9.2	5.4
Money supply	4.7	2.2	6.5	6.8	6.0	5.6	4.2	6.3	10.4
Time and savings deposits at all commercial banks	16.0	8.8	15.9	17.4	13.2	5.0	6.1	4.3	1.3

^{1/} Where necessary, change 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 change in Federal Reserve regulations affecting reserve requirements.

Bank Credit. Loans and investments at all commercial banks increased \$1.7 billion in May compared with an average monthly expansion of \$2.2 billion earlier in the year. Reflecting large acquisitions in connection with the mid-month Treasury note financing, holdings of U.S. Government securities increased contraseasonally at both large and small banks and accounted for practically all the May expansion of bank credit. Loans outstanding and holdings of other securities expanded only nominally in May--increasing somewhat less than usual at small banks while decreasing at large banks.

Since the first of the year, total credit has increased at a seasonally adjusted annual rate of 7.2 per cent, considerably below the high 11.5 per cent rate over year 1967. This recent moderate growth rate reflects primarily a larger than usual credit decline at weekly reporting banks. While loans and holdings of U.S. Government securities at these banks showed relatively moderate declines for this time of year, their holdings of other securities rose much less than usual. At non-weekly reporting banks, credit expansion was close to the average for the December-May period of recent years, although loans expanded less and holdings of U.S. Governments declined less than in other years.

At all commercial banks, holdings of U.S. Government securities increased \$1.5 billion in May reflecting principally bank acquisitions of new Treasury notes offered in the mid-month financing. On May 15, the Treasury sold for cash about \$3.4 billion of 6 per cent 15-month Treasury notes, with commercial banks taking an estimated \$2.5 billion. At the same time, the Treasury exchanged \$6.7 billion of a total \$8 billion maturing notes and bonds for new 6 per cent 7-year notes. On balance the Treasury raised about \$2 billion of new cash in the two operations. At weekly reporting banks, holdings of U.S. Governments showed little net change in early May prior to the financing. Following the financing, banks sold issues in the 1-5 category--presumably the new notes-- and also further reduced their bill holdings which had been declining sharply since the beginning of the year.

Holdings of "other" securities increased \$100 million in May following a decline of \$100 million in April. Growth over the first quarter of the year had been at an annual rate of about 14 per cent, or approximately half the pace of the year 1967. In May, as in April, weekly reporting banks reduced their holdings of short-term municipals but added a relatively comparable volume to their holdings of longer-term municipals.

Business loans increased \$400 million in May following a sharp \$1.4 billion rise in April. Expansion had been rapid from late-March through the mid-April tax period but the pace had begun to slacken in

late-April. So far this year, growth has been at an annual rate of over 9 per cent--almost the same as the rate of growth in 1967. At weekly reporting banks, borrowing by practically all industry groups was smaller or repayments were larger in May than in the corresponding weeks of most other recent years. While total business loans (not adjusted for seasonal) at weekly reporting banks declined in May, term loans continued the stronger growth trend they have demonstrated since the first of the year, rising to 46 per cent of total classified business loans. Increases appeared fairly well distributed among industries with loans to public utilities and to foreign business concerns especially strong. On the other hand, loans to metals processors were about unchanged compared with heavy borrowing earlier in the year, and loans to mining concerns, which had also been large earlier, were reduced.

Consumer loans probably continued to expand in May at the somewhat faster rate that has generally prevailed over recent months. Growth in real estate loans, however, appears to have been slowing somewhat compared to the more rapid rate in late 1967 and early 1968.

Money supply and time deposits. The money supply rose \$1.6 billion in May, somewhat more than in April, and considerably more than the \$600 million average monthly increase over the first quarter of the year. U.S. Government deposits declined substantially in both April and May following moderate expansion over the January-March period. So far this year, growth in the money stock has been at an annual rate of 6.3 per cent, about the same as over the year 1967.

Time and savings deposits rose \$200 million in May, or at a slightly slower pace than in April, and much below the substantial increases of February and March. So far this year, these deposits have grown at an annual rate of 4.3 per cent, about one-quarter as fast as over the year 1967. At weekly reporting banks, large negotiable CD's declined further in May but the reduction occurred entirely in the first half of the month. Later in the month, banks outside New York City were able to add to their CD holdings--presumably associated in part with declines in Treasury bill rates which may have made CD's more competitive. At banks in New York City, however, CD's continued to decline and about offset the expansion elsewhere. Savings deposits at weekly reporting banks increased again in May following the April decline, which had reflected withdrawals associated with both the post-interest crediting period and the mid-month individual tax payment period. Consumer-type time deposits rose moderately further in April. Combined consumer-type time and savings deposit growth was little more than half as large as in May 1967 however.

Bank reserves. Net borrowed reserves increased further in May averaging \$380 million over the five weeks ending the 29th. Member bank borrowings also rose while excess reserves showed little further change.

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

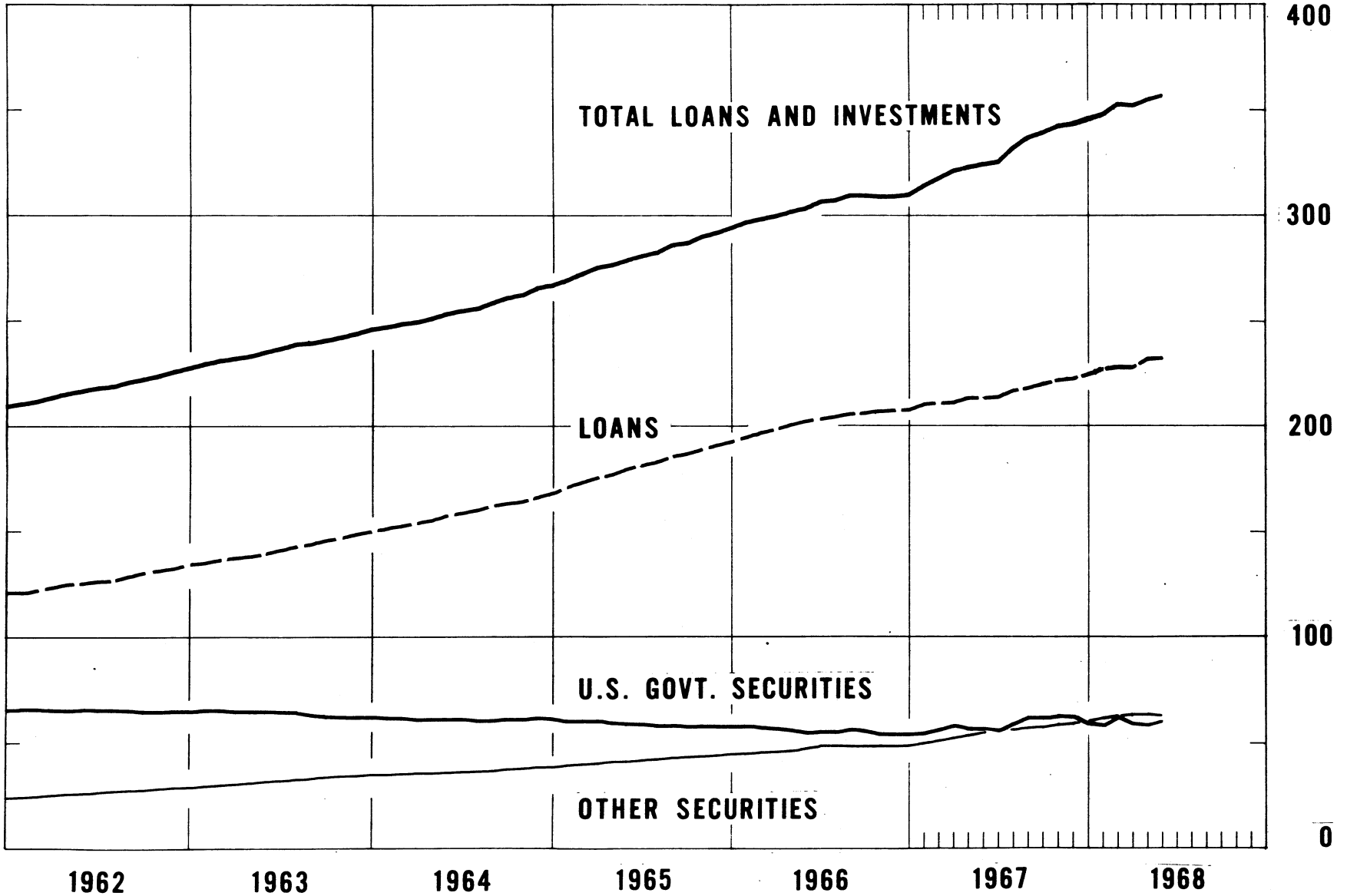


Exhibit A - Part II

Loans and Investments at All Commercial Banks
(Seasonally Adjusted)

Date	Total	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--Dec. 31	310.2 <u>3/</u>	207.8 <u>3/</u>	53.7	48.7
1967--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	339.5	220.2	61.6	57.7
Oct. 25	342.6	221.8	62.3	58.6
Nov. 29	344.4	222.3	61.8	60.3
Dec. 30	345.9	224.9	59.6	61.4
1968--Jan. 31	349.0	227.5	59.1	62.4
Feb. 28	353.0	228.7	61.8	62.6
Mar. 27	351.8	228.5	59.9	63.5
Apr. 24 p	r 354.6	r 231.9	59.2	63.4
May 29 p	356.3	232.0	60.7	63.5

1/ Adjusted to exclude interbank loans

2/ Estimated as of December 31.

3/ Beginning June 9, 1966, loan data exclude \$1.1 billion of balances accumulated for payment of personal loans. Beginning June 30, 1966 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

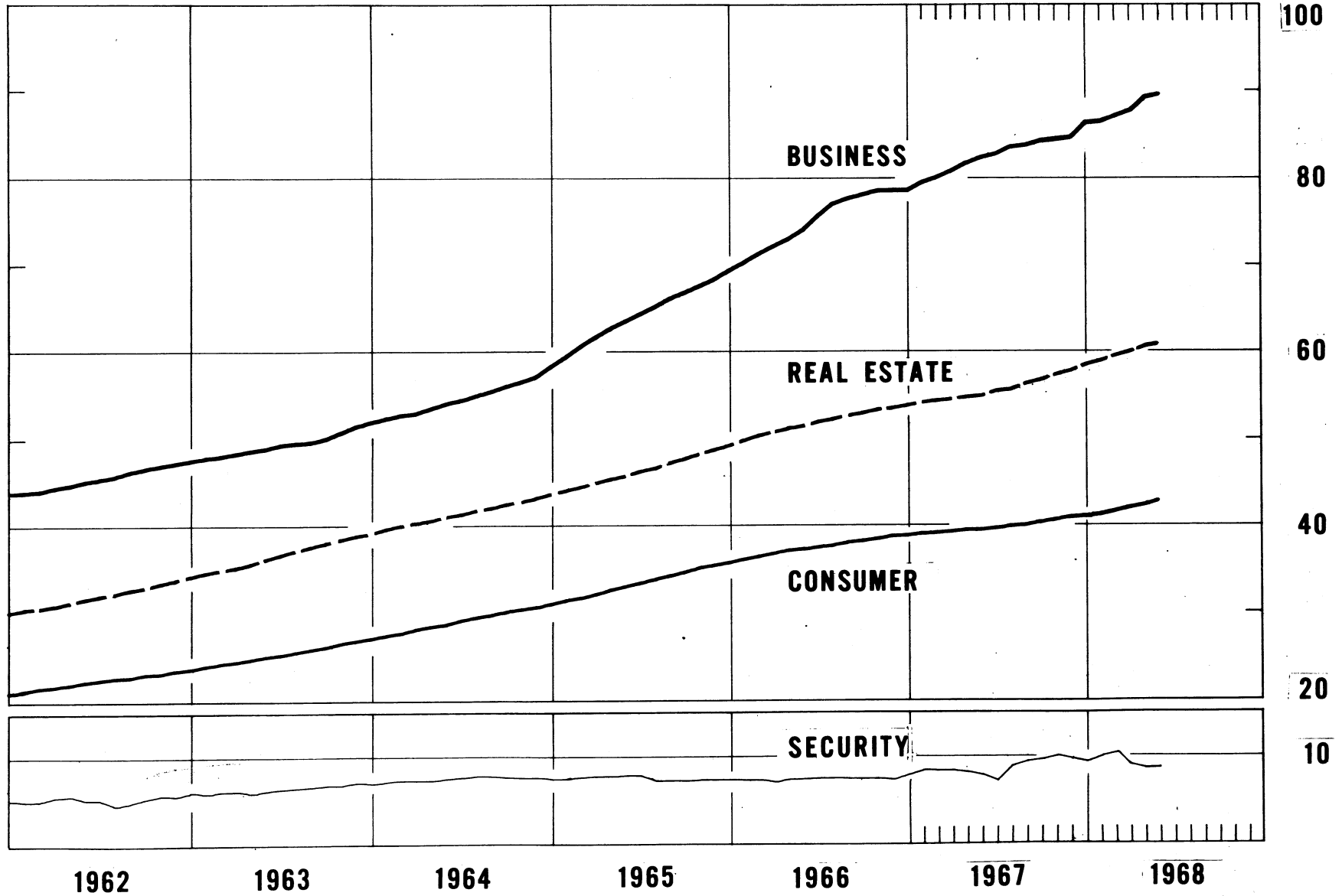


Exhibit B - Part II

Loans at All Commercial Banks
Seasonally Adjusted

Date	Business	Real Estate	Consumer	Security
(In billions of dollars)				
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--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
July 26	83.7	55.7	39.8	8.9
Aug. 30	83.9	56.2	40.0	9.3
Sept. 27	84.2	56.7	40.3	9.7
Oct. 25	84.4	57.2	40.6	10.0
Nov. 29	84.7	57.8	40.9	9.5
Dec. 31	86.3	58.4	41.0	9.2
1968--Jan. 31	86.5	58.9	41.4	10.0
Feb. 28	87.0	59.5	41.9	10.3
Mar. 27 p	87.8	60.0	42.1	9.0
Apr. 24 p	89.2	r 60.5	r 42.5	8.6
May 29 p	89.6	60.9	42.9	8.7
<u>1/</u> 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 7									1 9 6 8				
	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. p	May p
<u>Loans and Investments 2/</u>	+1.8	+1.4	+1.0	+6.8	+4.9	+2.2	+3.1	+1.8	+1.5	+3.1	+4.0	-1.2	r +2.8	+1.7
U. S. Gov't. securities	-1.7	<u>1/</u>	-0.7	+3.4	+3.0	-0.2	+0.7	-0.5	-2.2	-0.5	+2.7	-1.9	-0.7	+1.5
Other securities	+1.3	+1.4	+1.3	+0.2	+0.8	+0.4	+0.9	+1.7	+1.1	+1.0	+0.2	+0.9	-0.1	+0.1
Loans 2/	+2.2	<u>1/</u>	+0.4	+3.2	+1.1	+2.0	+1.6	+0.5	+2.6	+2.6	+1.2	-0.2	r +3.4	+0.1
Business	+0.9	+0.6	+0.6	+0.8	+0.2	+0.3	+0.2	+0.3	+1.6	+0.3	+0.5	+0.8	+1.4	+0.4
Real estate	+0.2	+0.3	+0.3	+0.4	+0.5	+0.5	+0.5	+0.6	+0.6	+0.5	+0.6	+0.5	r +0.5	+0.4
Consumer	+0.2	<u>1/</u>	+0.2	+0.2	+0.2	+0.3	+0.3	+0.3	+0.1	+0.4	+0.5	+0.2	r +0.4	+0.4
Security	-0.2	-0.2	-0.7	+1.7	+0.4	+0.3	+0.3	-0.5	-0.3	+0.8	+0.5	-1.3	-0.4	+0.1
Nonbank financial	+0.2	-0.1	-0.2	-0.1	<u>1/</u>	+0.3	+0.3	-0.2	-0.3	+0.1	-0.4	<u>1/</u>	+0.5	+0.1
Agriculture	<u>1/</u>	+0.1	+0.2	+0.1	+0.1	<u>1/</u>	<u>1/</u>	-0.1	+0.2	<u>1/</u>	+0.1	<u>1/</u>	+0.2	+0.1
All other	+0.9	-0.7	<u>1/</u>	+0.1	-0.2	+0.3	<u>1/</u>	+0.1	+0.7	+0.5	-0.4	-0.4	+1.0	-1.4
Total loans excluding security 3/	+2.4	+0.2	+1.1	+1.5	+0.7	+1.7	+1.3	+1.0	+2.9	+1.8	+0.9	+1.1	r +3.8	<u>1/</u>
Total loans excluding security and non-bank financial 3/	+2.2	+0.3	+1.3	+1.6	+0.7	+1.4	+1.0	+1.2	+3.2	+1.7	+1.3	+1.1	r +3.3	-0.1

1/ Less than \$50 million.

2/ Adjusted to exclude interbank loans.

3/ At large banks on a last Wednesday basis, bankers' acceptances decreased \$113 million in May 1968, compared with a decline of \$66 million in May 1967 and a decline of \$59 million in May 1966.

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

Item	Last Wednesday of April to last Wednesday of May						
	1968	1967	1966	1965	1964	1963	1962
All commercial banks							
Total loans	+0.6	+0.7	+1.9	+2.6	+2.0	+2.0	+0.8
U. S. Gov't. securities	+0.5	-0.4	-1.9	-1.1	-1.0	-1.0	-0.3
Other securities	-0.4	+0.7	+0.6	-0.3	1/	+0.3	1/
Total	+0.6	+1.1	+0.7	+1.2	+0.9	+1.3	+0.5
Weekly reporting banks ^{3/}							
Total loans	-0.1	-0.6	+0.5	+1.3	+1.0	+1.0	+0.2
U. S. Gov't. securities	+0.4	+0.1	-1.3	-0.5	-0.4	-0.6	+0.2
Other securities	-0.5	+0.2	+0.3	-0.4	-0.2	+0.3	-0.1
Total	-0.1	-0.4	-0.5	+0.4	+0.4	+0.7	+0.2
Other banks ^{3/}							
Total loans	+0.7	+1.3	+1.4	+1.3	+1.0	+1.0	+0.6
U. S. Gov't. securities	+0.1	-0.5	-0.6	-0.6	-0.6	-0.4	-0.5
Other securities	+0.1	+0.5	+0.3	+0.1	+0.2	1/	+0.1
Total	+0.7	+1.5	+1.2	+0.8	+0.5	+0.6	+0.3
Item	End of December to end of May						
	1968	1967	1966	1965	1964 ^{2/}	1963 ^{2/}	1962
All commercial banks							
Total loans	+0.6	+0.1	+4.3	+6.7	+2.8	+1.0	+0.9
U. S. Gov't. securities	-2.5	-0.4	-5.9	-5.8	-4.3	-3.4	-2.2
Other securities	+1.9	+5.9	+2.2	+2.3	+0.7	+2.4	+2.2
Total	1/	+5.7	+0.6	+3.2	-0.9	1/	+0.9
Weekly reporting banks ^{3/}							
Total loans	-1.1	-2.9	+1.5	+3.5	+0.1	-1.1	-0.8
U. S. Gov't. securities	-2.3	+0.2	-4.3	-4.2	-2.7	-2.3	-2.0
Other securities	+1.0	+4.5	+1.0	+1.4	+0.2	+1.8	+1.6
Total	-2.4	+1.9	-1.8	+0.6	-2.4	-1.7	-1.2
Other banks ^{3/}							
Total loans	+1.7	+3.0	+2.8	+3.2	+2.7	+2.1	+1.7
U. S. Gov't. securities	-0.2	-0.6	-1.6	-1.6	-1.6	-1.1	-0.2
Other securities	+0.9	+1.4	+1.2	+0.9	+0.5	+0.6	+0.6
Total	+2.4	+3.8	+2.4	+2.6	+1.5	+1.7	+2.1

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

1/ Less than \$50 million.

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

3/ Based on revised coverage beginning July 1966, January 1967 and January 1968.

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

Business of borrower	Late April to late May 1/					Late December to late May 2/				
	1968 p	1967	1966	1965	1964	1968 p	1967	1966	1965	1964
Food processors	- 156	- 146	- 54	- 130	- 37	- 576	- 686	- 225	- 439	- 644
Commodity dealers	- 65	- 164	- 111	- 156	- 137	- 448	- 393	- 283	- 314	- 490
Trade concerns	- 23	- 119	+ 156	+ 254	+ 72	+ 232	- 122	+ 351	+ 810	+ 21
Retail trade	+ 25	- 71	+ 148	+ 184	+ 33	+ 152	- 118	+ 289	+ 558	+ 25
Wholesale trade	- 48	- 48	+ 8	+ 79	+ 39	+ 80	- 4	+ 62	+ 252	- 4
Metals	- 177	- 185	+ 345	+ 107	+ 40	+ 554	+ 843	+ 775	+ 956	+ 448
Primary metals	+ 28	+ 16	+ 53	+ 22	- 4	+ 380	+ 142	+ 195	+ 136	+ 61
Machinery	- 238	- 204	+ 183	- 46	- 38	+ 82	+ 487	+ 250	+ 514	+ 208
Transportation equipment	- 2	- 72	+ 78	+ 77	+ 23	- 47	- 66	+ 192	+ 81	+ 42
Other fabricated metals	+ 35	+ 75	+ 31	+ 54	+ 59	+ 139	+ 280	+ 138	+ 225	+ 136
Textiles, apparel, etc.	+ 16	- 33	+ 83	+ 24	+ 20	+ 411	+ 176	+ 393	+ 295	+ 178
Petroleum	- 110	+ 33	+ 179	+ 29	- 22	- 129	+ 70	+ 289	+ 160	- 49
Chemicals	- 78	- 132	+ 44	- 29	- 39	+ 129	+ 334	+ 239	+ 233	+ 165
Other durable manufacturing	+ 29	+ 71	+ 61	+ 44	+ 24	+ 97	+ 105	+ 247	+ 226	+ 98
Other nondurable manufacturing	- 18	- 15	+ 72	+ 30	+ 25	+ 19	+ 96	+ 192	+ 184	+ 50
Mining	- 37	- 1	+ 40	- 64	- 1	+ 542	+ 110	+ 163	+ 186	+ 99
Public Utilities, total	+ 121	+ 21	+ 215	+ 175	- 112	- 98	- 56	- 305	+ 66	- 397
Transportation 3/	+ 160	+ 32	n.a.	n.a.	n.a.	+ 394	+ 170	n.a.	n.a.	n.a.
Communication 3/	+ 9	+ 18	n.a.	n.a.	n.a.	- 27	+ 142	n.a.	n.a.	n.a.
Other public utilities	- 48	- 29	n.a.	n.a.	n.a.	- 465	- 368	n.a.	n.a.	n.a.
Construction	+ 97	+ 26	+ 59	+ 87	+ 121	+ 183	- 30	+ 117	+ 171	+ 222
All other types of business	- 6	+ 69	+ 57	+ 171	+ 117	+ 343	+ 391	+ 391	+ 186	+ 384
Bankers acceptances	- 113	- 66	- 59	+ 120	+ 53	- 383	+ 146	- 13	- 234	n.a.
Services 3/	+ 95	+ 6	n.a.	n.a.	n.a.	+ 377	- 126	n.a.	n.a.	n.a.
Other	+ 12	+ 129	+ 116	+ 51	+ 64	+ 349	+ 371	+ 404	+ 420	n.a.
Foreign business concerns 3/	- 85	- 42	n.a.	n.a.	n.a.	- 147	+ 36	n.a.	n.a.	n.a.
Classified	- 491	- 617	+1,156	+ 542	+ 71	+1,112	+ 874	+2,344	+2,720	+ 85
Unclassified	- 26	+ 108	+ 188	+ 131	+ 115	+ 126	+ 215	+ 481	+ 384	+ 377
Total Change	- 517	- 509	+1,344	+ 673	+ 186	+1,238	+1,089	+2,825	+3,104	+ 462

1/ Four most comparable weeks used throughout.

2/ Changes are compiled from December 27, 1967; December 28, 1966; December 29, 1965; December 30, 1964 and December 25, 1963. 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 <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--Dec. 31	317.9	56.2	48.8 <u>3/</u>	213.0 <u>2/3/</u>	80.6	54.0	9.0	8.6	38.9	13.3	13.0 <u>2/3</u>
1967--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	84.1	55.8	8.5	9.4	40.2	11.4	13.0
Aug. 30	334.2	59.1	57.8	217.3	82.6	56.4	9.1	9.4	40.5	11.2	12.6
Sept. 27	338.8	60.1	58.3	220.4	84.0	57.0	9.3	9.3	40.6	12.0	12.7
Oct. 25	341.6	62.4	59.0	220.2	83.8	57.5	9.2	9.3	40.7	11.5	12.6
Nov. 29	344.1	62.9	59.8	221.5	84.6	58.1	8.7	9.2	40.9	11.3	13.2
Dec. 30	354.5	62.5	61.5	230.5	88.5	58.5	10.5	9.3	41.1	12.5	14.9
1968--Jan. 31	350.1	62.2	61.7	226.1	85.7	58.8	10.8	9.4	41.1	11.3	13.8
Feb. 28	350.6	63.2	62.2	225.2	86.0	59.1	9.9	9.6	41.3	10.9	13.1
Mar. 27	351.1	61.1	63.1	226.9	87.9	59.5	9.0	9.7	r 41.5	11.1	13.0
Apr. 24 p	r 353.9	r 59.5	63.8	r 230.5	89.4	r 60.1	8.9	9.9	r 42.2	11.5	r 13.2
May 29 p	354.5	60.0	63.4	231.1	89.1	60.7	8.7	10.1	42.9	11.1	13.3

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	Total	Member banks			Country	All commercial 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--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	r 6.2
Feb. 22	65.3	67.2	81.8	74.8	69.5	59.3	r 5.5
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	r 5.2
May 31	65.1	66.6	80.0	70.9	68.3	59.9	4.6
Jun. 30	65.6	67.3	82.1	74.0	68.6	60.0	r 4.4
Jul. 26	65.1	66.2	81.5	72.3	67.8	59.6	r 5.2
Aug. 30	64.9	66.5	81.0	71.4	68.4	60.4	r 5.7
Sept. 27	64.6	66.3	79.8	72.2	68.3	58.8	r 5.8
Oct. 25	64.0	65.5	77.8	70.7	67.7	58.6	r 6.4
Nov. 29	64.1	65.7	78.7	71.0	68.3	58.4	6.5
Dec. 27	63.8	65.8	79.9	70.8	68.1	58.2	r 6.6
1968--Jan. 31	63.9	65.6	80.2	70.0	67.4	58.2	6.5
Feb. 28	63.8	65.5	79.7	70.3	67.5	58.2	6.1
Mar. 27	64.6	66.4	81.8	75.1	68.6	58.3	5.6
Apr. 24 p	65.5	67.4	84.4	75.6	69.8	58.9	n.a.
May 29 p	65.7	67.6	84.9	75.6	70.0	59.1	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, 1966 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 compared with 66.0 on the current basis.

DEPOSITS AND CURRENCY AND TURNOVER OF DEMAND DEPOSITS

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

Annual rate

Billions of dollars

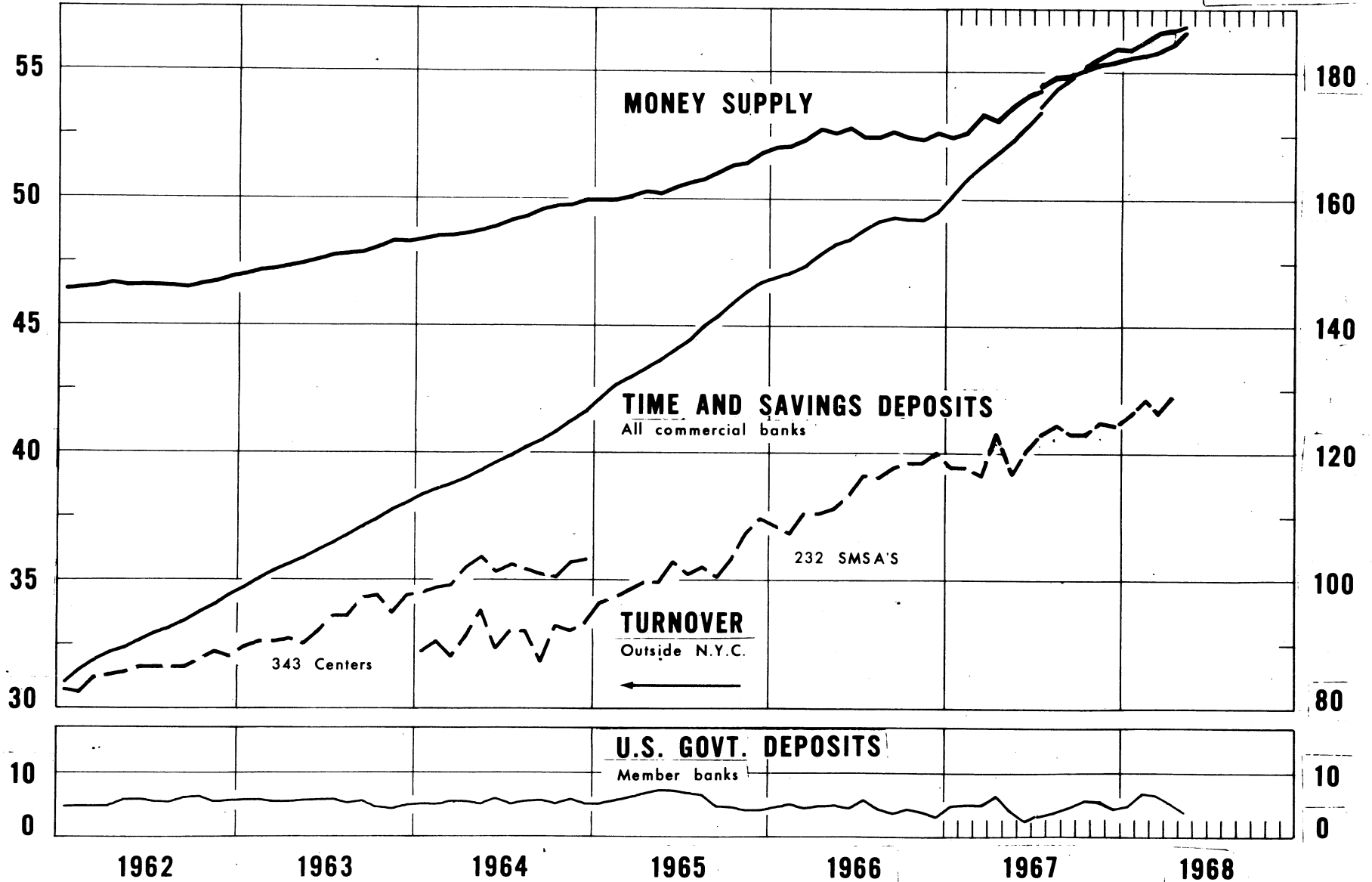


Chart on revised basis for Money Supply, Time and Savings Deposits, and U.S. Gov. Deposits beginning July 1967.

Exhibit H - Part II

P e r i o d	S e a s o n a l l y A d j u s t e d D a t a					
	M o n e y S u p p l y			T i m e a n d <u>1</u> / s a v i n g s d e p o s i t s (a l l c o m m e r c i a l)	U . S . G o v ' t . d e p o s i t s (a l l m e m b e r)	T u r n o v e r o u t s i d e N . Y . C i t y * (p e r c e n t)
	T o t a l	D e m a n d d e p o s i t s	C u r r e n c y			
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--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	180.3	140.3	39.9	180.8	5.6	40.8
November	181.2	141.2	40.0	182.5	5.3	41.2
December	181.5	141.1	40.4	183.3	4.4	41.1
1968--January	182.5	414.9	40.5	183.7	5.3	41.6
February	182.5	141.8	40.7	185.0	6.9	42.1
March	183.4	142.3	41.1	186.6	6.5	41.6
April	184.7	143.3	41.4	186.9	5.1	42.3
May p	186.3	144.7	41.6	187.1	3.9	n.a.
<u>Week ending:</u>						
May 1	183.5	142.1	41.4	187.0	5.3	n.a.
8	185.1	143.6	41.5	187.1	4.9	n.a.
15 p	185.1	143.5	41.6	187.1	4.0	n.a.
22 p	187.0	145.3	41.7	187.1	3.4	n.a.
29 p	187.7	146.0	41.7	187.0	3.0	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

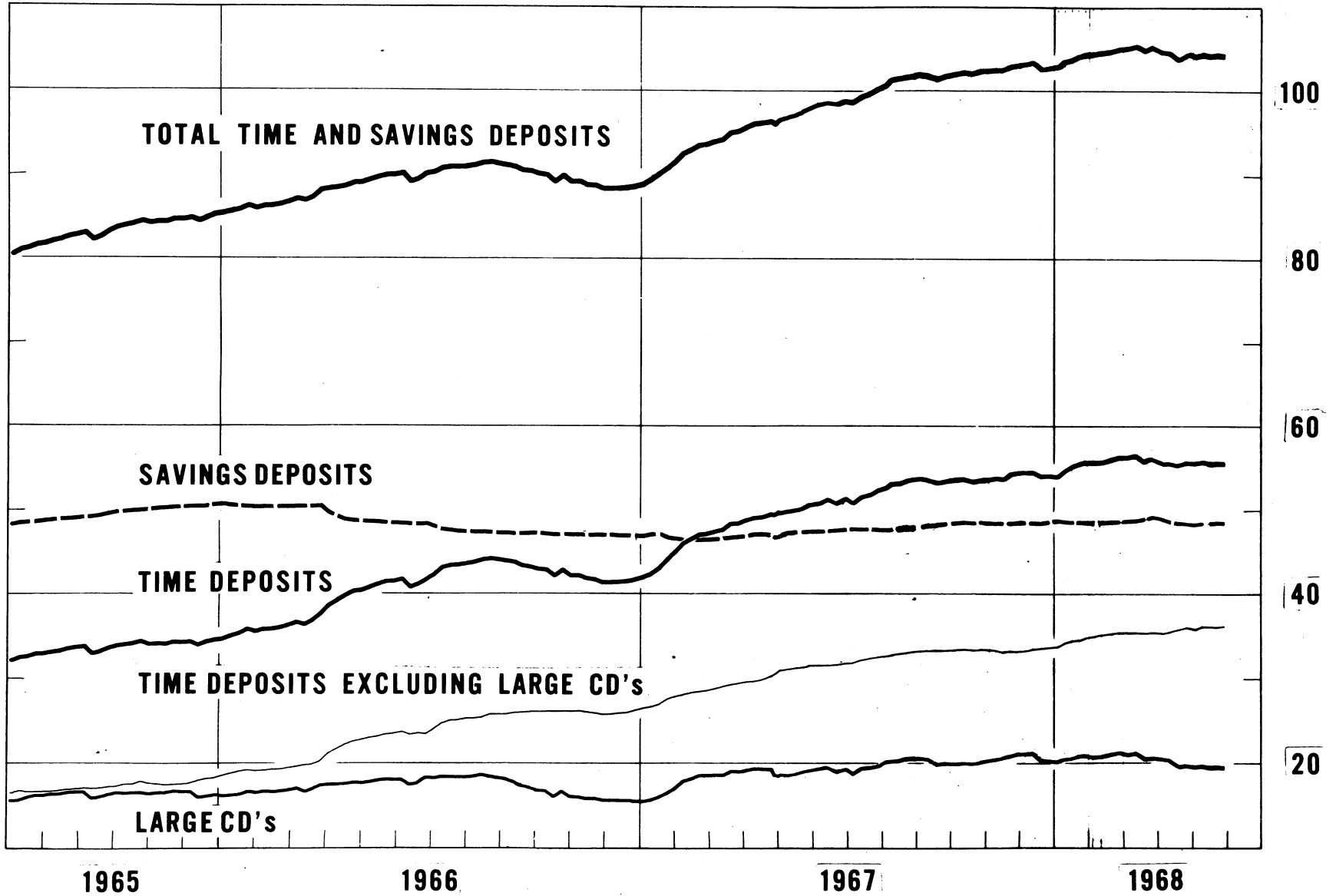


Exhibit I - Part II
Large Commercial Banks

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	2,782 <u>3/</u>	8,608
1962--Dec. 26	50,011	34,712	14,299	5,442 <u>4/</u>	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
July 7 (New) <u>5/</u>	80,467	48,314	34,153	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
Dec. 28 (New) <u>5/</u>	89,639	47,213	42,426	15,642	26,784
1967--May 31	97,828	47,285	50,543	19,076	31,467
1967--Dec. 27 (Old)	102,809	48,647	54,162	20,330	33,832
Dec. 27 (New) <u>5/</u>	102,991	48,781	54,210	20,330	33,880
1968--Mar. 27	105,133	49,120	56,013	20,554	35,459
Apr. 24	104,231	48,420	55,811	19,788	36,023
May 1	104,080	48,386	55,694	19,708	35,986
8	104,325	48,424	55,904	19,748	36,156
15	104,096	48,421	55,674	19,528	36,146
22	104,148	48,466	55,682	19,540	36,142
29	104,135	48,468	55,667	19,521	36,146

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 <u>1</u> / 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--December	-165	- 95	- 50	-159	140	392	557	22,415
1967--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	24,765
Dec.	107	- 22	- 5	- 55	187	345	238	24,620
1968--Jan.	136	- 9	- 2	- 83	230	373	237	25,009
Feb.	38	- 57	2	- 73	166	399	361	25,257
Mar.	-315	- 13	- 59	-253	11	356	671	25,303
Apr.	-413	- 59	-105	- 57	9	270	683	25,116
May p	-334	- 34	- 64	-195	- 41	412	746	25,146

Exhibit K
Liquid Assets Held by the Public - Seasonally Adjusted Series 1/
(Amounts in billions of dollars; ratios expressed as percentages)

End of year or month	Total	Demand deposits and currency 2/	Time deposits-			Postal Savings System	Savings and loan shares 4/	U. S. Gov't. savings bonds 5/	U. S. Gov't. securities maturing within one year 6/	Ratios:		
			Commercial banks 3/	Mutual savings banks						Liquid assets to gross national product 7/	Demand deposits and currency to gross national product 7/	Commercial bank deposits and currency to liquid assets (2 + 3 ÷ 1)
	1	2	3	4	5	6	7	8	9	10	11	
1954	320.2	130.2	48.2	26.3	2.1	27.2	55.6	30.6	85.3	34.7	55.7	
1955	332.5	133.3	49.7	28.1	1.9	32.0	55.9	31.6	81.3	32.6	55.0	
1956	343.2	134.6	52.0	30.0	1.6	37.0	54.8	33.2	79.7	31.3	54.4	
1957	356.0	133.5	57.5	31.6	1.3	41.7	51.6	38.8	80.5	30.4	53.6	
1958	373.1	138.8	65.4	33.9	1.1	47.7	50.5	35.6	79.5	29.7	54.8	
1959	393.9	139.7	67.4	34.9	0.9	54.3	47.9	48.8	80.2	28.6	52.6	
1960	399.2	138.4	73.1	36.2	0.8	61.8	47.0	41.9	79.0	27.5	53.0	
1961	424.6	142.6	82.5	38.3	0.6	70.5	47.4	42.6	78.4	26.4	53.0	
1962	459.0	144.8	98.1	41.4	0.5	79.8	47.6	46.8	79.5	25.1	52.9	
1963	495.4	149.6	112.9	44.5	0.5	90.9	49.0	48.1	81.0	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	601.5	168.6	159.3	55.2	0.1	113.4	50.9	53.9	78.5	21.9	54.5	
1967												
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.	635.4	176.2	178.1	58.9	0.1	122.5	51.4	48.2	79.3	22.0	55.8	
Oct.	638.1	175.7	180.1	59.5	--	123.0	51.4	48.3			55.8	
Nov.	645.8	177.8	183.8	59.9	--	123.7	51.5	49.1			56.0	
Dec.	650.2	180.7	183.1	60.1	--	123.9	51.9	50.5	79.6	22.0	55.9	
1968												
Jan. p	655.8	179.5	186.5	# 60.6	--	# 123.7	51.9	53.6			55.8	
Feb. p	658.6	178.2	187.6	61.1	--	124.6	51.8	55.4			55.5	
Mar. p	665.1	181.5	187.8	61.4	--	125.9	51.8	56.9	79.5	21.8	55.5	
Apr. p	663.9	180.7	187.3	61.7	--	126.0	51.8	56.5			55.4	
May p	666.8	183.7	187.2	62.0	--	126.4	51.8	55.6			55.6	

For footnotes see next page.

p - Preliminary

r - Revised on basis of December 30, 1967, Call Report.

* - 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.

- Reflects conversion of a savings and loan association with share capital of about \$175 million to a mutual savings bank.

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).