

BANKING AND MONETARY DEVELOPMENTS IN SEPTEMBER 1968

Summary. Commercial bank credit increased substantially further in September but less rapidly than in the two previous months when banks participated heavily in the Treasury financings. Expansion in total loans accounted for a considerable part of the September increase although growth in business loans slackened somewhat. Bank acquisitions of municipal and agency issues continued heavy, while holdings of U.S. Government securities showed little further change. Growth in time and savings deposits continued at about the same rapid rate as earlier in the third quarter. Runoffs of large negotiable CD's were more moderate than usual over the tax and dividend period and inflows of consumer-type time and savings deposits accelerated slightly. The money supply declined following reduced growth in August. U.S. Government deposits increased further. Net borrowed reserves declined somewhat.

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

	Annual rate (per cent)							
	1965	1966	1967		1968			Sept.
	Year	Year	Year	2nd Half	1st Half	Jan.-Sept.	3rd Qtr.	
Total loans and investments	10.2	5.8	11.6	12.4	6.2	10.3	18.0	14.0
U.S. Govt. sec.	-5.9	-6.1	11.4	13.6	2.7	8.5	19.8	1.9
Other sec.	15.8	6.5	26.1	18.5	6.5	11.9	22.1	27.5
Total loans	14.8	9.2	8.3	10.6	7.1	10.5	16.6	14.0
Business loans	18.8	13.3	9.8	8.5	9.5	9.6	9.3	6.5
Money supply	4.7	2.2	6.4	6.0	6.7	6.0	4.5	-4.4
Time and savings deposits at all commer. banks	15.8	8.6	16.1	12.6	5.0	9.6	18.1	18.0

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 \$4.3 billion in September or much less rapidly than in the July-August period which had included large Treasury financings. At large banks, total investment holdings increased much more than usual in September, but loans increased only slightly more than in comparable periods of most recent years. At small banks, however, loan growth was unusually large while total security acquisitions continued generally moderate.

Holdings of U.S. Government securities rose only nominally further in September following an increase of almost \$3 billion over the two previous months--associated principally with acquisitions made during the Treasury financings. In September, large banks added to their holdings of both bills and other short-term issues, but these purchases were offset in part by sales of longer-term securities, probably including some of the 6-year notes acquired in the August financing.

Bank holdings of "other securities," which began to increase after midyear, showed a sharp \$1.5 billion further rise in September. The annual rate of growth for the third quarter as a whole was 22 per cent--over three times as fast as in the first half of 1968 and close to the record 26 per cent yearly rate for 1967. Most of the September increase--which was concentrated in both long- and short-term municipals--was at weekly reporting banks, although nonweekly reporters also added a somewhat larger amount than usual to their portfolios.

Business loans increased \$500 million in September, following average monthly expansion of \$800 million over the June-August period. While corporate tax liabilities were larger than in previous Septembers, corporations apparently had sufficient liquidity to meet the increased payments. The ratio of business borrowing over the tax period to total tax payments was about the same as in past years. CD runoffs and loans to finance companies also were moderate. Over the entire month, borrowing by retail trade, mining concerns, and public utilities was somewhat weaker than usual while that by food processors, metals concerns, and construction firms was somewhat stronger.

Security loans increased moderately further--by \$400 million--in September bringing the total increase since midyear to \$3.4 billion. Dealer inventories, which had been built up sharply in July in anticipation of declining interest rates, remained relatively high through September. Growth in consumer loans probably continued relatively strong in September but was presumably not as rapid as in August when expansion may have been associated in part with the repayment lag that frequently occurs before the model changeover in automobiles. Expansion in real estate loans may have picked up slightly in September from the moderate pace prevailing earlier in the third quarter.

Money supply and time deposits. Following reduced growth in August, the money supply declined \$700 million in September reflecting in part a further buildup in U.S. Government deposits. Over the third quarter, the money supply increased at an annual rate of 4.5 per cent compared with a 6.5 per cent rate of growth over the first half of 1968 and over the year 1967.

Time and savings deposits at all commercial banks increased \$2.9 billion in September--about the same as the accelerated average expansion of the two previous months--bringing the annual rate of growth for the third quarter to 18.1 per cent. This is over three times as fast as in the first half of 1968 and somewhat faster than over the year 1967. The September increase was associated principally with a much smaller than usual runoff of large negotiable CD's. Holdings declined less than seasonally over the first three weeks of September which covered the tax and dividend periods and then increased substantially later in the month. In addition, consumer-type time and savings deposits increased at a somewhat faster pace than in August when inflows had picked up compared with the two previous months.

Bank reserves. Total reserves declined slightly in September following an unusually large increase in August. Net borrowed reserves averaged about \$165 million over the four weeks ending September 25 or somewhat below the \$245 million average in August. Member bank borrowings declined somewhat 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

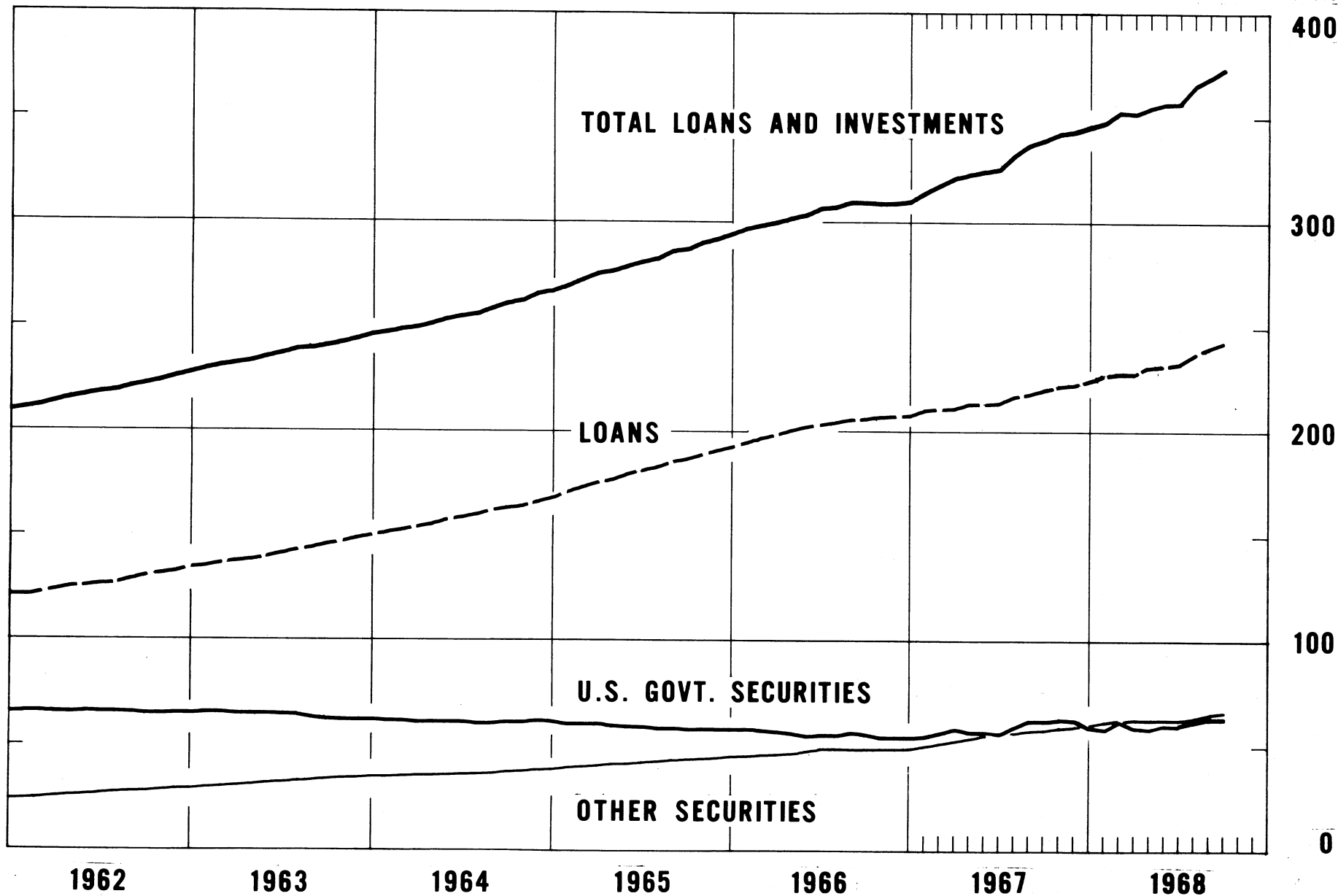


Chart on revised basis beginning June 1968.

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	134.0	64.6	29.2
1963--Dec. 31 <u>2/</u>	246.2	149.6	61.7	35.0
1964--Dec. 31	267.2	167.7	60.7	38.7
1965--Dec. 31	294.4	192.6	57.1	44.8
1966--Dec. 31	310.5 <u>3/</u>	208.2 <u>3/</u>	53.6	48.7
1967--Apr. 26	322.9	212.9	56.3	53.7
May 31	324.7	213.4	56.4	54.9
June 30	326.2	214.1	55.9	56.2
July 26	332.5	216.5	59.4	56.5
Aug. 30	336.6	218.0	61.3	57.3
Sept. 27	339.1	219.9	61.4	57.7
Oct. 25	342.0	221.4	61.9	58.6
Nov. 29	344.3	222.7	61.2	60.4
Dec. 30	346.5	225.4	59.7	61.4
1968--Jan. 31	349.5	227.1	60.0	62.4
Feb. 28	353.6	228.9	62.1	62.7
Mar. 27	352.1	228.7	59.8	63.6
Apr. 24 p	354.4	230.9	60.0	63.4
May 29 p	356.4	232.1	60.5	63.5
June 30 p	357.3	233.4	60.0	63.4
July 31 p	364.6	237.7	62.6	64.2
Aug. 28 p	369.1	240.3	63.4	65.4
Sept. 25 p	373.4	243.1	63.5	66.9

1/ Adjusted to exclude interbank loans

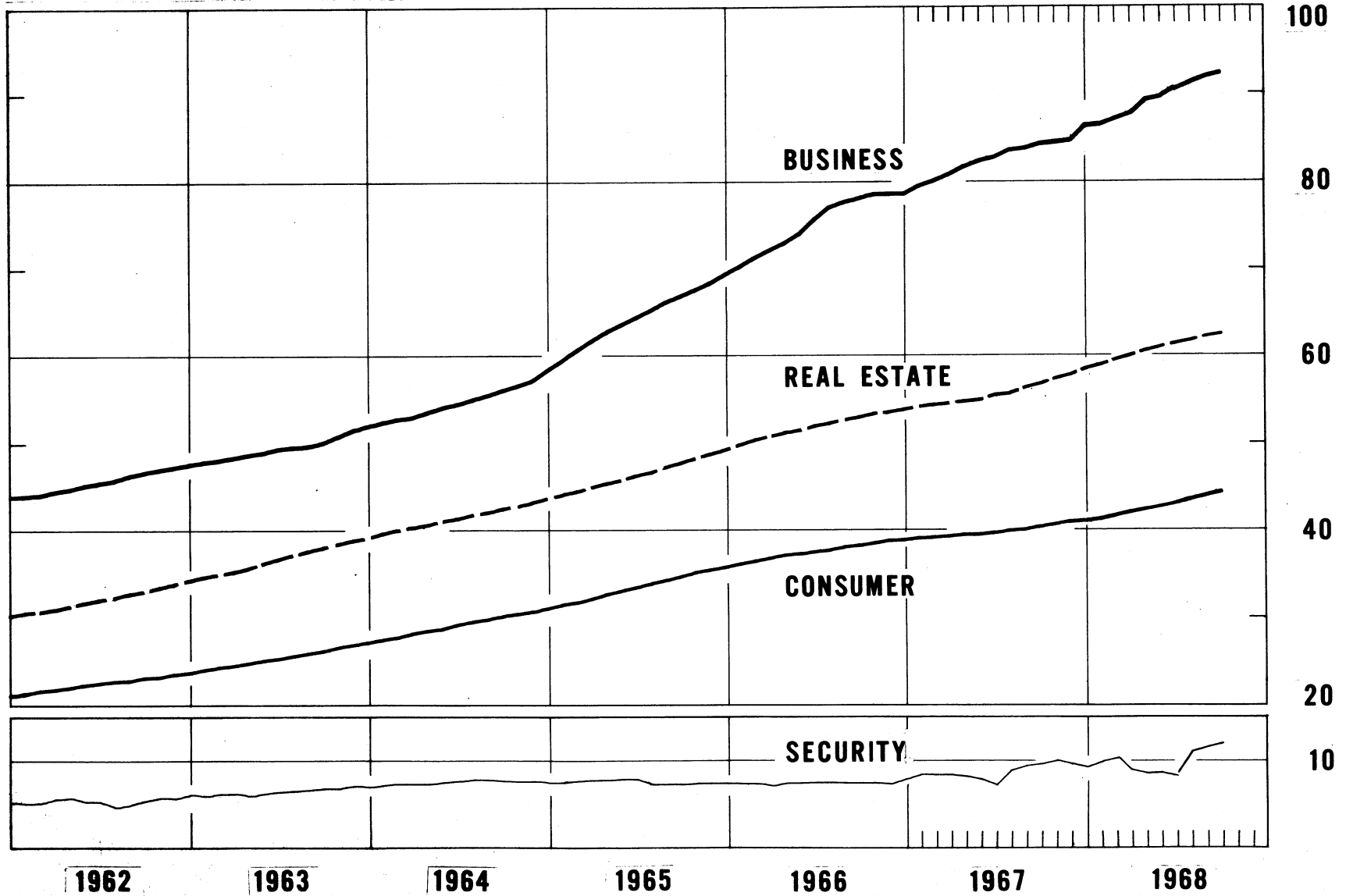
2/ Estimated as of December 31.

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 b i l l i o n s o f d o l l a r s )				
1962--Dec. 31 <u>1/</u>	47.6	34.2	23.7	6.1
1963--Dec. 31 <u>1/</u>	52.0	39.1	27.2	6.9
1964--Dec. 31	58.4	43.6	31.1	7.4
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	79.6	54.1	39.0	8.3
Feb. 22	80.1	54.3	39.1	8.3
Mar. 29	80.9	54.5	39.2	8.3
Apr. 26	81.6	54.8	39.4	8.1
May 31	82.3	55.1	39.4	7.9
June 30	82.8	55.3	39.6	7.4
July 26	83.4	55.7	39.8	8.6
Aug. 30	83.9	56.2	40.1	9.3
Sept. 27	84.3	56.7	40.3	9.6
Oct. 25	84.6	57.2	40.6	9.8
Nov. 29	84.9	57.8	40.8	9.6
Dec. 31	86.3	58.4	41.0	9.2
1968--Jan. 31	86.6	58.9	41.4	10.1
Feb. 28	87.2	59.4	41.9	10.4
Mar. 27	87.9	60.0	42.0	9.0
Apr. 24	89.0	60.5	42.5	8.7
May 29 p	89.6	61.0	42.7	8.7
June 30 p	90.4	61.3	42.9	8.6
July 31 p	91.2	61.7	43.4	11.0
Aug. 28 p	92.0	62.1	r 44.0	11.6
Sept. 25 p	92.5	62.6	44.5	12.0

1/ Estimated as of December 31.

p - Preliminary

r - Revised

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

Item	1967					1968								
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr. p	May p	June p	July p	Aug. p	Sept. p
<b>Loans and Investments <sup>2/</sup></b>	+ 4.1	+ 2.5	+ 2.9	+ 2.3	+ 2.2	+ 3.0	+ 4.1	- 1.5	+ 2.3	+ 2.0	+ 0.9	+ 7.3	+ 4.5	+ 4.3
U. S. Gov't. securities	+ 1.9	+ 0.1	+ 0.5	- 0.7	- 1.5	+ 0.3	+ 2.1	+ 2.3	- 0.2	+ 0.7	- 0.2	+ 2.1	+ 0.8	+ 0.1
Other securities	+ 0.8	+ 0.4	+ 0.9	+ 1.8	+ 1.0	+ 1.0	+ 0.3	+ 0.9	- 0.2	+ 0.1	- 0.1	+ 0.8	+ 1.2	+ 1.5
<b>Loans <sup>2/</sup></b>	+ 1.5	+ 1.9	+ 1.5	+ 1.3	+ 2.7	+ 1.7	+ 1.8	- 0.2	+ 2.2	+ 1.2	+ 1.3	+ 4.3	+ 2.6	+ 2.8
Business	+ 0.5	+ 0.4	+ 0.3	+ 0.3	+ 1.4	+ 0.3	+ 0.6	+ 0.7	+ 1.1	+ 0.6	+ 0.8	+ 0.8	+ 0.8	+ 0.5
Real estate	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.3	+ 0.4	+ 0.4	+ 0.5
Consumer	+ 0.3	+ 0.2	+ 0.3	+ 0.2	+ 0.2	+ 0.4	+ 0.5	+ 0.1	+ 0.5	+ 0.2	+ 0.2	+ 0.5	+ 0.6	+ 0.5
Security	+ 0.7	+ 0.3	+ 0.2	- 0.2	- 0.4	+ 0.9	+ 0.3	- 1.4	- 0.3	<u>1/</u>	- 0.1	+ 2.4	+ 0.6	+ 0.4
Nonbank financial	+ 0.1	+ 0.3	+ 0.1	- 0.2	- 0.2	+ 0.1	- 0.2	- 0.1	+ 0.4	+ 0.1	- 0.3	- 0.1	+ 0.3	+ 0.1
Agriculture	+ 0.1	<u>1/</u>	<u>1/</u>	- 0.2	+ 0.3	<u>1/</u>	+ 0.1	<u>1/</u>	+ 0.2	+ 0.1	+ 0.3	+ 0.1	<u>1/</u>	+ 0.1
All other	- 0.7	+ 0.2	+ 0.1	+ 0.8	+ 0.8	- 0.5	<u>1/</u>	- 0.1	- 0.2	- 0.3	+ 0.1	+ 0.2	- 0.1	+ 0.7
<b>Total loans excluding security <sup>3/</sup></b>	+ 0.8	+ 1.6	+ 1.3	+ 1.5	+ 3.1	+ 0.8	+ 1.5	+ 1.2	+ 2.5	+ 1.2	+ 1.4	+ 1.9	+ 2.0	+ 2.4
<b>Total loans excluding security and non-bank financial <sup>3/</sup></b>	+ 0.7	+ 1.3	+ 1.2	+ 1.7	+ 3.3	+ 0.7	+ 1.7	+ 1.3	+ 2.1	+ 1.1	+ 1.7	+ 2.0	+ 1.5	+ 2.3

<sup>1/</sup> Less than \$50 million.

<sup>2/</sup> Adjusted to exclude interbank loans.

<sup>3/</sup> At large banks on a last-Wednesday basis, bankers' acceptance declined \$51 million in September 1968 compared with an increase of \$77 million in September 1967 and an increase in \$94 million in September 1966.

Individual Loan Categories are Not Available 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 August to last Wednesday of September						
	1968	1967	1966	1965	1964	1963	1962
<b>All commercial banks</b>							
Total loans	+ 2.8	+ 3.1	+ 1.2	+ 2.7	+ 3.5	+ 3.5	+ 3.3
U. S. Gov't. securities	+ 0.1	+ 1.0	- 0.1	+ 0.4	+ 1.9	+ 1.0	+ 0.4
Other securities	+ 1.5	+ 0.5	+ 0.4	+ 0.5	+ 0.7	+ 0.5	+ 0.3
Total	+ 4.3	+ 4.6	+ 1.4	+ 3.6	+ 6.1	+ 4.8	+ 4.1
<b>Weekly reporting banks</b>							
Total loans	+ 2.7	+ 2.5	+ 0.8	+ 1.9	+ 2.7	+ 2.5	+ 2.3
U. S. Gov't. securities	+ 0.8	+ 0.1	- 0.3	- 0.1	+ 1.2	+ 0.4	- 0.3
Other securities	+ 1.1	+ 0.3	+ 0.1	+ 0.1	+ 0.4	+ 0.2	+ 0.1
Total	+ 4.7	+ 2.9	+ 0.5	+ 1.9	+ 4.4	+ 3.1	+ 2.2
<b>Other banks</b>							
Total loans	+ 1.4	+ 0.6	+ 0.4	+ 0.8	+ 0.8	+ 1.0	+ 1.0
U. S. Gov't. securities	+ 0.2	+ 0.9	+ 0.2	+ 0.5	+ 0.7	+ 0.6	+ 0.7
Other securities	+ 0.5	+ 0.3	+ 0.3	+ 0.4	+ 0.3	+ 0.2	+ 0.4
Total	+ 2.1	+ 1.7	+ 0.9	+ 1.7	+ 1.7	+ 1.7	+ 1.9
Item	End of December to last Wednesday of September						
	1968	1967	1966	1965	1964 <sup>2/</sup>	1963 <sup>2/</sup>	1962
<b>All commercial banks</b>							
Total loans	+13.2	+ 7.4	+11.1 <sup>3/4/</sup>	+14.9	+ 9.8	+ 8.1	+ 6.7
U. S. Gov't. securities	- 0.4	+ 3.9	- 5.9 <sup>3/</sup>	- 7.1	- 2.7	- 4.6	- 2.3
Other securities	+ 6.0	+ 9.5	+ 2.9 <sup>3/4/</sup>	+ 5.1	+ 2.7	+ 4.9	+ 4.3
Total	+18.7	+20.9	+ 8.1 <sup>4/</sup>	+12.9	+ 9.8	+ 8.3	+ 8.7
<b>Weekly reporting banks</b>							
Total loans	+ 6.7	+ 2.1	+ 5.6 <sup>3/4/</sup>	+ 8.7	+ 4.6	+ 3.6	+ 2.8
U. S. Gov't. securities	- 0.2	+ 1.8	- 4.0 <sup>3/</sup>	- 5.4	- 1.8	- 4.2	- 3.4
Other securities	+ 3.8	+ 6.3	+ 0.7 <sup>3/4/</sup>	+ 3.0	+ 1.5	+ 3.3	+ 3.0
Total	+10.3	+10.3	+ 2.3 <sup>4/</sup>	+ 6.3	+ 4.3	+ 2.7	+ 2.4
<b>Other banks</b>							
Total loans	+ 6.5	+ 5.3	+ 5.5 <sup>3/4/</sup>	+ 6.2	+ 5.2	+ 4.5	+ 3.9
U. S. Gov't. securities	- 0.3	+ 2.1	- 1.9 <sup>3/</sup>	- 1.7	- 0.9	- 0.4	+ 1.1
Other securities	+ 2.2	+ 3.2	+ 2.2 <sup>3/4/</sup>	+ 2.1	+ 1.2	+ 1.6	+ 1.3
Total	+ 8.4	+10.6	+ 5.8	+ 6.6	+ 5.5	+ 5.6	+ 6.3

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

- <sup>1/</sup> Less than \$50 million.
- <sup>2/</sup> 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.
- <sup>3/</sup> 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.
- <sup>4/</sup> 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.
- <sup>5/</sup> 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 August to late September 1/					Late December to late September 2/				
	1968	1967	1966	1965	1964	1968	1967	1966	1965	1964
Food processors	+ 222	+ 76	+ 112	+ 191	+ 152	- 412	- 549	- 100	- 293	- 454
Commodity dealers	- 29	+ 23	- 39	+ 55	+ 92	- 557	- 301	- 300	- 333	- 375
Trade concerns	+ 15	+ 229	+ 143	+ 133	+ 177	+ 197	- 8	+ 542	+ 910	+ 229
Retail trade	- 55	+ 217	+ 92	+ 94	+ 116	+ 51	- 10	+ 339	+ 587	+ 127
Wholesale trade	+ 70	+ 12	+ 51	+ 39	+ 61	+ 146	+ 4	+ 203	+ 323	+ 102
Metals	+ 343	+ 135	+ 245	+ 246	+ 98	+1,364	+1,025	+2,132	+1,494	+ 386
Primary metals	+ 69	+ 69	- 75	+ 18	- 10	+ 740	+ 356	+ 158	+ 183	+ 27
Machinery	+ 146	- 4	+ 241	+ 47	+ 25	+ 384	+ 505	+1,040	+ 573	+ 157
Transportation equipment	+ 88	+ 35	+ 52	+ 115	+ 60	--	- 70	+ 597	+ 313	+ 21
Other fabricated metals	+ 40	+ 27	+ 27	+ 66	+ 23	+ 240	+ 231	+ 337	+ 425	+ 180
Textiles, apparel, etc.	--	- 38	- 53	+ 31	+ 1	+ 694	+ 272	+ 656	+ 638	+ 271
Pettroleum	+ 43	+ 85	- 1	+ 48	+ 39	- 10	+ 37	+ 164	+ 295	- 95
Chemicals	+ 118	+ 58	+ 106	+ 66	+ 73	- 45	+ 197	+ 434	+ 298	+ 196
Other durable manufacturing	+ 21	+ 52	+ 31	+ 88	+ 20	+ 278	+ 185	+ 468	+ 407	+ 178
Other nondurable manufacturing	+ 44	+ 56	+ 28	+ 42	- 2	+ 139	+ 291	+ 436	+ 324	+ 118
Mining	- 25	+ 65	+ 156	+ 19	+ 66	+ 420	- 25	+ 566	+ 217	+ 237
Public Utilities, total	+ 181	+ 243	+ 303	+ 201	+ 175	+ 534	+ 625	+ 590	+ 683	+ 21
Transportation <u>3/</u>	- 7	+ 115	n.a.	n.a.	n.a.	+ 498	+ 368	n.a.	n.a.	n.a.
Communication <u>3/</u>	+ 47	- 9	n.a.	n.a.	n.a.	- 16	+ 218	n.a.	n.a.	n.a.
Other public utilities	+ 141	+ 137	n.a.	n.a.	n.a.	+ 52	+ 39	n.a.	n.a.	n.a.
Construction	+ 18	--	- 55	- 5	- 20	+ 348	- 31	+ 115	+ 290	+ 395
All other types of business	+ 168	+ 145	+ 47	- 87	- 60	+ 733	+ 788	+ 80	+ 272	+ 453
Bankers acceptances	- 51	+ 77	+ 14	- 66	- 64	- 413	+ 367	- 333	- 368	n.a.
Services <u>3/</u>	+ 31	- 10	n.a.	n.a.	n.a.	+ 556	- 136	n.a.	n.a.	n.a.
Other	+ 188	+ 93	+ 33	- 21	+ 4	+ 590	+ 557	+ 413	+ 640	n.a.
Foreign business concerns <u>3/</u>	- 17	+ 4	n.a.	n.a.	n.a.	- 214	- 118	n.a.	n.a.	n.a.
Classified	+1,102	+1,140	+1,023	+1,028	+ 811	+3,469	+2,382	+5,783	+5,202	+1,560
Unclassified	+ 197	+ 43	+ 124	+ 30	- 2	+ 282	+ 243	+ 533	+ 634	+ 535
Total Change	+1,299	+1,183	+1,147	+1,058	+ 809	+3,751	+2,625	+6,316	+5,836	+2,095

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 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--Dec. 31	317.9 2/	56.2	48.8 3/	213.0 2/3/	80.6	54.0	9.0	8.6	38.9	13.3	13.0 2/3/
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	41.5	11.1	13.0
Apr. 24	353.9	59.5	63.8	230.5	89.4	60.1	8.9	9.9	42.2	11.5	13.2
May 29 p	354.5	60.0	63.4	231.1	89.1	60.7	8.7	10.1	42.7	11.1	13.4
June 30 p	360.9	58.7	63.9	238.3	92.3	61.3	9.6	10.3	43.2	12.2	r 14.0
July 31 p	364.7	60.0	64.4	240.2	91.7	61.8	11.4	10.4	43.8	12.0	r 13.8
Aug. 28 p	366.5	61.0	65.9	239.6	90.6	62.3	11.3	10.3	r 44.5	r 11.4	14.0
Sept. 25 p	373.2	62.1	67.5	243.7	92.2	63.0	11.8	10.2	44.9	12.0	14.3

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	New York City	City of Chicago	Other	Country	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	7.5 <u>2/</u>
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--July 26	65.1	66.2	81.5	72.3	67.8	59.6	5.2
Aug. 30	64.9	66.5	81.0	71.4	68.4	60.4	5.7
Sept. 27	64.6	66.3	79.8	72.2	68.3	58.8	5.8
Oct. 25	64.0	65.5	77.8	70.7	67.7	58.6	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	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
p Apr. 24	65.5	67.4	84.4	75.6	69.8	58.9	5.1
p May 29	65.7	67.6	84.9	75.6	70.0	59.1	5.2
p June 26	66.4	68.4	86.3	78.5	70.8	59.3	5.2
p July 31	66.2	68.1	87.5	76.1	69.6	59.5	n.a.
p Aug. 28	66.2	68.1	89.2	75.5	69.3	59.6	n.a.
p Sept. 25	66.1	68.1	87.5	76.6	69.6	59.5	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

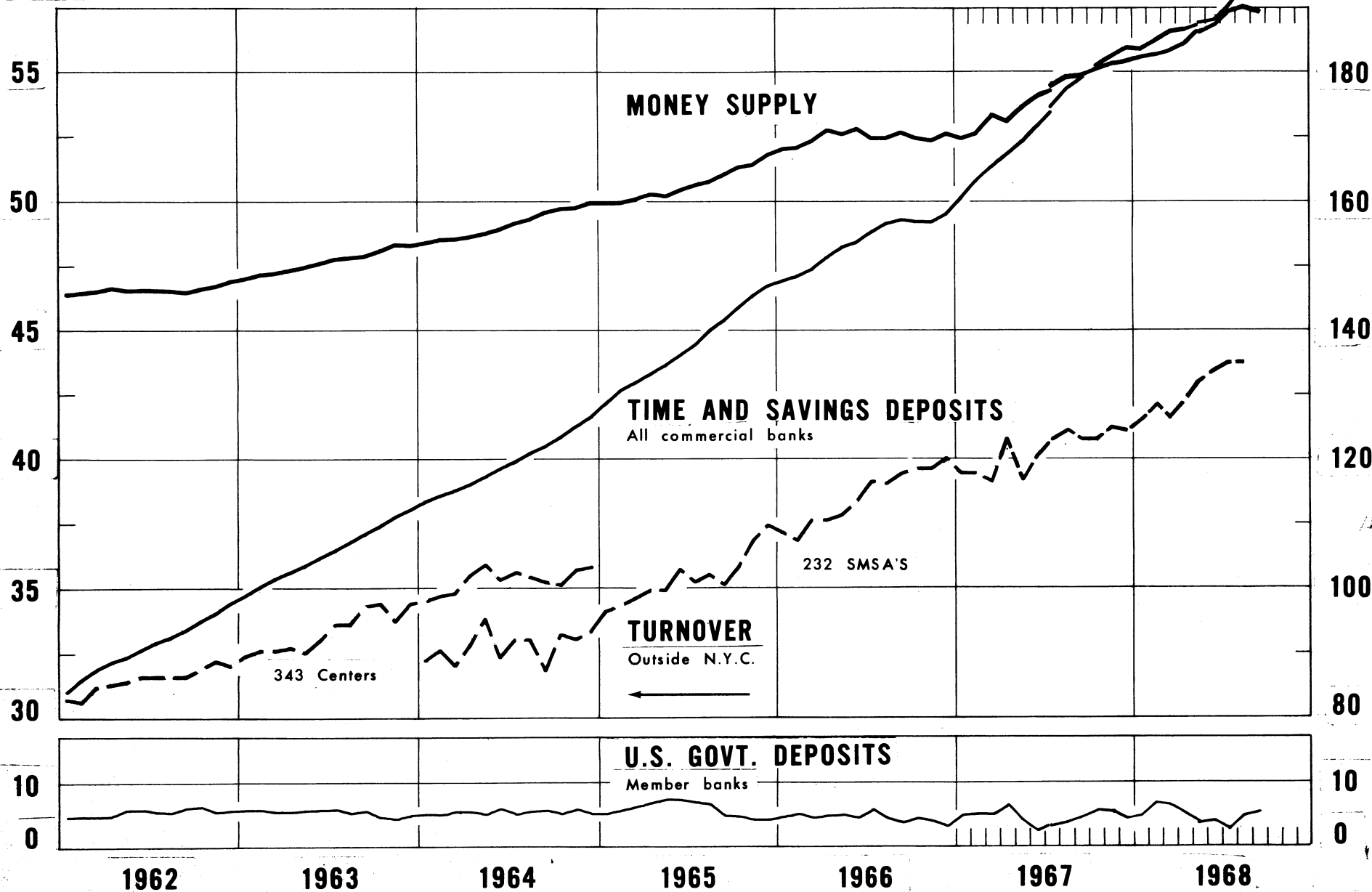


Chart on revised basis for Money Supply, Time and Savings Deposits, and U.S. Gov. Deposits beginning July 1967.

Exhibit H - Part II

Period	Seasonally Adjusted Data					
	Money Supply			Time and <sup>1/</sup> savings deposits (all commercial)	U.S. Gov't. 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	158.1	3.5	40.0
1967--July	177.8	138.4	39.4	174.8	2.9	40.7
August	178.9	139.4	39.5	177.2	4.0	41.1
September	179.1	139.4	39.7	179.4	4.5	40.8
October	180.2	140.2	39.9	180.6	5.2	40.8
November	181.0	141.0	40.1	182.0	5.6	41.2
December	181.3	140.9	40.4	183.5	4.6	41.1
1968--January	182.3	141.7	40.6	184.1	5.4	41.6
February	182.7	141.9	40.7	185.2	7.1	42.1
March	183.4	142.2	41.1	186.7	6.7	41.6
April	184.4	143.0	41.4	187.1	5.2	42.3
May	186.1	144.5	41.6	187.6	3.7	43.0
June	187.3	145.3	42.0	188.2	3.9	43.4
July	189.4	147.2	42.2	190.4	2.7	43.7
August	190.2	147.7	42.6	193.8	4.8	43.7
September	189.5	146.7	42.8	196.7	5.3	n.a.
<u>Week ending:</u>						
1968--Aug. 28	190.2	147.5	42.7	194.6	4.9	n.a.
Sept. 4	190.2	147.6	42.7	195.2	4.1	n.a.
11	190.2	147.5	42.6	195.8	4.6	n.a.
18 p	188.7	146.0	42.7	196.9	5.4	n.a.
25 p	188.6	146.0	42.6	197.4	6.0	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

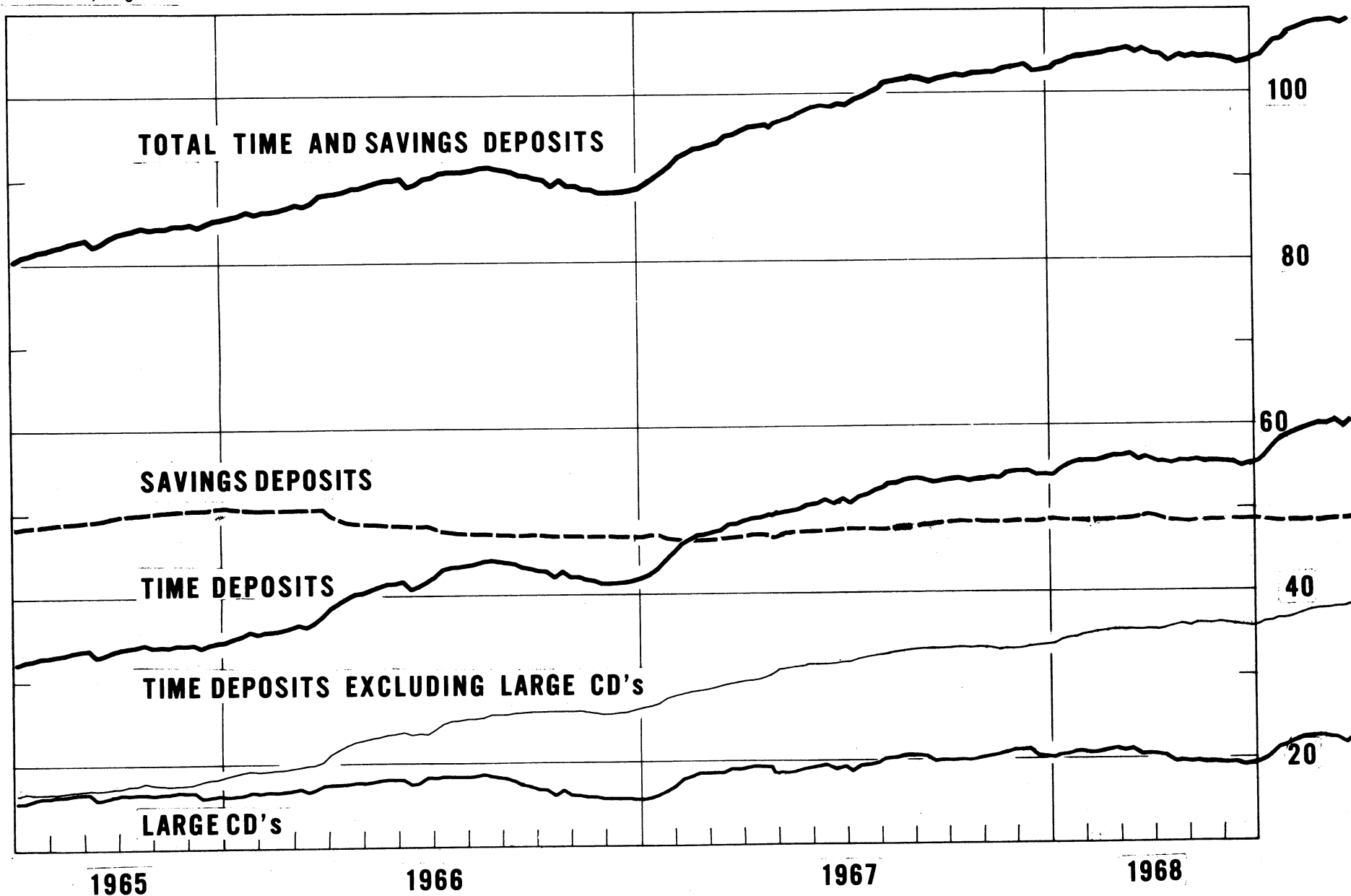


Exhibit I - Part II  
Large Commercial Banks

Period	Time and Savings Deposits				
	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
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	59,277	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--Sept. 25	101,659	48,349	53,310	19,997	33,313
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--Apr. 24	104,231	48,420	55,811	19,788	36,023
May 29	104,170	48,470	55,700	19,543	36,157
June 26	103,852	48,657	55,195	19,211	35,985
July 31	106,411	48,274	58,137	21,450	36,687
Aug. 28	108,259	48,269	59,990	22,304	37,686
Sept. 4	108,270	48,283	59,987	22,197	37,790
11	108,345	43,298	60,047	22,155	37,892
18	108,044	48,315	59,729	21,833	37,896
25	108,652	48,354	60,298	22,260	38,038

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 <u>1/</u> adjusted
	All member	Reserve City Banks						
		New York City	City of Chicago	Other				
<b>Monthly Averages:</b>								
1958--December	- 41	- 80	- 32	-197	268	516	557	18,160
1959--December	-424	-109	-104	-449	237	482	906	18,200
1960--December	669	10	- 4	80	583	756	87	18,530
1961--December	419	- 50	- 22	20	471	568	149	19,290
1962--December	268	- 62	- 11	- 52	394	572	304	19,950
1963--December	209	19	21	-122	334	536	327	20,640
1964--December	168	- 14	- 31	-103	315	411	243	21,500
1965--December	- 2	- 70	- 8	-161	238	452	454	22,640
1966--December	-165	- 95	- 50	-159	140	392	557	22,900
1967--Apr.	175	- 10	- 20	- 38	242	309	134	23,910
May	269	12	1	- 9	266	370	101	23,950
June	297	7	- 3	33	258	420	123	24,110
July	272	20	- 15	12	254	359	87	24,340
Aug.	298	6	4	16	271	387	89	24,630
Sept.	268	39	3	- 6	231	358	90	24,790
Oct.	160	- 10	4	- 24	191	286	126	25,120
Nov.	270	23	11	14	222	403	133	25,280
Dec.	107	- 22	- 5	- 55	187	345	238	25,150
1968--Jan.	136	- 9	- 2	- 83	230	373	237	25,500
Feb.	38	- 57	2	- 73	166	399	361	25,765
Mar.	-315	- 13	- 59	-253	11	356	671	25,812
Apr.	-413	- 59	-105	- 57	9	270	683	25,623
May p	-326	- 34	- 64	-189	- 38	420	746	25,711
June p	-341	22	- 43	-224	- 96	351	692	25,816
July p	-227	- 25	- 77	-100	- 26	299	525	25,923
Aug. p	-185	-162	2	- 93	67	379	565	26,431
Sept. p	-219	-147	- 16	-163	108	297	515	26,395

**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	573.1	164.1	147.1	52.6	0.3	109.8	50.5	48.6	79.8	22.8	54.3
1966	601.5	168.6	159.3	55.2	0.1	113.4	50.9	53.9	77.9	21.8	54.5
1967											
Apr.	613.2	168.7	168.6	56.8	0.1	117.1	51.1	50.9			55.0
May	619.8	173.0	170.7	57.4	0.1	118.0	51.1	49.5			55.5
June	620.8	173.7	172.4	58.0	0.1	118.9	51.2	46.5	78.6	22.0	55.8
July	623.1	172.0	174.7	58.4	0.1	119.9	51.3	46.7			55.6
Aug.	630.3	174.2	177.2	58.7	0.1	121.0	51.3	47.8			55.7
Sept.	635.7	176.3	178.1	59.1	0.1	122.5	51.4	48.2	79.1	21.9	55.8
Oct.	638.1	175.8	180.1	59.5	--	123.0	51.4	48.3			55.8
Nov.	645.9	177.9	183.8	59.9	--	123.7	51.5	49.1			56.0
Dec.	650.5	180.7	183.1	60.3	--	123.9	51.9	50.5	78.9	21.9	55.9
1968											
Jan. p	655.9	179.6	186.5	# 60.6	--	# 123.6	51.9	53.6			55.8
Feb. p	658.7	178.3	187.6	61.1	--	124.6	51.8	55.4			55.5
Mar. p	r 665.7	r 181.8	r 187.9	61.4	--	125.9	51.8	57.0	79.1	21.7	55.5
Apr. p	r 664.6	r 181.1	r 187.6	61.7	--	126.0	51.8	56.5			55.4
May p	r 667.9	r 183.9	r 187.7	62.1	--	126.5	51.8	55.9			55.6
June p	r 670.5	r 186.8	r 187.9	r 62.2	--	126.8	51.9	54.9	78.2	21.5	55.9
July p	r 676.6	r 186.2	r 191.5	r 62.7	--	127.2	51.9	56.9			55.8
Aug. p	r 679.7	r 186.0	r 194.0	r 63.0	--	128.1	r 52.0	56.6			r 56.0
Sept. p	683.8	186.3	195.9	63.3	--	129.5	52.0	56.9	77.8	21.4	55.9

For footnotes see nest page.

p - Preliminary

r - Revised on basis of June 29, 1968 Call Report.

\* - Reginning 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).