Prefatory Note

The attached document represents the most complete and accurate version available based on original copies culled from the files of the FOMC Secretariat at the Board of Governors of the Federal Reserve System. This electronic document was created through a comprehensive digitization process which included identifying the best-preserved paper copies, scanning those copies,[1] and then making the scanned versions text-searchable.[2] Though a stringent quality assurance process was employed, some imperfections may remain.

Please note that some material may have been redacted from this document if that material was received on a confidential basis. Redacted material is indicated by occasional gaps in the text or by gray boxes around non-text content. All redacted passages are exempt from disclosure under applicable provisions of the Freedom of Information Act.

---

[1] In some cases, original copies needed to be photocopied before being scanned into electronic format. All scanned images were deskewed (to remove the effects of printer- and scanner-introduced tilting) and lightly cleaned (to remove dark spots caused by staple holes, hole punches, and other blemishes caused after initial printing).

[2] A two-step process was used. An advanced optical character recognition computer program (OCR) first created electronic text from the document image. Where the OCR results were inconclusive, staff checked and corrected the text as necessary. Please note that the numbers and text in charts and tables were not reliably recognized by the OCR process and were not checked or corrected by staff.

Content last modified 6/05/2009.

(CONFIDENTIAL FR) October 11, 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) October 11, 1974

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Recent developments

(1) Growth of the monetary aggregates slowed in September to annual rates of 1.3 per cent for M_1 and 2.4 per cent for M_2. Taking into account our current October estimate, which is still largely projected, money growth rates for the combined September-October period appear to be well below the ranges of tolerance established at the last Committee meeting, as the table shows. Expansion in the adjusted bank credit proxy has also been well below expectations, and RPD growth has been considerably below the lower limit of its two-month range of tolerance.

Growth of Monetary Aggregates and RPD's in September-October Period

Reserve and Monetary Aggregates (Growth at SAAR in per cent)	Range of Tolerance	Latest Estimates	
M_1	3-6	1.7	
M_2	5-7½	3.8	
RPD	6-8½	2.6	
Memo: Federal funds rate (Per cent per annum)	10¼-12 1/	Avg. for statement week ending	
		Sept. 18	11.41
		Sept. 25	11.12
		Oct. 2	11.04
		Oct. 9	10.43

1/ The range adopted at the meeting was 10½-12 per cent, but the lower end was dropped to 10¼ per cent by Committee action on October 4.

(2) Evidence of sluggish growth in the money and reserve aggregates emerged immediately following the last Committee meeting. In responding to this weakness, the Desk moved cautiously at first, in part

to avoid encouraging an unduly rapid decline in market rates. The funds rate declined from an average of 11.48 per cent in the week of the Committee meeting (week of Sept. 11) to around 11 per cent in early October. On October 4, the Committee concurred in the Chairman's view that the Federal funds rate should be reduced to a range of 10½--10¾ per cent and in his recommendation that the lower limit of the funds rate constraint should be reduced by ¼ point to 10¼ per cent. In the week ending October 9, the funds rate averaged 10.43 per cent. With nonborrowed reserves provided more aggressively, member bank borrowing in that week (apart from Franklin) dropped to \$1.0 billion as compared with an average of about \$1.9 billion in August and September. Most recently, the Desk has been aiming at a Federal funds rate tending toward the lower end of a 10¼--10½ per cent range.

(3) Slow growth in the monetary aggregates and the accumulating evidence of generally sluggish economic activity created widespread expectations that the System would ease pressures on credit markets somewhat further. When declines in the Federal funds rate appeared to confirm these expectations, other short-term rates dropped sharply--in some cases by more than 200 basis points. As rates on large CD's and commercial paper declined, many banks lowered their prime rates to 11¾ per cent, and most recently a few key banks have dropped the rate to 11½ per cent. The yield on 3-month Treasury bills fell from a level in excess of 9 per cent at the time of the last Committee meeting to a low of 6-1/8 per cent. This change was accentuated by large foreign buying of bills in September, reinvestment demands from holders of maturing

September tax bills, and an unexpected cut-back by the Treasury in the size of weekly bill auctions during the period of peak quarterly income tax receipts. Most recently, however, with the Treasury increasing--rather than cutting--the size of its weekly bill auctions, and with large additional Treasury cash borrowing anticipated shortly, the 3-month bill rate has bounced back and closed Friday at around 7.65 per cent.

(4) Interest rates on long-term Treasury and State and local government securities have declined somewhat since the last meeting--by roughly 1/8 to 1/4 of a percentage point. Yields on new and recently offered corporate issues have risen somewhat further on balance to new highs, because of a sharp expansion in the prospective volume of new bond offerings; most recently corporate bond yields have edged off. In the stock market, price indices continued to decline over most of the inter-meeting period, reaching their lowest levels in 12 years, but in recent days a sharp rebound raised the Dow-Jones industrial average by about 75 points. The very recent improvement in the stock market and an accompanying better tone in bond markets may be attributable in part to the Administration's new economic program as well as to recent signs of a less restrictive monetary policy.

(5) The table on the following 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 Months
	1971 -- 1973	Sept. '74 over Sept. '73	Sept. '74 over Mar. '74	Sept. '74 over June '74	Sept.'74 over Aug.'74
Total reserves	8.5	9.4	14.5	8.2	7.5
Nonborrowed reserves	7.6	5.5	3.4	5.6	10.2
Reserves available to support private nonbank deposits	8.8	9.3	14.5	8.3	6.8
Concepts of Money					
M_1 (currency plus demand deposits) 1/	7.0	5.8	4.1	1.9	1.3
M_2 (M_1 plus time deposits at commercial banks other than large CD's)	10.4	8.4	6.3	4.8	2.4
M_3 (M_2 plus deposits at thrift institutions)	11.7	7.5	5.2	4.0	2.7
Bank Credit					
Total member banks deposits (bank credit proxy adj.)	10.5	10.1	13.9	6.5	4.9
Loans and investments of commercial banks 2/	12.8	9.9	8.1	4.5	-8.8
Short-term Market Paper					
(Monthly average change in billions)					
Large CD's	1.0	1.6	3.1	.9	1.3
Nonbank commercial paper	.2	.7	.6	1.2	2.0

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

(6) Attached below for Committee consideration are three alternative specifications to accompany the directive, with additional detail presented in the table on the following page. The longer-run targets encompass the same time period (the seven months August 1974 to March 1975) as employed for target purposes at the September Committee meeting.

	Alt. A	Alt. B	Alt. C
Targets (Aug. 1974 - Mar. 1975)			
M_1	6½	5¾	5
M_2	7¾	6¾	6
Credit proxy	7	6¾	6¼
Associated ranges of tolerances for Oct.-Nov.			
M_1	5¼-7¼	4¾-6¾	4¼-6¼
M_2	6¾-8¾	5¾-7¾	5¼-7¼
RPD	6-8	¾ 5½-7½	4¾-6¾
Federal funds rate (inter-meeting range)	8-10	8¾-10¾	9½-11½

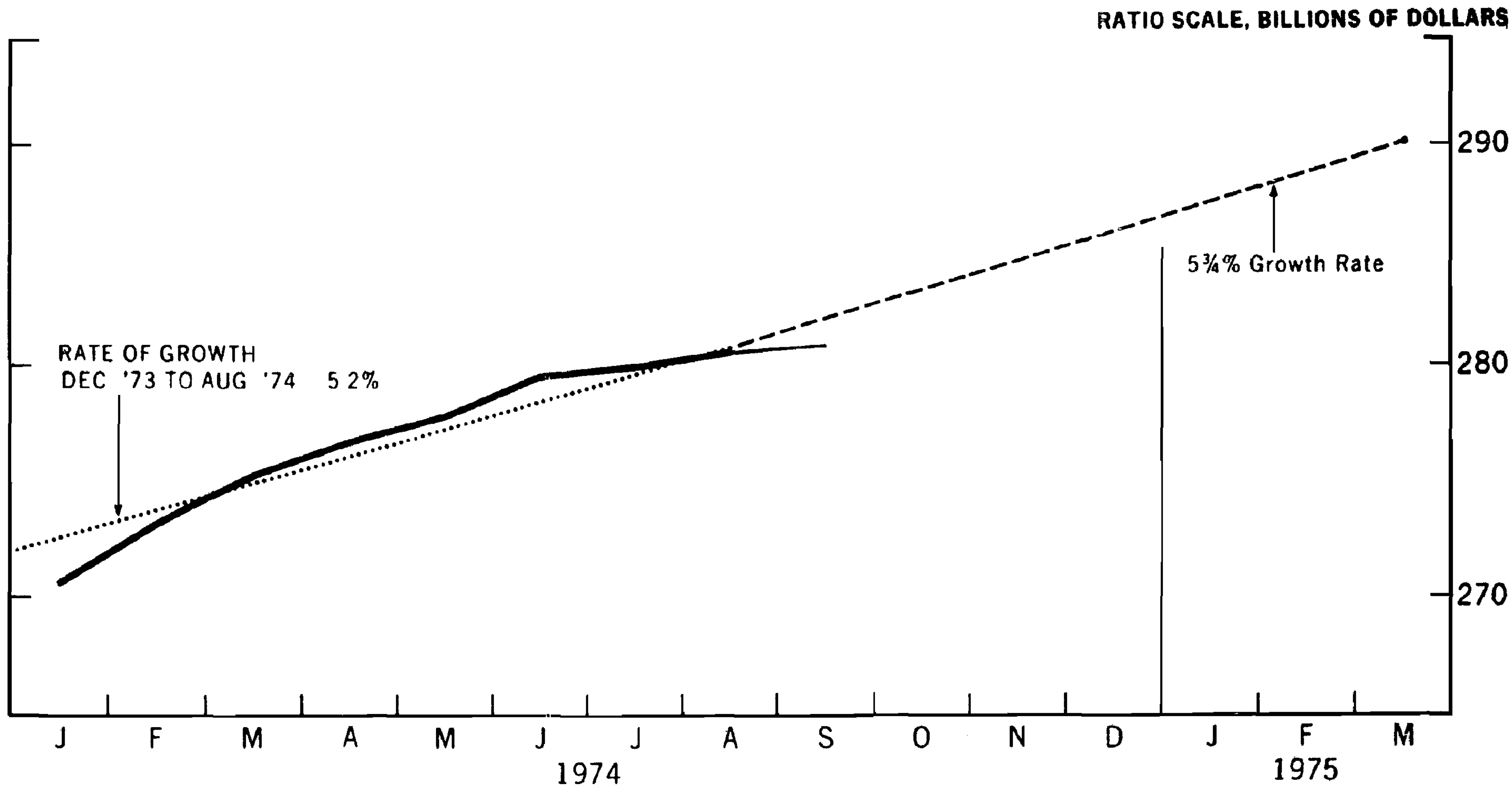
(7) Of the three alternatives shown, alternative B includes the 5¾ per cent longer-run target path for M_1 adopted at the last Committee meeting. A further decline in the Federal funds rate over the next few weeks is indicated for that alternative, at least to the mid-point of the 8¾-10¾ per cent range. The expected funds rate is lower than anticipated at the previous meeting for two reasons: (a) M_1 growth since the meeting

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	Sept.	280.9	280.9	280.9	603.3	603.3	603.3	938.6	938.6	938.6
	Oct.	281.6	281.5	281.4	606.5	606.2	605.9	943.0	942.7	942.3
	Nov.	283.8	283.6	283.4	611.0	610.1	609.5	948.8	947.7	946.7
	Dec.	285.8	285.5	285.1	615.6	614.0	612.8	955.2	953.0	951.1
1975	Mar.	291.2	290.1	289.0	629.2	625.7	622.9	973.5	968.6	964.1
						Rates of Growth				
Aug. '74--Mar. '75		6.5	5.8	5.1	7.7	6.7	5.9	6.8	5.9	5.1
Quarters:										
1974	4th Q.	7.0	6.6	6.0	8.2	7.1	6.3	7.1	6.1	[illegible]
1975	1st Q.	7.6	6.4	5.5	8.8	7.6	6.6	7.7	6.5	5.[illegible]
Months:										
	Oct.	3.0	2.6	2.1	6.4	5.8	5.2	5.6	5.2	4.7
	Nov.	9.4	9.0	8.5	8.9	7.7	7.1	7.4	6.4	5.6

		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	Sept.	491.0	491.0	491.0	37,276	37,276	37,276	35,314	35,314	35,314
	Oct.	493.1	493.0	492.9	37,077	37,065	37,052	34,957	34,945	34,932
	Nov.	499.9	499.7	499.5	37,414	37,369	37,323	35,261	35,217	35,171
	Dec.	502.0	501.5	501.0	38,103	38,071	38,028	35,581	35,548	35,506
1975	Mar.	508.6	508.0	506.7	37,988	37,915	37,789	36,148	36,077	35,951
						Rates of Growth				
Aug. '74--Mar. '75		6.9	6.7	6.2	6.2	5.8	5.3	6.9	6.6	6.0
Quarters:										
1974	4th Q.	9.0	8.6	8.1	13.0	12.7	12.2	7.5	7.1	6.6
1975	1st. Q.	5.3	5.2	4.6	-1.2	-1.6	-2.5	6.4	6.0	5.0
Months:										
	Oct.	5.1	4.9	4.6	5.6	5.3	4.8	0.6	0.2	-0.2
	Nov.	16.5	16.3	16.1	11.4	10.3	9.3	10.9	9.9	8.8

MONEY SUPPLY AND LONGER RUN TARGET PATHS



has fallen short of expectations, and thus a more active provision of reserves is required in future to move back to path; and (b) demand for money is expected to be lower, particularly by the first quarter, in view of the slower growth now projected by the staff for nominal GNP.

(8) Based on partial data for the early days of the month, M_1 growth in October is expected to be quite slow. Growth is expected to pick up considerably later in the fall and early winter, partly in consequence of the lagged impact on money demand of recent and projected interest rate declines. Over the October-November period, M_1 growth is indicated to be in a 4¾-6¾ per cent annual rate range under alternative B. Given the small rise in September, the 5¾ per cent growth rate from August to March implies a 6½ per cent rate from September to March--i.e. over the fourth and first quarters.

(9) Demand pressures on credit markets are expected to be intense over the next few weeks. A large amount of new corporate and municipal bond offerings is scheduled. Federal agency financing needs remain large. And the Treasury will be raising about $4 billion of new cash by early November--through additions to bill auctions, other offerings of short-term instruments, and perhaps also an intermediate-term note. The Treasury will also announce on October 30 the terms on which it will refund $4.3 billion of maturing publicly held coupon issues. These borrowing demands will tend to moderate the general declines in interest rates that would otherwise be prompted by a further drop in the funds rate to around 9¾ per cent.

(10) The additional declines in interest rates expected under alternative B may involve a further easing in the 3-month commercial paper rate to the 9-9½ per cent range, compared with around 9¾ per cent currently. The 3-month Treasury bill should continue to fluctuate very widely--say, in a 6-8 per cent range--and may average a bit below 7 per cent, although very large additions to the supply of bills in the days immediately ahead would likely exert upward pressure on the rate. As short-term market rates ease off, some pick-up in net inflows of time deposits other than money market CD's at banks are to be expected, and the position of thrift institutions may show some improvement. Growth rates of 7½ and 6¼ per cent, respectively, are expected for M_2 and M_3 over the fourth and first quarters, up from the relatively low third quarter growth rates of 4-5 per cent.

(11) Bank credit growth is expected to be moderate, on balance, over the months ahead. Some rebound is likely in business loans from the unusually low September pace, particularly with business inventory accumulation projected to be sizable in the fourth quarter. However, loan growth is not expected to be as large as in earlier months. The strained liquidity position of banks is likely to keep them from easing nonprice lending terms significantly, although the prime loan rate may decline further. Moreover, improved conditions in the commercial paper market should tend to divert some corporate borrowing away from the banks.

(12) Alternative C involves a Federal funds rate range centering on 10½ per cent, the average rate prevailing in the last full statement week. M_1 expansion in this alternative is expected to be consistent

with a longer-run target rate of growth of 5 per cent, annual rate (from Aug. '74 to March '75). Over the fourth and first quarters, the rate of growth would average about 5¾ per cent.

(13) Given the demand pressures noted earlier and the prevailing expectations of a further easing of monetary policy, it is likely that some of the recent decline in short-term market interest rates would be reversed in the weeks ahead under this alternative. The 3-month bill rate might be expected to average around 8 per cent, and the commercial paper rate to move back into a 10-10½ per cent range. Corporate bond yields would probably be under upward pressure, while the recent slight moderation of mortgage market pressures would be unlikely to persist, both because of the general market atmosphere and because inflows to thrift institutions would be expected to show little improvement.

(14) Alternative A contemplates a more rapid growth path for M_1 than under alternative B. To achieve this growth a more pronounced easing of money market conditions is therefore required, and we believe that the funds rate would need to drop to 9 per cent shortly after the Committee meeting. Such a decline would generate substantial expectational effects, with Treasury bill rates probably dropping by more than a percentage point, and longer-term market rates easing off. Inflows of consumer-type time and savings deposits at banks and thrift institutions would improve noticeably; the thrift institutions would be in a position to improve liquidity; and lenders would probably become more willing to make new mortgage commitments.

Proposed directive language

(15) 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 mid-November refunding will be announced on October 30.

Alternative A

To implement this policy, while taking account of THE FORTHCOMING TREASURY FINANCING AND OF developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with SUBSTANTIAL ~~moderate~~ growth in monetary aggregates over the months ahead.

Alternative B

To implement this policy, while taking account of THE FORTHCOMING TREASURY FINANCING AND OF developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with RESUMPTION OF moderate growth in monetary aggregates over the months ahead.

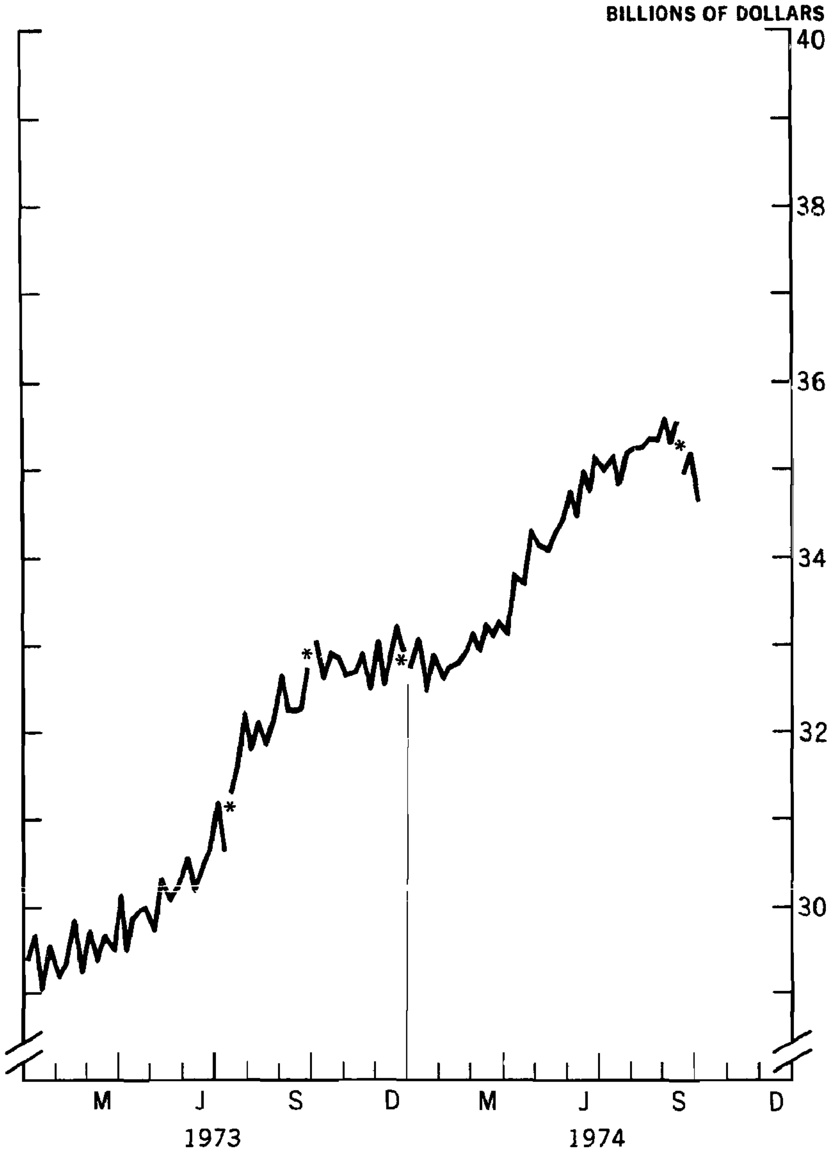
Alternative C

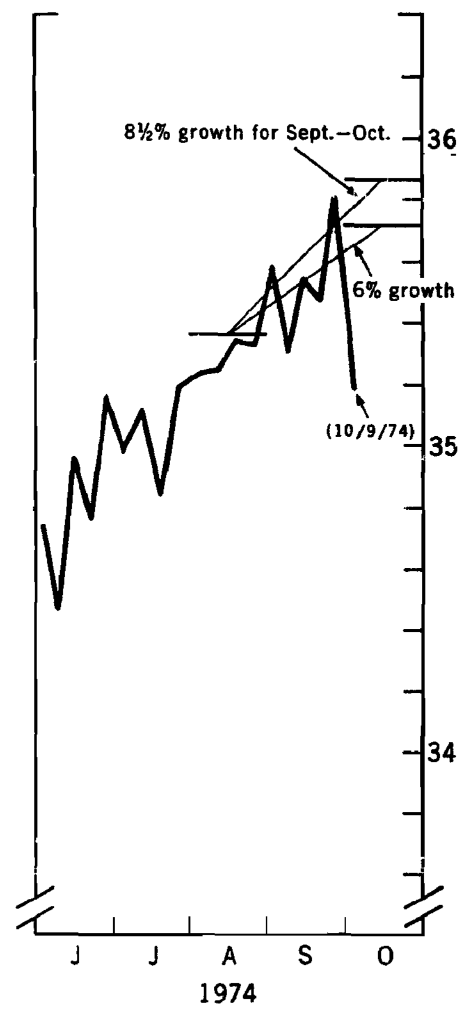
To implement this policy, while taking account of THE FORTHCOMING TREASURY FINANCING AND OF developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with ~~moderate~~ MODEST growth in monetary aggregates over the months ahead.

CHART 1

STRICTLY CONFIDENTIAL (FR)
10/11/74

RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS

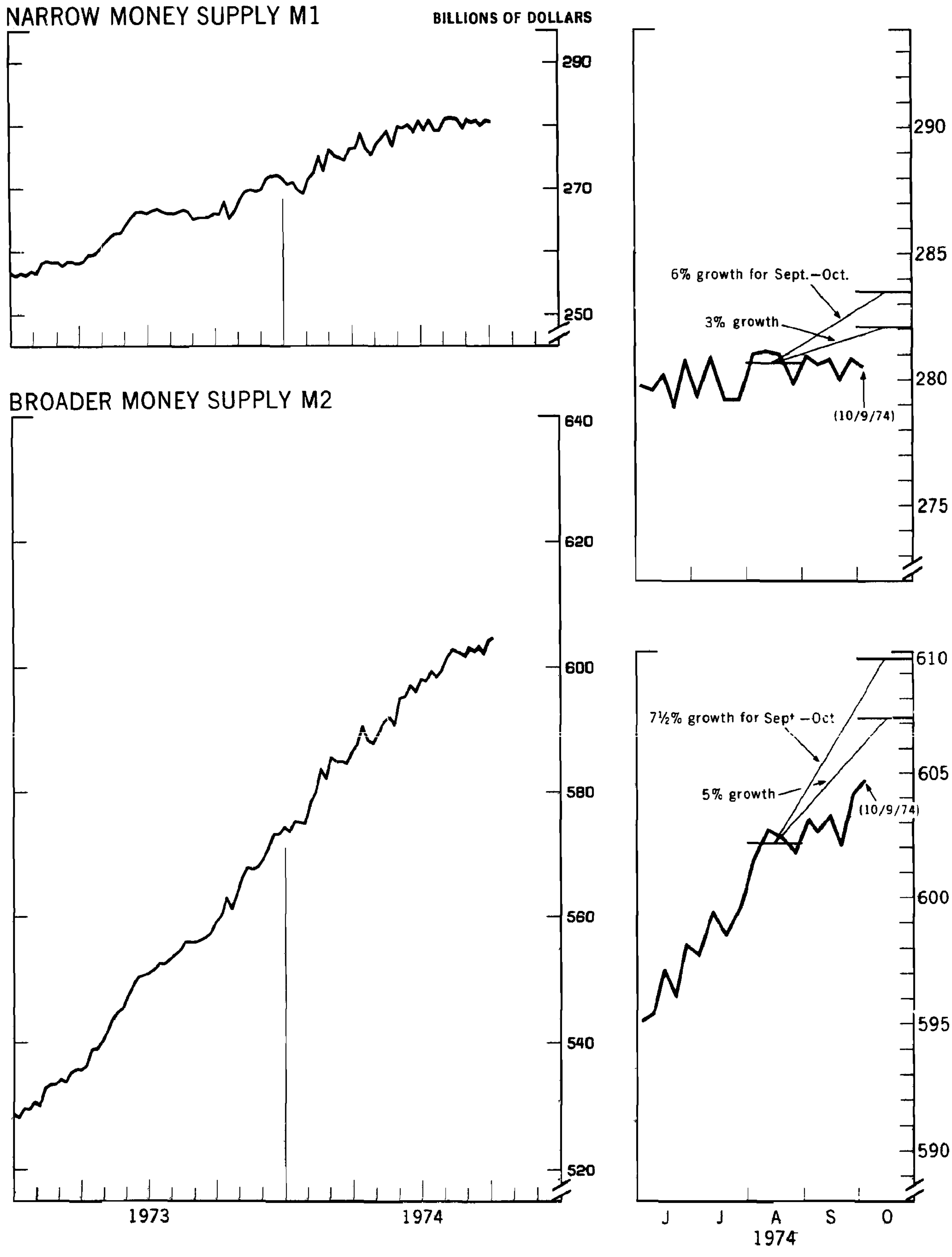




* Break in Series, Actual Level of RPD After Changes in Reserve Requirements

CHART 2

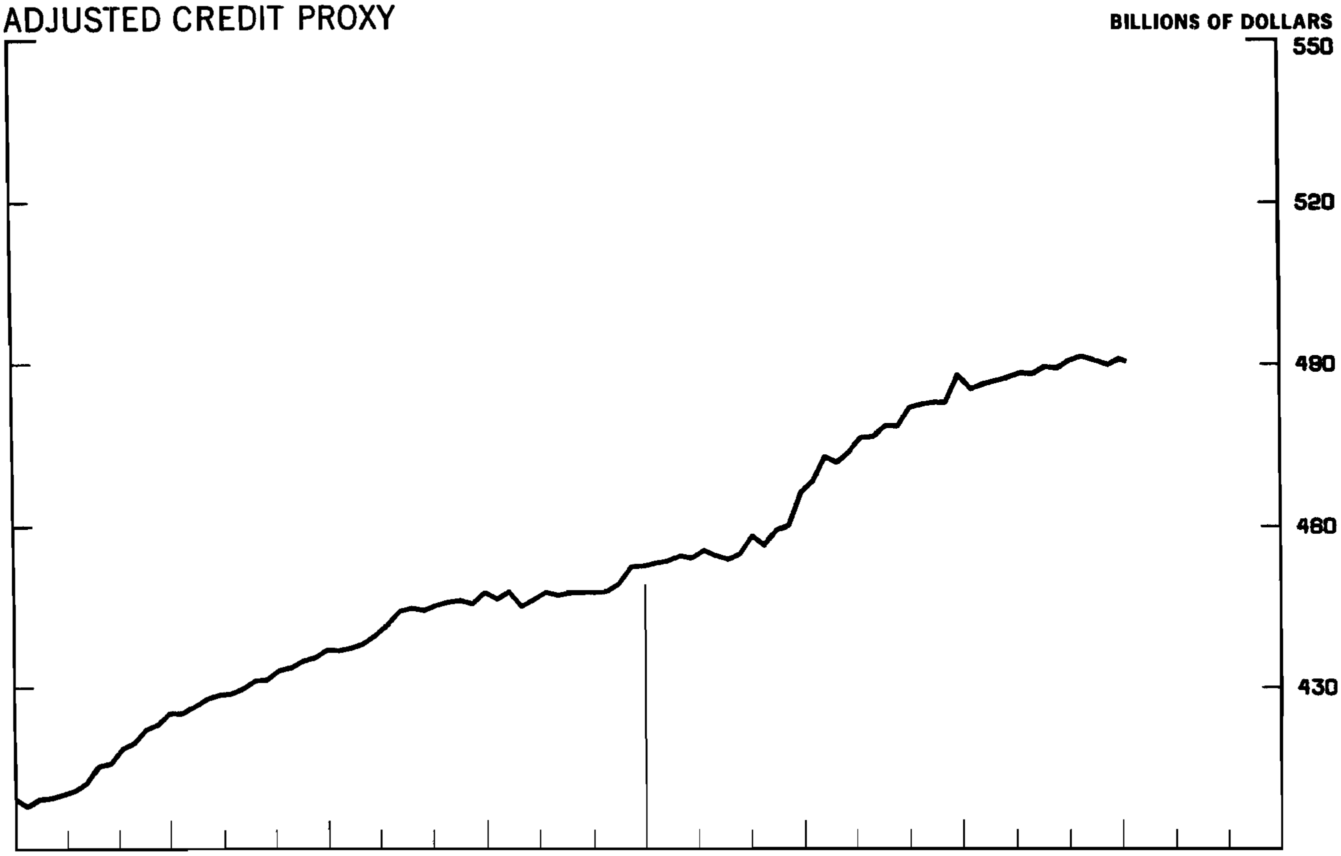
MONETARY AGGREGATES



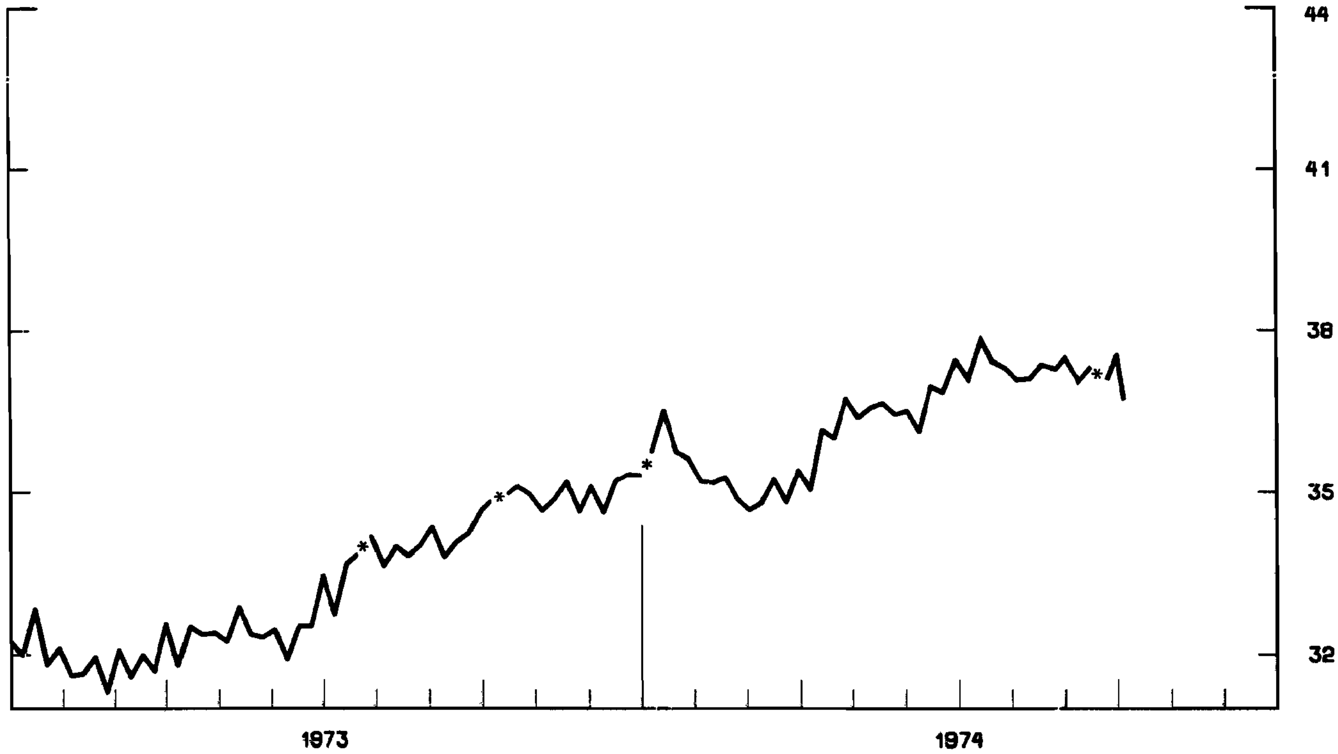
STRICTLY CONFIDENTIAL (FR)
10/11/74

MONETARY AGGREGATES

ADJUSTED CREDIT PROXY



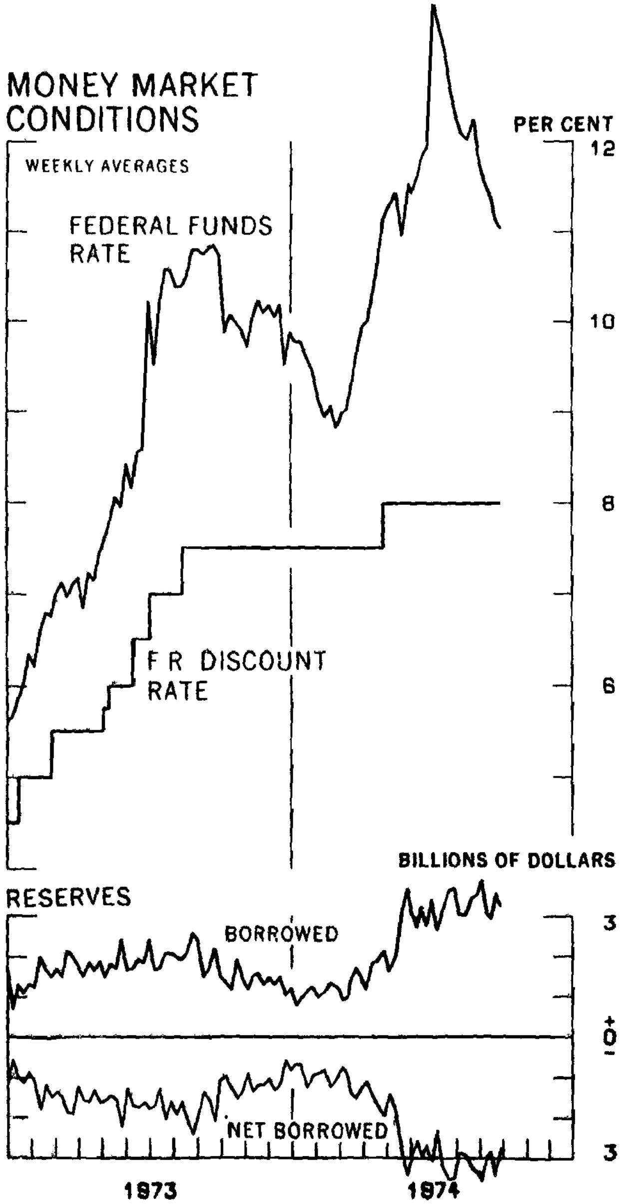
TOTAL RESERVES

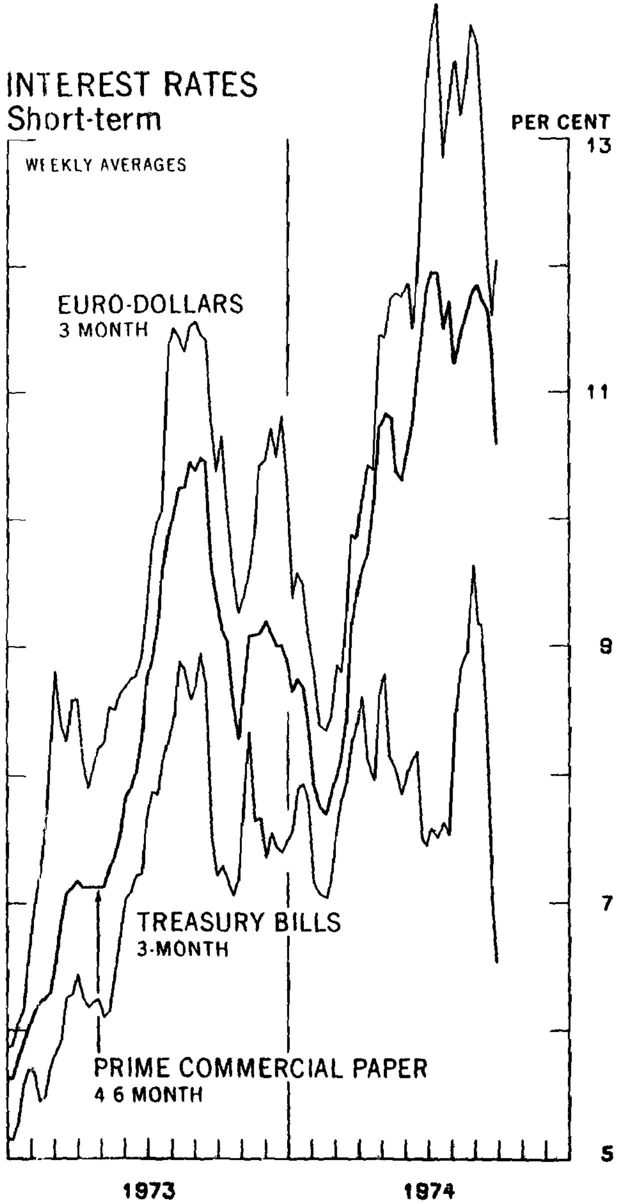


*Break in series, Actual Level of Total Reserves After Changes in Reserve Requirements.

CHART 4

MONEY MARKET CONDITIONS AND INTEREST RATES





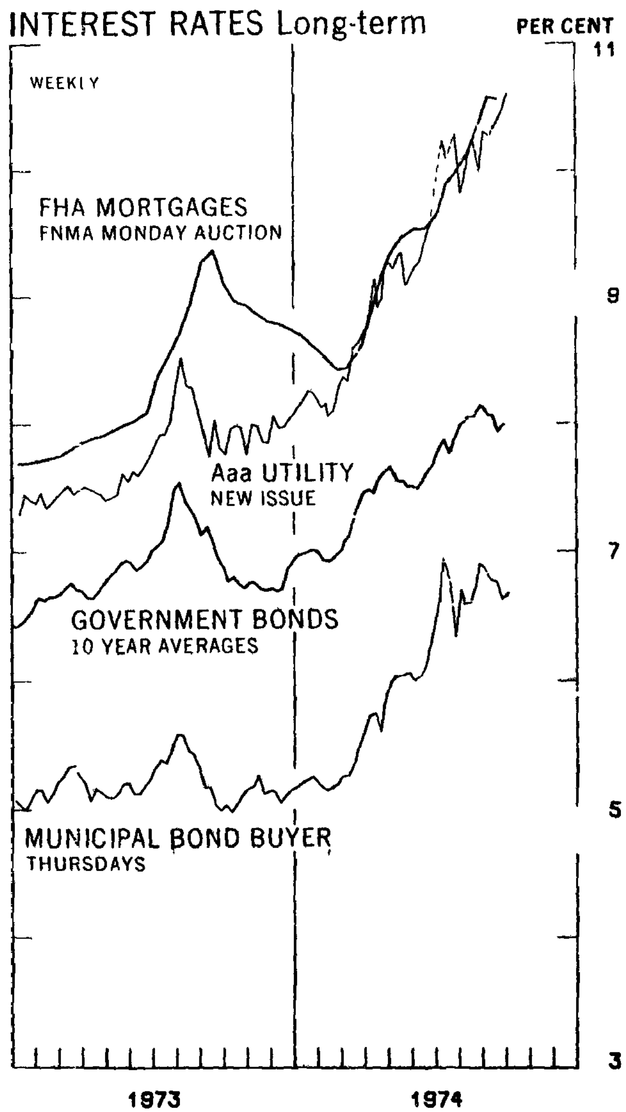


TABLE 1

STRICTLY CONFIDENTIAL

OCTOBER 11, 1974

BANK RESERVES
(ACTUAL AND CURRENT PROJECTIONS)

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-$MILLIONS								
1974--JUL.	35,047	34,840	37,421	34,120	20,449	8,866	5,570	2,374
AUG.	35,319	35,008	37,248	33,912	20,398	8,996	5,737	1,929
SEP.	35,314	35,132	37,276	33,994	20,356	9,072	5,686	1,962
OCT.	(34,892)	(34,827)	(37,032)	(35,321)	(20,352)	(9,083)	(5,293)	(2,140)
ANNUAL RATES OF CHANGE								
QUARTERLY:								
1973--4TH QTR.	1.4		6.1	13.4	5.8	12.7		
1974--1ST QTR.	6.2		1.7	1.5	1.3	9.2		
2ND QTR.	20.3		20.4	1.1	1.7	7.1		
3RD QTR.	8.3		8.2	5.6	-0.5	12.0		
MONTHLY:								
1974--JUL.	8.7		22.5	14.1	4.1	8.0		
AUG.	9.3		-5.5	-7.3	-3.0	17.6		
SEP.	6.8		7.5	10.2	-2.5	10.1		
OCT.	(-1.6)		(4.2)	(59.7)	(2.4)	(4.8)		
SEP.-OCT.	(2.6)		(5.9)	(35.2)	(-0.0)	(7.5)		
WEEKLY LEVELS-$MILLIONS								
AUG. 7	35,243	34,925	37,101	34,012	20,346	8,942	5,727	1,858
14	35,247	34,920	37,106	34,065	20,392	8,988	5,753	1,860
21	35,346	35,004	37,381	33,944	20,447	8,995	5,695	2,035
28	35,328	35,062	37,301	33,768	20,400	9,039	5,743	1,973
SEP. 4	35,585	35,288	37,488	33,582	20,417	9,040	5,807	1,903
11	35,313	34,908	37,055	33,970	20,285	9,073	5,817	1,742
18	35,536	35,312	37,357	34,436	20,408	9,085	5,934	1,821
25	34,960	34,939	37,090	33,559	20,333	9,066	5,473	2,130
OCT. 2	35,286	35,341	37,564	34,346	20,364	9,086	5,357	2,278
9	34,642	34,373	36,697	34,441	20,289	9,069	5,323	2,056

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS. AT THE FOMC MEETING OF SEP. 10, 1974, THE COMMITTEE AGREED ON A RPD RANGE OF 6.0 TO 8.5 PERCENT FOR THE AUGUST-SEPTEMBER PERIOD.

TABLE 2

STRICTLY CONFIDENTIAL

OCTOBER 11, 1974

MONETARY AGGREGATES
(ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED)

PERIOD	MONEY SUPPLY NARROW (M1)	BROAD (M2)	ADJUSTED CREDIT PROXY	U.S. GOVT. DEPOSITS	TIME AND SAVINGS DEPOSITS TOTAL	OTHER THAN CD S	CD S	NONDEPOSIT SOURCES OF FUNDS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTHLY LEVELS-$BILLIONS								
1974--JUL.	280.0	598.9	486.9	2.5	404.3	319.0	85.4	11.2
AUG.	280.6	602.1	489.0	5.3	406.1	321.4	84.7	10.5
SEP.	280.9	603.3	491.0	5.6	408.4	322.4	86.0	10.1
OCT.	(281.4)	(605.9)	(491.9)	(5.3)	(411.0)	(324.5)	(86.5)	(9.3)
PERCENT ANNUAL GROWTH								
QUARTERLY								
1973--4TH QTR.	8.9	11.0	3.3		6.1	12.6		
1974--1ST QTR.	5.6	9.0	8.5		15.4	12.2		
2ND QTR.	6.4	7.7	20.9		23.7	8.7		
3RD QTR.	1.9	4.8	6.5		8.5	7.5		
MONTHLY								
1974--JUL.	1.7	5.4	9.4		13.2	9.5		
AUG.	2.6	6.4	5.2		5.3	9.0		
SEP.	1.3	2.4	4.9		6.8	3.7		
OCT.	(2.1)	(5.2)	(2.2)		(7.6)	(7.8)		
SEP.-OCT.	(1.7)	(3.8)	(3.6)		(7.2)	(5.8)		
WEEKLY LEVELS-$BILLIONS								
AUG. 7	281.0	601.5	488.8	4.0	405.5	320.5	84.9	11.0
14	281.2	602.7	488.6	5.0	406.2	321.5	84.7	9.8
21	281.1	602.4	489.6	5.8	406.0	321.3	84.6	10.5
28	279.8	601.8	489.2	6.1	406.3	322.0	84.3	10.5
SEP. 4	280.9	603.1	490.4	5.9	407.2	322.2	85.0	10.5
11	280.6	602.7	491.6	6.2	408.0	322.1	85.9	10.6
18	280.8	603.2	490.8	5.7	408.3	322.5	85.8	10.1
25	280.0	602.1	489.9	5.4	408.6	322.2	86.5	10.0
OCT. 2 P	280.8	604.1	491.0	5.0	409.8	323.3	86.5	9.1
9 PE	280.5	604.7	490.3	5.9	410.1	324.1	86.0	9.1

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

P - PRELIMINARY
PE - PARTIALLY ESTIMATED

STRICTLY CONFIDENTIAL (FR)

OCTOBER 11, 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 Effects 2/			△ in reserve categories		△Target
	Bills & Accept.	Coupon Issues	Agency Issues	RP's Net 3/	TOTAL	Open Market Operations	△ 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											
1974--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	420	74	-400	221	275
July	898	125	726	-3,760	-2,011	1,601	309	-901	465	544	375
Aug.	862	--	235	2,225	3,322	141	39	-464	-450	166	180
Sept.	-594r	176	191	549r	322r	-32r	-60	99	-73	80	375
Oct.											315
Nov.											
Weekly											
1974--Aug. 7	66	--	-3	366	430	-589	-601	906	-130	-154	
14	-138	--	--	1,820	1,682	-161	-48	225	21	-5	
21	881	--	--	1,232	2,113	2,003	396	-2,179	136	84	
28	567	--	--	-4,768	-4,200	-145	96	-31	-148	68	
Sept. 4	-518	--	221	5,742	5,446	56	373	-266	-53	216	
11	-835	--	--	-3,519	-4,354	-2,222	-821	2,573p	-90p	-380p	
18	151	--	--	-714	-564	702	-164	-188p	-54p	404p	
25	183	176	207	2,351	2,918	1,274	610	-2,031p	226p	-373p	
Oct. 2	-100	--	--	823	724	563	-313	338p	186p	402p	
9	-338	--	--	-5,869	-6,207	-1,357	-973	1,395	34p	-969p	
16											
23											
30											

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 Sept. and Oct. reflects the target adopted at the Sept. 10, 1974 FOMC meeting. Target change for previous months reflect 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** Reserves	Borrowing at FRB**		Basic Reserve Deficit	
	Bills	Coupon Issues	Corporate Bonds	Municipal Bonds		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	432	3,906	176	-5,911	-12,826
Low	-289	-309	0	27	-83	776	13	-2,447	- 6,210
1973--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	204	3,020	134	-4,445	- 9,920
July	457	-214	14	79	162	3,075	149	-3,522	- 9,555
Aug.	1,758	398	33	108	197	3,337	164	-4,231	- 9,224
Sept.	*2,309	*552	23	85	191p	3,177p	139p	-4,235	- 8,250
1974--Aug. 7	2,065	-178	4	87	228	3,089	176	-4,466	- 9,938
14	2,290	772	24	117	113	3,041	160	-5,174	- 9,382
21	1,657	487	47	131	209	3,437	166	-4,172	- 8,605
28	1,226	489	75	59	183	3,533	161	-3,010	- 9,878
Sept. 4	2,669	459	10	51	321	3,906	152	-3,915	- 7,816
11	2,994	552	22	106	137p	3,085p	132p	-5,416	-10,172
18	*2,453	* 550	20	77	109p	2,921p	134p	-4,447	- 9,089
25	*1,878	* 444	38	105	88p	3,531p	141p	-3,612	- 7,485
Oct. 2	*1,131	* 772	171	80	479p	3,218p	142p	-3,885p	- 6,210p
9	*1,269	* 621	100p	118p	-41p	2,245p	134p	-5,438p	- 8,438p
16									
23									
30									

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.

STRICTLY CONFIDENTIAL (FR)
OCTOBER 11, 1974

TABLE 5

SELECTED INTEREST RATES
Per cent

	Short-Term						Long-Term				
		Treasury Bills		90-119 Day Commercial paper	CD's New Issue-NYC		Aaa Utility			U.S. Government (10-yr. Constant Maturity)	FNMA Auction Yields
	Federal Funds	90-Day	1-year		60-89 day	90-119 Day	New Issue	Recently Offered	Municipal Bond Buyer		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(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	9.63	9.54	12.25	12.25	12.00	10.61	10.52	6.95	8.14	10.59
Low	8.81	6.53	6.39	7.88	8.00	7.88	8.05	8.14	5.16	6.93	8.43
1973 -- 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
July	12.92	7.55	8.04	11.93	11.83	11.83	10.20	10.04	6.68	7.81	9.84
Aug.	12.01	8.96	8.88	11.79	11.69	11.91	10.07	10.19	6.69	8.04	10.25
Sept.	11.34	8.06	8.52		11.19	11.38	10.38	10.29	6.76	8.04	10.58
1974 -- Aug. 7	12.09	8.42	8.50	11.55	11.75	11.75	9.82	10.15	6.58	7.99	--
14	12.02	8.84	8.52	11.68	11.75	11.88	10.10	10.02	6.61	8.04	10.12
21	12.23	8.94	8.80	11.85	11.63	12.00	10.26	10.28	6.73	8.05	--
28	11.84	9.63	9.54	12.00	11.63	12.00	9.99	10.26	6.91	8.14	10.38
Sept. 4	11.64	9.18	9.26	11.94	11.63	12.00	10.31	10.24	6.88	8.11	--
11	11.48	9.17	8.80	11.78	11.50	11.75	10.27	10.30	6.79	8.07	10.59
18	11.41	8.45	8.61	11.65	11.25	11.38	10.37	10.26	6.76	8.07	--
25	11.12	7.04	8.18	10.93	10.38	10.38	10.46	10.27	6.62	7.94	10.56
Oct. 2	11.04	6.53	8.03	10.50	10.00	10.13	10.61	10.52	6.68	7.99	--
9	10.43	6.87	7.63	10.13	9.50	9.50	--	10.41p	6.52	7.97p	10.32
16											
23											
30											
Daily - Oct 3	10.97	7.06	8.03	10.38	--	--	--	--	--	8.04	--
10	10.03p	7 80	7.63	9.75	--	--	--	--	--	n.a.	--

NOTE: 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 the bi-weekly auction for short-term forward commitments for Government underwritten mortgages.

Appendix Table 1

October 11, 1974

RESERVES AND MONETARY VARIABLES

Period	RESERVES			MONEY STOCK MEASURES			BANK CREDIT MEASURES		OTHER					
	Total	Non borrowed	Available to Support Private Deposits	M_1	M_2	M_3	Adjusted Credit Proxy	Total Loans and Invest-ments	Total Time	Time Other Than CD's	Thrift Insti tution Deposits	CD's	Non deposit Funds	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 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	+11.0	+1.3	+13.3	+6.0	+8.4	+7.7	+14.9	+13.9	+20.0	+10.6	+6.4	+20.5	+2.9	-1.2
Quarterly														
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	+5.6	+9.0	+8.9	+8.5	+15.9	+15.6	+12.2	+8.6	+4.9	+1.2	-1.2
2nd Qtr. 1974	+20.4	+1.1	+20.3	+6.4	+7.7	+6.4	+20.9	+11.5	+23.7	+8.7	+4.1	+15.6	+1.7	--
3rd Qtr 1974	+8 2	+5.6	+8.3	+1.9	+4.8	+4.0	+6.5	+4.5	+8.5	+7.5	+2 6	+2.7	-0.2	+1.9
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	-3.5	+6.3	+7.1	+12.5	+14.7	+21.8	+16.0	+8.6	+2.7	+0.1	+1.3
Feb	-24.8	-30.4	-0 3	+11.1	+12.7	+10.9	+1.3	+15.5	+14.9	+13.8	+7.8	+1.1	+0.2	-3.2
Mar.	-5.4	-10.0	+11.9	+9.2	+7.8	+8.3	+11.3	+16.8	+9.0	+6.6	+9.2	+1.1	+0.9	+0.7
Apr.	+32.7	+19 0	+19.7	+6.5	+7.2	+7.0	+31.6	+16.0	+30.5	+7.7	+6.6	+7.7	+1.0	+0.8
May	+20.8	-8.2	+21.7	+4.8	+5.1	+4.2	+16.8	+10.2	+22.6	+5.8	+2.5	+5.8	+1.1	-0.7
June	+6.8	-7.4	+18.4	+7.8	+10.6	+7.9	+13.3	+7.8	+16.7	+12.3	+3.6	+2.1	-0.4	-0.1
July	+22.5	+14 1	+8.7	+1.7	+5.4	+4.8	+9.4	+13.1	+13.2	+9.5	+3.2	+2.1	+0.9	-1.2
Aug.	-5.5	-7.3	+9.3	+2.6	+6.4	+4.6	+5.2	+9.4	+5.3	+9.0	+1.4	-0.7	-0.7	+2.8
Sept. p	+7.5	+10.2	+6.8	+1.3	+2.4	+2.7	+4.9	-8.8	+6.8	+3.7	+3.2	+1.3	-0.4	+0.3

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

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

p - Preliminary.

FR 712-S

Appendix Table 2

October 11, 1974

RESERVES AND MONETARY VARIABLES

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

Period	RESERVES			MONEY STOCK MEASURES				BANK CREDIT MEASURES		OTHER					
	Total	Non borrowed	Available to Support Pvt Deposits	M_1 Total	M_1 Pvt Dep	M_2	M_3	Adj Credit Proxy	Total Loans and Investments	Total Time	Time Other Than CD's	Thrift Institution Deposits	CD's	Non-deposit 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	300.9	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	566.8	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	443.6	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	632.8	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	270.6	208.7	575.1	900.1	454.3	642.4	370.1	304.6	325.0	65.5	7.5	6.2
Feb.	35,108	33,916	32,791	273.1	210.4	581.2	908.3	454.8	650.7	374.7	308.1	327.1	66.6	7.7	3.0
Mar.	34,949	33,634	33,117	275.2	211.9	585.0	914.6	459.1	659.8	377.5	309.8	329.6	67.7	8.6	3.7
Apr.	35,902	34,166	33,660	276.8	212.8	588.5	919.9	471.2	668.6	387.1	311.8	331.4	75.4	9.6	4.5
May	36,523	33,933	34,270	277.8	213.4	591.0	923.1	477.8	674.3	394.4	313.3	332.1	81.2	10.7	3.8
June	36,731	33,725	34,795	279.6	214.8	596.2	929.2	483.1	679.3	399.9	316.5	333.1	83.3	10.3	3.7
July	37,421	34,120	35,047	280.0	215.1	598.9	932.9	486.9	686.7	404.3	319.0	334.0	85.4	11.2	2.5
Aug.	37,248	33,912	35,319	280.6	215.1	602.1	936.5	489.0	691.6	406.1	321.4	334.4	84.7	10.5	5.3
Sept.	37,276	33,994	35,314	280.9	215.0	603.3	938.6	491.0	686.5	408.4	322.4	335.3	86.0	10.1	5.6
WEEKLY:															
1974--July 3	37,446	34,011	35,164	280.8	216.0	598.1	--	487.9	--	402.4	317.4	--	85.0	10.7	3.1
10	37,102	34,462	34,994	277.3	214.2	597.8	--	485.3	--	403.2	318.5	--	84.7	10.4	3.3
17	37,828	34,653	35,107	280.9	216.1	599.4	--	486.2	--	404.0	318.5	--	85.4	10.8	2.1
24	37,428	33,787	34,847	279.2	214.3	598.5	--	487.0	--	405.2	319.3	--	85.9	12.1	2.1
31	37,315	33,625	35,191	279.2	214.4	599.5	--	487.8	--	405.9	320.3	--	85.6	11.7	2.3
Aug. 7	37,101	34,012	35,243	281.0	215.6	601.5	--	488.8	--	405.5	320.5	--	84.9	11.0	4.0
14	37,106	34,065	35,247	281.2	215.6	602.7	--	488.6	--	406.2	321.5	--	84.7	9.8	5.0
21	37,381	33,944	35,346	281.1	215.4	602.4	--	489.6	--	406.0	321.3	--	84.6	10.5	5.8
28	37,301	33,768	35,328	279.8	214.2	601.8	--	489.2	--	406.3	322.0	--	84.3	10.9	6.1
Sept 4	37,488	33,582	35,585	280.9	215.2	603.1	--	490.4	--	407.2	322.2	--	85.0	10.5	5.9
11 p	37,055	33,970	35,313	280.6	214.6	602.7	--	491.6	--	408.0	322.1	--	85.9	10.6	6.2
18 p	37,357	34,436	35,536	280.8	214.8	603.2	--	490.8	--	408.3	322.5	--	85.8	10.1	5.7
25 p	37,090	33,559	34,960	280.0	214.0	602.1	--	489.9	--	408.6	322.2	--	86.5	10.0	5.4
Oct. 2 p	37,564	34,346	35,286	280.8	214.9	604.1	--	491.0	--	409.8	323.3	--	86.5	9.1	5.0

1/ Estimated monthly average levels derived by averaging end of current month and end of previous month reported data.

NOTES 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.

FR 712-T

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	5.6	5.8	9.0	9.4	8.9	9.1
	II	6.4	7.3	7.7	7.9	6.4	7.2
	III	1.9	3.6	4.8	6.4	4.0	5.2

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 IV	7.0	4.6	8.2	6.4	7.1	5.6
1975 I	7.6	7.2	8.8	8.3	7.7	7.4
			Alt. B			
1974 IV	6.6	4.3	7.1	5.8	6.1	5.0
1975 I	6.6	6.3	7.6	7.1	6.5	6.2
			Alt. C			
1974 IV	6.0	4.0	6.3	5.3	5.3	4.6
1975 I	5.5	5.5	6.6	6.2	5.5	5.2

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	-3.5	-4.0	-5.0
February	11.1	11.2	11.3
March	9.2	10.2	9.9
April	6.5	3.9	4.0
May	4.8	6.6	5.8
June	7.8	6.1	6.2
July	1.7	3.0	1.3
August	2.6	3.0	4.0
Sept.	1.3	0.4	0.4

NOTE: Growth rates from January 1974 to date have been revised to reflect changes due to April 1974 call report benchmark adjustments to M_1.