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(CONFIDENTIAL FR) July 12, 1974

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Prepared for the Federal Open Market Committee

By the Staff

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

CONFIDENTIAL (FR) July 12, 1974

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent developments

(1) Following an increase in M_1 at a 7.3 per cent annual rate in June, growth in July now appears likely to be at a rate a little over 5 per cent. M_1 growth for the June-July target period thus is estimated at about 6¼ per cent, well within the range of tolerance set by the Committee at its last meeting. M_2 growth is also expected to decelerate between June and July, with the June growth rate at 9½ per cent and the July projection at about 7 per cent. The 2-month growth rate is expected to be about 8¼ per cent, a little below the top of the range of tolerance. RPD growth, on the other hand, is projected at about a 15 per cent rate for the 2-month target period, above the top of its range of tolerance, as CD growth was stronger than expected.

Growth of Monetary Aggregates and RPD's
in June-July Target Period

Reserve and Monetary Aggregates (Growth at SAAR in per cent	Range of Tolerance	Latest Estimates	
M_1	3½-7½	6.2	
M_2	5½-8½	8.3	
RPD's	10-13	15.1	
Memo: Federal funds rate (per cent per annum)	11¼-11¾ 1/	Avg. for statement week ending	
		June 19	11.85
		June 26	11.97
		July 3	13.55
		July 10	13.34

1/ Range shown is that set at the June 18 meeting of the Committee. In a telephone conference on July 5, the Committee agreed that for the time being the Desk should not press hard to reduce the funds rate, which had averaged 13.55 per cent in latest statement week, in view of the likelihood that the high level was primarily a consequence of technical factors which might well prove temporary. Subsequently, a majority of members concurred in the Chairman's recommendation of July 10 that System operations be undertaken promptly to reduce the average funds rate to 13 per cent, on the understanding that the rate would be permitted to decline to the neighborhood of 12 per cent should money market factors work in that direction.

(2) Growth in the bank credit proxy over June and July is expected to average close to 10 per cent, a less rapid expansion than in other recent months. Business loan expansion, while weak in early June, spurted from mid-June to early July, particularly at large banks. An important share of this borrowing reflects a shift of financing demands to banks that would ordinarily have been met in the commercial paper market

or by the issuance of corporate securities. Some firms that lack the highest credit rating have been prevented from tapping the commercial paper market because of investor unwillingness to buy their paper. In the market for corporate and municipal securities a number of issues--especially by public utilities--were canceled due to rapidly rising interest rates and reluctance on the part of underwriters to make bids in the atmosphere of rate uncertainty. In this environment, there has been some market discussion of possible capital controls, which may have also contributed to recent borrowing at banks.

(3) In June deposit growth at nonbank thrift institutions (including interest credited) strengthened to a seasonally adjusted annual rate of 7½ per cent from the depressed April-May level. This improvement is probably temporary; partial data for early July indicate large outflows at both New York savings banks and large California S&L's following the mid-year interest crediting.

(4) Most short- and long-term interest rates have risen sharply since the last meeting of the Committee. In the short-term area commercial paper, CD's, and bankers' acceptances increased by around 1 percentage point to levels ranging from 12½-12¾ per cent in the 3-month area. Bank prime rates generally have been increased to 12 per cent, but this level is low relative to currently prevailing short-term rates. In contrast, short-term Treasury bill rates have declined somewhat on balance, for three main reasons: the prime quality characteristic of bills, active demands from foreign and small investors, and recent large seasonal debt repayment by the Treasury. Corporate

and municipal bond yields have increased by about 90 basis points since mid-June; even larger increases in these rates were forestalled by cancelations and withdrawals of new issues. Treasury bond rates were subject to much less upward pressure. As rates have adjusted upwards, the ability of a number of borrowers with less than the highest quality credit ratings to obtain funds in accustomed financial markets has been impaired--including some industrial and real estate commercial paper issuers, utilities, and bank holding companies. In addition, a few regional commercial banks are experiencing problems in rolling over CD's, especially in the national market, and some banks are reported to be having difficulty placing their acceptances. Thus, yield spreads representing risk differentials have widened markedly.

(5) During the first statement week following the June Committee meeting the Federal funds rate edged up slightly to 11.97 per cent. Thereafter, the funds rate jumped to record highs, averaging 13.55 per cent in the week of July 3 and 13.34 per cent in the week of July 10. The rise in the funds rate was influenced by churning around the mid-year statement date and the July 4 holiday, uncertainties in both domestic and international financial markets, the increasingly sensitive state of CD and commercial paper markets, and perhaps a desire on the part of lenders to obtain a risk premium on some of their placements. In this environment, banks became more cautious in managing their money positions, and some city banks--despite the high cost of Federal funds--apparently wanted to stay out of the discount window in order to establish a clean record in the case of future borrowing needs should liquidity pressures grow still more intense. The reluctance of banks to borrow at the window became evident in the week ending July 10, when member

bank borrowing, other than emergency borrowing, declined to a level of $1.3 billion despite the record Federal funds rate. Excess reserves in early July also were somewhat higher than they have been recently, although this was in large part influenced by statement date window-dressing.

(6) At the time of the telephone conference of the FOMC on July 5, chances seemed good that the funds rate would recede with a continuation of normal reserve-supplying operations. On the basis of the discussion at that meeting, the Desk continued to resist the high Federal funds rate without injecting an unusually large amount of reserves. Subsequently, however, the funds rate remained well above 13 per cent, and a majority of the members concurred in the Chairman's recommendation of July 10 that System operations be undertaken promptly with a view to reducing the average funds rate to 13 per cent, on the understanding that the rate would be permitted to decline to the neighborhood of 12 per cent should money market factors work in that direction. Despite large reserve-supplying operations, the funds rate remained about 13½ per cent on Thursday and Friday, but if reserve projections turn out to be right it should decline somewhat after the weekend.

(7) The table on the next page shows (in percentage annual rates of change) selected monetary and financial flows over various recent time periods. Appendix table III compares money supply growth rates computed on a quarterly-average basis with those computed on a last-month-of-quarter basis. Projected figures on the two bases are shown in appendix table IV for the three alternatives presented in the next section.

	Average of Past Three Calendar Years	Past Twelve Months	Past Six Months	Past Three Months	Past Month
	1971 -- 1973	June '74 over June '73	June '74 over Dec. '73	June '74 over Mar. '74	June '74 over May '74
Total reserves	8.5	10.2	10.9	20.3	6.6
Nonborrowed reserves	7.6	7.0	1.3	1.0	-7.6
Reserves available to support private nonbank deposits	8.8	11.1	13.2	20.2	18.2
Concepts of Money					
M_1 (currency plus demand deposits) 1/	7.0	5.8	7.0	6.8	7.3
M_2 (M_1 plus time deposits at commercial banks other than large CD's)	10.4	8.7	8.8	7.6	9.3
M_3 (M_2 plus deposits at Thrift institutions)	11.7	7.9	8.1	6.6	7.8
Bank Credit					
Total member banks deposits (bank credit proxy adj.)	10.5	11.2	14.9	20.8	13.1
Loans and investments of commercial banks 2/	12.8	12.1	13.9	11.5	7.8
Short-term Market Paper					
(Monthly average change in billions)					
Large CD's	1.0	1.8	3.4	5.2	2.2
Nonbank commercial paper	.2	.5	.3	-.2	-.1

1/ Other than interbank and U.S. Government.
2/ Based on month-end figures. Includes loans sold to affiliates and branches.

NOTE: All items are based on average of daily figures, except for data on total loans and investments of commercial banks, commercial paper, and thrift institutions--which are derived from either end-of-month or last Wednesday-of-month figures. Growth rates for reserve measures in this and subsequent tables are adjusted to remove the effect of discontinuities from breaks in the series when reserve requirements are changed.

Prospective developments

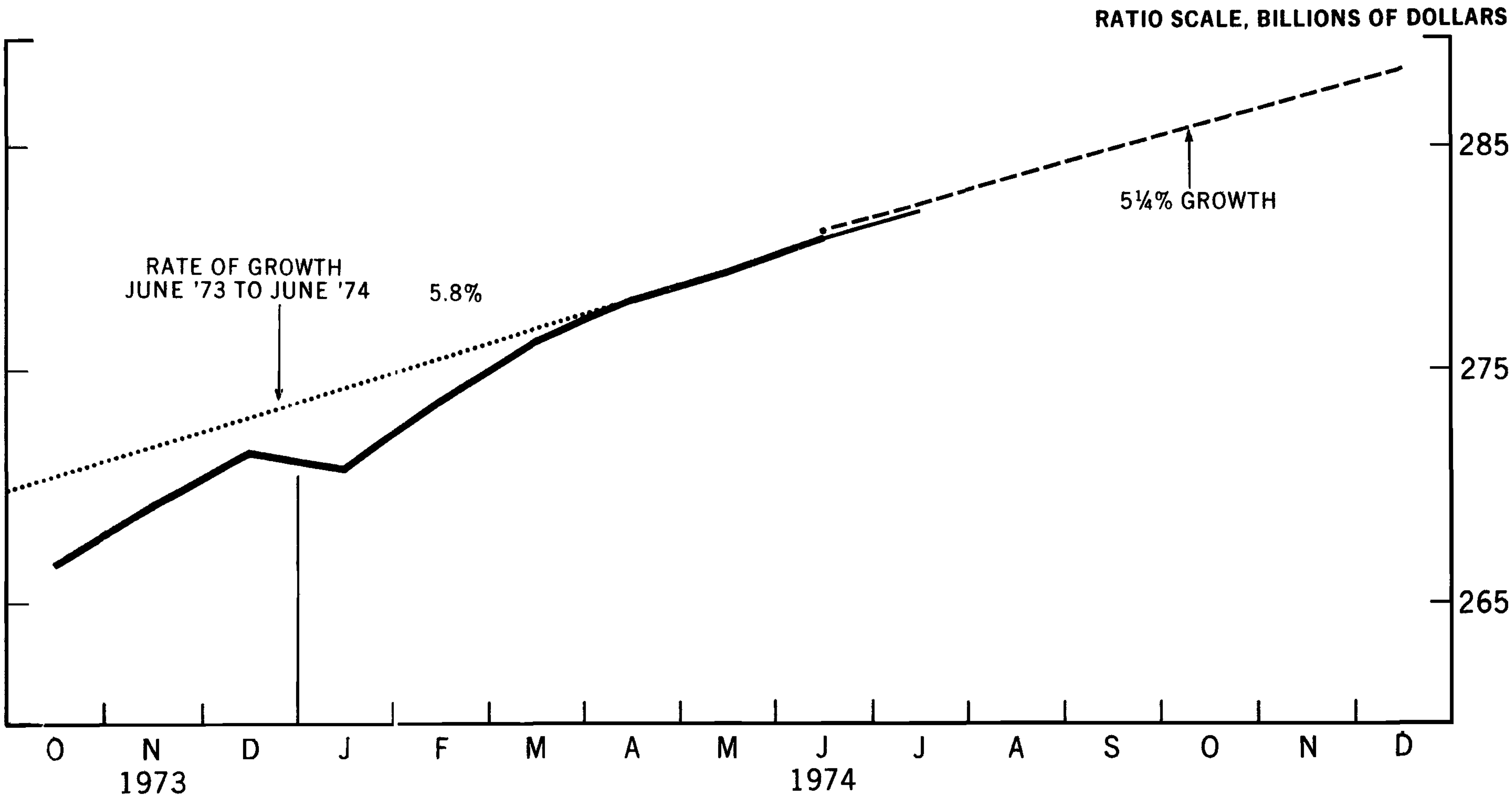
(8) Specifications for alternative suggested policy stances are summarized below for Committee consideration (with more detailed figures shown in the table on p. 7a).

	Alt. A	Alt. B	Alt. C
Targets (3rd & 4th qtrs. combined)			
M_1	7	5½	4
M_2	8	6½	5
Credit proxy	9	7½	6
Associated ranges for July-August			
M_1	4¾-6¾	4-6	3¼-5¼
M_2	6½-8½	5½-7½	4¾-6¾
RPD	10½-12½	9¾-11¾	9-11
Federal funds rate range (inter-meeting period)	10-12	11-13	12-14

(9) Of the alternatives presented, alternative B represents continuation of the longer-run target path for M_1 adopted at the last Committee meeting. In that alternative, the annual growth rate for the second half of 1974 is 5½ per cent. This is slightly above the 5¼ per cent rate adopted at the last meeting simply because the June level for M_1 turned out to be slightly lower than estimated at that time; the level set for December is unchanged from the previous meeting.

(10) The specifications of alternative B would contemplate a Federal funds rate in an 11-13 per cent range between now and the next Committee meeting, and M_1 growth for July-August in a 4-6 per cent annual

MONEY SUPPLY AND LONGER RUN TARGET PATH



Alternative Longer-Run Targets for Key Monetary Aggregates

		M_1			M_2			M_3		
		Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C
1974	June	280.9	280.9	280.9	597.4	597.4	597.4	930.9	930.9	930.9
	July	282.2	282.1	282.0	601.2	601.0	600.9	936.1	935.8	935.7
	Aug.	283.6	283.2	282.9	605.0	604.0	603.2	941.0	939.5	938.4
	Sept.	285.2	284.4	283.8	608.9	606.8	605.2	946.6	943.5	941.0
	Dec.	290.9	288.8	286.6	621.7	616.7	612.3	963.6	956.4	949.8
					Rates of Growth					
Quarters:										
1974	3rd Q.	6.1	5.0	4.1	7.7	6.3	5.2	6.7	5.4	6.2
	4th Q.	8.0	6.2	3.9	8.4	6.5	4.7	7.2	5.5	3.5
Months:										
	July	5.6	5.1	4.7	7.6	7.2	7.0	6.7	6.3	4.3
	Aug.	6.0	4.7	3.8	7.6	6.0	4.6	6.3	4.7	3.7

		Adjusted Credit Proxy			Total Reserves			RPD		
		Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C	Alt. A	Alt. B	Alt. C
1974	June	483.0	483.0	483.0	36,723	36,723	36,723	34,790	34,790	34,790
	July	485.7	485.6	485.4	37,416	37,396	37,376	35,151	35,131	35,111
	Aug.	490.1	489.4	488.6	37,120	37,082	37,044	35,451	35,413	35,375
	Sept.	494.6	493.1	491.5	37,416	37,304	37,208	35,738	35,626	35,531
	Dec.	505.4	501.6	497.1	38,821	38,485	38,121	36,615	36,286	35,929
Quarters:										
1974	3rd Q.	9.6	8.4	7.0	7.5	6.3	5.3	10.9	9.6	8.5
	4th Q.	8.7	6.9	4.6	15.0	12.7	9.8	9.8	7.4	4.5
Months:										
	July	6.7	6.5	6.0	22.7	22.0	21.4	12.5	11.8	11.1
	Aug.	10.9	9.4	7.9	-9.5	-10.1	-10.7	10.2	9.6	9.0

rate range. The funds rate centers on 12 per cent, which would represent an easing from the money market conditions prevailing over the past two weeks. Such a funds rate would probably lead to some relaxation in pressures on short- and long-term markets, partly because investors and borrowers would come to believe that monetary policy was a little less restrictive than had appeared to be the case in the most recent weeks. Any drop in market rates is likely to be modest in size and short-lived, however, given the inflationary environment, continued strong credit demands, and the forthcoming Treasury, Federal Financing Bank, and Agency financings (both to raise cash and to refund maturing issues). Large demands for U.S. securities by foreign official accounts, of course, could modify this rate outlook appreciably in particular market sectors.

(11) On July 31, the Treasury will announce the terms on which it will refund $4.4 billion of publicly held securities maturing in mid-August. A modest amount of new cash may also be raised in early August, and looking ahead to September, the Treasury will probably have to raise about $3 billion of additional new cash. Private credit demands are also expected to be substantial in both short- and long-term markets. With markets increasingly cautious--and yield spreads between low and high quality issues widening further--a sizable part of the market demand may be diverted to banks as less than prime grade borrowers are forced to fall back on credit lines. Thus, pressures on banks are likely to remain intense.

(12) The ability of banks to finance additional loan demands is expected to be relatively limited, though. With growth in demand deposits and consumer-type time deposits constrained, banks will be

under pressure to issue new CD's. However, except for the prime names, market receptivity to CD's is in some question. In general, the recent concern with liquidity exposure, on the part of both banks and investors, will probably reduce the pace at which new CD's will be offered. As a result, bank credit growth under alternative B is projected at around an 8½ per cent annual rate over the third quarter, substantially less than in the first half of the year. This rate of expansion would probably mean that banks will have to cut back sharply on acquisitions of securities, particularly municipal and Federal agency issues. Thus, interest rates in intermediate and longer-term markets would likely come under renewed upward pressure as time goes on. The bank prime loan rate would probably also rise somewhat further.

(13) Under alternative B pressures on thrift institutions would be expected to be somewhat greater than during the second quarter. Growth in deposits at mutuals and savings and loan associations is expected to drop slightly to about a 3½ per cent annual rate, making no allowance for Citicorp and similar issues--the timing, terms, and volume of which are still unknown. Rough estimates based on the terms originally announced suggested that about half the funds for the $850 million Citicorp issue would come out of thrift institutions, about a quarter out of banks, and a quarter from other market instruments. For a one-month period, this would represent a reduction in deposits at thrift institutions by 1½ per cent at an annual rate and in consumer-type time deposits at banks by ¾ per cent at an annual rate.

(13) Alternatives A and C specify faster and slower rates of growth in monetary aggregates, respectively, than alternative B. Alternative C contemplates little change from the Federal funds rate that has come to prevail in recent weeks, and this would be expected to lead to a slowing in the growth rate of M_1 to around 4 per cent over the second half of this year. The market is currently in process of adjusting to a funds rate in the 13 per cent area, although the process of adjustment does not appear to be complete. Under this alternative, interest rates would likely rise further in the weeks immediately ahead, and would rise by more than under alternative B over the longer run. Between now and the next Committee meeting, the 3-month commercial paper rate might move up to the 13 per cent area, the CD rate would adjust upward, and upward pressures on the prime loan rate would be very strong given these still higher market rates. Inflows to thrift institutions would be further curtailed, and the mortgage market--apart from Government support--would come under even greater constraint than at present.

(14) Under alternative A--which contemplates M_1 growth at a 7 per cent annual rate over the second half of the year--the Federal funds rate would be expected to decline to around 11 per cent between now and the next Committee meeting, probably stimulating a fairly marked decline of interest rates over a broad maturity spectrum. Interest rate declines would be intensified in the short run as market attitudes with respect to monetary policy shift and as Government security dealers begin to cover short positions. However, given the size of prospective borrowing demands and the concern over inflation, rate declines would

not be likely to cumulate. For example, recently postponed municipal and corporate offerings would probably be re-offered shortly under the circumstances, and this would tend to moderate downward rate pressures. The position of banks and thrift institutions would ease under this alternative, though remaining on the tight side as compared with historical experience, since an 11 per cent Federal funds rate implies a structure of market rates still quite attractive relative to present Regulation Q ceilings.

(15) The possibility of a credit crunch in financial markets cannot be ignored, especially under alternative C. Such a development could be triggered by a series of failures of financial or industrial concerns, here or abroad. This could lead to sharply higher rates and a drying up of credit flows in markets where there is perceived to be heightened credit risk and to lower rates in safe markets, such as the Treasury securities market. Many borrowers would not be able to obtain credit, and some bank and other institutional lenders would not be able to tap their usual sources of funds. Under the circumstances, remedial action by the System would be expected, either through the market or through the discount window. As a result, whatever specifications are adopted by the Committee would very likely have to be superseded, at least temporarily, by other operating criteria. It should be recognized in any event that the various specifications presented are more uncertain than usual since the situation in financial markets and the economy is unprecedented in the postwar period.

Proposed directive language

(16) Presented below are three alternative formulations for the operational paragraph of the directive, which are intended to correspond to the similarly lettered policy alternatives discussed in the preceding section. For all three alternatives, it is proposed to include a reference to Treasury financing because the regular August refunding will be announced on July 31.

Alternative A

To implement this policy, while taking account of THE FORTHCOMING TREASURY REFUNDING AND OF developments in domestic and international financial markets, the Committee seeks to ~~maintain-about-the-prevailing-restrictive~~ ACHIEVE BANK RESERVE AND money market conditions~~;-provided-that~~ CONSISTENT WITH GROWTH IN the monetary aggregates AT ABOUT THE RATES PREVAILING OVER RECENT MONTHS ~~appear-to-be-growing-at-rates-within-the specified-ranges-of-tolerance~~.

Alternative B

To implement this policy, while taking account of THE FORTHCOMING TREASURY REFUNDING AND OF developments in domestic and international financial markets, the Committee seeks to ~~maintain-about-the-prevailing-restrictive~~ ACHIEVE BANK RESERVE AND money market conditions~~;-provided-that-the~~ THAT WOULD MODERATE GROWTH IN monetary aggregates OVER THE MONTHS AHEAD ~~appear-to-be-growing-at-rates-within-the-specified-ranges-of tolerance~~.

Alternative C

To implement this policy, while taking account of THE FORTHCOMING TREASURY REFUNDING AND OF developments in domestic and international financial markets, the Committee seeks to ~~maintain-about-the-prevailing-restrictive~~ ACHIEVE BANK RESERVE AND money market conditions~~;-provided-that-the~~ THAT WOULD SLOW APPRECIABLY THE GROWTH IN monetary aggregates OVER THE MONTHS AHEAD ~~appear-to-be-growing-at-rates-within-the-specified-ranges of-tolerance~~.

(17) In the event that the Committee again wishes to couch the operational paragraph of the directive in terms of prevailing money market conditions, the specifications of alternative C might be associated with the language used in the directive adopted at the last meeting--namely, that ". . .the Committee seeks to maintain about the prevailing restrictive money market conditions, provided that the monetary aggregates appear to be growing at rates within the specified ranges of tolerance."

CHART 1

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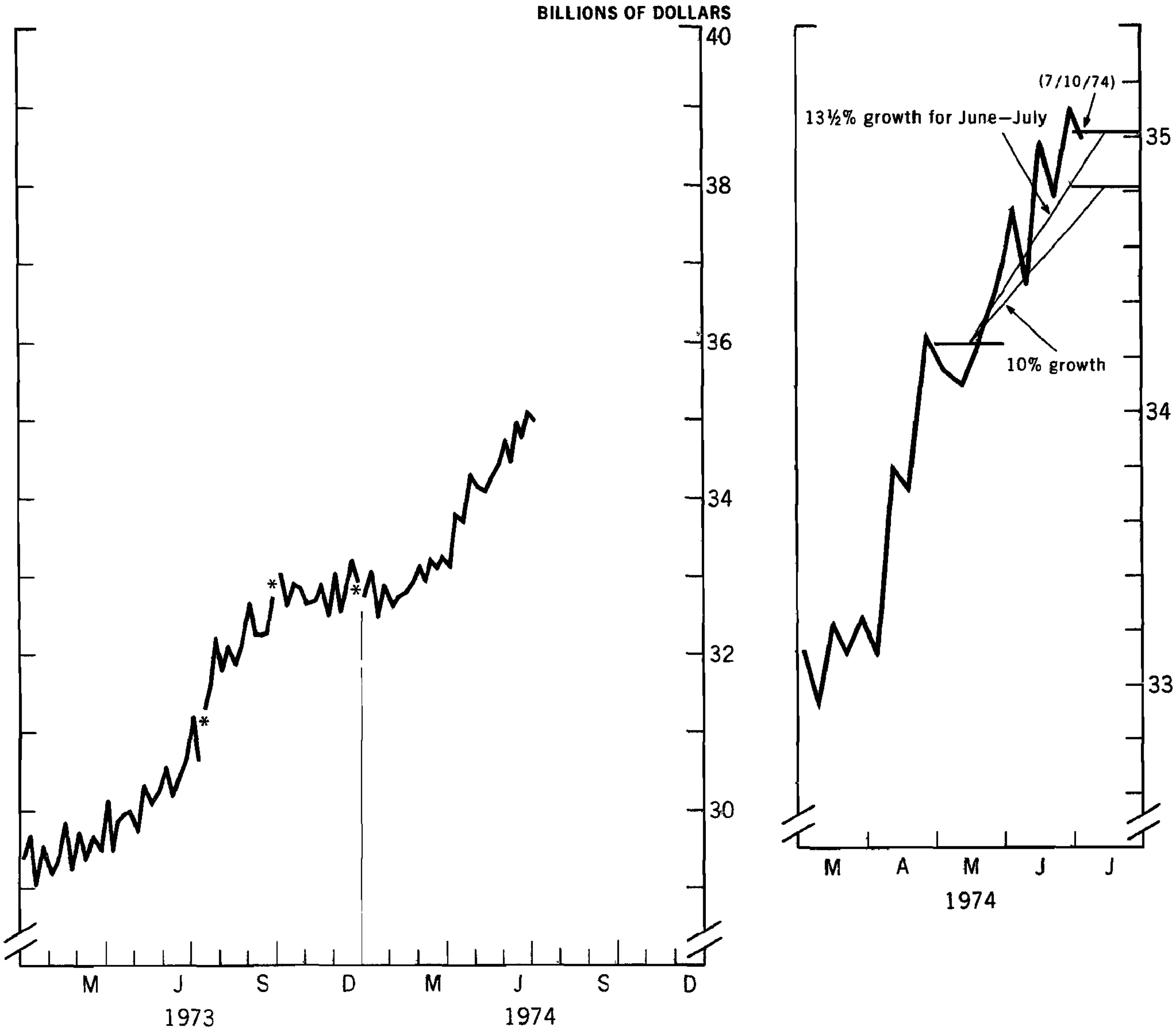
RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS



* Break in Series Actual Level of RPD After Changes in Reserve Requirements

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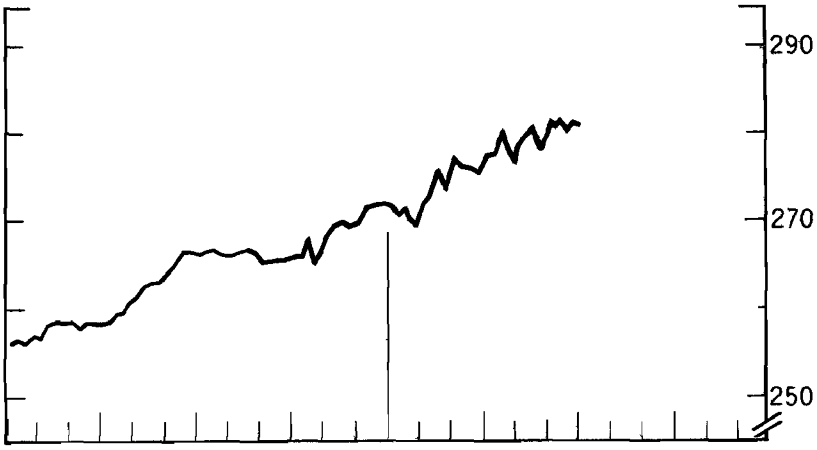
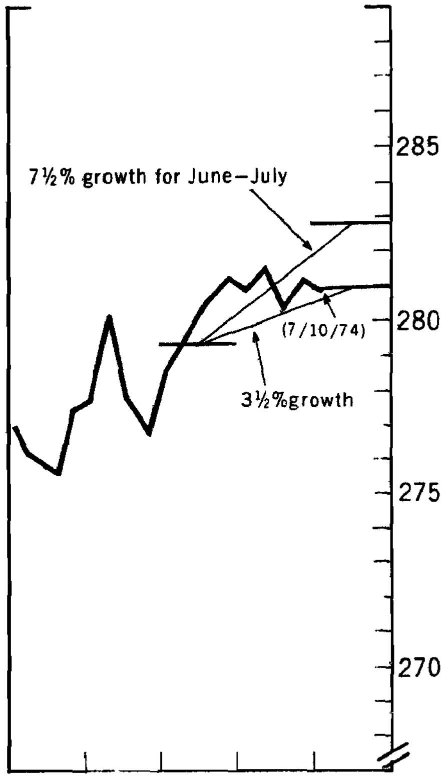
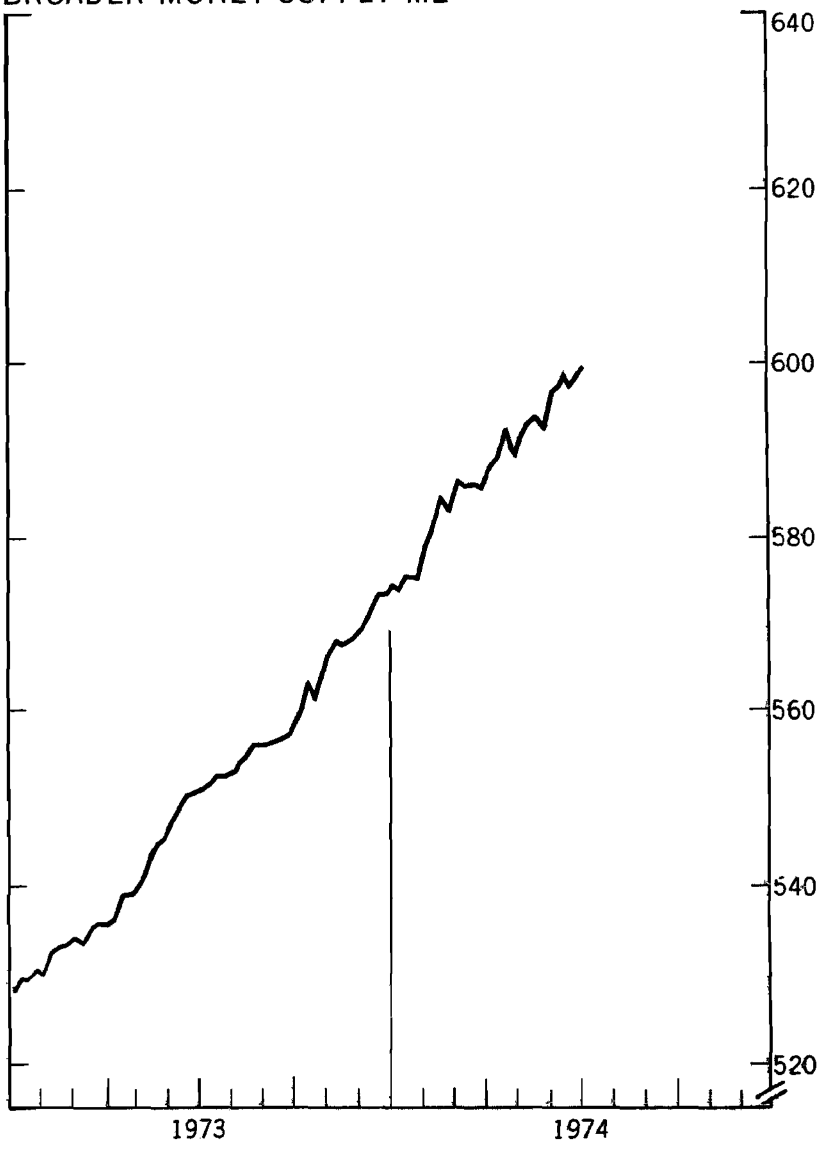
MONETARY AGGREGATES

NARROW MONEY SUPPLY M1





BROADER MONEY SUPPLY M2



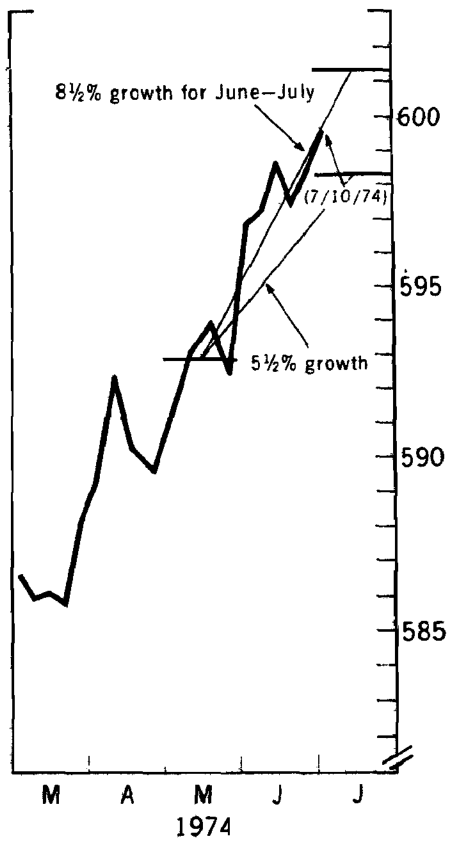


CHART 3

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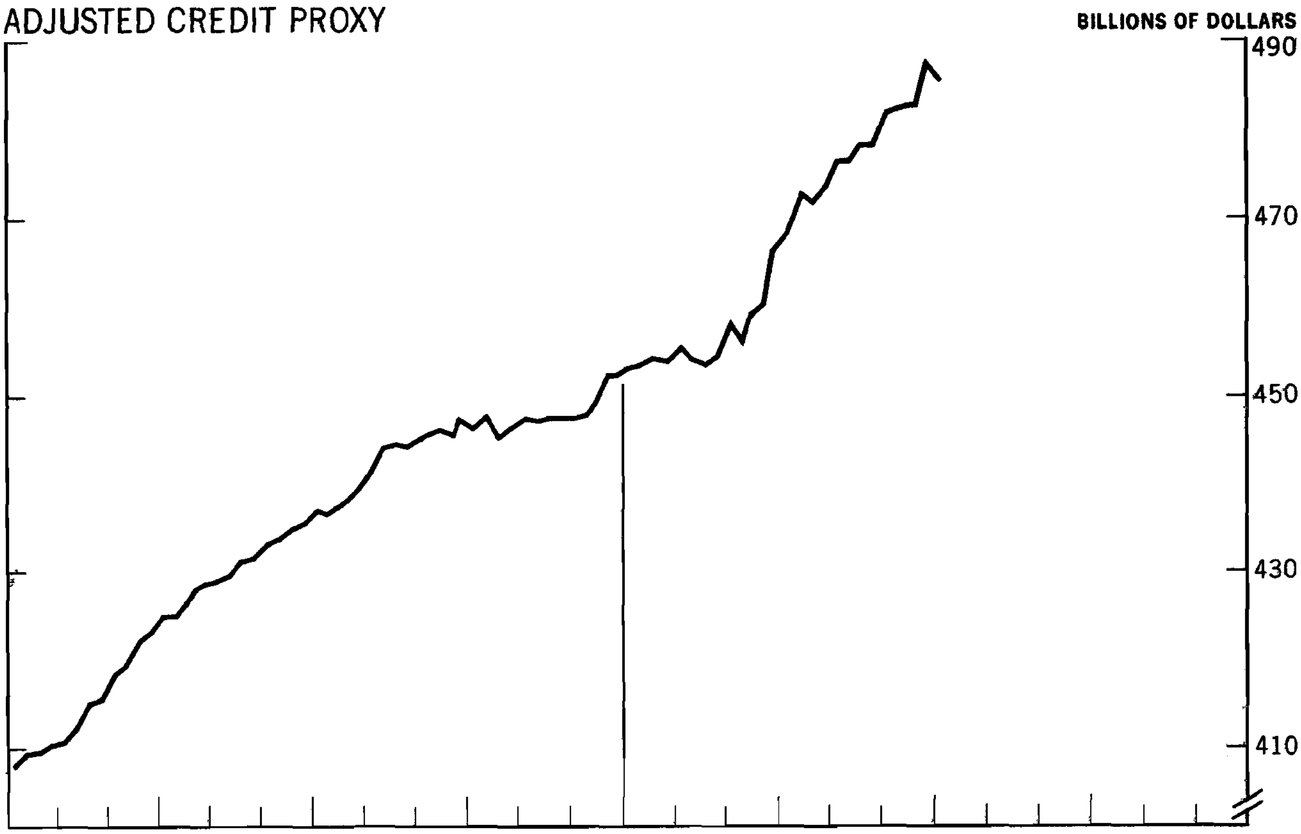
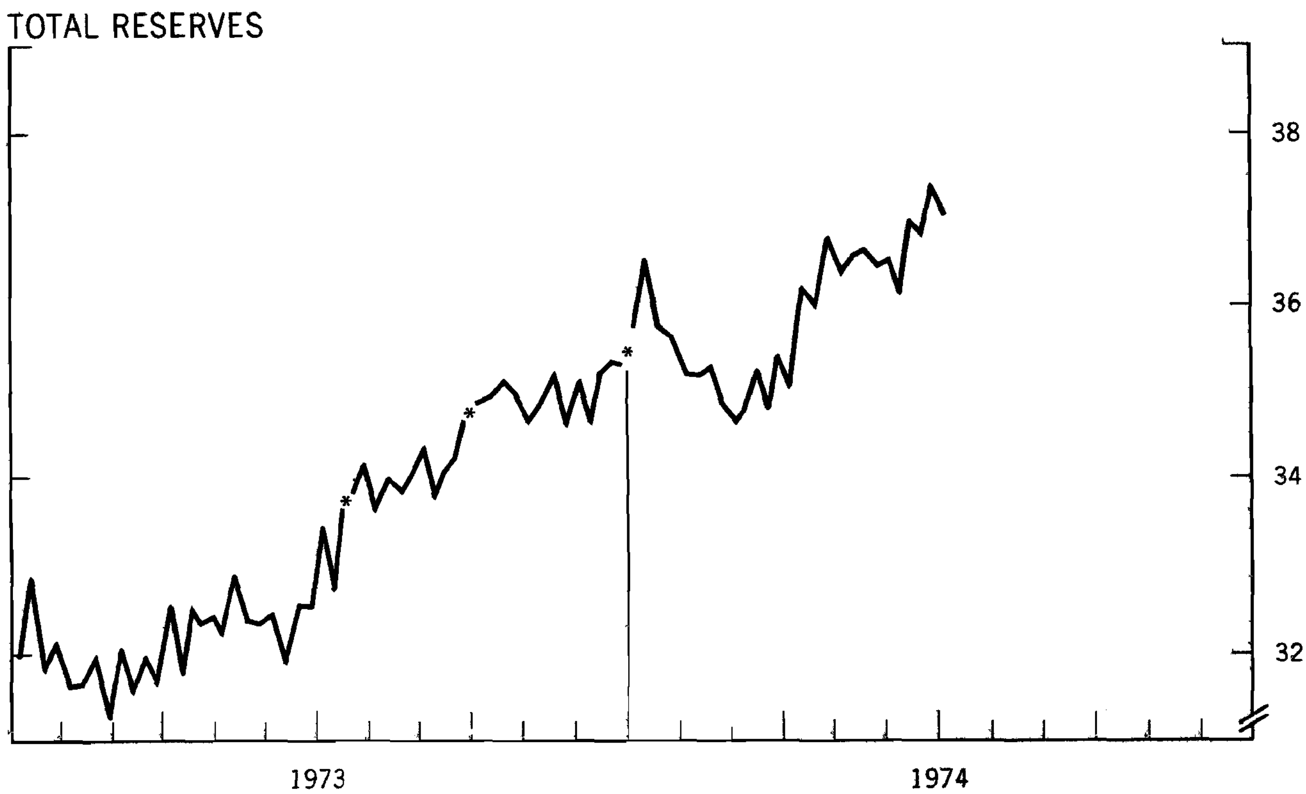
MONETARY AGGREGATES





* Break in series, Actual Level of Total Reserves After Changes in Reserve Requirements

CHART 4

MONEY MARKET CONDITIONS AND INTEREST RATES

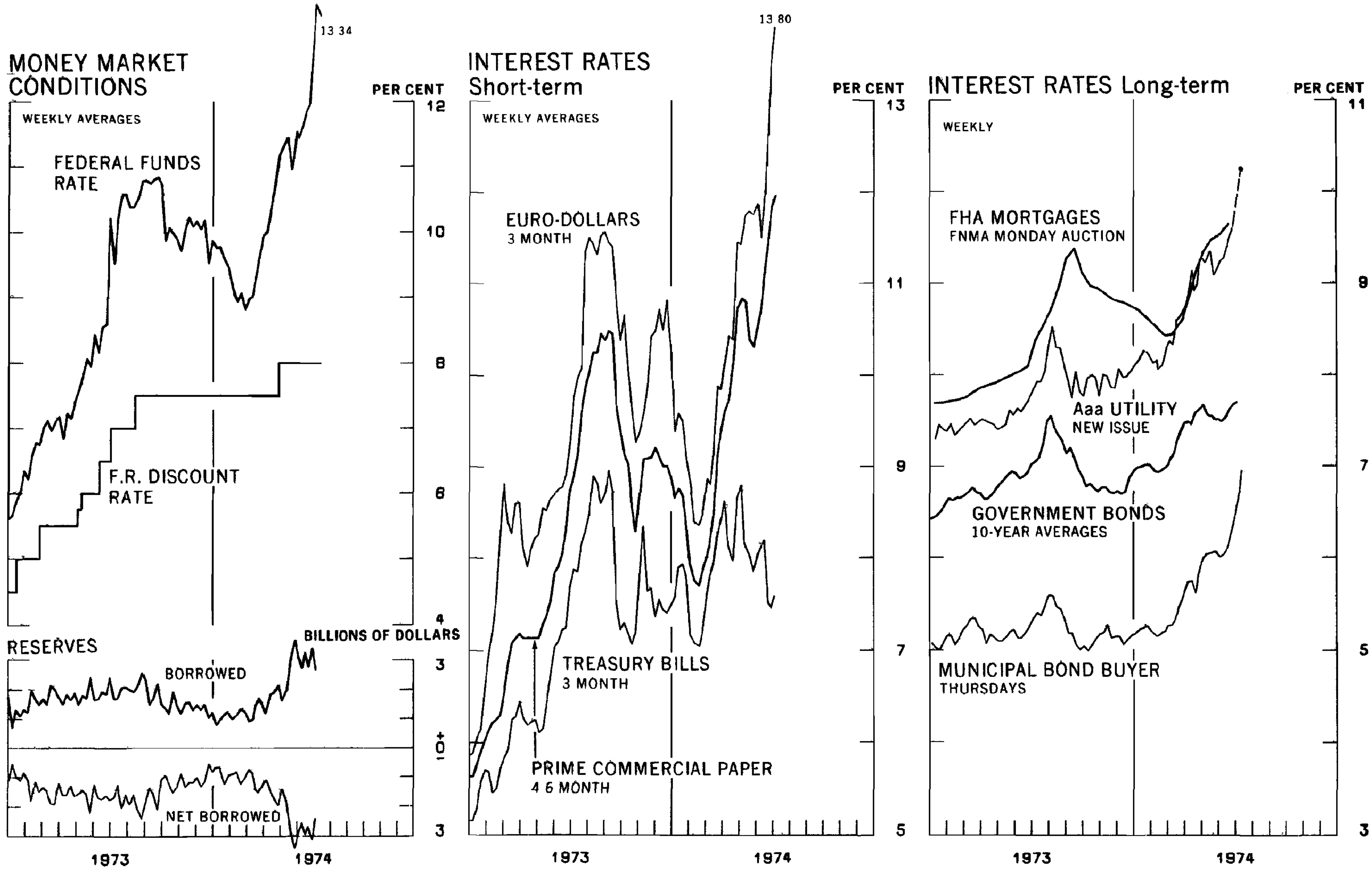


TABLE 1

STRICTLY CONFIDENTIAL

BANK RESERVES
(ACTUAL AND CURRENT PROJECTIONS)

JULY 12, 1974

PERIOD	RESERVES AVAILABLE FOR PRIVATE NONBANK DEPOSITS		AGGREGATE RESERVES		REQUIRED RESERVES			
					SEASONALLY ADJUSTED			
	SEAS ADJ	NON SEAS ADJ	TOTAL RESERVES	NONBORROWED RESERVES	PRIVATE DEMAND	OTHER TIME DEP	CD'S AND NON DEP	GOV'T AND INTERBANK
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTHLY LEVELS-$MILLIONS								
1974--APR.	33,660	33,743	35,902	34,166	20,411	8,651	4,416	2,242
MAY	34,270	34,086	36,523	33,933	20,341	8,721	5,031	2,253
JUN.	34,790	34,434	36,723	33,717	20,380	8,807	5,411	1,933
JUL.	(35,131)	(34,923)	(37,396)	(34,367)	(20,435)	(8,868)	(5,614)	(2,265)
ANNUAL RATES OF CHANGE								
QUARTERLY:								
1973--4TH QTR.	1.4		6.1	13.4	5.8	12.7		
1974--1ST QTR.	6.2		1.7	1.5	1.3	9.2		
2ND QTR.	20.2		20.3	1.0	1.8	7.1		
MONTHLY:								
1974--APR.	19.7		32.7	19.0	7.1	-0.4		
MAY	21.7		20.8	-8.2	-4.1	9.7		
JUN.	18.2		6.6	-7.6	2.3	11.8		
JUL.	(11.8)		(22.0)	(23.1)	(3.2)	(8.3)		
JUN.-JUL.	(15.1)		(14.3)	(7.7)	(2.8)	(10.1)		
WEEKLY LEVELS-$MILLIONS								
JUN. 5	34,754	34,179	36,514	33,460	20,487	8,727	5,316	1,760
12	34,467	33,907	36,122	33,393	20,145	8,789	5,401	1,656
19	34,974	34,702	36,980	33,757	20,512	8,827	5,376	2,006
26	34,780	34,611	36,844	34,056	20,370	8,835	5,471	2,064
JUL. 3	35,097	34,894	37,374	33,940	20,441	8,855	5,503	2,277
10	34,992	34,579	37,063	34,422	20,370	8,853	5,552	2,072

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS. AT THE FOMC MEETING OF JUNE 18,1974 THE COMMITTEE AGREED ON A RPD RANGE OF 10.0 TO 13.5 PERCENT FOR THE JUNE-JULY PERIOD.

TABLE 2

STRICTLY CONFIDENTIAL

MONETARY AGGREGATES
(ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED)

JULY 12, 1974

PERIOD	MONEY SUPPLY NARROW (M1)	MONEY SUPPLY BROAD (M2)	ADJUSTED CREDIT PROXY	U.S. GOVT. DEPOSITS	TIME AND SAVINGS DEPOSITS TOTAL	TIME AND SAVINGS DEPOSITS OTHER THAN CD S	TIME AND SAVINGS DEPOSITS CD S	NONDEPOSIT SOURCES OF FUNDS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTHLY LEVELS-$BILLIONS								
1974--APR.	278.1	590.2	471.2	4.5	387.4	312.1	75.4	9.6
MAY	279.2	592.8	477.8	3.8	394.7	313.6	81.2	10.7
JUN.	280.9	597.4	483.0	3.8	400.0	316.6	83.4	10.3
JUL.	(282.1)	(601.0)	(485.6)	(2.4)	(404.8)	(319.0)	(85.9)	(10.4)
PERCENT ANNUAL GROWTH								
QUARTERLY								
1973--4TH QTR.	8.9	11.0	3.3		6.1	12.6		
1974--1ST QTR.	7.1	9.9	8.5		15.6	12.5		
2ND QTR.	6.8	7.6	20.8		23.6	8.5		
MONTHLY								
1974--APR.	8.3	8.2	31.6		30.8	8.1		
MAY	4.7	5.3	16.8		22.6	5.8		
JUN.	7.3	9.3	13.1		16.1	11.5		
JUL.	(5.1)	(7.2)	(6.5)		(14.4)	(9.1)		
JUN.-JUL.	(6.2)	(8.3)	(9.8)		(15.4)	(10.3)		
WEEKLY LEVELS-$BILLIONS								
JUN. 5	281.2	596.2	481.9	3.7	397.6	315.7	81.9	10.6
12	280.9	597.1	482.5	4.7	398.7	316.2	82.5	10.1
19	281.5	598.6	482.9	3.5	400.5	317.0	83.5	9.7
26	280.4	597.4	482.9	3.3	401.2	317.1	84.1	10.4
JUL. 3 P	281.2	598.4	487.6	3.2	402.5	317.2	85.3	10.7
10 PE	280.9	599.6	485.8	3.4	403.8	318.6	85.2	10.3

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

P - PRELIMINARY
PE - PARTIALLY ESTIMATED

STRICTLY CONFIDENTIAL (FR)
July 12, 1974

TABLE 3

RESERVE EFFECTS OF
OPEN MARKET OPERATIONS AND OTHER RESERVE FACTORS
(Millions of dollars, not seasonally adjusted)

	Open Market Operations 1/					Daily Average Reserve Effect 2/			Δ in reserve categories		Δ Target
	Bills & Accept.	Coupon Issues	Agency Issues	RP's Net 3/	TOTAL	Open Market Operations	Δ Member Bank Borrowing	Other 4/ Factors	req. res. against U.S.G. and interb.	available res.5/ (6)+(7)+(8)-(9)	available reserves 5/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Monthly											
1973 -- Dec.	1,862	226	128	-831	1,386	1,336	-101	-759	-70	546	475
1974 - Jan.	-397	179	-10	-100	-328	1,031	-254	698	773	702	895
Feb.	-32	30	74	--	71	9	143	-1,505	-356	-997	-875
March	-64	190	122	1,531	1,780	-74	166	-358	-323	57	-30
April	790	172	312	-485	789	922	362	-338	173	773	315
May	653	207	185	1,111	2,155	1,970	866	-2,239	207	390	-130
June	-544	176	237	-984	-1,115	-673	419	27	-402	175	
July											
Aug.											
Weekly											
1974 - May 1	526	--	193	220	939	1,103	218	-531	80	710	
8	267	--	--	494	761	483	-540	-364	-24	-397	
15	176	--	--	446	622	454	360	-592	497	-275	
22	127	--	201	-2,609	-2,281	86	1,111	-1,258	145	-206	
29	80	--	-15	3,808	3,873	-692	517	-136	-461	150	
June 5	42	207	--	-6,093	-5,844	-23	-551	580	-201	207	
12	-370	--	-72	4,068	3,626	-1,892	-325	1,740	-218	-259	
19	--	--	--	-1,007	-1,007	1,829	494	-1,405p	137p	781p	
26	-306	--	--	1,740	1,434	825	-435	-582p	-101p	-91p	
July 3	292	176	305	-170	603	197	646	-170p	390p	283p	
10	58	--	298	128	484	46	-792	399p	-58p	-289p	
17											
24											
31											

1/ Represents change in System's portfolio from end-of-period to end-of-period; includes redemptions in regular bill auctions.
2/ Represents change in daily average level for preceding period.
3/ Includes matched sale-purchase transactions as well as RP's.
4/ Sum of changes in vault cash, currency in circulation, Treasury operations, F.R. float, gold and foreign accounts, and other F.R. accounts.
5/ Reserves to support private nonbank deposits. Target change for June and July reflects the target adopted at the June 18, 1974 FOMC meeting. Target change for previous months reflects the bluebook patterns that are consistent with target ranges that were adopted during the month.

Table 4

SECURITY DEALER POSITIONS AND BANK POSITIONS
Millions of dollars

Period	U.S. Govt. Security Dealer Positions		Dealer Positions		Member Bank Reserve Positions				
					Excess**	Borrowing at FRB**		Basic Reserve Deficit	
	Bills	Coupon Issues	Corporate Bonds	Municipal Bonds	Reserves	Total	Seasonal	8 New York	38 Others
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1973 -- High	3,796	1,299	197	384	631	2,561	163	-5,243	-10,661
Low	897	-301	0	36	-240	688	3	-1,831	- 4,048
1974 -- High	3,238	2,203	253	371	394	3,605	142	-5,911	-12,826
Low	-289	-145	0	43	-83	776	13	-2,447	- 8,711
1973 -- June	2,281	562	33	120	234	1,851	75	-3,507	- 6,443
July	1,425	265	24	139	285	1,953	155	-2,460	- 6,106
Aug.	1,690	39	0	70	177	2,165	163	-2,689	- 4,940
Sept.	2,745	395	6	80	216	1,852	148	-3,173	- 5,355
Oct.	2,565	484	44	226	227	1,476	126	-3,814	- 6,090
Nov	2,804	793	90	148	239	1,393	84	-4,469	- 8,186
Dec	3,441	973	105	276	307	1,298	41	-4,682	- 9,793
1974 -- Jan.	3,102	540	114	254	162	1,051	18	-4,753	-10,893
Feb.	2,436	1,619	120	263	184	1,162	17	-5,262	-10,769
Mar	1,986	583	68	239	134	1,314	32	-5,030	-11,058
Apr.	1 435	99	39	78	182	1,736	40	-3,952	-11,603
May	408	85	142	83	178	2,590	102	-3,171	- 9,091
June	*580	*9	66	124	192p	3,006p	135p	-4,445	- 9,920
1974 -- May 1	810	-15	7	153	177	2,157	74	-2,967	- 9,712
8	616	-17	37	129	213	1,617	82	-3,423	- 9,102
15	305	384	40	96	176	1,977	94	-4,002	- 9,091
22	94	8	117	131	129	3,090	112	-2,858	- 9,329
29	333	19	136	211	179	3,606	114	-2,447	- 8,711
June 5	1,031	12	50	98	225	3,054	131	-3,521	- 9,361
12	1,110	76	185	100	131	2,729	136	-5,052	-10,333
19	* 778	* 29	29	127	258p	3,223p	142p	-4,803	- 9,946
26	* -289	*-45	0	171	104p	2,788p	133p	-4,394	- 9,347
July 3	* 75	*-76	0	50	298p	3,434p	126p	-3,850p	- 9,726p
10	* 26	*-145	70p	95p	242p	2,642p	137p	-4,301p	-10,089p
17									
24									
31									

NOTE: Government security dealer trading positions are on a commitment basis. Trading positions, which exclude Treasury bills financed by repurchase agreements maturing in 16 days or more, are indicators of dealer holdings available for sale over the near-term. Other security dealer positions are debt issues still in syndicate, excluding trading positions. The basic reserve deficit is excess reserves less borrowing at Federal Reserve less net Federal funds purchases. Weekly data are daily averages for statement weeks, except for corporate and municipal issues in syndicate which are Friday figures.

* STRICTLY CONFIDENTIAL

** Monthly averages for excess reserves and borrowings are weighted averages of statement week figures.

Table 5

SELECTED INTEREST RATES
Per cent

Period	Short-Term: Federal Funds (1)	Treasury Bills: 90-Day (2)	Treasury Bills: 1-Year (3)	90-119 Day Commercial paper (4)	CD's New Issue-NYC: 60-89 Day (5)	CD's New Issue-NYC: 90-119 Day (6)	Long-Term: Aaa Utility New Issue (7)	Aaa Utility Recently Offered (8)	Municipal Bond Buyer (9)	U S. Government (10-yr Constant Maturity) (10)	FNMA Auction Yields (11)
1973 -- High	10.84	8.95	8.43	10.50	10.50	10.75	8.52	8.30	5.59	7.54	9.37
Low	5.61	5.15	5.42	5.63	5.38	5.50	7.29	7.26	4.99	6.42	7.69
1974 -- High	13.55	8.78	8.52	12.09	12.25	12.00	9.50	10.09	6.95	7.80	9.65
Low	8.81	7.04	6.39	7.88	8.00	7.88	8.05	8.14	5.16	6.93	8.43
1973 -- June	8.49	7.19	7.05	8.00	7.98	8.13	7.64	7.64	5.18	6.90	8.07
July	10.40	8.01	7.97	9.26	9.09	9.19	8.01	7.97	5.40	7.13	8.46
Aug	10.50	8.67	8.32	10.26	10.25	10.40	8.36	8.22	5.48	7.40	8.83
Sept.	10.78	8.29	8.07	10.31	10.31	10.50	7.88	7.99	5.10	7.09	9.32
Oct.	10.01	7.22	7.17	9.14	9.15	8.08	7.90	7.94	5.05	6.79	9.01
Nov	10.03	7.83	7.40	9.11	9.06	8.91	7.90	7.94	5.18	6.73	8.84
Dec.	9.95	7.45	7.01	9.28	9.44	9.13	8.00	8.04	5.12	6.74	8.78
1974 -- Jan.	9.65	7.77	7.01	8.86	9.05	8.83	8.21	8.22	5.22	6.99	8.71
Feb.	8.97	7.12	6.51	8.00	8.09	7.97	8.12	8.23	5.20	6.96	8.48
Mar	9.35	7.97	7.34	8.64	8.69	8.56	8.46	8.42	5.41	7.21	8.53
Apr	10.51	8.33	8.08	9.92	9.81	9.78	8.98	8.94	5.73	7.51	9.07
May	11.31	8.23	8.21	10.82	10.83	10.90	9.24	9.13	6.02	7.58	9.41
June	11.93	7.90	8.16	11.18	11.06	10.88	9.38	9.36	6.13	7.54	9.54
1974 -- May 1	11.17	8.65	8.34	10.65	10.75	10.75	9.27	9.15	5.91	7.63	--
8	11.29	8.78	8.52	10.98	11.00	11.00	9.27	9.11	6.00	7.66	9.34
15	11.46	8.15	8.21	11.00	10.88	11.00	9.23	9.13	6.04	7.55	--
22	10.95	8.03	8.15	10.90	10.88	11.00	9.34	9.10	6.05	7.54	9.48
29	11.54	7.84	7.84	10.41	10.63	10.75	9.09	9.08	6.08	7.51	--
June 5	11.45	8.03	8.21	10.70	10.63	10.50	9.23	9.14	6.01	7.51	9.54
12	11.60	8.11	8.06	10.85	10.75	10.50	9.28	9.18	6.04	7.49	--
19	11.85	8.19	8.16	11.23	11.13	11.00	9.49	9.48	6.13	7.53	9.54
26	11.97	7.50	8.14	11.45	11.75	11.50	9.50	9.65	6.33	7.62	--
July 3	13.55	7.45	8.36	11.95	11.75	11.75	--	9.79	6.64	7.68	9.65
10	13.34	7.58	8.32	12.09	12.25	12.00	10.25p	10.09p	6.95	7.80p	--
17											
24											
31											
Daily - July 5	13.30	7.74	8.45	12.00	--	--	--	--	--	7.71	--
	13.43p	7.32	8.06	12.25	--	--	--	--	--	n.a.	--

NOTES Weekly data for columns 1 to 4 are statement week averages of daily data. Columns 5 and 6 are one-day Wednesday quotes. For columns 7, 8 and 10 the weekly date is the mid-point of the calendar week over which data are averaged. Column 9 is a one-day quote for Thursday following the end of the statement week. Column 11 gives FNMA auction data for the Monday preceding the end of the statement week. The FNMA auction yield is the average yield in bi-weekly auction for short-term forward commitments for Government underwritten mortgages.

APPENDIX TABLE I
RESERVES AND MONETARY VARIABLES

Period	RESERVES: Total	RESERVES: Non-borrowed	RESERVES: Available to support Private Deposits	MONEY STOCK MEASURES: M_1	MONEY STOCK MEASURES: M_2	MONEY STOCK MEASURES: M_3	BANK CREDIT MEASURES: Adjusted Credit Proxy	BANK CREDIT MEASURES: Total Loans and Investments	OTHER: Total time	OTHER: Time other than CD's	OTHER: Thrift Institution Deposits 1/	OTHER: CD's	OTHER: Non-deposit funds	OTHER: U.S. Gov't. Demand
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	(Per Cent Annual Rates of Growth)											(Dollar Change in Billions)		
Annually:														
1970	+6.0	+9.3	+8.7	+6.0	+8.4	+8.3	+8.2	+8.1	+17.9	+11.1	+8.0	+14.4	-8.4	+1.2
1971	+7.2	+7.8	+6.9	+6.3	+11.2	+13.3	+9.4	+11.2	+18.2	+16.7	+17.1	+7.7	-7.6	-0.4
1972	+10.6	+7.7	+10.1	+8.7	+11.1	+13.0	+11.6	+14.6	+15.7	+13.5	+16.6	+10.4	+0.4	--
1973	+7.8	+7.2	+9.3	+6.1	+8.9	+8.8	+10.6	+13.5	+16.0	+11.4	+8.6	+19.4	+3.0	-1.2
Semi-Annually:														
1st Half 1972	+10.8	+11.0	+8.3	+7.7	+10.7	+12.4	+11.2	+13.6	+15.4	+13.8	+15.7	+4.4	-0.2	-1.0
2nd Half 1972	+9.9	+4.1	+11.5	+9.4	+10.9	+12.8	+11.3	+14.7	+14.8	+12.3	+16.3	+6.0	+0.6	+0.1
1st Half 1973	+6.7	+1.6	+10.3	+7.7	+9.1	+9.7	+13.8	+16.6	+20.8	+10.4	+10.7	+18.6	+1.2	-0.8
2nd Half 1973	+8.6	+12.7	+7.8	+4.4	+8.2	+7.5	+7.0	+9.6	+10.2	+11.8	+6.1	+0.8	+1.8	-0.4
1st Half 1974	+10,9	+1.3	+13.2	+7.0	+8.8	+8.1	+14,9	+13.9	+20,1	+10,6	+6,6	+20,6	+2,9	-1.1
Quarterly:														
1st Qtr. 1972	+8.7	+9.1	+9.6	+9.0	+12.3	+13.5	+10.5	+15.7	+14.5	+15.5	+15.9	+0.7	-0.3	-0.4
2nd Qtr. 1972	+12.6	+12.6	+6.9	+6.2	+8.9	+11.0	+11.6	+11.1	+15.7	+11.7	+14.9	+3.7	+0.1	+0.3
3rd Qtr. 1972	+4.4	-0.9	+10.4	+8.7	+10.8	+13.3	+10.2	+13.0	+14.3	+12.7	+17.8	+2.4	+0.3	-1.1
4th Qtr. 1972	+15.1	+9.2	+12.2	+9.9	+10.6	+12.0	+12.1	+15.8	+14.8	+11.4	+14.2	+3.6	+0.3	+1.2
1st Qtr. 1973	+6.4	-3.6	+7.8	+3.8	+6.9	+8.6	+14.6	+19.9	+22.7	+9.9	+11.4	+11.2	+0.5	+1.5
2nd Qtr. 1973	+6.9	+7.0	+12.5	+11.5	+11.1	+10.6	+12.6	+12.7	+17.8	+10.6	+9.7	+7.4	+0.7	-2.3
3rd Qtr. 1973	+10.6	+11.3	+14.2	--	+5.3	+5.1	+10.5	+12.7	+14.0	+10.6	+4.6	+4.7	+1.7	-0.3
4th Qtr. 1973	+6.1	+13.4	+1.4	+8.9	+11.0	+9.8	+3.3	+6.3	+6.1	+12.6	+7.6	-3.9	+0.1	-0.1
1st Qtr. 1974	+1.7	+1.5	+6.2	+7.1	+9.9	+9.4	+8.5	+15.9	+15.6	+12.5	+8.6	+4.9	+1.2	-1.2
2nd Qtr. 1974	+20.3	+1.0	+20.2	+6.8	+7.6	+6.6	+20.8	+11.5	+23.6	+8.5	+4.6	+15.7	+1.7	+0.1
Monthly:														
1973--Jan.	+30.1	+26.8	+15.9	+4.7	+9.4	+10.8	+9.7	+17.8	+16.5	+12.9	+13.7	+1.3	+0.6	+0.6
Feb.	-21.1	-38.5	-2.9	+5.6	+6.3	+8.1	+11.1	+23.7	+22.3	+7.0	+11.6	+4.4	-0.5	-0.6
Mar.	+10.5	+1.8	+10.3	+0.9	+5.2	+6.6	+22.3	+17.2	+28.2	+9.6	+8.7	+5.5	+0.4	+1.5
Apr.	+14.7	+20.1	+10.0	+6.0	+8.3	+8.6	+15.4	+13.1	+22.5	+10.0	+9.0	+3.8	+0.2	-0.5
May	+5.4	+0.5	+9.9	+13.9	+11.8	+10.9	+11.0	+16.6	+18.8	+10.8	+9.4	+2.9	+0.3	-1.9
June	+0.5	+0.2	+17.3	+14.2	+12.8	+11.9	+11.1	+8.2	+11.2	+10.7	+10.4	+0.7	+0.2	+0.1
July	+27.2	+24.9	+18.5	+4.1	+5.7	+6.3	+8.6	+14.5	+12.8	+7.6	+7.3	+1.9	+0.9	-1.4
Aug.	-5.1	-13.5	+10.1	-0.5	+6.5	+5.0	+17.0	+18.2	+18.9	+13.0	+2.3	+2.4	+0.6	+0.9
Sept.	+9.4	+21.9	+13.3	-3.6	+3.7	+3.9	+5.7	+5.2	+9.8	+10.8	+4.2	+0.4	+0.2	+0.2
Oct.	+12.1	+26.7	+1.0	+5.0	+11.0	+9.3	+1.6	+7.7	+3.7	+16.1	+6.8	-2.9	-0.4	+1.0
Nov.	-4.3	-1.6	-6.3	+11.7	+11.5	+10.1	+2.7	+7.4	+3.3	+11.4	+7.2	-1.8	+0.2	-0.2
Dec.	+10.5	+14.4	+9.4	+9.8	+10.2	+9.6	+5.6	+3.6	+11.3	+10.1	+8.6	+0.8	+0.3	-0.9
1974--Jan.	+35.7	+45.9	+6.9	-2.7	+6.9	+7.5	+12.5	+14.7	+21.8	+16.0	+8.6	+2.7	+0.1	+1.3
Feb.	-24.8	-30.4	-0.3	+12.9	+13.6	+11.5	+1.3	+15.5	+15.2	+14.2	+7.8	+1.1	+0.2	-3.2
Mar.	-5.4	-10.0	+11.9	+11.0	+8.9	+9.0	+11.3	+16.8	+9.3	+7.0	+9.2	+1.1	+0.9	+0.7
Apr.	+32.7	+19.0	+19.7	+8.3	+8.2	+7.5	+31.6	+16.0	+30.8	+8.1	+6.6	+7.7	+1.0	+0.8
May	+20.8	-8.2	+21.7	+4.7	+5.3	+4.4	+16.8	+10.2	+22.6	+5.8	+2.5	+5.8	+1.1	-0.7
June p	+6.6	-7.6	+18.2	+7.3	+9.3	+7.8	+13.1	+7.8	+16.1	+11.5	+4.7	+2.2	-0.4	--

1/ Growth rates are based on estimated monthly average levels derived by averaging end of current month and end of previous month reported data.

NOTE: Reserve Requirements on Eurodollar borrowings are included beginning October 16, 1969, and requirements on bank-related commercial paper are included beginning October 1, 1970.

p - Preliminary.

APPENDIX TABLE II
RESERVES AND MONETARY VARIABLES
(Seasonally adjusted, billions of dollars)

July 12,1974

	RESERVES			MONEY STOCK MEASURES				BANK CREDIT MEASURES		OTHER					
				M_1											
Period	Total	Non-borrowed	Available to Support Pvt. Deposits	Total	Pvt. Dep.	M_2	M_3	Adj. Credit Proxy	Total Loans & Invest-ments	Total Time	Time Other Than CD's	Thrift Insti-tution Deposits	CD's	Non-Dep. Funds	U.S. Gov't Demand
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
ANNUALLY:															
Dec. 1970	29,193	28,861	27,099	221.2	172.2	425.2	642.7	332.9	438.5	229.2	203.9	217.5	25.3	11.6	6.5
Dec. 1971	31,299	31,173	28,965	235.2	182.6	473.0	727.9	364.3	487.6	270.9	237.9	254.8	33.0	4.0	6.1
Dec. 1972	31,410	30,360	29,053	255.7	198.7	525.5	822 8	406.4	559.0	313.3	269.9	297.2	43.4	4.4	6.1
MONTHLY:															
1973--Jan.	32,199	31,037	29,439	256.7	199.6	529.6	830.2	409.7	567.3	317.6	272.9	300.6	44.7	5.0	6.7
Feb.	31,634	30,040	29,368	257.9	200.4	532.4	835.8	413.5	578.5	323.6	274.5	303.5	49.1	4.5	6.1
Mar.	31,910	30,085	29,621	258.1	200.1	534.7	840.4	421.2	586.8	331.2	276.6	305.7	54.6	4.9	7.6
Apr.	32,300	30,589	29,867	259 4	200.8	538.4	846.4	426.6	593.2	337.4	278.9	308.0	58.4	5.1	7.1
May	32,445	30,602	30,114	262.4	203.4	543.7	854.1	430.5	601.4	342.7	281.4	310.4	61.3	5.4	5.2
June	32,459	30,608	30,548	265.5	206.2	549.5	862.6	434.5	605.5	345.9	283.9	313.1	62.0	5.6	5.3
July	33,576	31,622	31,358	266.4	206.9	552.1	867.1	437.6	612.8	349.6	285.7	315.0	63.9	6.5	3.9
Aug.	33,906	31,741	32,038	266.3	206.4	555.1	870.7	443.8	622.1	355.1	288.8	315.6	66.3	7.1	4.8
Sept.	34,173	32,321	32,394	265.5	205.3	556.8	873.5	445.9	624.8	358.0	291.4	316.7	66.7	7.3	5.0
Oct.	34,942	33,466	32,845	266.6	206.1	561.9	880.3	446.5	628.8	359.1	295.3	318.5	63.8	6.9	6.0
Nov.	34,857	33,463	32,714	269.2	208.2	567.3	887.7	447.5	632.7	360.1	298.1	320.4	62.0	7.1	5.8
Dec.	35,105	33,807	32,912	271.4	209.7	572.1	894.8	449.6	634.6	363.5	300.6	322.7	62.8	7.4	4.9
1974--Jan.	35,850	34,799	32,799	270.8	208.9	575.4	900.4	454.3	642.4	370.1	304.6	325.0	65.5	7.5	6.2
Feb.	35,108	33,916	32,791	273.7	211.1	581.9	909.0	454.8	650.7	374.8	308.2	327.1	66.6	7.7	3.0
Mar.	34,949	33,634	33,117	276.2	212.9	586.2	915.8	459.1	659.8	377.7	310.0	329.6	67.7	8.6	3.7
Apr.	35,902	34,166	33,660	278.1	214.1	590.2	921.5	471.2	668.6	387.4	312.1	331.4	75.4	9.6	4.5
May	36,523	33,933	34,270	279.2	214.8	592.8	924.9	477.8	674.3	394.7	313.6	332.1	81.2	10.7	3.8
June	36,723	33,717	34,790	280.9	216.0	597.4	930.9	483.0	678.7	400.0	316.6	333.4	83.4	10.3	3.8
WEEKLY:															
1974--April 3	35,398	33,895	33,240	277.5	214.1	588.1	--	466.3	--	382.0	310.5	--	71.5	9.5	4.8
10	35,040	33,846	33,117	277.7	213.6	589.3	--	468.4	--	385.4	311.5	--	73.9	9.3	5.0
17	36,161	34,345	33,794	280.1	216.0	592.3	--	472.9	--	387.0	312.2	--	74.8	9.4	5.0
24	36,003	34,064	33,722	277.8	213.9	590.2	--	471.8	---	389.2	312.3	--	76.9	9.7	4.0
May 1	36,742	34,585	34,277	276.8	213.0	589.6	--	473.8	--	390.8	312.8	--	78.0	10.2	4.4
8	36,385	34,768	34,151	278.6	214.1	591.3	--	476.4	--	392.4	312.7	--	79.7	10.4	5.3
15	36,572	34,595	34,104	279.5	215.1	593.1	--	476.6	--	394.2	313.6	--	80.6	10.8	3.3
22	36,659	33,569	34,250	280.6	216.0	593.9	--	478.5	--	395.2	313.3	--	82.0	11.1	3.2
29	36,447	32,841	34,434	278.1	213.5	592.5	--	478.4	--	396.9	314.4	--	82.5	11.0	3.0
June 5	36,514	33,460	34,754	281.2	216.7	596.9	--	481.9	--	397.6	315.7	--	81.9	10.6	3.7
12	36,122	33,393	34,467	280.9	216.0	597.2	--	482.5	--	398.7	316.2	--	82.5	10.1	4.7
19p	36,980	33,757	34,974	281.5	216.7	598.6	--	482.9	--	400.5	317.0	--	83.5	9.7	3.5
26 P	36,844	34,056	34,780	280.4	215.6	597.4	--	482.9	--	401.2	317.1	--	84.1	10.4	3.3
July 3p	37,374	33,940	35,097	281.2	216.3	598.4	--	487.6	--	402.5	317.2	--	85.3	10.7	3.2

1/ Estimated monthly average levels derived by averaging end of current month and end of previous month reported data.
NOTE: Reserve requirements on Eurodollar borrowings are included beginning October 16, 1969, and requirements on bank-related commercial paper are included beginning October 1, 1970. Adjusted credit proxy includes mainly total member bank deposits subject to reserve requirements, bank-related commercial paper and Eurodollar borrowings of U.S. banks. Weekly data are daily averages for statement weeks. Monthly data are daily averages except for nonbank commercial paper figures which are for last day of month. Weekly data are not available for M_3, total loans and investments and thrift institution deposits.
p - Preliminary.

Appendix Table III

Growth Rate in Money Supply
(Per cent change at an annual rate)

		M_1		M_2		M_3	
		M	Q	M	Q	M	Q
1972	I	9.0	5.3	12.3	11.0	13.5	12.5
	II	6.2	8.2	8.9	9.8	11.0	11.7
	III	8.7	8.2	10.8	10.8	13.3	13.0
	IV	9.9	8.4	10.6	10.2	12.0	12.2
1973	I	3.8	7.0	7.0	8.8	8.6	10.2
	II	11.5	7.5	11.1	8.8	10.6	9.0
	III	--	5.6	5.3	7.9	5.1	7.5
	IV	8.9	4.5	11.0	8.9	9.8	7.9
1974	I	7.1	6.7	9.9	9.9	9.4	9.4
	II	6.8	8.5	7.6	8.5	6.6	7.7

M = Annual rates of growth calculated from average levels in the final months of the quarters.

Q = Annual rates calculated from average levels in all three months of the quarters.

Appendix Table IV

Growth Rates in Money Supply for Alternatives

		M_1		M_2		M_3	
		M	Q	M	Q	M	Q
				Alt. A			
1974	III	6.1	6.2	7.7	7.8	6.7	6.7
	IV	8.0	7.5	8.4	8.2	7.2	7.1
	III & IV Combined	7.0	6.8	8.0	7.5	7.0	6.9
				Alt. B			
1974	III	5.0	5.4	6.3	7.0	5.4	6.0
	IV	6.2	5.8	6.5	6.4	5.5	5.4
	III & IV Combined	5.6	5.6	6.4	6.7	5.5	5.7
				Alt. C			
1974	III	4.1	5.0	5.2	6.5	4.3	5.4
	IV	3.9	4.0	4.7	4.6	3.7	3.7
	III & IV Combined	4.0	4.5	5.0	5.5	4.0	4.5

M = Annual rates of growth calculated from average levels in last months of the quarters.

Q = Annual rates calculated from average levels in all three months of the quarters.

Appendix Table V

Money Supply Growth Rates

		M_1	M_1 less Foreign Official Deposits	M_1 less Foreign Official Deposits and Deposits due to Foreign Commercial Banks
1973	January	4.7	5.2	5.3
	February	5.6	5.6	6.7
	March	0.9	0.5	0.9
	April	6.0	6.5	6.6
	May	13.9	13.0	11.8
	June	14.2	14.7	14.4
	July	4.1	3.6	2.8
	August	-0.5	-0.5	--
	September	-3.6	-3.6	-3.7
	October	5.0	5.5	4.6
	November	11.7	10.9	10.1
	December	9.8	9.9	8.2
1974	January	-2.7	-2.7	-3.6
	February	12.9	12.5	13.1
	March	11.0	11.9	11.2
	April	8.3	5.7	5.8
	May	4.7	6.5	5.7
	June	7.3	5.6	5.3