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(CONFIDENTIAL FR) September 15, 1972

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) September 15, 1972

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Recent developments

(1) In recent weeks, credit markets have been in a highly sensitive state, while monetary and reserve aggregates have run ahead of paths indicated at the last Committee meeting. Since mid-August Treasury bill rates have risen from 60-80 basis points, and yields on longer-term Treasury and Federal agency issues have moved up as much as 35 basis points. In other markets, changes have been more moderate, with increases in short rates ranging up to 38 basis points and in long rates from 10 to 15 basis points.

(2) The sharp rise in Treasury bill rates reflected the cessation of special demands associated with the Treasury's August refinancing, a shift of foreign central banks from the buy to the sell side of the market, and sales of bills in connection with the Treasury's September deficit, including sales by the Federal Reserve to offset the reserve effect of a sharp decline in the Treasury cash balance at the Fed. The influence of this large increase in bill supply was accentuated in late August and early September when the Federal funds rate broke through 5 per cent. Market expectations turned bearish, and upward rate adjustments spilled over into non-Treasury markets.

(3) Soon after the last FOMC meeting, RPD growth appeared to be moving toward the high end of the 5--9 per cent range adopted by the Committee, and the Desk operated to provide reserves more cautiously. However, because credit markets proved to be so sensitive to the resulting firmer money market conditions, the Desk felt compelled to supply some reserve cushion even though

RPD growth rose above the target range. Desk operations helped to calm market unsettlement. The average funds rate dropped to about 4.70 per cent in the statement week ending September 13, although this partly reflected a sharp drop in bank demand for excess reserves following a bulge in the week of the Labor Day holiday. Most recently, with security markets more stable, the Desk has tightened up on supplying reserves with the expectation that the Federal funds rate might move to around 5 per cent.

(4) Reserves available to support private nonbank deposits now appear to be growing at about a 12 per cent annual rate for the August-September target period. Roughly 2 percentage points of the difference between 12 per cent and the 7 per cent mid-point of the target range is attributable to larger average excess reserves at banks than had been assumed in the initial projection. Most of the enlargement of excess reserves occurred during the Labor Day statement week, when precautionary member bank borrowing over the holiday period produced average excess reserves for the week totaling $838 million. About 1/2 percentage point of the difference reflects changes in the multiplier as a result of shifts in the mix of deposits.

(5) Expansion of M_1 and M_2 in August exceeded growth rates thought to be consistent with policy alternative B in the last Blue Book by 1/2 to 1-1/2 percentage points (after adjusting for a decrease in the July base). In the case of M_1 the annual growth rate for August was 6 per cent, as shown in attached Table 2. However, data for early September suggest that growth of M_1 will be rapid from August to September, and is thus likely to be stronger in the third quarter than thought at the last FOMC meeting.

(6) The following table compares seasonally adjusted annual rates of change in major financial aggregates for recent periods with the year ending in August and with the preceding two calendar years.

	Most Recent two Calendar Years	Past Year	Past 6 Months	Past 2 Months	Past Month
	Dec '71 over Dec '69	Aug '72 over Aug '71	Aug '72 over Feb '72	Aug '72 over June '72	Aug '72 over July '72
Total Reserves	+ 6.9	+ 8.6	+11.3	+ 6.1	+ 9.3
Nonborrowed Reserves	+ 9.0	+10.2	+ 9.2	+ 1.1	+ 3.8
Reserves available to support private non-bank deposits	+ 8.3	+ 7.2	+ 9.1	+ 8.4	+ 8.0
Concepts of Money					
M_1 (currency plus demand deposits) 1/	+ 6.0	+ 5.5	+ 8.1	+10.1	+ 6.0
M_2 (M_1 plus time deposits at commercial banks other than large CD's)	+13.0	+ 9.6	+ 9.6	+ 9.7	+ 8.0
M_3 (M_2 plus deposits at thrift institutions)	+11.0	+12.0	+12.0	+12.1	+10.4
Bank Credit					
Total member bank deposits (Bank credit proxy adj.)	+ 9.3	+10.9	+12.3	+10.8	+ 9.3
Loans and investments of commercial banks 2/	+10.2	+12.2	+11.7	+14.3	+18.2
Short-term market paper (Actual $ change in billions)					
Large CD's	+22.4	+ 8.5	+ 5.5	+ 2.2	+ 1.2
Nonbank commercial paper	+ 0.3	+ 3.8 3/	+ 0.9 3/	+ 0.6 3/	+ 0.8 3/

1/ Other than interbank and U. S. Government.
2/ Based on month-end figures. Includes loans sold to affiliates and branches.
3/ Changes are based on July averages.
NOTE: All items are based on averages of daily figures, except for data on total loans and investment of commercial banks, commercial paper, and thrift institutions--which are either end-of-month of last Wednesday of month figures.

Prospective developments

(7) The ensuing paragraphs present various trade-offs between interest rates and growth in monetary and reserve aggregates. At one limit, (alternative A), we have shown an expansion in monetary aggregates that involves essentially no change between now and the first quarter of 1973 in money market conditions from those recently prevailing. At the other limit (alternative D), we have shown an M_1 path under which growth is curtailed to a 6 per cent annual rate by the first quarter of next year; this path implies a full percentage point rise in the Federal fund rate between now and the next meeting. There are a number of possibilities in between. Alternative B and C are two, and they involve both a more gradual slowing in the monetary aggregate and a more gradual tightening of money market conditions.

(8) For each of the four alternatives noted above, the following table shows RPD growth rates and associated money market conditions that might be used as operating targets between now and the next meeting of the Committee. (The tables in paragraph (11) and on pp. 8-9 give longer-run paths for monetary aggregates.) A single maximum likelihood estimate is shown for the Federal funds rate. At any given RPD target, the strength of demand for reserves, as well as technical market factors, will of course generate fluctuation around the funds rate shown. The Committee presumably will wish to specify a range of fluctuation to be tolerated by the Desk.

	Alt. A	Alt. B	Alt. C	Alt. D
Growth in RPD (SAAR)[1/]				
September	18.7	18.7	18.6	18.3
October	8.9	8.4	8.1	6.3
Sept.-Oct.	13.9	13.6	13.4	12.5
Growth in nonborrowed RPD (SAAR)[1/]				
September	15.9	15.7	15.1	14.5
October	9.8	7.8	4.2	-2.3
Sept.-Oct.	12.9	11.8	9.7	6.1
Federal funds rate	4-7/8	5-1/8	5-3/8	5-7/8
Member bank borrowing	300-500	350-550	425-625	600-800

1/ Annual rates of growth calculated after adjusting required reserves component of the RPD series to eliminate the discontinuity from the change in reserve requirements resulting from the effectuation of Regulations D and J.

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(9) The changes in Regulations D and J, effective September 21, affect the multiplier relationship between reserves and deposits, and in the transition period immediately ahead makes that relationship more uncertain than usual. For one thing, the ability of banks to waive penalties on reserve deficiencies (up to $433 million initially) will affect excess reserves to an unknown degree. To the extent that these potential waivers are not used (either to run deficiencies or to reduce normal excess reserves), excess reserves will rise.[1/] We have assumed that 50 per cent is used in the first week and that use increases to 80 per cent by the end of four weeks. For another thing, the effect on required reserves resulting from Regulations D and J is particularly complicated. Though Regulations D and J together will lower required reserves for a given level of gross deposits, banks as a

1/ In our figures excess reserves, RPD, total reserves, and nonborrowed reserves have been adjusted to include the $433 million of potential waivers, since these are in effect reserves that can be utilized by the banking system.

whole will have greater required reserves from the effect of Regulation J alone, because faster reserve crediting will reduce cash items and hence increase required reserves.[1/] But we cannot be very certain at this point as to the distribution by individual banks of the Regulation J effect on reserves and, therefore, of the effect on the reserve-deposit multiplier--particularly given a totally new reserve requirement structure to evaluate.

(10) Money market conditions will also be affected by other transitional uncertainties affecting the behavior of banks themselves. The long lead time between announcement and effectuation of the new regulations and the intensive educational work undertaken by Federal Reserve officials would suggest a relatively smooth transition. But it is likely that banks may hold somewhat more excess reserves than normal for a while in adapting to the faster inflow and outflow of reserve funds under Regulation J and also in not fully adjusting immediately to the reduction in requirements under Regulation D. There may also be money market churning, and perhaps more volatility in member bank borrowings, if inflows and outflows of reserve funds differ from bank expectations in the initial stages of the new regulations.

(11) Paths for the monetary aggregates consistent with the initial RPD and money market conditions shown in paragraph (8) are indexed below by rates of change (SAAR) for M_1. Detailed figures for all the usual monetary aggregates, including various measures of reserves, are shown in the tables on pages 8 and 9.

1/ The disappearance of cash items on banks' books (and also of float on Fed Books) as a result of new Regulation J will also result in an upward level adjustment in measured money supply. This adjustment will be made at the time of our annual revision. The adjustment will not affect growth rates.

	Alt. A	Alt. B	Alt. C	Alt. D
September	11	11	11	11
October	8	7-3/4	7-1/2	7
3rd Q.	10-1/2	10-1/2	10-1/2	10-1/2
4th Q.	8	7-3/4	7-1/2	7
1st Q.	7-1/2	6-3/4	6-1/2	6

(12) Under alternative A, the Committee would be aiming at a constellation of reserve and money market conditions--essentially involving no change through the first quarter of '73 in money market conditions from those prevailing on average in the past few weeks--that would reduce M_1 growth only modestly from the rapid 10-1/2 per cent rate expected in the third quarter. Some slowing in M_1 demand in the fourth and first quarters would be in prospect from the lagged effects of the recent rise in short-term rates. But by the end of the first quarter, operations under alternative A would probably have set in train forces leading to quite rapid M_1 growth as 1973 progresses, assuming the rate of expansion in nominal GNP remains strong.

(13) The monetary aggregates under alternative B and C are consistent with progressive firming in reserve and money market conditions over the months ahead; however, alternative B moves in this direction more gradually than alternative C. The first stage of firming, between now and the next meeting of the Committee, would probably result in a Federal funds rate moving up to a range around 5-1/8 per cent under B and around 5-3/8 per cent under C. But the funds rate would probably need to rise in added stages

Alternative Monthly and Quarterly Patterns
for Key Monetary Aggregates

	M_1				M_2			
	Alt. A	Alt. B	Alt. C	Alt. D	Alt. A	Alt. B	Alt. C	Alt. D
				(Billions of Dollars)				
1972								
Sept.	242.8	242.8	242.8	242.8	502.9	502.9	502.9	502.9
Oct.	244.4	244.35	244.3	244.2	605.4	506.35	506.3	505.8
Nov.	246.1	246.0	245.8	245.5	510.0	509.7	509.4	508.4
Dec.	247.8	247.5	247.4	247.1	513.4	512.8	512.6	511.2
				Per Cent Annual Rates of Growth				
Sept.	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Oct.	8.0	7.75	7.5	7.0	8.5	8.0	8.0	7.0
Nov.	8.5	8.0	7.5	6.5	8.5	8.0	7.5	6.0
Dec.	8.5	7.5	7.5	8.0	8.0	7.5	7.5	6.5
3rd Q.	10.5	10.5	10.5	10.5	10.0	10.0	10.0	10.0
4th Q.	8.0	7.75	7.5	7.0	8.5	8.0	7.5	6.5

Adjusted Credit Proxy

	Alt. A	Alt. B	Alt. C	Alt. D
		(Billions of Dollars)		
1972				
Sept.	392.3	392.3	392.3	392.3
Oct.	397.7	397.65	397.6	397.3
Nov.	401.6	401.4	401.2	400.5
Dec.	403.9	403.5	403.3	402.5
		Per Cent Annual Rates of Growth		
Sept.	9.0	9.0	9.0	9.0
Oct.	16.5	16.5	16.0	15.5
Nov.	12.0	11.5	11.0	9.5
Dec.	7.0	6.5	6.5	6.0
3rd Q.	10.5	10.5	10.5	10.5
4th Q.	12.0	11.5	11.0	10.5

Alternative Monthly and Quarterly Patterns
for Reserve Aggregates

	Total Reserves 1/				RPD 1/2/			
	Alt. A	Alt. B	Alt. C	Alt. D	Alt. A	Alt. B	Alt. C	Alt. D
	(Millions of Dollars)							
1972								
Sept.	32,568	32,568	32,566	32,558	30,230	30,230	30,227	30,219
Oct.	31,047	31,035	31,025	30,980	28,534	28,522	28,512	28,467
Nov.	31,331	31,295	31,259	31,211	28,867	28,830	28,795	28,748
Dec.	31,590	31,529	31,493	31,423	29,079	29,008	28,983	28,914
	(Per Cent Rate of Growth)							
Sept.	1.9	1.9	1.8	1.5	18.7	18.7	18.6	18.3
Oct.	26.5	26.1	25.1	24.5	8.9	8.4	8.1	6.7
Nov.	8.6	7.7	6.8	6.7	11.2	10.3	9.3	9.3
Dec.	9.9	9.0	9.0	8.2	8.8	7.8	7.8	6.9
3rd Q.	4.7	4.7	4.7	4.6	11.9	11.9	11.9	11.8
4th Q.	14.9	14.1	13.7	13.0	9.5	8.7	8.3	7.5

	Nonborrowed RPD 1/			
	Alt. A	Alt. B	Alt. C	Alt. D
Sept.	29,788	29,788	29,766	29,751
Oct.	28,112	28,056	27,947	27,768
Nov.	28,435	28,348	28,227	28,002
Dec.	28,657	28,546	28,426	28,182
	Per Cent Rate of Growth			
Sept.	15.9	15.7	15.1	14.5
Oct.	9.8	7.8	4.2	-2.3
Nov.	11.0	9.8	9.3	7.6
Dec.	9.4	8.4	8.5	7.7
3rd Q.	7.3	7.2	7.0	6.8
4th Q.	9.9	8.5	7.1	4.1

Footnotes and Note appear on the following page.

1/ The dollar level of the reserve series includes $433 million of potential reserve deficiencies on which penalties can be waived for a transition period in connection with bank adaptations to revised Regulation J.

2/ For ease of analysis, annual rates of growth have been calculated after adjusting the required reserve component of the reserve series to eliminate the discontinuity from the change in reserve requirements resulting from the effectuation of Regulations D and J. The amount of adjustment for the RPD series is $815 million in September, $2,740 million in October, and $2,700 million in November.

NOTE: The level of the reserve series in September and ensuing months is not comparable with previously projected figures for those months since they are now projected to reflect the impact of Regulations J and D. Rates of growth are also not comparable because we have now included the estimated impact on excess reserves of potential waivers of deficiency in connection with Regulation J. Old figures are still shown in the appendix tables.

to around 5-3/4 and 6 per cent, respectively, under the two alternatives by mid-December, as RPD growth was further restrained to reduce M_1 expansion to the annual rates shown for the first quarter in the table in paragraph (11).

(14) Alternative D sets a path which is expected to result in a prompt upward move of interest rates. The funds rate, for example, would probably rise to around 6 per cent within a month and then level off. Such a rise in interest rates would permit a reduction in the growth of M_1 to about a 6 per cent annual rate by the first quarter of next year.

(15) The behavior of monetary aggregates other than M_1 is shown, as noted earlier, in the tables on pages 8-9. Key developments affecting these aggregates are: (a) a slowing in the growth of time deposits other than large CD's in reflection of recent rises in market interest rates and, particularly in the cases of alternatives C and D, of further rises; and (b) continued sizable demand by banks for large CD funds associated with sustained strong loan demand.

(16) With respect to interest rate developments in the period before the next Committee meeting, any further increases may be quite modest if recently prevailing money market conditions were continued. Short-term rates have adjusted to a more normal relationship to the recently prevailing funds rate, and the prospective volume of new security offerings in corporate and municipal bond markets appears moderate. However, bill rates may be affected by the forthcoming monthly Treasury auction raising $600 million of new cash, by anticipations of cash borrowings in October and November, and also by increased foreign central bank selling of bills if a sizable reflow of dollars should develop.

(17) Recent investor hesitancy and a still relatively large overhang of dealer bill positions suggest that credit market conditions remain quite sensitive to indications of change in monetary policy. A rise in the Federal funds rate to somewhat above 5 per cent, as contemplated in alternatives B or C, would very likely lead to further upward adjustments in short-term rates, with the 3-month bill rate moving up in a 4-3/4--5-1/2 per cent range. Short rate increases would be greater under alternative C than under B, and the probability of reviving expectations of a discount rate increase would also be commensurately greater. Long-term market rates would probably rise somewhat, particularly if a rising funds rate were viewed as the beginning of a more sustained tightening in monetary policy. Upward market rate adjustments would, of course, be quite sharp under alternative D.

Proposed directives

(18) Presented below are four alternative formulations for the operational paragraph of the directive, which might be taken to correspond to the similarly lettered policy alternatives discussed in the preceding section:

Alternative A

"To implement this policy, while taking account of developments in ~~capital~~ CREDIT markets, ~~and~~ international developments, AND THE EFFECTS OF BANK REGULATORY CHANGES, the Committee seeks to achieve bank reserve and money market conditions that will support ~~moderate~~ SOME MODERATION OF growth in monetary aggregates over the months ahead."

Alternative B

"To implement this policy, while taking account of developments in ~~capital~~ CREDIT markets, ~~and~~ international developments, AND THE EFFECTS OF BANK REGULATORY CHANGES, the Committee seeks to achieve bank reserve and money market conditions that will support SOMEWHAT MORE moderate growth in monetary aggregates over the months ahead."

Alternative C

"To implement this policy, while taking account of developments in ~~capital~~ CREDIT markets, ~~and~~ international developments, AND THE EFFECTS OF BANK REGULATORY CHANGES, the Committee seeks to achieve bank reserve and money market conditions that will support MORE moderate growth in monetary aggregates over the months ahead."

Alternative D

"To implement this policy, while taking account of developments in ~~capital~~ CREDIT markets, ~~and~~ international developments, AND THE EFFECTS OF BANK REGULATORY CHANGES, the Committee seeks to achieve bank reserve and money market conditions that will support moderate growth in monetary aggregates over the months ahead."

(19) In all four alternatives it is proposed to indicate that account is to be taken of "credit" rather than "capital" market developments in order more explicitly to encompass short- as well as long-term interest rates in the instruction. This is proposed on the assumption that the Committee would want the Manager to modify his operations in the event some unusual combination of factors subjects bill and other interest rates to undesired upward pressure. In alternative D (and also to lesser extents in C and B) the same language could be interpreted as calling for adapting Desk operations as necessary to facilitate orderly market adjustments to the higher interest rate levels foreseen.

(20) The Committee has often interpreted an instruction to take account of "international developments" as calling for the use of operating techniques designed to minimize downward pressures on short-term interest rates. At times, however, some members have favored retaining such an instruction for other reasons, such as to avoid the inference that might be drawn from its deletion that the Committee had decided to give less weight to international considerations. If the reference is retained at this time, it presumably would be for the latter type of reason, particularly with the forthcoming IMF meeting in view.

(21) It is proposed in all four alternatives to add "the effects of bank regulatory changes" to the list of considerations to be taken into account, in view of the uncertainties surrounding bank response to the announced revisions of Regulations D and J.

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CHART 1

RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS

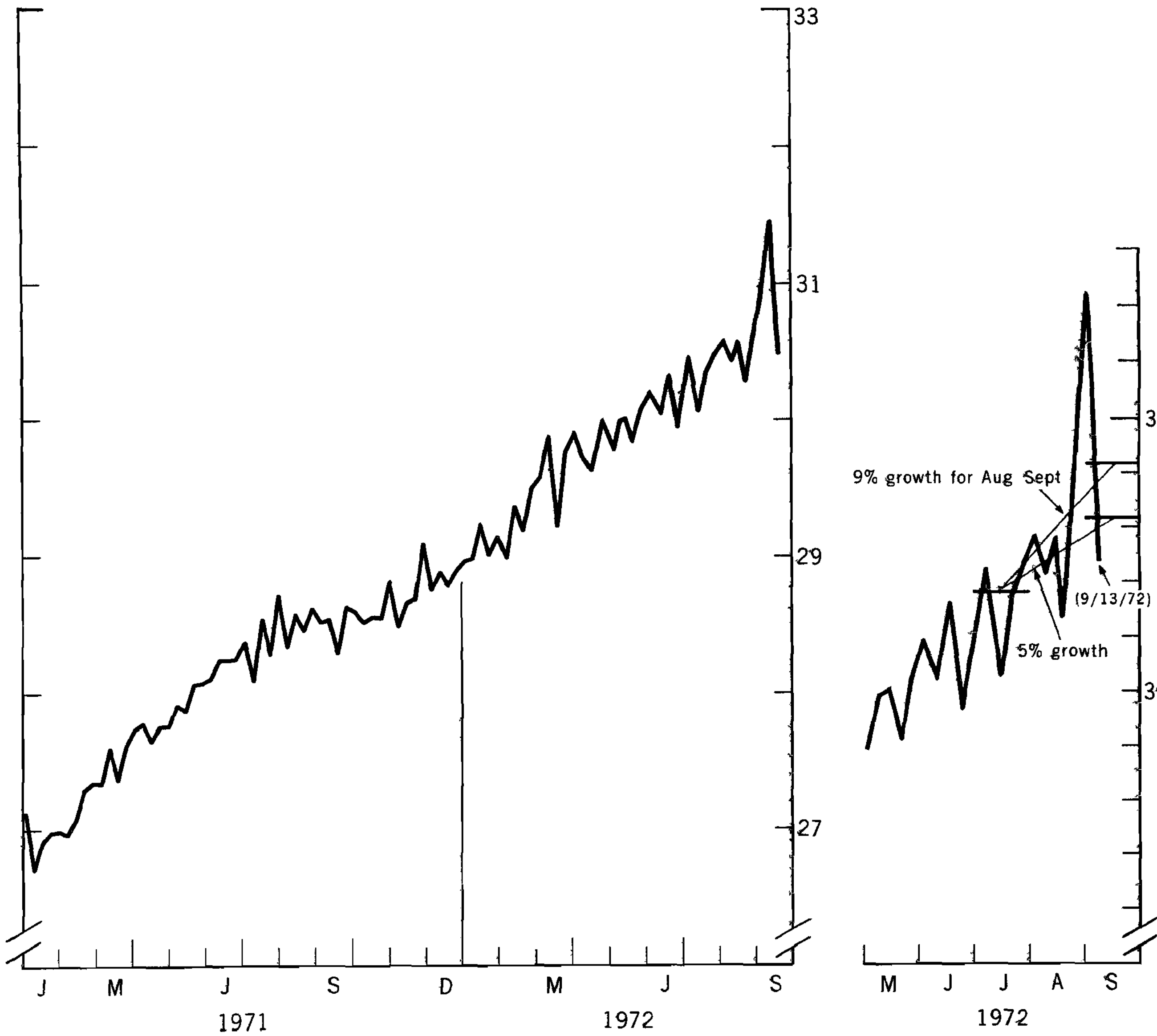
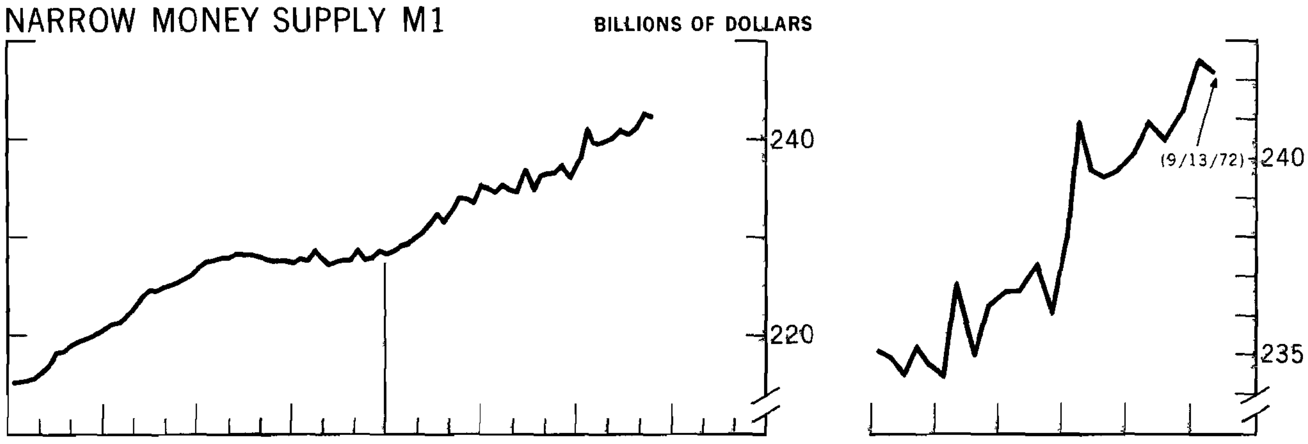


CHART 2

MONETARY AGGREGATES



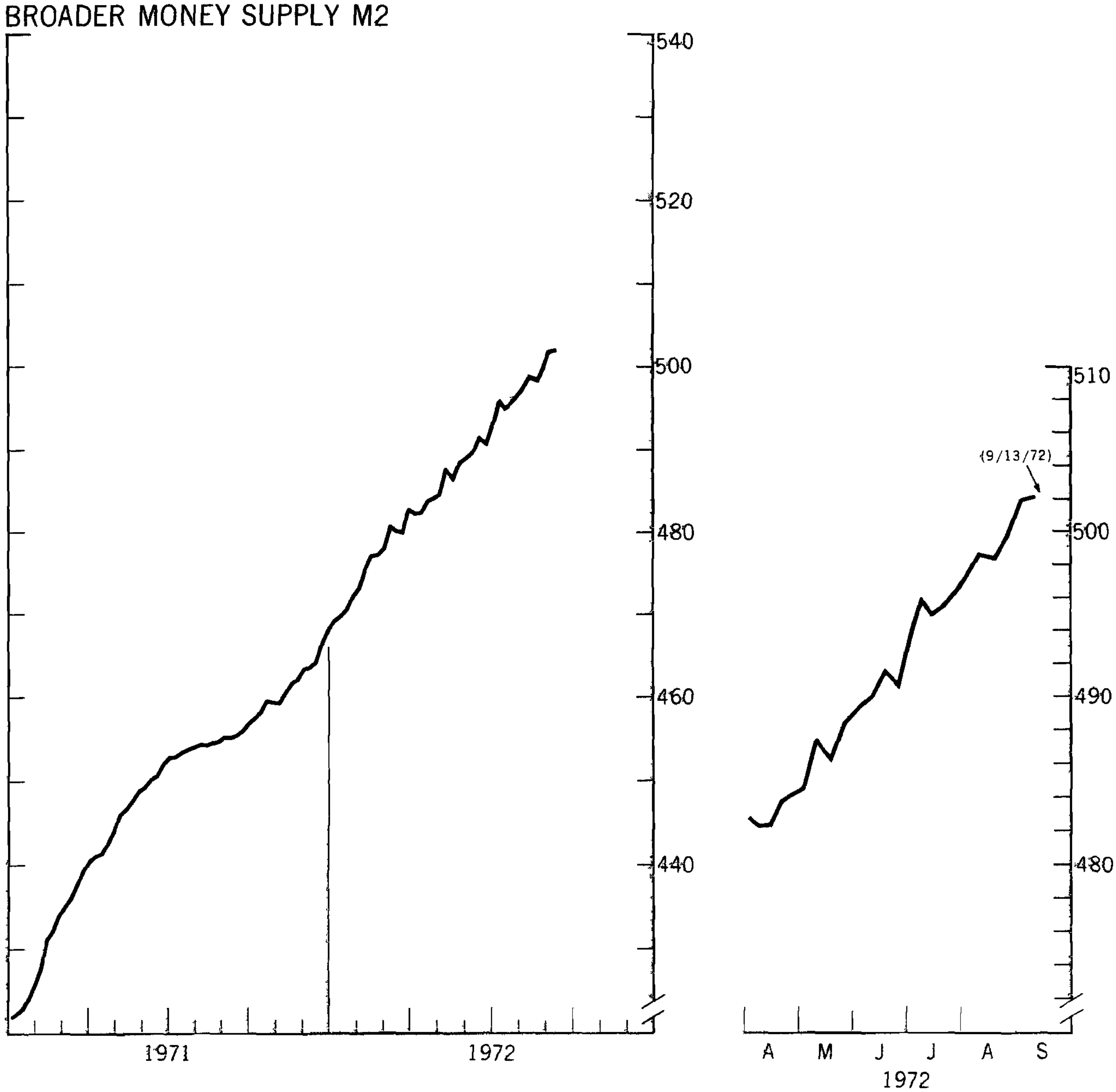


CHART 3

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MONETARY AGGREGATES

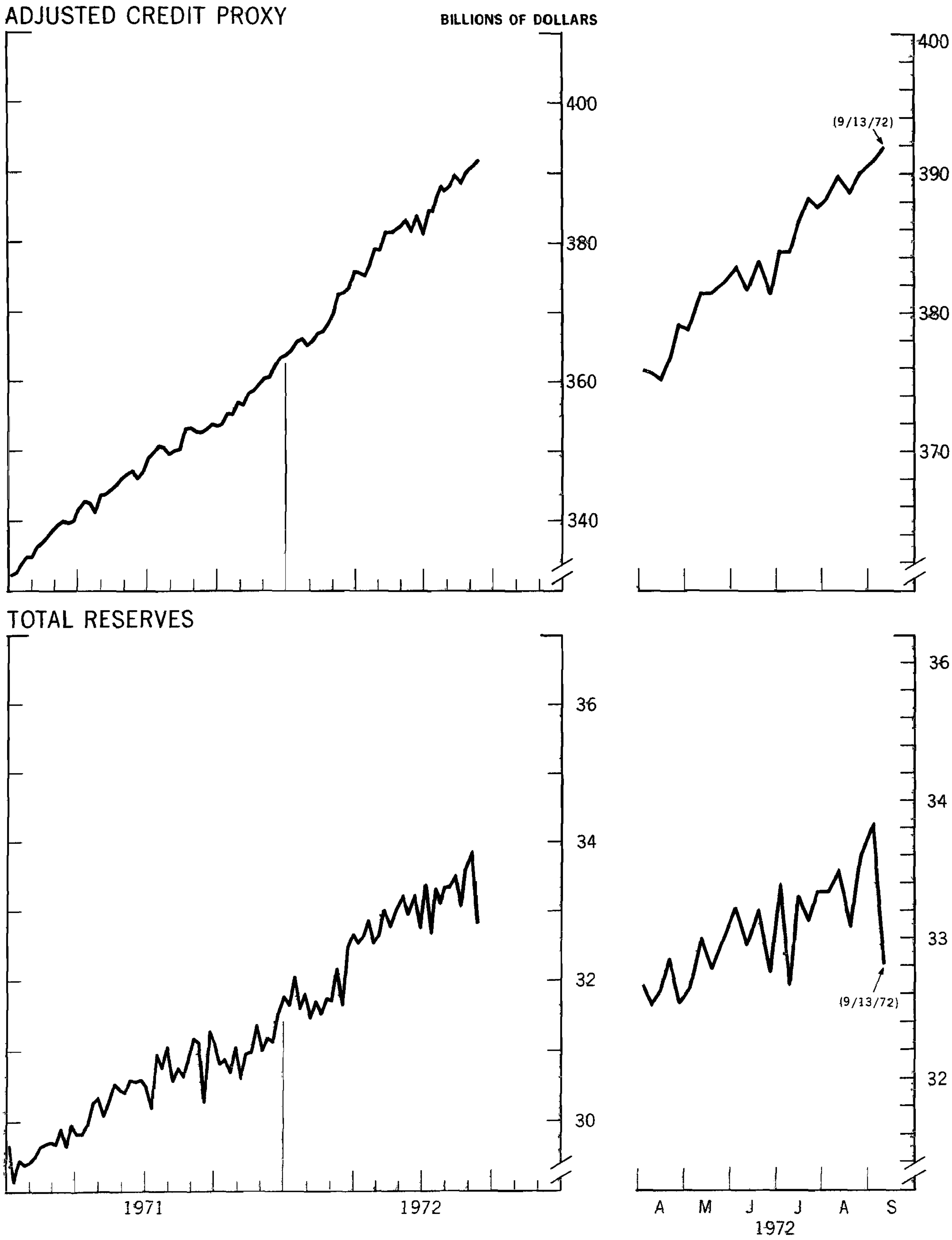

CHART 4

MONEY MARKET CONDITIONS AND INTEREST RATES

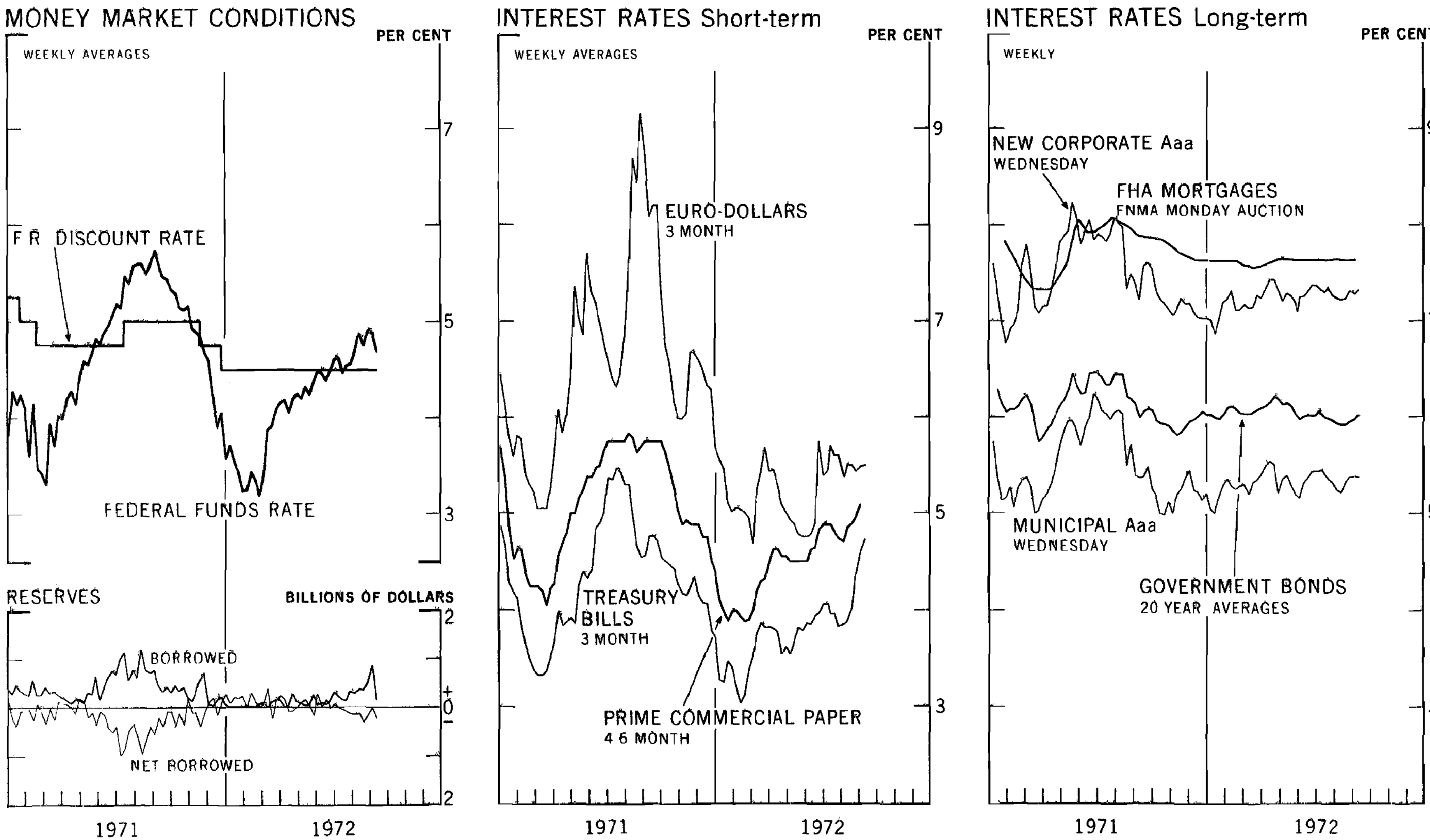

Table 1

STRICTLY CONFIDENTIAL (FR)

Bank Reserves

September 15, 1972

Period	Reserves Available for Private Nonbank Deposits: Seasonally Adjusted: Target and Associated Patterns (1)	Reserves Available for Private Nonbank Deposits: Seasonally Adjusted: Actual and Projected (2)	Reserves Available for Private Nonbank Deposits: Not Seasonally Adjusted: Target and Associated Patterns (3)	Reserves Available for Private Nonbank Deposits: Not Seasonally Adjusted: Actual and Projected (4)	Aggregate Reserves: Seasonally Adjusted: Total Reserves (5)	Aggregate Reserves: Seasonally Adjusted: Nonborrowed Reserves (6)	Required Reserves: Seasonally Adjusted: Private Demand (7)	Required Reserves: Seasonally Adjusted: Time and Nondeposits (8)	Required Reserves: Seasonally Adjusted: U.S. Gov't. and Interbank (9)
1972--Mar.		29,625		29,347	32,032	31,931	20,669	8,748	2,407
Apr.		29,798		29,890	32,643	32,525	20,859	8,762	2,845
May		29,951		29,775	32,830	32,728	20,874	8,934	2,879
June		30,148		29,788	33,059	32,967	20,874	9,059	2,911
July	30,365	30,365	30,167	30,166	33,138	32,924	21,052	9,136	2,774
Aug.	30,467	30,568	30,166	30,267	33,395	33,029	21,131	9,249	2,827
Sept.	30,618-30,820 1/	(30,966)	30,418-30,619 1/	(30,678)	(33,400)	(32,941)	(21,361)	(9,393)	(2,434)
Annual Rates of Change									
Quarterly:									
1971--3rd Qtr.		4.3			7.2	6.0	3.3	8.8	
4th Qtr.		4.8			2.2	6.8	0.5	16.4	
1972--1st Qtr.		10.8			10.1	11.0	6.8	18.0	
2nd Qtr.		7.1			12.8	13.0	4.0	14.2	
1972--Mar.		15.6			15.8	13.3	13.5	13.2	
Apr.		7.0			22.9	22.2	11.0	1.9	
May		6.2			6.9	7.5	0.9	23.6	
June		7.9			8.4	8.8	--	16.8	
July		8.6			2.9	-1.6	10.2	10.2	
Aug.	4.0	8.0			9.3	3.8	4.5	14.8	
Sept.	10.0	(15.5)			(--)	(-3.0)	(13.0)	(18.5)	
Aug.-Sept.	5.0-9.0 1/	(12.0)			(4.5)	(0.5)	(9.0)	(17.0)	
Weekly:									
1972--May 3		29,787		30,263	32,529	32,415	20,866	8,840	2,742
10		29,990		30,004	32,638	32,555	20,914	8,891	2,647
17		30,011		29,908	32,995	32,960	20,884	8,931	2,985
24		29,820		29,373	32,783	32,723	20,717	8,961	2,963
31		30,055		29,605	33,033	32,819	20,987	8,992	2,978
June 7		30,187		29,589	33,217	33,163	20,766	9,024	3,030
14		30,054		29,606	32,953	32,864	20,912	9,052	2,899
21		30,322		29,947	33,213	33,158	20,975	9,058	2,890
28		29,943		29,906	32,761	32,649	20,803	9,092	2,818
July 5		30,449		30,155	33,383	33,119	21,020	9,092	2,934
12		30,055		29,883	32,671	32,462	20,854	9,119	2,616
19		30,357		30,239	33,301	33,143	20,983	9,156	2,944
26		30,475		30,238	33,124	32,968	21,273	9,137	2,649
Aug. 2		30,570		30,373	33,340	33,014	21,149	9,176	2,770
9		30,434		30,075	33,368	33,124	21,118	9,217	2,934
16		30,563		30,421	33,481	33,125	21,066	9,244	2,917
23		30,278		30,027	33,090	32,750	21,048	9,253	2,812
30		30,875		30,421	33,597	33,096	21,264	9,293	2,722
Sept. 6		31,436		30,908	33,816	32,978	21,285	9,331	2,380
13 p		30,476		30,122	32,802	32,655	21,281	9,386	2,326

NOTE: Data shown in parentheses are current projections.

1/ The range is centered on the 7.0 per cent rate of growth in these reserves from Aug. to Sept. thought to be consistent with growth in monetary aggregates as shown under Alternative B in the Bluebook of August 11, 1972.

Annual Growth Rates consistent with alternative B 1/	Aug.	Sept.	QIII
M_1	3.5	7.5	8.7
M_2	7.0	8.0	9.0
Credit Proxy (Adj.)	4.7	10.5	9.4

Table 2

STRICTLY CONFIDENTIAL (FR)

Monetary Aggregates
(Actual and current projections, seasonally adjusted)

September 15, 1972

Period	Narrow Money Supply (M_1)	Broad Money Supply (M_2)	Adjusted Credit Proxy	U.S. Govt. Deposits	Total Time and Savings	Time deposits other than CD's	Negotiable CD's	Nondeposit Sources of Funds
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Monthly Pattern in Billions of Dollars							
1972--Apr.	235.0	483.0	376.3	7.4	282.8	248.1	34.7	3.5
May	235.5	486.1	380.9	7.4	287.0	250.7	36.3	3.7
June	236.6	490.4	382.4	5.3	290.9	253.8	37.1	3.8
July	239.4	495.0	386.3	5.3	293.7	255.6	38.1	3.9
Aug.	240.6	498.3	389.3	4.6	297.1	257.8	39.3	4.2
Sept.	(242.8)	(502.9)	(392.3)	(4.3)	(300.5)	(260.2)	(40.4)	(4.0)
	Annual Percentage Rates of Change--Quarterly and Monthly							
1971--4th Qtr.	1.1	8.0	9.7		15.9	14.7		
1972--1st Qtr.	9.3	13.3	11.3		14.8	17.1		
2nd Qtr.	5.3	8.6	11.1		15.7	11.8		
3rd Qtr.	(10.5)	(10.0)	(10.5)		(13.0)	(10.0)		
1972--Apr.	7.7	7.2	13.5		12.4	7.8		
May	2.6	7.7	14.7		17.8	12.6		
June	5.6	10.6	4.7		16.3	14.8		
July	14.2	11.3	12.2		11.6	8.5		
Aug.	6.0	8.0	9.3		13.9	10.3		
Sept.	(11.0)	(11.0)	(9.0)		(13.5)	(11.0)		
	Weekly Pattern in Billions of Dollars							
1972--May 3	234.7	484.2	379.1	7.9	285.2	249.5	35.6	3.6
10	234.5	484.5	378.8	6.9	286.0	250.0	36.0	3.6
17	236.8	487.4	381.4	6.9	286.9	250.7	36.2	3.8
24	235.0	486.3	381.4	7.6	287.9	251.3	36.6	3.9
31	236.3	488.4	382.2	7.3	288.7	252.1	36.7	3.7
June 7	236.6	489.3	383.2	6.9	289.5	252.7	36.8	3.7
14	236.6	490.0	381.6	5.1	290.7	253.4	37.3	3.5
21	237.3	491.5	383.7	5.6	291.2	254.2	37.0	3.8
28	236.1	490.7	381.3	3.3	291.9	254.6	37.3	4.0
July 5	238.0	493.7	384.4	5.4	293.1	255.7	37.4	3.8
12	240.9	495.8	384.4	3.5	292.8	255.0	37.9	3.5
19	239.7	495.0	386.6	5.2	293.5	255.3	38.2	4.1
26	239.5	495.4	388.2	6.2	294.4	255.9	38.5	4.0
Aug. 2	239.7	496.2	387.5	5.5	295.1	256.5	38.6	4.1
9	240.1	497.2	388.2	6.0	295.6	257.0	38.6	4.1
16	240.9	498.6	389.8	5.6	296.5	257.7	38.8	4.1
23	240.5	498.4	388.7	3.1	297.6	257.9	39.7	4.4
30 p	241.2	499.8	390.1	3.4	299.0	258.6	40.4	4.1
Sept. 6 p	242.5	502.0	390.9	4.4	299.4	259.5	39.8	4.0
13 pe	242.2	502.1	391.9	4.7	300.2	259.9	40.3	4.1

NOTES: Data shown in parentheses are current projections. pe - Partially estimated.
Annual rates of change other than those for the past are rounded to nearest half per cent.

1/ As shown in the Aug. 11, 1972 Bluebook.

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		ΔTarget
	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											
1972 - Mar.	870	180	83	1,275	2,408	- 691	66	614	- 25	14	65
Apr.	644	410	169	- 750	472	1,687	10	-1,053	158	486	650
May	180	--	--	1,205	1,386	469	10	- 232	378	-131	-90
June	748	110	127	-1,205	- 221	201	-25	- 449	-315	42	15
July	-543	--	- 26	--	- 570	463	108	- 89	147	335	360
Aug.	-906	116	- 3	816	22	-238	237	135	-60	194	100
Sept.											250
Oct.											
Weekly											
July 5	588	--	-32	285	842	827	183	- 168	593	249	
12	-633	--	--	-2,869	-3,503	- 698	-85	387	-124	-272	
19	91	--	--	2,882	2,972	612	-54	- 10	192	356	
26	- 76	--	- 7	- 446	- 529	- 505	- 1	251	-254	- 1	
Aug. 2	- 59	--	-38	735	638	88	191	- 180	- 36	135	
9	- 37	--	127	- 26	65	123	-76	- 53	292	-298	
16	82	--	--	46	128	- 57	95	155	- 98	291	
23	-351	116	--	-1,589	-1,824	- 329	-34	- 141	-165	-339	
30	-316	--	-93	1,536	1,127	- 276	129p	367p	-185p	405p	
Sept. 6	-409	--	--	-2,322	-2,731	- 7	361p	4p	-115p	473p	
13	-331	--	-34	- 278	- 642	-2,048	689p	1,899p	-60p	-778p	
20											
27											

1/ Represents change in the System's portfolio from end-of-period to end-of-period; includes redemptions in regular bill auctions.
2/ Represents change in daily average level from 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 FR accounts.
5/ Reserves to support private nonbank deposits. Target change for August and September reflects alternative B, as shown in the August 11, 1972 bluebook. Target change for previous months reflects the bluebook patterns that are consistent with the mid-points of target ranges that were adopted during the month.

Table 4

SECURITY DEALER POSITIONS AND BANK RESERVES
Millions of Dollars

Period	U.S. Govt. Security Dealer Positions		Other Security Dealer Positions		Member Bank Reserve Positions				
	Bills	Coupon Issues	Corporate Bonds	Municipal Bonds	Excess Reserves	Borrowings at FRB	Net Free Reserves	Basis Reserve Deficit: 8 New York	Basis Reserve Deficit: 38 Other
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1971 -- High	4,733	2,834	337	556	590	1,180	202	-4,714	-5,499
Low	1,350	343	0	30	- 61	84	-988	-1,545	-2,569
1972 -- High	*4,291	1,585	247	316	835p	838p	380	-4,623p	-4,833
Low	1,916	-93	10	40	-133	12	-308	-1,638	-1,910
1971 -- Aug.	1,858	654	35	105	198	804	-606	-2,644	-3,513
Sept.	2,481	1,087	118	168	206	501	-295	-3,355	-4,159
Oct.	2,263	1,521	173	246	207	360	-153	-2,436	-4,258
Nov.	2,417	2,462	201	328	263	407	-144	-3,056	-4,063
Dec.	2,544	1,761	170	251	165	107	50	-2,791	-4,375
1972 -- Jan.	3,004	1,416	135	206	173	20	153	-2,667	-4,192
Feb.	2,408	1,176	149	136	124	33	91	-3,203	-3,072
Mar.	3,489	604	101	185	249	99	150	-3,208	-3,522
Apr.	2,612	274	46	99	136	109	27	-3,026	-3,299
May	2,792	675	123	134	104	119	- 15	-2,625	-2,652
June	2,694	205	87	260	204	94	110	-2,828	-2,864
July	2,262	97	142	166	147	202	- 55	-2,997r	-2,745r
Aug.	2,643	692	114	176	261	439	-178	-3,817	-2,904
1972 -- July 5	2,294	-79	75	152	328	312	16	-2,673	-2,005
12	2,131	-93	134	182	223	227	- 4	-3,082	-3,314
19	2,164	65	247	186	147	173	- 26	-2,846	-2,702
26	2,451	194	112	143	79	172	- 93	-3,230	-2,075
Aug. 2	2,315	686	93	98	242	363	-121	-2,736	-2,654
9	1,958	927	129	140	130	287	-157	-4,353	-2,674
16	2,195	886	114	167	254	382	-128	-4,375	-2,607
23	*2,346	* 551	118	237	40	348	-308	-3,859	-3,280
30	*3,891	* 347	118	240	280p	477p	-197p	-3,321	-2,550
Sept. 6	*4,223r	* 314r	103	204	835p	838p	- 3p	-3,486p	-3,459p
13	*4,291	* 239	50p	195p	-74p	149p	-223p	-4,623p	-4,827p
20									
27									

Notes: 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 basis 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.

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SEPTEMBER 15, 1972

Table 5
SELECTED INTEREST RATES
Per Cent

Period	Short-term				Long-term			
	Federal Funds	Treasury Bills 90-day	Treasury Bills 1-year	90-119 day Commercial Paper	Corporate New issue Aaa*	Municipal Bond Buyer	U.S. Gov't. (10-Yr. Constant Maturity)	FNMA Auction Yields
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1971 -- High	5.73	5.47	5.94	5.88	8.23	6.23	6.89	8 07
Low	3.29	3.32	3.53	4.00	6.76	4.97	5.42	7.32
1972 -- High	4.90	4.72	5.39	5.00	7.42	5.54	6.55p	7.63
Low	3.18	3.03	3.60	3.75	6.86	4.99	5.87	7.54
1971 -- Aug.	5.57	4.94	5.52	5.74	7.65	5.83	6.58	7.97
Sept.	5.55	4.69	5.19	5.69	7.44	5.37	6.14	7.87
Oct.	5.20	4.46	4.75	5.42	7.29	5.06	5.93	7.84
Nov.	4.91	4.22	4.49	4.85	7.19	5.20	5.81	7.71
Dec.	4.14	4.01	4.40	4.66	7.09	5.21	5.93	7.62
1972 -- Jan	3.50	3.38	3.82	4.03	7.07	5.12	5.95	7.61
Feb.	3.29	3.20	4.06	3.81	7.16	5.29	6.08	7.61
Mar.	3 83	3.73	4.43	4.10	7.22	5.31	6.07	7.55
Apr.	4.17	3.71	4.65	4.55	7.31	5.43	6.19	7.58
May	4.27	3.69	4.46	4.45	7.21	5.31	6.13	7.63
June	4.46	3.91	4.71	4.60	7.30	5.34	6.11	7.62
July	4.55	3.98	4.90	4.83	7.32	5.41	6.11	7.62
Aug.	4.80	4.02	4.90	4.75	7.24	5.30	6.21	7.63
1972 -- July 5	4.61	4.06	5.03	4.82	7.38	5.43	6.13	--
12	4.62	4.06	4.96	4.88	7.34	5.44	6.12	7.62
19	4.46	3.96	4.87	4.88	7.30	5.41	6.10	--
26	4.54	3.96	4.90	4.78	7.35	5.35	6.10	7.62
Aug. 2	4.56	3.82	4.79	4.73	7.27	5.32	6.14	--
9	4.69	3.84	4.77	4.63	7.24	5.24	6.15	7 63
16	4.87	3.88	4.73	4.70	7.22	5.22	6.18	--
23	4.75	4.01	4.89	4.80	7.23	5.32	6.22	7.62
30	4.90	4.33	5.21	4.85	7.31	5.38	6.38	--
Sept.6	4.89	4.62r	5.32r	5.00	7.28	5.39	6.51r	7.63
13	4.69	4.72	5.39	5.00	7.32p	5.38	6.55p	--
20								
27								

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

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Appendix Table I

RESERVES AND MONETARY VARIABLES

Period	Reserves: Total	Reserves: Nonborrowed	Reserves: Available to Support Pvt. 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	Other: CD's	Other: Nondeposit Funds	Other: U.S. Gov't. Demand
	(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Annually:				(Per Cent Annual Rates of Growth)								(Dollar Change in Billions)		
1968	+ 7.6	+ 5.6	+ 8.6	+ 7.8	+ 9.3	+ 8.3	+ 9.7	+ 11.0	+ 11.3	+ 11.1	+ 6.4	+ 2.8	+ 2.6	- 0.1
1969	- 1.2	- 2.7	- 2.7	+ 3.2	+ 2.3	+ 2.8	+ 0.6	+ 3.9	- 4.9	+ 1.4	+ 3.4	- 12.6	+ 13.0	+ 0.3
1970	+ 6.0	+ 9.2	+ 8.1	+ 5.4	+ 8.1	+ 7.8	+ 8.3	+ 8.1	+ 17.9	+ 11.0	+ 7.7	+ 14.5	- 8.4	+ 1.1
1971	+ 7.3	+ 8.0	+ 7.8	+ 6.2	+ 11.1	+ 13.3	+ 9.5	+ 11.3	+ 17.9	+ 16.2	+ 17.5	+ 7.9	- 7.6	- 0.3
Semi-Annually														
1st Half 1970	+ 0.4	+ 3.0	+ 5.2	+ 5.6	+ 5.8	+ 5.0	+ 4.8	+ 5.2	+ 8.4	+ 6.0	+ 4.7	+ 2.6	+ 0.7	+ 0.4
2nd Half 1970	+ 11.6	+ 15.2	+10.6	+ 5.2	+ 10.1	+ 10.3	+ 11.4	+ 10.8	+ 26.3	+ 15.6	+ 10.6	+ 11.9	- 9.1	+ 0.7
1st Half 1971	+ 9.6	+ 9.3	+10.9	+ 10.0	+ 15.5	+ 17.0	+ 9.7	+ 11.5	+ 22.3	+ 21.2	+ 20.1	+ 3.9	- 7.1	- 2.1
2nd Half 1971	+ 4.7	+ 6.5	+ 4.6	+ 2.4	+ 6.3	+ 8.8	+ 8.8	+ 10.6	+ 12.2	+ 10.1	+ 13.5	+ 4.1	- 0.4	+ 1.8
1st Half 1972	+ 11.6	+ 12.1	+ 9.0	+ 7.4	+ 11.1	+ 13.4	+ 11.3	+ 11.3	+ 15.6	+ 14.7	+ 17.9	+ 3.7	- 0.3	- 0.8
Quarterly														
1st Qtr. 1971	+ 8.9	+ 9.5	+10.8	+ 9.1	+ 18.1	+ 18.9	+ 10.9	+ 12.3	+ 28.8	+ 27.5	+ 21.9	+ 2.6	- 4.6	- 2.4
2nd Qtr. 1971	+ 10.0	+ 9.0	+10.6	+ 10.6	+ 12.4	+ 14.4	+ 8.4	+ 10.3	+ 14.7	+ 14.0	+ 17.3	+ 1.3	- 2.6	+ 0.3
3rd Qtr 1971	+ 7.2	+ 6.0	+ 4.3	+ 3.7	+ 4.4	+ 7.8	+ 7.6	+ 9.7	+ 8.2	+ 5.3	+ 13.7	+ 2.3	- 0.4	+ 2.3
4th Qtr 1971	+ 2.2	+ 6.8	+ 4.8	+ 1.1	+ 8.0	+ 9.6	+ 9.7	+ 11.1	+ 15.9	+ 14.7	+ 12.8	+ 1.8	--	- 0.4
1st Qtr 1972	+ 10.1	+ 11.0	+10.8	+ 9.3	+ 13.3	+ 15.5	+ 11.3	+ 15.1	+ 14.8	+ 17.1	+ 20.5	- 0.1	- 0.3	- 0.1
2nd Qtr. 1972	+ 12.8	+ 13.0	+ 7.1	+ 5.3	+ 8.6	+ 10.8	+ 11.1	+ 7.3	+ 15.7	+ 11.8	+ 14.5	+ 3.7	--	- 0.8
1971: Jan.	+ 10.6	+ 8.1	+ 8.2	+ 2.8	+ 14.1	+ 15.7	+ 10.2	+ 12.8	+ 28.8	+ 26.0	+ 23.9	+ 1.1	- 1.5	- 0.7
Feb	+ 8.6	+ 11.7	+ 9.0	+ 13.4	+ 20.7	+ 20.9	+ 11.9	+ 14.6	+ 29.7	+ 28.3	+ 18.5	+ 0.9	- 1.6	- 0.9
Mar	+ 7.3	+ 8.4	+14.9	+ 11.0	+ 18.7	+ 19.3	+ 10.3	+ 9.1	+ 26.0	+ 26.5	+ 22.1	+ 0.6	- 1.6	- 0.8
Apr	+ 8.5	+ 16.9	+11.6	+ 8.2	+ 12.1	+ 15.5	+ 8.5	+ 7.4	+ 13.2	+ 16.0	+ 22.5	0.2	- 1.9	+ 1.6
May	+ 13.4	+ 9.9	+ 8.7	+ 14.1	+ 13.9	+ 15.2	+ 8.8	+ 9.7	+ 15.5	+ 13.6	+ 12.9	+ 0.7	- 1.0	- 0.2
June	+ 7.9	--	+11.3	+ 9.1	+ 10.7	+ 12.0	+ 7.7	+ 13.6	+ 14.8	+ 11.8	+ 15.8	+ 0.8	+ 0.4	- 1.0
July	+ 4.4	- 7.6	+ 6.8	+ 10.1	+ 7.5	+ 10.5	+ 10.7	+ 6.2	+ 9.4	+ 4.8	+ 16.7	+ 1.1	- 0.2	+ 0.8
Aug.	+ 4.1	+ 2.8	+ 6.9	+ 3.2	+ 2.9	+ 6.6	+ 4.1	+ 11.9	+ 4.2	+ 3.2	+ 10.3	+ 0.4	- 0.4	+ 0.6
Sept	+ 12.9	+ 22.9	-0.8	- 2.1	+ 2.9	+ 6.2	+ 7.9	+ 10.9	+ 10.7	+ 7.9	+ 13.8	+ 0.8	+ 0.1	+ 0.9
Oct.	- 7.4	- 2.8	+ 3.6	+ 0.5	+ 7.1	+ 9.1	+ 4.8	+ 11.9	+ 17.1	+ 13.7	+ 13.0	+ 1.1	+ 0.8	- 1.9
Nov.	+ 3.4	+ 2.0	+ 5.9	--	+ 6.5	+ 8.7	+ 11.2	+ 6.2	+ 9.1	+ 13.0	+ 11.4	- 0.5	+ 0.5	+ 0.7
Dec.	+ 10.7	+ 21.4	+ 4.8	+ 2.6	+ 10.2	+ 11.0	+ 13.1	+ 14.9	+ 20.8	+ 17.0	+ 13.7	+ 1.2	- 1.3	+ 0.8
1972: Jan.	+ 20.2	+ 23.1	+ 9.2	+ 3.2	+ 13.4	+ 15.4	+ 9.9	+ 14.2	+ 20.0	+ 24.4	+ 23.9	- 0.2	- 0.1	+ 0.1
Feb	- 5.9	- 3.6	+ 7.4	+ 12.6	+ 14.3	+ 16.7	+ 5.9	+ 12.4	+ 16.2	+ 15.4	+ 17.6	+ 0.6	- 0.3	- 2.6
Mar	+ 15.8	+ 13.3	+ 15.6	+ 11.9	+ 11.6	+ 13.8	+ 17.7	+ 18.0	+ 7.8	+ 10.8	+ 19.0	- 0.4	+ 0.1	+ 2.4
Apr	+ 22.9	+ 22.2	+ 7.0	+ 7.7	+ 7.2	+ 10.9	+ 13.5	+ 3.6	+ 12.4	+ 7.8	+ 15.8	+ 1.3	- 0.2	+ 1.3
May	+ 6.9	+ 7.5	+ 6.2	+ 2.6	+ 7.7	+ 9.7	+ 14.7	+ 18.4	+ 17.8	+ 12.6	+ 10.6	+ 1.6	+ 0.2	--
June	+ 8.4	+ 8.8	+ 7.9	+ 5.6	+ 10.6	+ 11.5	+ 4.7	--	+ 16.3	+ 14.8	+ 16.6	+ 0.8	--	- 2.1
July	+ 2.9	- 1.6	+ 8.6	+ 14.2	+ 11.3	+ 13.6	+ 12.2	+ 10.2	+ 11.6	+ 8.5	+ 18.4	+ 1.0	+ 0.1	--
Aug. p	+ 9.3	+ 3.8	+ 8.0	+ 6.0	+ 8.0	+ 10.4	+ 9.3	+ 18.2	+ 13.9	+ 10.3	+ 11.1	+ 1.2	+ 0.3	- 0.7

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)

CONFIDENTIAL(FR)

September 15, 1972

Period	Reserves: Total (1)	Reserves: Non-borrowed (2)	Reserves: Available to Support Pvt. Deposits (3)	Money Stock Measures: M_1 Total (4)	Money Stock Measures: M_1 Pvt. Dep. (5)	Money Stock Measures: M_2 (6)	Money Stock Measures: M_3 (7)	Bank Credit Measures: Adjusted Credit Proxy (8)	Bank Credit Measures: Total Loans and Investments (9)	Other: Total Time (10)	Other: Time Other than CD's (11)	Other: Thrift Institution Deposits (12)	Other: CD's (13)	Other: Non-Deposit Funds (14)	Other: U.S. Gov't Demand (15)
Annually:															
Dec. 1968	27.249	26.471	24.963	197.4	154.0	378.0	572.6	304.6	390.6	204.2	180.6	194.6	23.6	7.0	5.1
Dec. 1969	27.977	26.829	25.245	203.7	157.7	368.8	588.3	305.4	406.0	194.1	183.2	201.5	11.0	20.0	5.3
Dec. 1970	29.132	28.764	26.747	214.8	165.8	418.2	634.0	330.6	438.9	228.9	203.4	215.8	25.5	11.6	6.4
Monthly:															
1971--Jan.	29.390	28.958	26.930	215.3	166.0	423.1	642.2	333.4	443.6	234.4	207.8	219.2	26.6	10.1	5.8
Feb.	29.600	29.240	27.132	217.7	168.0	430.4	653.4	336.7	449.0	240.2	212.7	223.0	27.5	8.6	4.9
Mar.	29.779	29.445	27.470	219.7	169.7	437.1	663.9	339.6	452.4	245.4	217.4	226.8	28.1	7.0	4.0
Apr.	29.991	29.859	27.735	221.2	170.7	441.5	672.5	342.0	455.2	248.1	220.3	231.0	27.8	5.1	5.6
May	30.327	30.106	27.935	223.8	173.0	446.6	681.0	344.5	458.9	251.3	222.8	234.4	28.5	4.1	5.4
June	30.527	30.106	28.199	225.5	174.5	450.6	687.8	346.7	464.1	254.4	225.0	237.2	29.4	4.5	4.3
July	30.639	29.915	28.358	227.4	175.8	453.4	693.8	349.8	466.5	256.4	225.9	240.4	30.4	4.3	5.1
Aug.	30.743	29.985	28.521	228.0	176.3	454.5	697.6	351.0	471.1	257.3	226.5	243.1	30.8	3.9	5.7
Sept.	31.073	30.556	28.503	227.6	175.5	455.6	701.2	353.3	475.4	259.6	228.0	245.6	31.6	4.1	6.6
Oct.	30.882	30.485	28.588	227.7	175.5	458.3	706.5	354.7	480.1	263.3	230.6	248.3	32.7	4.8	4.7
Nov.	30.970	30.535	28.728	227.7	175.5	460.8	711.6	358.0	482.6	265.3	233.1	250.8	32.2	5.4	5.4
Dec.	31.246	31.079	28.844	228.2	175.7	464.7	718.1	361.9	488.6	269.9	236.4	253.4	33.4	4.0	6.2
1972--Jan.	31.772	31.678	29.064	228.8	176.0	469.9	727.3	364.9	494.4	274.4	241.2	257.4	33.2	4.0	6.3
Feb.	31.616	31.582	29.244	231.2	178.0	475.5	737.4	366.7	499.5	278.1	244.3	261.8	33.8	3.6	3.7
Mar.	32.032	31.931	29.625	233.5	179.9	480.1	745.9	372.1	507.0	279.9	246.5	265.8	33.4	3.7	6.1
Apr.	32.643	32.525	29.798	235.0	180.9	483.0	752.7	376.3	508.5	282.8	248.1	269.7	34.7	3.5	7.4
May	32.830	32.728	29.951	235.5	181.1	486.1	758.8	380.9	516.3	287.0	250.7	272.6	36.3	3.7	7.4
June	33.059	32.967	30.148	236.6	181.9	490.4	766.1	382.4	516.3	290.9	253.8	275.7	37.1	3.8	5.3
July	33.138	32.924	30.365	239.4	184.5	495.0	774.8	386.3	520.7	293.7	255.6	279.7	38.1	3.9	5.3
Aug. p	33.395	33.029	30.568	240.6	185.5	498.3	781.5	389.3	528.6	297.1	257.8	283.2	39.3	4.2	4.6
Weekly:															
1972--Apr. 5	32.655	32.519	29.898	235.1	181.1	482.8		375.8		281.1	247.7		33.4	3.5	7.7
12	32.526	32.512	29.728	234.9	181.0	482.3		375.6		281.7	247.5		34.2	3.5	8.2
19	32.615	32.568	29.632	234.5	180.4	482.4		375.2		282.9	247.9		35.0	3.5	6.4
26	32.845	32.569	29.971	235.2	[illegible]	483.8		376.8		284.0	248.6		35.4	3.7	6.4
May 3	32.529	32.415	29.787	234.7	180.6	484.2		379.1		285.2	249.5		35.6	3.6	7.9
10	32.638	32.555	29.990	234.5	180.1	484.5		378.8		286.0	250.0		36.0	3.6	6.9
17	32.995	32.960	30.011	236.8	182.3	487.4		381.4		286.9	250.7		36.2	3.8	6.9
24	32.783	32.723	29.820	235.0	180.5	486.3		381.4		287.9	251.3		36.6	3.9	7.6
31	33.033	32.819	30.055	236.3	181.8	488.4		382.2		288.7	252.1		36.7	3.7	7.3
June 7	33.217	33.163	30.187	236.6	182.0	489.3		383.2		289.5	252.7		36.8	3.7	6.9
14	32.953	32.864	30.054	236.6	181.9	490.0		381.6		290.7	253.4		37.3	3.5	5.1
21	33.213	33.158	30.322	237.3	182.6	491.5		383.7		291.2	254.2		37.0	3.8	5.6
28	32.761	32.649	29.943	236.1	181.3	490.7		381.3		291.9	254.6		37.3	4.0	3.3
July 5	33.383	33.119	30.449	238.0	183.2	493.7		384.4		293.1	255.7		37.4	3.8	5.4
12	32.671	32.462	30.055	240.9	186.0	495.8		384.4		292.8	255.0		37.9	3.5	3.5
19	33.301	33.143	30.357	239.7	184.7	495.0		386.6		293.5	255.3		38.2	4.1	5.2
26	33.124	32.968	30.475	239.5	184.5	495.4		388.2		294.4	255.9		38.5	4.0	6.2
Aug. 2	33.340	33.014	30.570	239.7	184.8	496.2		387.5		295.1	256.5		38.6	4.1	5.5
9	33.368	33.124	30.434	240.1	185.0	497.2		388.2		295.6	257.0		38.6	4.1	6.0
16	33.481	33.125	30.563	240.9	185.9	498.6		389.8		296.5	257.7		38.8	4.1	5.6
23	33.090	32.750	30.278	240.5	185.3	498.4		388.7		297.6	257.9		39.7	4.4	3.1
30 p	33.597	33.096	30.875	241.2	186.0	499.8		390.1		299.0	258.6		40.4	4.1	3.4
Sept. 6 p	33.816	32.978	31.436	242.5	187.2	502.0		390.9		299.4	259.5		39.8	4.0	4.4

NOTES: Reserve requirements on Euro-dollar 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 banks deposits subject to reserve requirements, bank-related commercial paper, and Euro-dollar 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.