

FEDERAL RESERVE BANK
of KANSAS CITY

L.4.3
Not for Publication

November 19, 1968.

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BANKING AND MONEY DEVELOPMENTS IN OCTOBER 1968

Summary. Commercial bank credit increased substantially further in October--at about the same rate as in the two previous months--with loan expansion accounting for about two-thirds of the increase. Although security loans declined somewhat, most other major loan categories continued to expand, with growth in business and real estate loans accelerating somewhat. Despite heavy bank participation in the late-month Treasury bill financing, holdings of U.S. Government securities increased only slightly further. Acquisitions of municipal and agency issues remained heavy. The money supply increased in October after having shown little net change from July to September. Growth in time and savings deposits continued rapid, reflecting further sales of negotiable CD's and large inflows of consumer-type time and savings deposits. Total, required, and net borrowed reserves increased while member bank borrowings declined further.

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

	Annual rate (per cent)							
	1965	1966	1967		1968			
	Year	Year	Year	2nd Half	1st Half	3rd Qtr.	Jan.-Oct.	Oct.
Total loans and investments	10.2	5.8	11.6	12.4	6.5	19.0	11.5	15.4
U.S. Gov't. sec.	-5.9	-6.1	11.4	13.6	2.3	23.8	9.0	3.8
Other sec.	15.8	6.5	26.1	18.5	8.1	19.4	13.9	26.9
Total loans	14.8	9.2	8.3	10.6	7.2	17.6	11.4	15.3
Business loans	18.8	13.3	9.8	8.5	7.6	10.3	8.9	10.4
Money supply	4.7	2.2	6.4	6.0	6.7	4.5	6.0	5.1
Time and savings deposits at all commercial banks	15.8	8.6	16.1	12.6	5.0	17.9	10.5	18.3

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 regulation affecting reserve requirements.

2/ Changes in commercial bank credit are based on data revised to reflect adjustments to June 29, 1968 Call Report benchmarks. All credit references are to the revised series.

Bank credit. Loans and investments at all commercial banks increased \$4.8 billion in October, at an annual rate of 15 per cent. Large banks--as they have since the first of the year--accounted for a larger than usual share of this increase. The October increase in loans was **contraseasonal** at large banks and somewhat more than usual at small banks. In both groups, holdings of U.S. Government securities increased by about the normal amount for a financing month while holdings of "other securities" expanded rapidly.

Over the first ten months of the year, total credit increased at a rate of 11.5 per cent--about the same as the postwar record expansion of the year 1967. Investments--both in U.S. Governments and in other securities--increased at slower rates than in 1967 but total loans rose at a somewhat faster pace. While expansion in business and real estate loans remained close to that in 1967, consumer and security loans rose much more rapidly and loans to nonbank financial institutions increased whereas in 1967 they had declined.

Holdings of U.S. Government securities increased only \$200 million further in October, following a similar nominal rise in September. This was in sharp contrast to the two preceding months when banks had been heavy buyers of Treasury securities offered in the financings. While banks acquired all of the \$3 billion tax bills delivered on October 24, they had sold bills almost steadily in the earlier weeks of the month and they also placed part of the new issue prior to delivery as is usual. This increased pressure on Governments reflected in large part continued strong loan demand and the high cost of funds.

Bank holdings of municipal and agency issues increased \$1.5 billion in October, or at the same rapid pace as in September and considerably faster than in any other month this year. At weekly reporting banks, most of the increase was in longer-term municipals although agency issues also rose and short-term municipals declined less than usual. Acquisitions were concentrated at weekly reporting banks outside New York City and at smaller banks not in the weekly reporting group. At banks in New York City, short-term holdings declined but the reduction was somewhat smaller than in the corresponding weeks of other recent years.

Business loans increased \$800 million in October--or slightly faster than in any other month this year except for the tax-related April and July expansions. Business borrowing at banks rose rapidly early in October but declined in the latter part of the month. After the midmonth, proceeds from several new corporate offerings--especially in the petroleum, public utilities, and food, liquor, and tobacco categories--may have been used in part to repay bank debt. At weekly reporting banks, borrowing by retail trade concerns was unusually large--accounting for more than the total business loan expansion--and may have been associated with increased bank borrowing by some automobile

dealers following the expiration of the temporary credit extended to dealers by automobile manufacturers during the model change-over period. Loans to construction firms, service industries, and transportation equipment concerns also were larger than usual. However, borrowings by other industries which also rise seasonally at this time of the year--food processors, commodity dealers, and wholesale trade concerns--did not show any particular strength.

Security loans declined \$200 million in October--following an increase of \$3.8 billion over the third quarter--as dealers carried a lower level of inventories, on average, than in September. Expansion in real estate loans appears to have accelerated further in October (even after allowance for the fact that October was a five-week month and seasonal factors, in the case of this item, do not allow for this), probably in part a response to the recent increase in construction activity. Consumer loans continued to increase at the somewhat expanded pace of other recent months.

Money supply and time deposits. Following little net change during August and September, the money supply rose \$800 million in October, or at a slightly faster pace than in the third quarter. The October increase was associated in part with a decline in U.S. Government deposits following a buildup in the previous two months. During the first ten months of 1968, the money supply increased at an annual rate of 6 per cent compared with one of 6.4 per cent over the year 1967.

Time and savings deposits at all commercial banks increased \$2.9 billion in October--or at about the same rapid rate as in the third quarter. Sales of large negotiable CD's were extremely heavy through the first half of the month but then tapered off somewhat. Expansion in consumer-type time and savings deposits accelerated somewhat further at large city banks. Savings deposits increased substantially over the turn-of-the-month presumably reflecting quarterly interest crediting but subsequently showed little further change. Time certificates and open account also rose rapidly early in the month with growth slackening somewhat in the latter part of October. Over the first 10 months of 1968, time and savings deposits increased at an annual rate of about 11 per cent--with the most rapid expansion taking place after midyear--compared with one of 16 per cent over the year 1967.

Bank reserves. Net borrowed reserves averaged about \$225 million over the five weeks ending October 30 compared with \$160 million in September. Excess reserves dropped substantially but member bank borrowings also continued to decline. Total and required reserves rose.

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

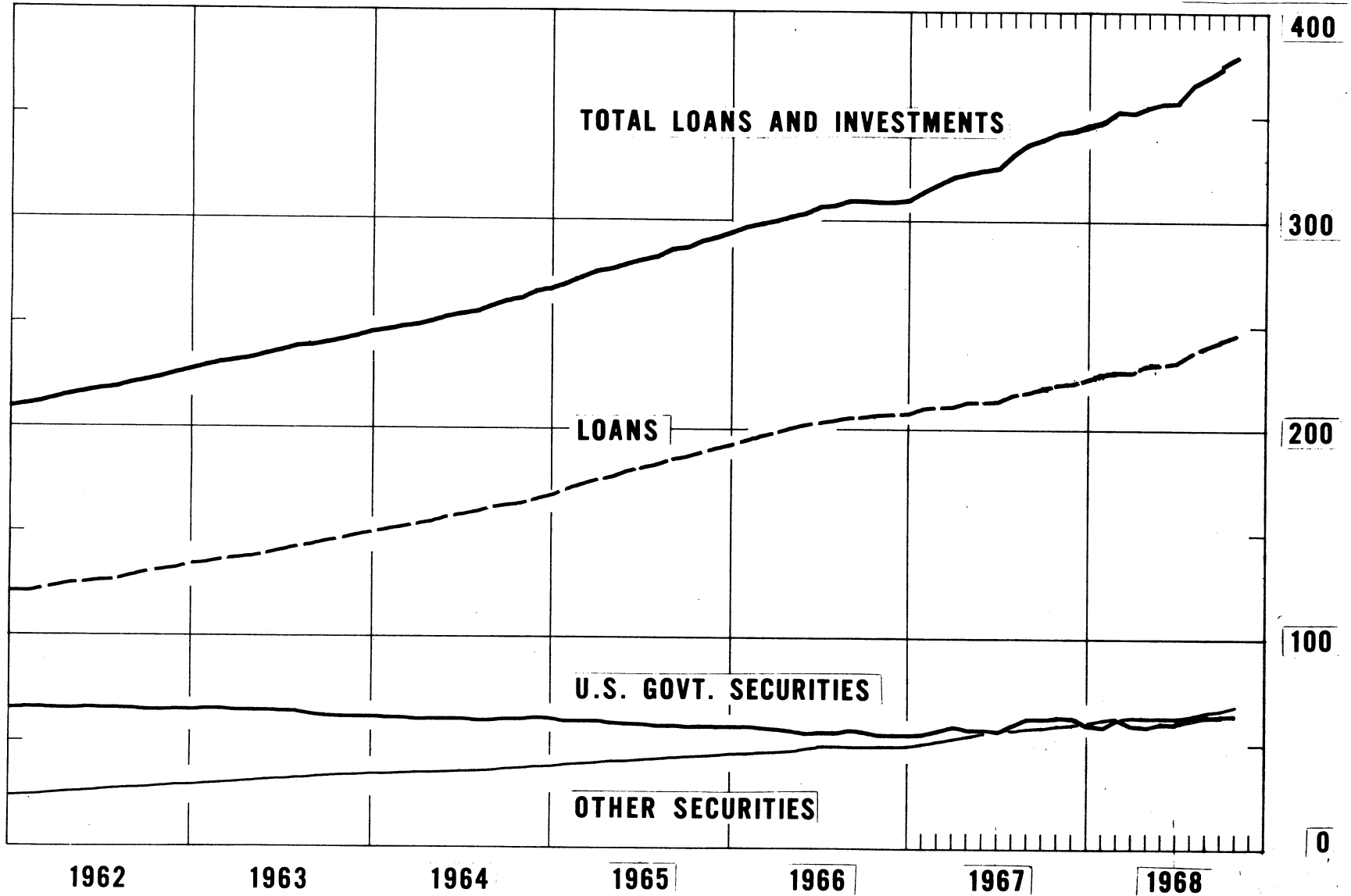


Chart on revised basis beginning September 1968.

Exhibit A - Part II

Loans and Investments at All Commercial Banks 4/
(Seasonally Adjusted)

Date	Total	Loans	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--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 r	349.9	227.5	60.0	62.4
Feb. 28 r	353.9	229.2	62.0	62.7
Mar. 27 r	352.5	229.0	59.9	63.6
Apr. 24 r	355.2	231.4	60.3	63.4
May 29 r	357.3	232.6	61.0	63.6
June 30 r	357.8	233.5	60.4	63.9
July 31 r	365.9	238.4	63.1	64.4
Aug. 28 r	370.4	241.1	63.9	65.5
Sept. 25 r	374.8	243.8	64.0	67.0
Oct. 30 p	379.6	246.9	64.2	68.5

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.

4/ Series revised beginning January 1968 to reflect adjustments to June 29, 1968, Call Report data.

LOANS AT ALL COMMERCIAL BANKS

Last Wednesday of month, seasonally adjusted

Billions of dollars

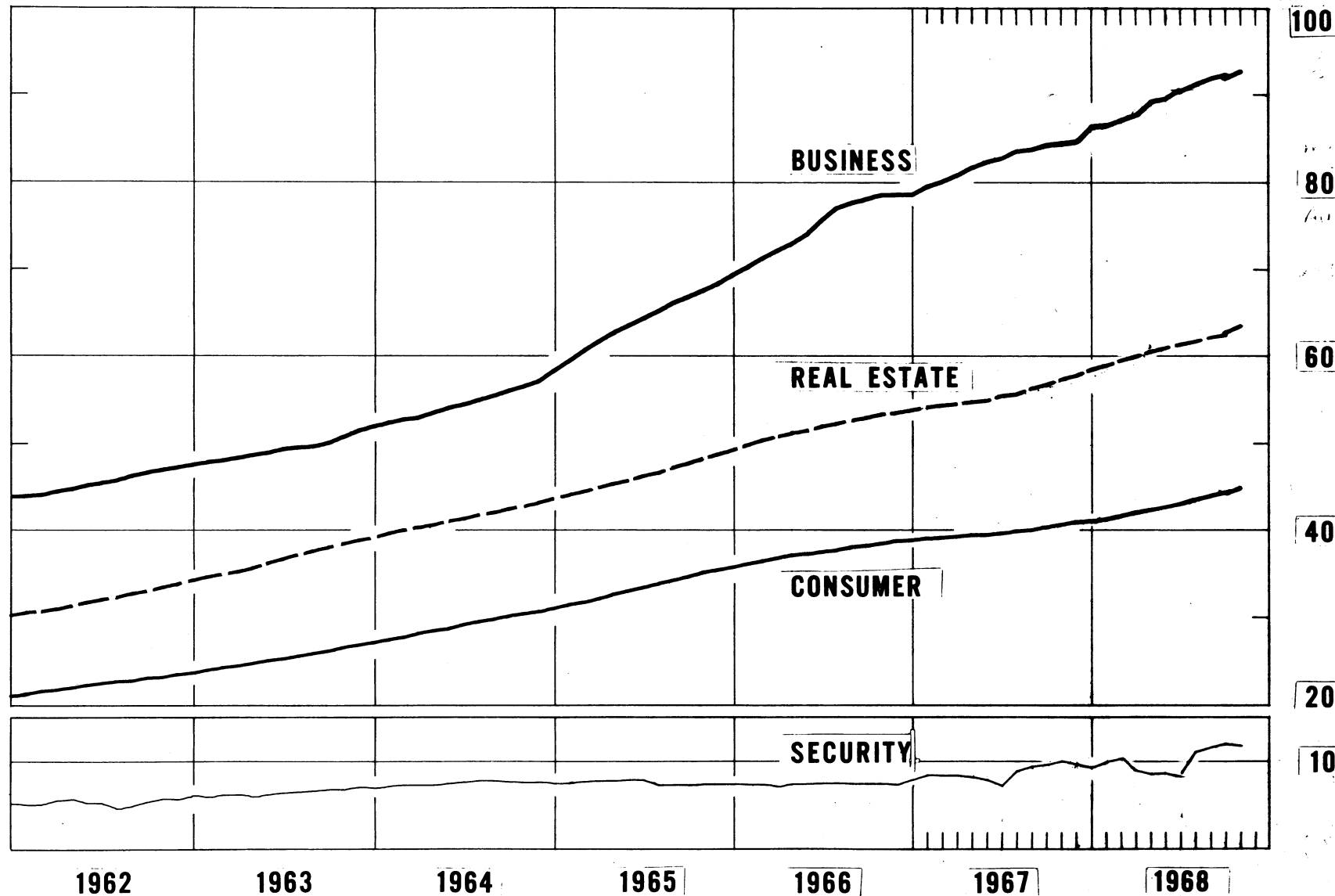


Chart on revised basis beginning September 1968.

Exhibit B - Part II

Loans at All Commercial Banks 2/
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--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	r 86.6	58.9	41.4	10.1
Feb. 28	r 87.1	59.5	41.9	10.2
Mar. 27	r 87.8	60.1	42.0	8.7
Apr. 24	r 88.8	60.6	42.5	8.5
May 29	r 89.2	61.1	42.7	8.5
June 30	r 89.6	61.4	42.9	8.2
July 31	r 90.7	61.8	43.4	11.0
Aug. 28	r 91.4	62.2	44.0	11.6
Sept. 25	r 91.9	62.7	44.4	12.0
Oct. 30	p 92.7	63.5	44.9	11.8

1/ Estimated as of December 31.

p - Preliminary

r - Revised

2/ Series revised beginning January 1968 to reflect adjustments to June 29, 1968, Call Report data.

These data are not for publication.

Exhibit C
Changes in Loans and Investments at All Commercial Banks, Seasonally Adjusted ^{4/}
(In billions of dollars)

Item	1 9 6 7			1 9 6 8									
	Oct.	Nov.	Dec.	Jan. r	Feb. r	Mar. r	Apr. r	May r	June r	July r	Aug. r	Sept. r	Oct. r
<u>Loans and Investments</u> ^{2/}	+ 2.9	+ 2.3	+ 2.2	+ 3.4	+ 4.0	- 1.4	+ 2.7	+ 2.1	+ 0.5	+ 8.1	+ 4.5	+ 4.4	+ 4.8
U. S. Gov't. securities	+ 0.5	- 0.7	- 1.5	+ 0.3	+ 2.0	- 2.1	+ 0.4	+ 0.7	- 0.6	+ 2.7	+ 0.8	+ 0.1	+ 0.2
Other securities	+ 0.9	+ 1.8	+ 1.0	+ 1.0	+ 0.3	+ 0.9	- 0.2	+ 0.2	+ 0.3	+ 0.5	+ 1.1	+ 1.5	+ 1.5
<u>Loans</u> ^{2/}	+ 1.5	+ 1.3	+ 2.7	+ 2.1	+ 1.7	- 0.2	+ 2.4	+ 1.2	+ 0.9	+ 4.9	+ 2.7	+ 2.7	+ 3.1
Business	+ 0.3	+ 0.3	+ 1.4	+ 0.3	+ 0.5	+ 0.7	+ 1.0	+ 0.4	+ 0.4	+ 1.1	+ 0.7	+ 0.5	+ 0.8
Real estate	+ 0.5	+ 0.5	+ 0.5	+ 0.5	+ 0.6	+ 0.6	+ 0.5	+ 0.5	+ 0.3	+ 0.4	+ 0.4	+ 0.5	+ 0.8
Consumer	+ 0.3	+ 0.2	+ 0.2	+ 0.4	+ 0.5	+ 0.1	+ 0.5	+ 0.2	+ 0.2	+ 0.5	+ 0.6	+ 0.5	+ 0.5
Security	+ 0.2	- 0.2	- 0.4	+ 0.9	+ 0.1	- 1.5	- 0.2	<u>1/</u>	- 0.3	+ 2.8	+ 0.6	+ 0.4	- 0.2
Nonbank financial	+ 0.1	- 0.2	- 0.2	+ 0.1	- 0.4	- 0.2	+ 0.3	+ 0.2	<u>1/</u>	- 0.1	+ 0.1	+ 0.2	+ 0.5
Agriculture	<u>1/</u>	- 0.2	+ 0.3	- 0.1	+ 0.1	<u>1/</u>	+ 0.1	<u>1/</u>	+ 0.3	+ 0.1	<u>1/</u>	+ 0.1	- 0.1
All other	+ 0.1	+ 0.8	+ 0.8	<u>1/</u>	+ 0.3	- 0.1	+ 0.2	- 0.1	<u>1/</u>	+ 0.1	+ 0.3	+ 0.5	+ 0.8
Total loans excluding security ^{3/}	+ 1.3	+ 1.5	+ 3.1	+ 1.2	+ 1.6	+ 1.3	+ 2.6	+ 1.2	+ 1.2	+ 2.1	+ 2.1	+ 2.3	+ 3.3
Total loans excluding security and non-bank financial ^{3/}	+ 1.2	+ 1.7	+ 3.3	+ 1.1	+ 2.0	+ 1.5	+ 2.3	+ 1.0	+ 1.2	+ 2.2	+ 2.0	+ 2.1	+ 2.8

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

^{2/} Adjusted to exclude interbank loans.

^{3/} At large banks on a last-Wednesday basis, bankers' acceptance declined \$6 million in October 1968 compared with an increase of \$181 million in October 1967 and an increase of \$68 million in October 1966.

^{4/} Series revised beginning January 1968 to reflect adjustments to June 29, 1968, Call Report data.

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 September to last Wednesday of October						
	1968	1967	1966	1965	1964	1963	1962
All commercial banks							
Total loans	+ 1.4	- 0.2	- 0.6	+ 0.7	- 0.7	<u>1/</u>	+ 0.9
U. S. Gov't. securities	+ 2.3	+ 2.3	<u>1/</u>	+ 2.6	+ 0.7	+ 0.2	+ 1.3
Other securities	+ 1.2	+ 0.7	- 0.1	+ 0.2	+ 0.2	+ 0.3	+ 0.4
Total	+ 4.9	+ 2.8	- 0.8	+ 3.4	+ 0.2	+ 0.5	+ 2.6
Weekly reporting banks ^{5/}							
Total loans	+ 0.6	- 0.6	- 1.0	<u>1/</u>	- 1.2	- 0.5	+ 0.6
U. S. Gov't. securities	+ 1.5	+ 1.6	- 0.4	+ 1.6	- 0.3	- 0.1	+ 0.6
Other securities	+ 0.5	+ 0.3	- 0.4	- 0.1	<u>1/</u>	<u>1/</u>	+ 0.2
Total	+ 2.5	+ 1.3	- 1.8	+ 1.5	- 1.5	- 0.5	+ 1.4
Other banks ^{5/}							
Total loans	+ 0.8	+ 0.4	+ 0.4	+ 0.7	+ 0.5	+ 0.5	+ 0.3
U. S. Gov't. securities	+ 0.8	+ 0.7	+ 0.4	+ 1.0	+ 1.0	+ 0.3	+ 0.7
Other securities	+ 0.7	+ 0.4	+ 0.3	+ 0.3	+ 0.2	+ 0.3	+ 0.2
Total	+ 2.4	+ 1.5	+ 1.0	+ 1.9	+ 1.7	+ 1.0	+ 1.2
Item	End of December to last Wednesday of October						
	1968	1967	1966 ^{3/}	1965	1964 ^{2/}	1963 ^{2/}	1961
All commercial banks							
Total loans	+15.4	+ 7.2 ^{3/}	+10.5 ^{3/4/}	+15.6	+ 9.1	+ 8.1	+ 7.6
U. S. Gov't. securities	+ 2.3	+ 6.2	- 5.9 ^{3/}	- 4.5	- 2.0	- 4.4	- 1.0
Other securities	+ 7.3	+10.2	+ 2.8 ^{3/4/}	+ 5.3	+ 2.9	+ 5.2	+ 4.7
Total	+25.0	+23.7	+ 7.3 ^{4/}	+16.3	+10.0	+ 8.8	+11.3
Weekly reporting banks ^{5/}							
Total loans	+ 7.2	+ 1.5	+ 4.6 ^{3/4/}	+ 8.7	+ 3.4	+ 3.1	+ 3.3
U. S. Gov't. securities	+ 1.3	+ 3.4	- 4.4 ^{3/}	- 3.8	- 2.1	- 4.3	- 2.8
Other securities	+ 4.3	+ 6.6	+ 0.4 ^{3/4/}	+ 2.9	+ 1.5	+ 3.4	+ 3.2
Total	+12.9	+11.6	+ 0.6 ^{4/}	+ 7.8	+ 2.8	+ 2.1	+ 3.7
Other banks ^{5/}							
Total loans	+ 8.1	+ 5.7	+ 5.9 ^{3/4/}	+ 6.9	+ 5.7	+ 5.0	+ 4.3
U. S. Gov't. securities	+ 1.0	+ 2.8	- 1.5 ^{3/}	- 0.7	+ 0.1	- 0.1	+ 1.8
Other securities	+ 3.0	+ 3.6	+ 2.4 ^{3/4/}	+ 2.4	+ 1.4	+ 1.8	+ 1.5
Total	+12.1	+12.1	+ 6.7 ^{4/}	+ 8.5	+ 7.2	+ 6.7	+ 7.6

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

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

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

^{3/} Allowance has been made in monthly changes in total loans and in other securities for approximately \$1 billion of participation certificates shifted from loans to other securities in late June 1966: \$700 million at large banks and \$300 million at other banks.

^{4/} Allowance has been made in monthly changes in total credit and in total loans for the \$1.1 billion of balances accumulated for the payment of personal loans excluded from time deposits and from loans on June 9, 1966: \$400 million at large banks and \$700 million at other banks.

^{5/} Based on revised coverage beginning July 1966, 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 September to late October 1/					Late December to late October 2/				
	1968	1967	1966	1965	1964	1968	1967	1966	1965	1964
Food processors	+ 95	+ 188	+ 232	+ 257	+ 253	- 270	- 408	+ 62	- 36	- 242
Commodity dealers	+ 134	+ 207	+ 91	+ 175	+ 218	- 441	- 176	- 265	- 158	- 167
Trade concerns	+ 478	+ 48	+ 263	+ 161	+ 75	+ 580	- 3	+ 647	+1,071	+ 258
Retail trade	+ 350	- 73	+ 244	+ 96	+ 36	+ 309	- 99	+ 448	+ 683	+ 116
Wholesale trade	+ 128	+ 121	+ 19	+ 65	+ 39	+ 271	+ 96	+ 199	+ 388	+ 142
Metals	- 271	- 359	- 107	- 183	- 76	+ 980	+ 750	+2,087	+1,311	+ 269
Primary metals	- 66	+ 22	- 49	- 73	- 2	+ 672	+ 356	+ 111	+ 110	+ 25
Machinery	- 236	- 322	- 17	- 21	- 1	+ 67	+ 318	+1,094	+ 552	+ 121
Transportation equipment	+ 99	+ 10	+ 26	- 29	- 35	+ 85	- 94	+ 592	+ 284	- 6
Other fabricated metals	- 68	- 69	- 67	- 60	- 38	+ 156	+ 170	+ 290	+ 365	+ 129
Textiles, apparel, etc.	- 132	- 173	- 197	- 162	- 186	+ 536	+ 137	+ 462	+ 476	+ 92
Pettroleum	- 28	+ 46	- 11	+ 20	+ 44	- 78	+ 52	+ 166	+ 315	- 79
Chemicals	+ 1	+ 16	- 18	+ 7	+ 22	- 32	+ 215	+ 433	+ 305	+ 218
Other durable manufacturing	- 47	- 142	- 2	- 23	- 35	+ 198	+ 86	+ 469	+ 384	+ 140
Other nondurable manufacturing	- 104	- 73	- 70	- 72	- 37	+ 38	+ 244	+ 369	+ 252	+ 87
Mining	- 118	- 60	- 68	- 4	- 67	+ 289	- 86	+ 522	+ 213	+ 189
Public Utilities, total	+ 30	+ 83	+ 207	+ 166	+ 16	+ 676	+ 566	+ 694	+ 849	- 84
Transportation 3/	+ 19	+ 78	n.a.	n.a.	n.a.	+ 530	+ 424	n.a.	n.a.	n.a.
Communication 3/	+ 24	- 5	n.a.	n.a.	n.a.	+ 14	+ 193	n.a.	n.a.	n.a.
Other public utilities	- 13	+ 10	n.a.	n.a.	n.a.	+ 132	- 51	n.a.	n.a.	n.a.
Construction	+ 30	- 33	- 46	- 1	--	+ 364	- 67	+ 89	+ 289	+ 403
All other types of business	+ 49	+ 281	+ 85	- 57	- 54	+ 876	+ 915	+ 122	+ 215	+ 404
Bankers acceptances	- 6	+ 181	+ 68	- 104	- 45	- 459	+ 517	- 309	- 472	n.a.
Services 3/	+ 164	+ 108	n.a.	n.a.	n.a.	+ 706	- 69	n.a.	n.a.	n.a.
Other	- 109	- 8	+ 17	+ 47	- 9	+ 629	+ 467	+ 431	+ 687	n.a.
Foreign business concerns 3/	+ 8	- 82	n.a.	n.a.	n.a.	- 195	- 185	n.a.	n.a.	n.a.
Classified	+ 125	- 53	+ 359	+ 284	+ 173	+3,516	+2,040	+5,857	+5,486	+1,489
Unclassified	+ 170	+ 82	- 82	- 19	- 2	+ 352	+ 296	+ 543	+ 615	+ 535
Total Change	+ 295	+ 29	+ 277	+ 265	+ 171	+3,868	+2,336	+6,400	+6,101	+2,024

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 4/
(In billions of dollars)

Date	Loans and investments	U.S. Gov't.	Other securities	Total loans	Business	Real estate	Security	Farm	Consumer	Nonbank financial institutions	All other
1957--Dec. 31	169.3	58.2	17.9	93.2	40.5	23.1	4.2	4.1	15.8	--	7.2
1958--Dec. 31	184.4	66.4	20.6	97.5	40.4	25.3	4.7	5.0	15.9	--	8.2
1959--June 24 (old)	184.2	60.9	20.6	102.8	42.5	26.9	4.1	5.0	17.5	--	8.8
June 24 (new)	184.2	60.9	20.6	102.8	37.8	26.9	4.1	5.0	17.5	5.9	7.6
Dec. 31 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--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 r	350.5	62.2	61.7	226.5	85.7	58.8	10.8	9.3	41.1	11.3	14.3
Feb. 28 r	350.9	63.2	62.2	225.5	85.7	59.2	9.7	9.5	41.3	10.7	14.1
Mar. 27 r	351.5	61.2	63.1	227.2	87.8	59.6	8.7	9.6	41.5	10.8	14.1
Apr. 24 r	354.7	59.8	63.8	231.0	89.2	60.2	8.7	9.7	42.2	11.1	14.7
May 29 r	355.4	60.3	63.5	231.6	88.7	60.8	8.5	9.8	42.7	10.8	15.1
June 29 r	361.4	58.6	64.4	238.4	91.5	61.4	9.2	10.0	43.2	12.2	15.7
July 31 r	366.0	60.5	64.6	240.9	91.2	61.9	11.4	10.1	43.8	12.0	15.3
Aug. 28 r	367.9	61.5	66.0	240.4	90.0	62.4	11.3	10.0	44.5	11.2	15.7
Sept. 25 r	374.6	62.5	67.6	244.5	91.6	63.1	11.8	9.9	44.9	11.9	16.2
Oct. 30 p	379.5	64.8	68.8	245.9	92.0	63.9	11.0	9.9	45.0	11.9	16.9

NOTE: Data exclude interbank loans. Total loans are after and type of loans before deductions for valuation reserves. Consumer and "other loans" are partly estimated for all dates. Other data are partly estimated on all but June and December call dates. Beginning June 24, 1959, "business loans" and "all other loans" have been revised to exclude loans to nonbank financial institutions.

p - Preliminary

r - Revised

- 1/ Structure changes in 1959, on balance through August, added almost \$1 billion total credit; \$600 million in loans; \$300 million in U.S. Government securities; and \$100 million in other securities. Real estate loans increased about \$300 million; business loans \$100 million; consumer \$100 million; and other loans \$100 million.
- 2/ Beginning June 9, 1966, \$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, 1966, about \$1 billion of participation certificates previously included in agricultural and "all other" loans were reclassified as "other securities."
- 4/ Series revised beginning January 1968 to reflect adjustments to June 29, 1968, Call Report data.

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				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	7.5 ^{2/}
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--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. 30	63.8	65.8	79.9	70.8	68.1	58.2	6.6
1968--Jan. 31r	64.0	65.6	80.2	70.0	67.4	58.2	6.5
Feb. 28r	63.9	65.5	79.7	70.3	67.5	58.2	6.1
Mar. 27r	64.6	66.4	81.8	75.1	68.6	58.3	5.6
Apr. 24r	65.4	67.4	84.4	75.6	69.8	58.9	5.0
May 29r	65.7	67.6	84.9	75.6	70.0	59.1	5.2
June 29r	66.1	68.1	85.1	78.6	70.5	59.3	5.1
July 31r	66.2	68.1	87.5	76.1	69.6	59.5	5.4
Aug. 28r	66.2	68.1	89.2	75.5	69.3	59.6	5.3
Sept. 25r	66.2	68.1	87.5	76.6	69.6	59.5	5.4
Oct. 30p	65.6	67.4	85.7	72.2	69.6	59.0	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 to reflect adjustments to June 29, 1968, Call Report data.

- ^{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

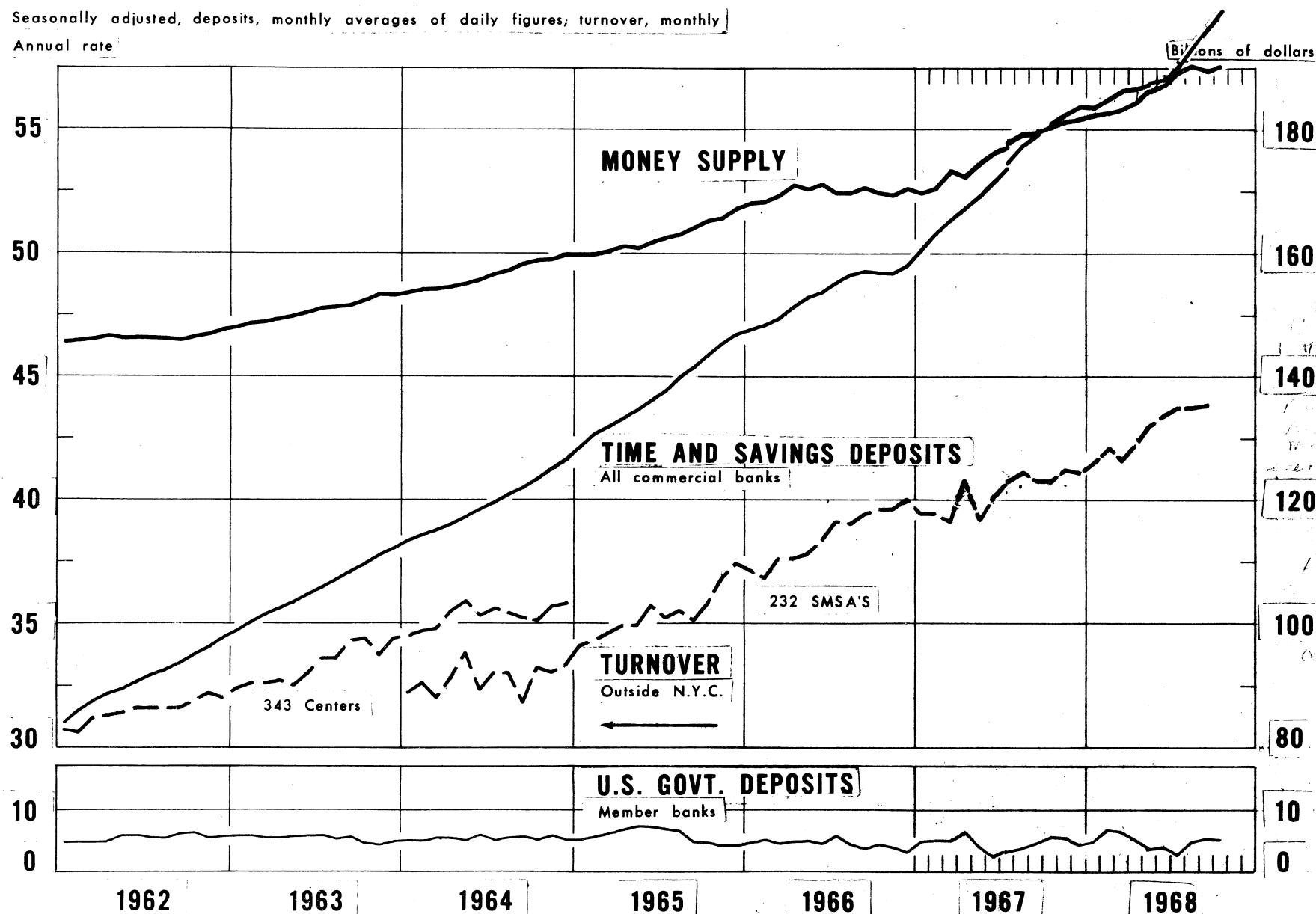


Chart on revised basis for Money Supply, Time and Savings Deposits, and U.S. Gov. Deposits beginning May 1968.

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			Time and ^{1/} 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--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	r 147.6	42.6	193.8	4.8	43.7
September	189.5	146.7	r 42.7	r 196.6	5.3	43.8
October	190.3	147.5	42.8	199.6	5.1	n.a.
<u>Week ending:</u>						
1968--Sept. 25	188.6	146.0	42.6	197.4	6.0	n.a.
Oct. 2	190.0	147.3	42.7	198.1	6.2	n.a.
9	189.9	147.1	42.9	198.7	5.7	n.a.
16	191.0	148.2	42.8	199.1	3.7	n.a.
23 p	189.4	146.6	42.8	200.0	4.0	n.a.
30 p	190.2	147.3	42.8	200.6	6.3	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

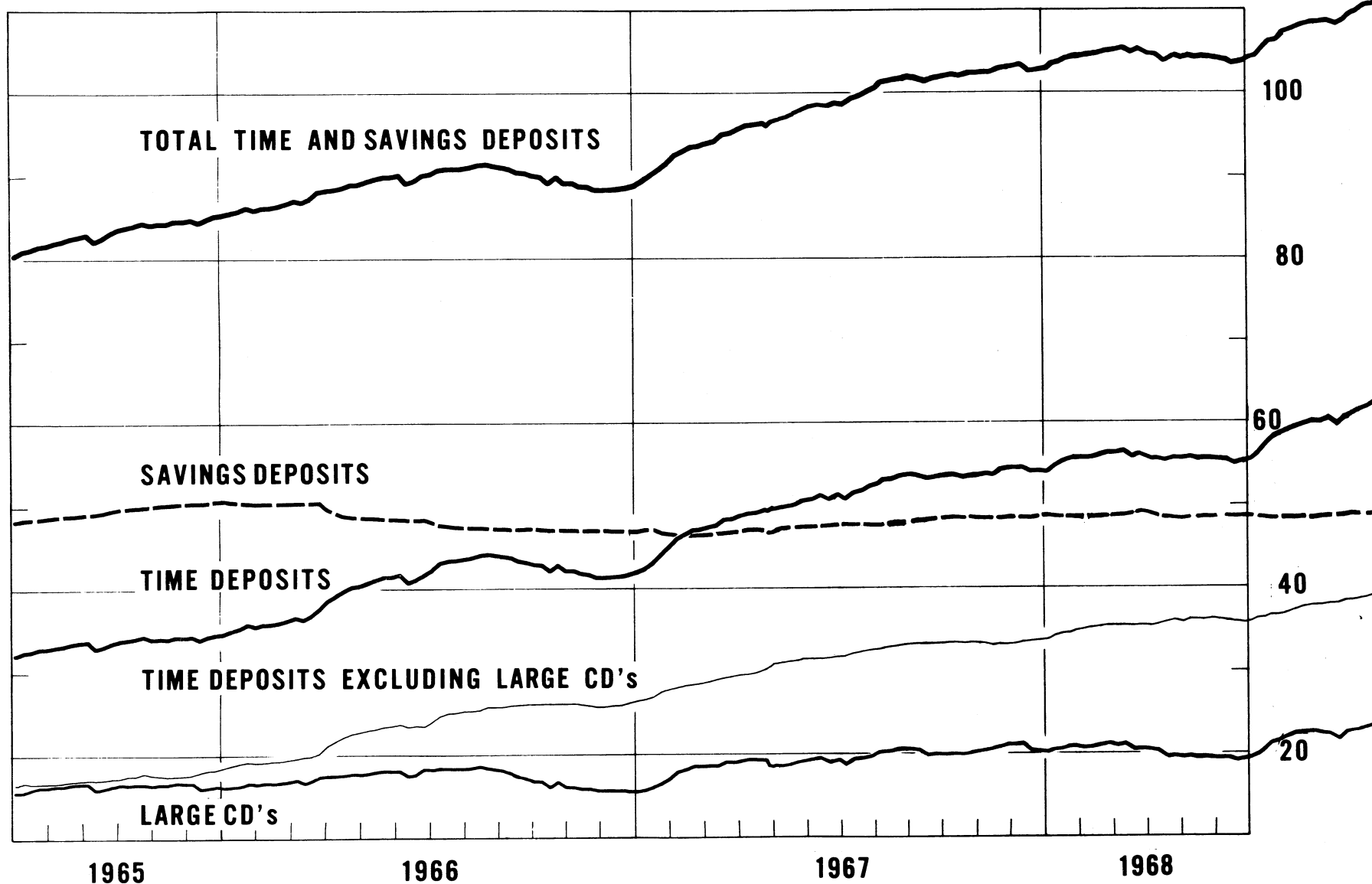


Exhibit I - Part II
Large Commercial Banks

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
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--Oct. 25	102,173	48,428	53,745	20,107	33,638
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--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. 25	108,652	43,354	60,298	22,260	38,038
1968--Oct. 2	109,359	48,512	60,847	22,589	38,258
9	109,679	48,506	61,173	22,699	38,474
16	110,191	48,512	61,679	23,108	38,571
23	110,496	48,527	61,969	23,155	38,814
30	110,771	48,522	62,249	23,303	38,946

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				
Monthly Averages:								
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	-226	- 25	- 77	-100	- 27	299	525	25,923
Aug. p	-190	-164	2	- 93	66	379	565	26,431
Sept. p	-215	-147	- 16	-163	108	297	515	26,395
Oct. p	-195	- 47	- 6	-208	65	231	426	26,637

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	665.7	181.8	187.9	61.4	--	125.9	51.8	57.0	79.1	21.7	55.5
Apr. p	664.6	181.1	187.6	61.7	--	126.0	51.8	56.5			55.4
May p	667.9	183.9	187.7	62.1	--	126.5	51.8	55.9			55.6
June p	r 670.9	186.8	187.9	r 62.6	--	126.8	51.9	54.9	78.2	21.5	55.9
July p	676.6	186.2	191.5	62.7	--	127.2	51.9	56.9			55.8
Aug. p	679.7	186.0	194.0	63.0	--	128.1	52.0	56.6			56.0
Sept. p	r 685.3	186.3	195.9	r 63.4	--	129.5	52.0	r 56.1	r 77.9	21.4	r 55.8
Oct. p	694.6	187.5	200.0	63.8	--	130.0	52.0	61.3			55.8

For footnotes see nest page.

p - Preliminary

r - Revised on basis of June 29, 1968 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.

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).