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MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

April 16, 1976

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent developments

(1) M_1 increased at about a $6\frac{1}{2}$ per cent annual rate during March. With incoming data for early April showing further strength, growth for March and April combined now appears to be running at about a $7\frac{1}{2}$ per cent annual rate, as compared with the 6 per cent mid-point of the Committee's range. Growth in M_2 over the March-April period is now projected at nearly a 10 per cent annual rate, also above the mid-point of the Committee's range. Inflows to savings accounts at banks, although below the extraordinary February pace, have remained quite strong. Deposit growth at nonbank thrift institutions also has been well maintained, with March expansion at S&L's and savings banks combined running close to a 15 per cent annual rate.

Growth in Monetary Aggregates and RPD's
over March-April Period

<u>Reserve and monetary aggregates (Growth at SAAR, in per cent)</u>	<u>Ranges</u>	<u>Latest Estimates</u>
M_1	4 to 8	7.3
M_2	7 to 11	9.9
RPD	-2 to 2	0.0

Memo:

Federal funds rate (per cent per annum)	$4\frac{1}{2}$ to $5\frac{1}{2}$	<u>Avg. for statement week ending</u>
		March 24 4.79
		31 4.84
		April 7 4.73
		14 4.78

(2) During the intermeeting period, estimates of growth in M_1 and M_2 for March-April fluctuated around the mid-point of the FOMC's ranges, and the Desk continued to aim for reserve availability consistent with Federal funds trading around $4\frac{1}{2}$ per cent. In the four statement weeks since the March meeting, excess reserves and member bank borrowing have averaged \$210 million and \$50 million, respectively, both somewhat below their recent levels. Nonborrowed reserves over the March-April period have shown little net change, as reserves to support M_1 and M_2 continued to be released by declines in CD's; in addition, more of the money growth than expected took the form of currency, which requires no reserves.

(3) With the funds rate remaining stable, short-term interest rates have dropped back to levels reached in mid-January, when the funds rate first moved down into the $4\frac{1}{2}$ per cent range. These declines, together with the relatively favorable performance of the wholesale and consumer price indexes, have contributed to a further strengthening of investor demands for longer-term investments. Since the last FOMC meeting, bond yields have declined another 15 to 40 basis points despite the heavy recent volume of new issues. In mortgage markets, rates have declined 5-10 basis points further.

(4) The table on the following page shows (in percentage annual rates of change) selected monetary and financial flows over various time periods.

	Calendar Year	Calendar Year	Past Six Months	Past Three Months	Past Month
	1974	1975	Mar. '76 over Sept. '75	Mar. '76 over Dec. '75	Mar. '76 over Feb. '76
Total reserves	7.1	-.4	-2.4	-6.2	-1.8
Nonborrowed reserves	9.2	1.3	-0.5	-5.4	-0.9
Reserves available to support private nonbank deposits	7.4	-1.1	-2.8	-5.9	-3.7
<u>Concepts of Money</u>					
M ₁ (currency plus demand deposits) <u>1/</u>	4.7	4.2	3.3	4.6	6.5
M ₂ (M ₁ plus time deposits at commercial banks other than large CD's)	7.2	8.3	8.8	11.1	8.5
M ₃ (M ₂ plus deposits at thrift institu- tions)	6.8	11.2	10.8	12.4	10.8
M ₄ (M ₂ plus CD's)	10.6	6.3	6.3	4.6	4.0
M ₅ (M ₃ plus CD's)	9.0	9.6	9.0	8.2	7.9
<u>Bank Credit</u>					
Total member bank deposits (bank credit proxy adj.)	10.2	3.9	4.3	1.6	1.2
Loans and investments of commercial banks <u>2/</u>	9.2	4.3	5.2	7.3	8.2
<u>Short-term Market Paper</u> (Monthly average change in billions)					
Large CD's	2.2	-.6	-1.0	-3.3	-2.3
Nonbank commercial paper	.4	-.2	-0.1	0.3	-0.1

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 averages 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

(5) Alternative longer-run growth ranges for the monetary aggregates are shown below for Committee consideration. They pertain to the one year period from QI '76 to QI '77. The ranges shown under alternative B are the same as those adopted in January for the QIV '75-QIV '76 period.

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
M ₁	5½-8½	4½-7½	3½-6½
M ₂	9-12	7½-10½	6-9
M ₃	10-13	9-12	7½-10½
Proxy	7-10	6-9	5-8

(6) In considering these alternative longer-run targets, the Committee may be interested in their relationship to the QIV '76 levels for the monetary aggregates that were implied by the mid-points of the ranges adopted in January. From the fourth quarter of '75 to first quarter of '76, M₂ and M₃ expanded at annual rates very near the mid-points of the ranges adopted previously (and shown above under alternative B); thus, continuation of growth near these rates would be associated with QIV '76 levels close to those implied by the earlier targets. However, M₁ growth from the fourth to first quarter--at a 2.9 per cent annual rate--was well below both the lower limit of the longer-run range and the 6 per cent mid-point of that range. To achieve the level in QIV '76 implied by the mid-point of the earlier range, M₁ would have to grow at almost a 7 per cent annual rate over the last three quarters of this year. Assuming M₁ growth returns to a 6 per cent annual rate in the first quarter of 1977, this would imply a growth rate

Alternative Levels and Growth Rates for Key Monetary Aggregates

		<u>M₁</u>			<u>M₂</u>			<u>M₃</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	March	298.4	298.4	298.4	681.7	681.7	681.7	1125.6	1125.6	1125.6
	April	300.5	300.4	300.3	688.4	688.1	687.9	1138.0	1137.6	1137.2
	May	302.2	302.0	301.8	694.5	693.9	693.3	1150.1	1148.9	1147.8
1976	QI	296.8	296.8	296.8	675.9	675.9	675.9	1114.5	1114.5	1114.5
	QII	302.2	302.0	301.8	694.5	693.8	693.3	1149.9	1148.7	1147.6
	QIII	307.3	306.5	305.7	712.3	709.6	707.4	1183.6	1178.7	1174.9
	QIV	312.5	310.5	308.6	729.5	722.6	717.9	1215.1	1206.1	1196.0
1977	QI	317.7	314.5	311.5	745.2	735.3	727.9	1242.8	1231.5	1214.8
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	April	8.4	8.0	7.6	11.8	11.3	10.9	13.2	12.8	12.4
	May	6.8	6.4	6.0	10.6	10.1	9.4	12.8	11.9	11.2
<u>Quarterly Average:</u>										
1976	QII	7.3	7.0	6.7	11.0	10.6	10.3	12.7	12.3	11.9
	QIII	6.8	6.0	5.2	10.3	9.1	8.1	11.7	10.4	9.5
	QIV	6.8	5.2	3.8	9.7	7.3	5.9	10.6	9.3	7.2
1977	QI	6.7	5.2	3.8	8.6	7.0	5.6	9.1	8.4	6.3
<u>Semi-annual</u>										
	QI '76-QIII '76	7.1	6.5	6.0	10.8	10.0	9.3	12.4	11.5	10.8
	QIII '76-QI '77	6.8	5.2	3.8	9.2	7.2	5.8	10.0	8.9	6.8
<u>Annual</u>										
	QIV '75-QIV '76	6.0	5.4	4.7	10.5	9.5	8.7	12.0	11.2	10.3
	QI '76-QI '77	7.0	6.0	5.0	10.2	8.8	7.7	11.5	10.5	9.0

Alternative Levels and Growth Rates for Key Monetary Aggregates (cont'd)

		<u>M₄</u>			<u>M₅</u>			<u>Credit Proxy</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	March	754.8	754.8	754.8	1198.7	1198.7	1198.7	516.4	516.4	516.4
	April	761.1	760.8	760.7	1210.7	1210.3	1210.0	517.9	517.8	517.6
	May	767.3	766.9	766.5	1222.8	1221.9	1221.0	521.9	521.7	521.5
1976	QI	751.8	751.8	751.8	1190.4	1190.4	1190.4	515.5	515.5	515.5
	QII	767.2	766.8	766.5	1222.6	1221.7	1220.8	521.8	521.6	521.4
	QIII	785.2	783.8	781.8	1256.5	1252.9	1249.2	534.0	533.4	532.1
	QIV	805.5	800.3	795.6	1291.1	1283.8	1273.6	547.2	544.1	541.8
1977	QI	824.7	816.8	809.0	1322.3	1311.1	1295.8	559.3	554.2	549.0
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	April	10.0	9.5	9.4	12.0	11.6	11.3	3.5	3.3	2.8
	May	9.8	9.6	9.2	12.0	11.5	10.9	9.3	9.0	9.0
<u>Quarterly Averages:</u>										
1976	QII	8.2	8.0	7.8	10.8	10.5	10.2	4.9	4.7	4.6
	QIII	9.4	8.9	8.0	11.1	10.2	9.3	9.4	9.0	8.2
	QIV	10.3	8.4	7.1	11.0	9.9	7.8	9.9	8.0	7.3
1977	QI	9.5	8.2	6.7	9.7	8.5	7.0	8.8	7.4	5.3
<u>Semi-annual</u>										
	QI '76-QIII '76	8.9	8.5	8.0	11.1	10.5	9.9	7.2	6.9	6.4
	QIII '76-QI '77	10.1	8.4	7.0	10.5	9.3	7.5	9.5	7.8	6.4
<u>Annual</u>										
	QIV '75-QIV '76	8.5	7.8	7.2	10.7	10.1	9.2	6.8	6.2	5.8
	QI '76-QI '77	9.7	8.6	7.6	11.1	10.1	8.9	8.5	7.5	6.5

for the new one-year target period QI '76-QI '77 of about $6\frac{1}{2}$ per cent--well within the ranges of alternatives A and B and a shade above the upper limit of alternative C.

(7) Short-run operating strategies roughly corresponding to the longer-run ranges are suggested below:

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for April-May ^{1/}			
M ₁	5½-9½	5-9	4½-8½
M ₂	9½-13½	8½-12½	8-12
Federal funds rate (intermeeting range)	3½-4½	4½-5½	4½-5½

(8) The Federal funds rate range of alternative B is centered on the recently prevailing $4\frac{1}{2}$ per cent level. Given the bulge in M₁ in early April, we expect that such a funds rate would be accompanied by M₁ growth in a 5-9 per cent, annual rate, range over the April-May period. With expansion in time and savings deposits other than large CD's remaining relatively strong, M₂ growth over the same period is likely to be in an $8\frac{1}{2}$ - $12\frac{1}{2}$ per cent annual rate range.

(9) M₁ growth has been generally strengthening in recent months. Part of the expansion in recent weeks may be attributable to declining Treasury deposits, but on balance it seems likely that a somewhat more typical relationship between M₁ and GNP is being re-established. We would expect M₁ to grow at about a 7 per cent annual rate from the first to second quarter. The staff expects that interest rates will soon have to begin

^{1/} Reserve aggregates thought to be consistent with these ranges are shown in appendix table V.

rising if growth over the one-year QI '76-QI '77 period is to be constrained to 6 per cent--the mid-point of the longer-run growth range of alternative B. Our projected Federal funds rate patterns through the first quarter of 1977 for all alternatives are shown in appendix table IV. Under alternative B, the funds rate is expected to reach the 7 per cent level by early next year.

(10) If the funds rate stays around the mid-point of its alternative B range over the next four weeks, short- and longer-term interest rates are unlikely to change significantly. On April 28, the Treasury will be announcing its mid-May refunding of some \$4 billion of publicly-held maturing debt. The Treasury may also raise about \$1½-2 billion of new cash at the same time. It is possible that a longer-term bond as well as a note in the 7-10 year maturity area may be included in the offering. While the volume of corporate and municipal bond offerings appears to be dropping off from its exceptional March pace, the forward calendar remains high, and substantial longer-term offerings by the Treasury could exert some upward pressure on bond yields.

(11) Alternative C contemplates a gradual tightening of the money market over the next four weeks to the mid-point of a 4½-5½ per cent funds rate range in the process of moving toward lower longer-run growth rates for the aggregates. In the short-run, however, the impact on M_1 and M_2 probably would be no more than minor because member banks would respond to the reduced availability of nonborrowed reserves contemplated under this alternative by increasing their borrowing. It is possible,

though, that a substantial upward adjustment in the Treasury bill and other short-term rates would occur in response to signs of a sustained upward movement in the funds rate. Under these conditions, if short-rates moved well above the 5 per cent passbook ceiling rate, there could be sizable outflows of interest-sensitive funds from savings accounts, particularly those held by businesses and State and local governments. This would tend to drop the rate of growth in M_2 toward the bottom of the indicated April-May range.

(12) Under alternative C, we expect that interest rates would have to rise considerably further to achieve a 5 per cent M_1 growth from QI '76 to QI '77. By early 1977, the funds rate might be around $7\frac{1}{2}$ per cent.

(13) Under alternative A, the mid-point of the longer-run growth target for M_1 is 7 per cent. In order to achieve this more rapid growth, money market conditions would probably have to ease somewhat over the next few weeks, and the funds rate would probably remain below 5 per cent until well into the summer months. Thereafter, however, interest rates would need to rise, with the Federal funds rate probably reaching the 6 per cent area in early 1977. Given the expected pattern of market interest rates, interest-bearing deposits would likely remain quite strong into the third quarter, but inflows would begin to slow later on as rates on market instruments became more attractive.

(14) Over the period immediately ahead, internal funds available to the business sector are expected to remain quite ample relative to

requirements generated by inventory and capital investment, so that little pick-up in business short-term credit demands is anticipated. As expenditures continue to rise, though, businesses later this year are expected to turn increasingly to commercial banks and the paper market for funds. Under alternatives A and B, banks are likely to have sufficient funds available without reliance on significant increases in CD's. But under alternative C limited fund flows by late this year could induce banks to rely appreciably more on sales of CD's to satisfy credit demands.

Proposed directive

(15) Presented below are four alternative formulations for the operational paragraph of the directive. The first three are couched in terms of desired growth in monetary aggregates over the months ahead and are intended to correspond to the similarly lettered policy alternatives discussed in the preceding section. The fourth alternative is proposed in the event that the Committee wishes to formulate its instructions in terms of money market conditions and wishes to maintain the conditions now prevailing. Since the last meeting, exchange market conditions have tended to become stable, although the pound and the lira remain subject to particular uncertainties. Therefore, in all alternatives, we propose deleting the specific reference to "the sensitive state of foreign exchange markets" that was inserted at the last meeting, and restoring the previously long-standing reference to international financial markets.

Alternative "Monetary Aggregates" Proposals

Alternative A

To implement this policy, while taking account of developments in domestic AND INTERNATIONAL financial markets, ~~and-the-sensitive state-of-foreign-exchange-markets,~~ the Committee seeks to achieve bank reserve and money market conditions consistent with moderate SUBSTANTIAL growth in monetary aggregates over the period ahead.

Alternative B

To implement this policy, while taking account of developments in domestic AND INTERNATIONAL financial markets, ~~and-the-sensitive state-of-foreign-exchange-markets;~~ the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead.

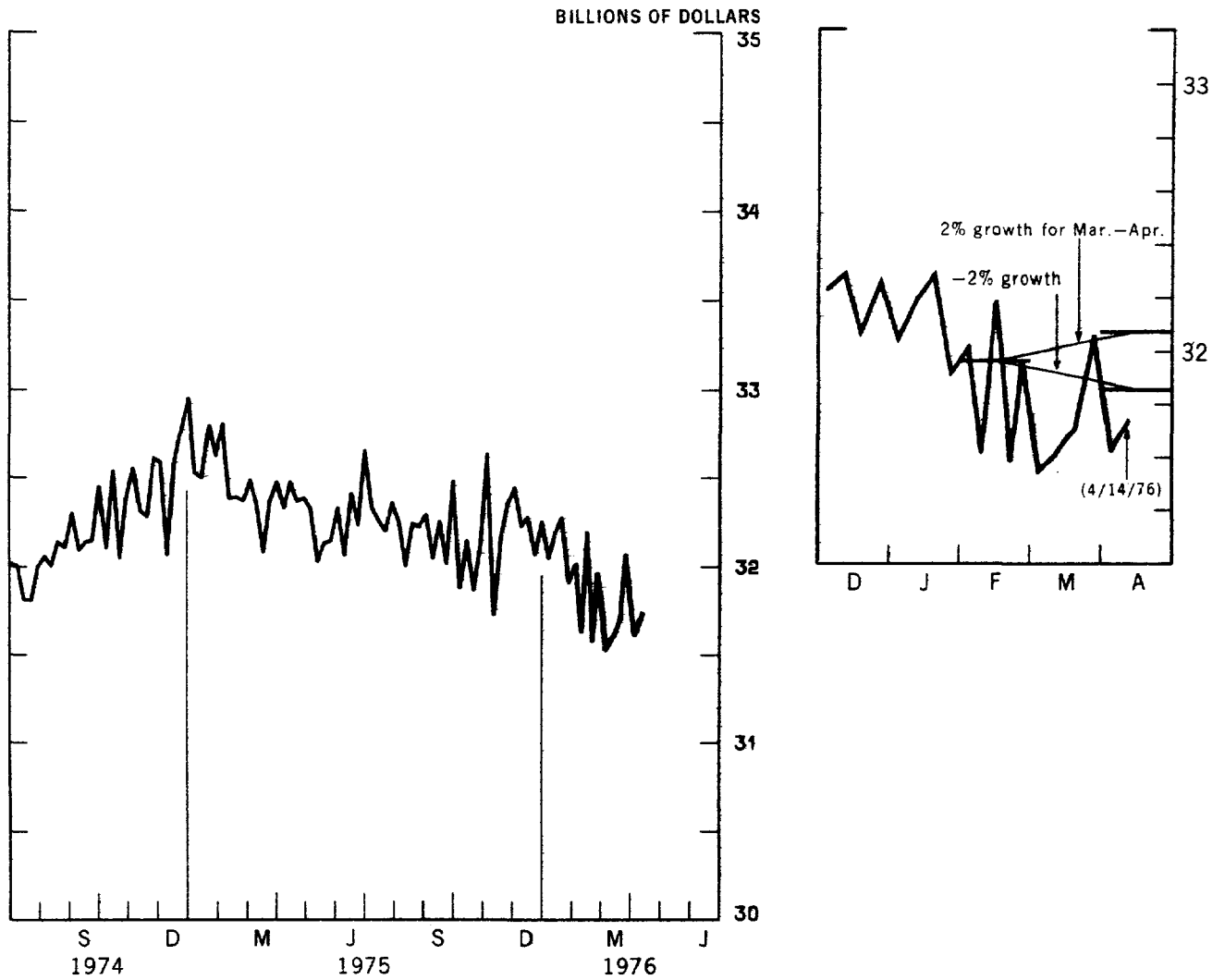
Alternative C

To implement this policy, while taking account of developments in domestic AND INTERNATIONAL financial markets, ~~and-the-sensitive state-of-foreign-exchange-markets;~~ the Committee seeks to achieve bank reserve and money market conditions consistent with moderate MODEST growth in monetary aggregates over the period ahead.

"Money Market" Proposal

To implement this policy, while taking account of developments in domestic AND INTERNATIONAL financial markets, ~~and-the-sensitive state-of-foreign-exchange-markets;~~ the Committee seeks to achieve MAINTAIN PREVAILING bank reserve and money market conditions ~~consistent with-moderate-growth-in-monetary-aggregates~~ over the period ahead, PROVIDED THAT MONETARY AGGREGATES APPEAR TO BE GROWING AT ABOUT THE RATES CURRENTLY EXPECTED.

RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS

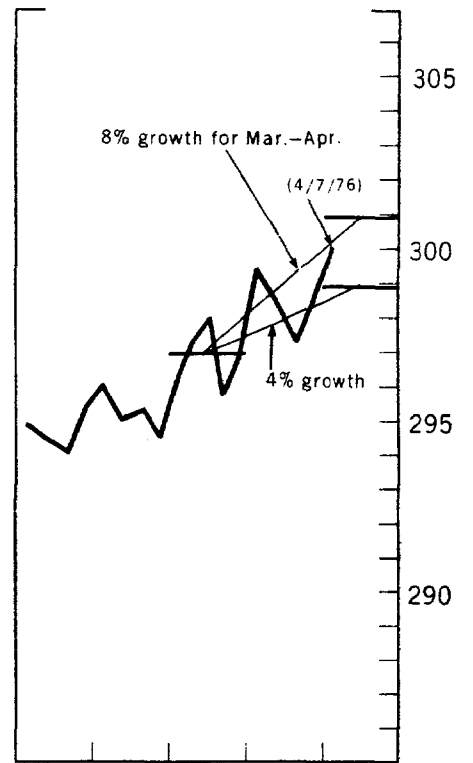
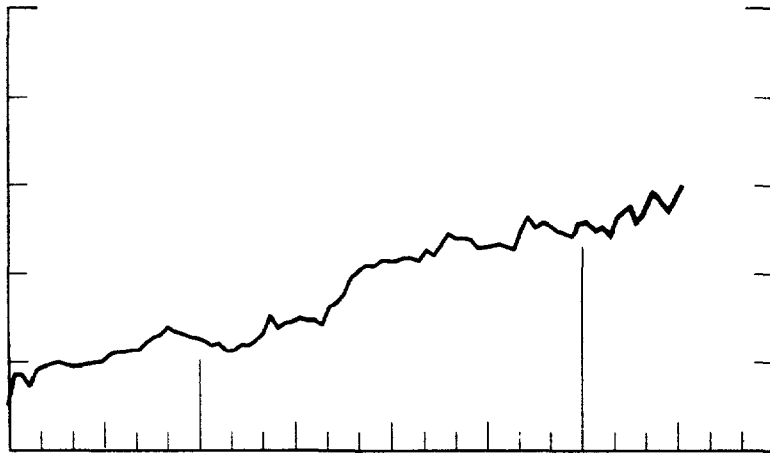


RPD series has been adjusted to remove discontinuities associated with changes in reserve requirement ratios.

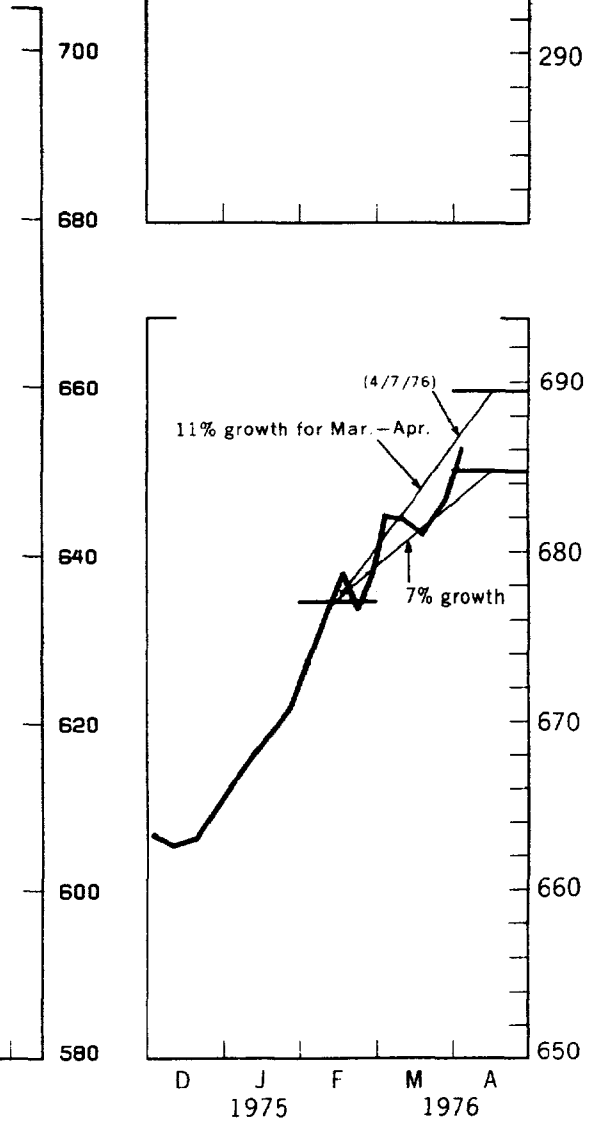
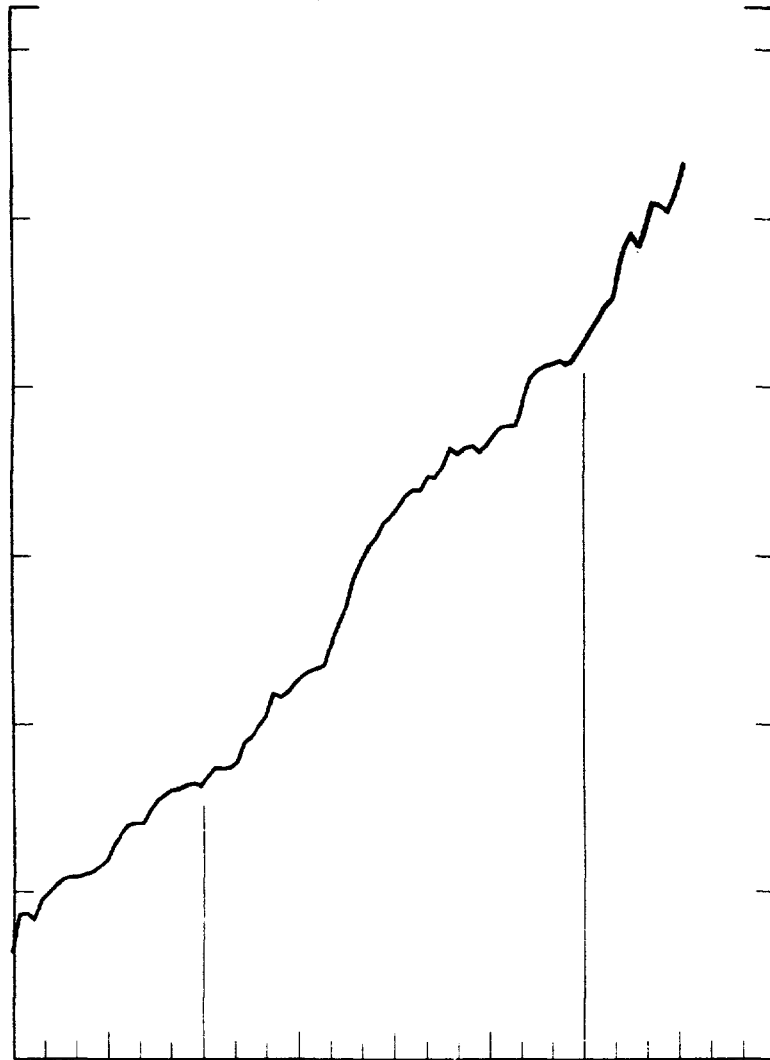
MONETARY AGGREGATES

NARROW MONEY SUPPLY M1

BILLIONS OF DOLLARS



BROADER MONEY SUPPLY M2



1974

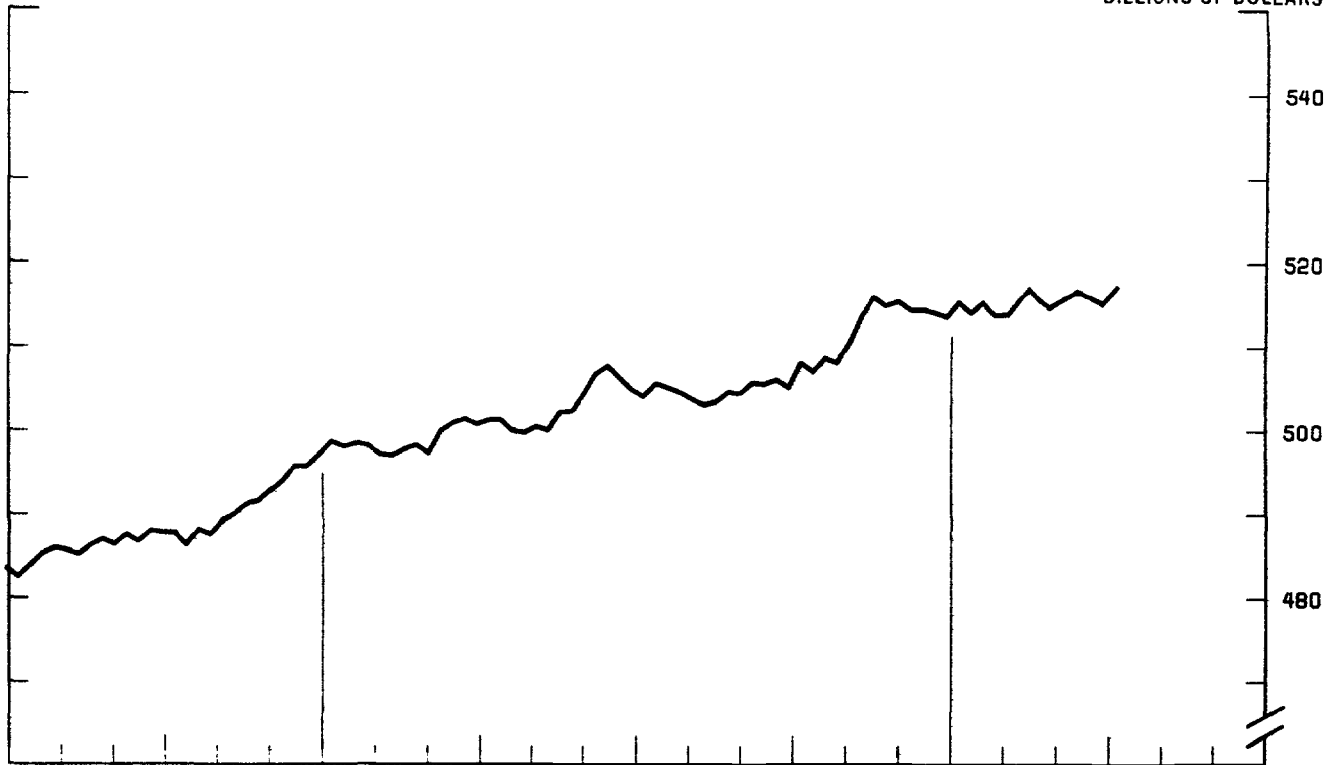
1975

1976

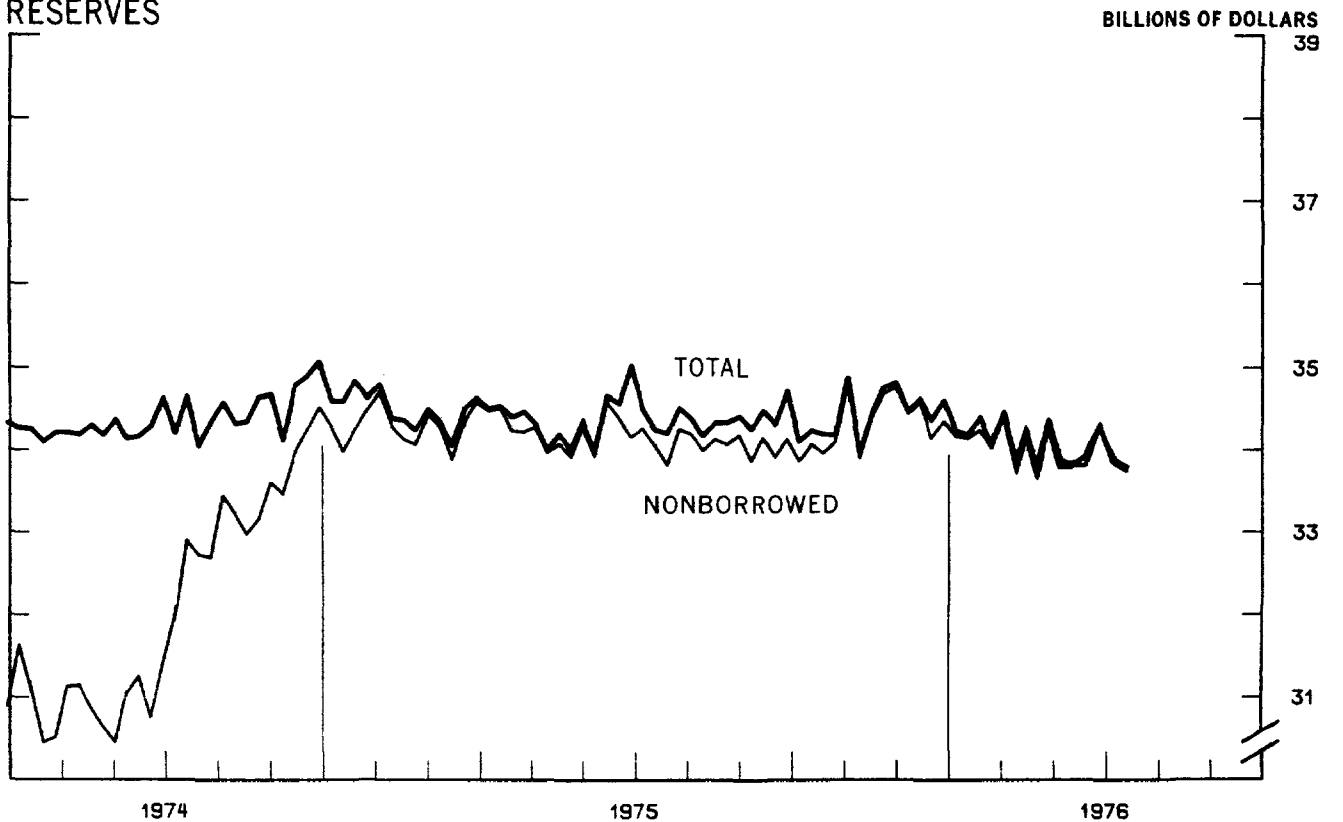
D J F M A
1975 1976

MONETARY AGGREGATES

ADJUSTED CREDIT PROXY



RESERVES



Total and nonborrowed reserve series have been adjusted to remove discontinuities associated with changes in reserve requirement ratios.

CHART 4

MONEY MARKET CONDITIONS AND INTEREST RATES

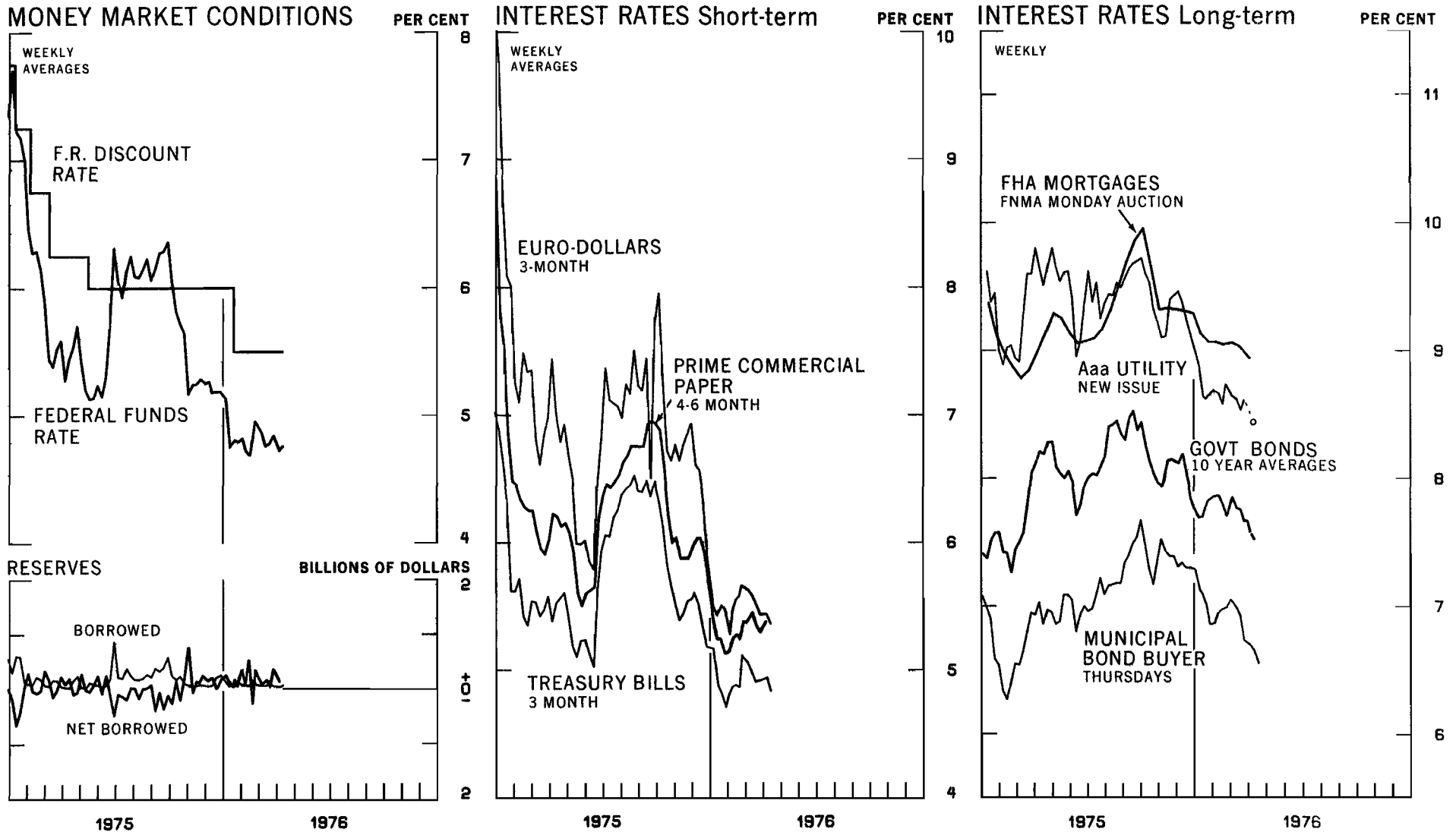


TABLE 1
BANK RESERVES
(ACTUAL AND CURRENT PROJECTIONS)

APRIL 16, 1976

Period	RESERVES AVAILABLE FOR PRIVATE NONBANK DEPOSITS		AGGREGATE RESERVES		REQUIRED RESERVES			
			Total Reserves	Nonborrowed Reserves	SEASONALLY ADJUSTED			
	SA	NSA			Total Required	Private Demand	Total Time Deposits	Gov't. and Interbank
	1	2	3	4	5	6	7	8
MONTHLY LEVELS--\$MILLIONS								
1976--JAN.	32,100	33,170	34,245	34,167	34,005	19,732	12,128	2,145
FEB.	31,849	31,867	34,052	33,571	33,833	19,715	11,915	2,203
MAR.	31,752	31,496	34,000	33,946	33,776	19,659	11,869	2,248
APR.	(31,847)	(31,952)	(34,026)	(33,990)	(33,817)	(19,699)	(11,934)	(2,179)
PERCENT ANNUAL GROWTH								
QUARTERLY								
1975--3RD QTR.	-1.5		-0.8	-2.8	-0.7	3.4	-9.0	
4TH QTR.	0.4		1.4	4.5	0.5	-3.4	4.1	
1976--1ST QTR.	-5.9		-6.2	-5.4	-5.8	-2.0	-11.1	
QUARTERLY--AV								
1975--3RD QTR.	-0.8		0.1	-1.9	-0.1	6.2	-12.2	
4TH QTR.	-0.6		0.6	2.7	-0.1	-2.1	-0.6	
1976--1ST QTR.	-3.4		-3.9	-3.2	-3.6	-1.0	-6.5	
MONTHLY								
1976--JAN.	-4.9		-10.2	-8.4	-9.3	-1.5	-7.9	
FEB.	-9.4		-6.8	-6.9	-6.1	-1.0	-21.1	
MAR.	-3.7		-1.8	-0.9	-2.0	-3.4	-4.6	
APR.	(3.6)		(0.9)	(1.6)	(1.5)	(2.4)	(7.1)	
MAR.--APR.	(0.0)		(-0.5)	(0.3)	(-0.3)	(-0.5)	(1.2)	
WEEKLY LEVELS--\$MILLIONS								
1976--MAR. 3	31,970	31,675	34,340	34,256	33,930	19,676	11,884	2,370
10	31,533	31,016	33,834	33,786	33,731	19,545	11,865	2,300
17	31,608	31,459	33,843	33,803	33,642	19,555	11,852	2,235
24	31,699	31,470	33,876	33,798	33,765	19,749	11,839	2,177
31	32,074	31,963	34,300	34,263	33,899	19,761	11,892	2,226
APR. 7	31,621	31,383	33,858	33,834	33,727	19,576	11,914	2,237
14	31,738	31,692	33,786	33,724	33,603	19,628	11,926	2,048

NOTE: RESERVE SERIES HAVE BEEN ADJUSTED TO REMOVE DISCONTINUITIES ASSOCIATED WITH CHANGES IN RESERVE REQUIREMENT RATIO. DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS. AT THE FOMC MEETING OF MAR. 16, 1976 THE COMMITTEE AGREED ON A RPD RANGE OF -2.0 TO 2.0 PERCENT FOR THE MAR.--APR. PERIOD.

Table 2

CONFIDENTIAL (FR)
CLASS II-FOMC**MONETARY AGGREGATES**

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

APRIL 16, 1976

Period	Money Supply		Adjusted Credit Proxy	U.S. Govt. Deposits	Time and Savings Deposits				Nondeposit Sources of Funds	
	Narrow (M1)	Broad (M2)			Total	Other Than CD'S				CD'S
						Total	Savings	Other		
	1	2	3	4	5	6	7	8	9	10
MONTHLY LEVELS--\$BILLIONS										
1976--JAN.	295.3	669.0	514.1	2.6	452.9	373.7	164.2	209.5	79.2	7.9
FEB.	296.8	676.9	515.9	2.6	455.5	380.1	170.0	210.1	75.4	8.3
MAR.	298.4	681.7	516.4	2.5	456.4	383.2	173.4	209.9	73.1	8.6
APR.	(300.4)	(688.1)	(517.8)	(2.1)	(460.4)	(387.7)	(176.7)	(211.0)	(72.7)	(8.1)
PERCENT ANNUAL GROWTH										
QUARTERLY										
1975--3RD QTR.	3.6	6.5	-0.8		2.6	8.9	14.5	4.9	-23.8	
4TH QTR.	1.9	6.4	7.0		11.8	10.1	17.1	4.7	19.2	
1976--1ST QTR.	4.6	11.1	1.6		4.6	16.2	31.9	4.2	-47.3	
QUARTERLY-AV										
1975--3RD QTR.	7.1	10.1	1.4		4.7	12.7	18.4	8.6	-27.5	
4TH QTR.	2.5	6.1	6.0		9.1	9.1	14.7	4.9	9.5	
1976--1ST QTR.	2.9	9.5	2.6		6.8	14.8	28.4	4.4	-29.3	
MONTHLY										
1976--JAN.	1.2	10.3	-0.7		4.5	17.6	26.9	10.4	-53.6	
FEB.	6.1	14.2	4.2		6.9	20.6	42.4	3.4	-57.6	
MAR.	6.5	8.5	1.2		2.4	9.8	24.0	-1.1	-36.6	
APR.	(8.0)	(11.3)	(3.3)		(10.5)	(14.1)	(22.8)	(6.3)	(-6.6)	
MAR.-APR.	(7.3)	(9.9)	(2.2)		(6.5)	(12.0)	(23.6)	(2.6)	(-21.5)	
WEEKLY LEVELS--\$BILLIONS										
1976--MAR. 3	296.8	678.5	514.4	2.2	455.5	381.7			73.8	7.9
10	299.3	682.0	515.7	2.9	455.8	382.7			73.0	8.1
17	298.7	681.8	516.7	2.8	456.1	383.1			73.0	6.3
24	297.3	681.0	515.9	2.8	456.7	383.7			73.0	8.5
31	298.6	683.0	515.3	1.9	457.8	384.4			73.4	8.2
APR. 7 P	300.0	686.6	517.4	2.4	460.0	386.7			73.4	7.2

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

P - PRELIMINARY

TABLE 3
 RESERVE EFFECTS OF
 OPEN MARKET OPERATIONS AND OTHER RESERVE FACTORS
 (Millions of dollars, not seasonally adjusted)

Period	Open Market Operations ^{1/}					Daily Average Reserve Effects ^{2/}			Δ In Reserve Categories		Δ Target
	Bills & Accept. (1)	Coupon Issues (2)	Agency Issues (3)	RP's Net 3/ (4)	Total (5)	Open Market Operations (6)	Δ Member Bank Borrowing (7)	Other ^{4/} Factors (8)	Req. res. against U.S.G. and interb. (9)	Available res. ^{5/} (6)+(7)+(8)-(9) (10)	Available reserves ^{5/} (11)
1975--Sept.	1,932	822	393	2,008	5,155	2,458	186	-2,432	98	114	10
Oct.	147	--	284	15	445	1,276	-205	-1,150	15	-94	265
Nov.	-608	709	-1	-2,637	-2,537	521	-130	-387	1	3	280
Dec.	1,799	297	--	1,219	3,315	1,165	66	-813	79	339	355
1976--Jan.	-1,590	321	240	3,597	2,567	942	-48	-308	137	449	960
Feb.	1,205	528	295	-3,129	-1,101	1,631	-3	-3,250	-76	-1,546	-1,110
Mar.	-180	203	--	788	812	128	-18p	-68p	-26p	68	-90
Apr. May											470
1976--Feb. 4	-190	189	--	-3,534	-3,536	1,605	-1	-1,607	246	-249	
11	336	--	--	-2,969	-2,633	-4,051	-6	2,767	-279	-1,011	
18	820	--	--	2,210	3,031	2,656	5	-1,900	172	589	
25	37	339	-1	4,014	4,389	2,428	92	-3,404	-33	-851	
Mar. 3	110	--	297	-3,314	-2,907	-93	-63	588	144	288	
10	-711	-107	--	-8,835	-9,653	-4,051	-38	3,380	-50	-659	
17	401	310	--	4,115	4,826	429	-7	-91	-112	443	
24	376	--	--	3,143	3,519	3,541	38	-3,727	-159	11	
31	-147	--	--	1,142	995	-1,002	-41	1,658p	166	449p	
Apr. 7	-1,608	-70	--	-7,764	-9,442	-4,396	-13	3,768p	-61	-580p	
14	-521	--	--	5,064	4,543	-1,273	38	1,399p	-146	310p	
21											
28											

^{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 March and April reflects the target adopted at the March 16, 1976 FOMC meeting. Target change for previous months reflects the bluebook patterns that are consistent with target ranges that were adopted during the month.

P - Preliminary.

TABLE 4
NET CHANGES IN SYSTEM HOLDINGS OF SECURITIES ^{1/}
(\$ millions, not seasonally adjusted)

Period	Treasury Bills Net Change 2/	Treasury Coupons Net Purchases 3/					Federal Agencies Net Purchases 4/					Net Change Outright Holdings Total 5/	Net RP's 6/
		Within 1-year	1 - 5	5 - 10	Over 10	Total	Within 1-year	1 - 5	5 - 10	Over 10	Total		
1972	-490	87	789	539	167	1,582	46	592	253	168	1,059	1,631	-1,358
1973	7,232	207	579	500	129	1,415	120	400	244	101	864	9,273	-46
1974	1,280	320	797	434	196	1,747	439	1,665	659	318	3,082	6,303	-154
1975	-468	337	3,284	1,510	1,070	6,202	191	824	460	138	1,613	7,267	1,272
1975--Qtr. I	-2,093	33	1,054	625	312	2,024	69	169	285	61	584	508	53
Qtr. II	1,086	218	1,135	454	273	2,079	--	--	-2	--	-2	3,076	230
Qtr. III	-757	13	712	201	171	1,096	64	514	106	63	747	1,060	2,392
Qtr. IV	1,294	74	385	234	315	1,006	58	141	71	14	284	2,626	-1,403
1976--Qtr. I	-363	115	554	226	156	1,052	102	288	108	38	535	1,022	1,256
1975--Oct.	97	--	--	--	--	--	58	141	71	14	284	430	15
Nov.	-588	43	267	156	244	709	--	--	--	--	--	99	-2,637
Dec.	1,784	31	118	78	71	297	--	--	--	--	--	2,096	1,219
1976--Jan.	-1,596	37	110	100	73	321	26	139	47	27	240	-1,030	3,597
Feb.	1,275	40	366	63	59	528	76	149	61	11	297	2,029	-3,129
Mar.	-42	38	78	63	24	203	--	--	--	--	--	23	788
Apr.													
1976--Feb. 4	-189	--	189	--	--	189	--	--	--	--	--	-1	-3,534
11	356	--	--	--	--	--	--	--	--	--	--	336	-2,969
18	840	--	--	--	--	--	--	--	--	--	--	820	2,210
25	53	40	177	63	59	339	--	--	--	--	--	376	4,014
Mar. 3	150	--	--	--	--	--	76	149	61	11	297	407	-3,314
10	-688	--	-107	--	--	-107	--	--	--	--	--	-818	-8,835
17	438	38	185	63	24	310	--	--	--	--	--	711	4,115
24	431	--	--	--	--	--	--	--	--	--	--	376	3,143
31	-156	--	--	--	--	--	--	--	--	--	--	-147	1,142
Apr. 7	-1,593	--	-70	--	-70	--	--	--	--	--	--	-1,678	-7,764
14	-501	--	--	--	--	--	--	--	--	--	--	-521	5,064
21													
28													

1/ Change from end-of-period to end-of-period.

2/ Outright transactions in market and with foreign accounts, and redemptions (-) in bill auctions.

3/ Outright transactions in market and with foreign accounts and short-term notes acquired in exchange for maturing bills. Excludes redemptions, maturity shifts, rollovers of maturing coupon issues, and direct Treasury borrowings from the System.

4/ Outright transactions in market and with foreign accounts only. Excludes redemptions and maturity shifts.

5/ In addition to net purchases of securities, also reflects changes in System holdings of bankers' acceptances, direct Treasury borrowings from the System, and redemptions (-) of Agency and Treasury coupon issues.

6/ Includes changes in both RP's (+) and matched sale-purchase transactions (-).

TABLE 5
SECURITY DEALER POSITIONS AND BANK POSITIONS
(millions of dollars)

Period	U.S. Govt. Security Dealer Positions		Dealer Positions		Member Bank Reserve Positions				
	Bills (1)	Coupon Issues (2)	Corporate Bonds (3)	Municipal Bonds (4)	Excess** Reserves (5)	Borrowing at FRB**		Basic Reserve Deficit	
						Total (6)	Seasonal (7)	8 New York (8)	38 Others (9)
1975--High	7,029	2,845	464	389	804	609	74	-7,387	-11,632
Low	1,586	253	0	48	-42	17	5	-1,757	-7,207
1976--High	*6,821	1,684	167	239	570	153	11	-6,736	-12,603
Low	4,294	349	0	34	-106	37	8	-2,367	-8,478
1975--Mar.	3,143	2,521	307	195	195	96	7	-5,732	-10,302
Apr.	2,737	1,617	35	115	143	110	6	-4,079	-10,426
May	4,744	1,752	91	170	155	66	9	-3,965	-9,567
June	5,201	1,351	89	118	201	227	11	-5,821	-9,344
July	4,231	1,246	60	135	188	259	17	-5,546	-9,896
Aug.	4,020	1,204	44	181	195	211	37	-3,964	-9,966
Sept.	5,008	588	31	122	191	397	58	-3,551	-9,015
Oct.	5,766	1,480	14	123	161	189	65	-2,644	-9,202
Nov.	4,751	2,073	156	173	251	60	29	-3,812	-10,159
Dec.	4,822	1,075	95	103	265	130	14	-2,811	-10,418
1976--Jan.	4,959	1,220	34	97	232	79	9	-3,581	-9,746
Feb.	5,214	1,051	66	181	256	81	10	-4,138	-10,015
Mar.	*5,910	*778	43	151	254p	54p	8p	-4,726	-9,640
1976--Feb. 4	5,020	828	5	159	417	57	11	-2,367	-9,018
11	5,183	1,684	0	170	123	51	11	-5,662	-10,889
18	5,961	903	27	239	570	56	10	-3,673	-10,642
25	4,789	833	167	154	-106	148	10	-3,720	-9,550
Mar. 3	4,530	581	165	155	410	84	8	-4,415	-9,390
10	5,984	911	30	187	103	48	8	-6,510	-10,252
17	6,107	349	6	169	201	40	8	-4,980	-9,914
24	*6,106	*809	63	93	111	78	8	-3,681	-10,095
31	*6,032	*1,184	46	134	401p	37p	10p	-4,226	-8,824
Apr. 7	*6,725	*669	10	158	131p	24p	10p	-5,942p	-10,503p
14	*6,821	*773	20p	110p	184p	62p	10p	-6,736p	-12,603p
21									
28									

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 for sale over the near-term. Other security dealer positions 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 6
 SELECTED INTEREST RATES
 (Per Cent)

Period	Short-Term						Long-Term					
	Treasury Bills			90-119 Day Commercial Paper	CD's New Issue-NYC		Aaa Utility		Municipal Bond Buyer	U.S. Govt. (20-yr. Constant Maturity)	FNMA Auction Yield	GNMA Guaranteed Securities
	Federal Funds	90-Day	1-year	(4)	60-89 Day	90-119 Day	New Issue	Recently Offered	(9)	(10)	(11)	(12)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1975--High	7.70	6.68	7.31	8.43	7.88	7.75	9.80	9.71	7.67	8.63	9.95	9.10
Low	5.13	5.02	5.46	5.38	5.25	5.38	8.89	9.06	6.27	7.63	8.78	7.93
1976--High	5.12	5.17	5.92	5.44	5.13	5.38	8.88	8.94	7.13	8.10	9.13	8.45
Low	4.70	4.73	5.35	5.00	4.75	4.88	8.53	8.50	6.65	7.85	8.94	8.25
1975--Mar.	5.54	5.49	5.70	6.06	5.88	6.03	9.35	9.38	6.74	7.99	8.82	8.09
Apr.	5.49	5.61	6.40	6.11	5.85	6.03	9.67	9.66	6.94	8.36	9.06	8.48
May	5.22	5.23	5.91	5.70	5.44	5.63	9.63	9.65	6.97	8.22	9.27	8.51
June	5.55	5.34	5.86	5.67	5.34	5.51	9.25	9.33	6.94	8.04	9.09	8.34
July	6.10	6.13	6.64	6.32	6.05	6.25	9.41	9.43	7.06	8.17	9.14	8.50
Aug.	6.14	6.44	7.16	6.59	6.31	6.63	9.46	9.49	7.17	8.50	9.41	8.75
Sept.	6.24	6.42	7.20	6.79	6.44	6.81	9.68	9.57	7.44	8.57	9.78	8.97
Oct.	5.82	5.96	6.48	6.35	6.08	6.45	9.45	9.43	7.39	8.35	9.80	8.87
Nov.	5.22	5.48	6.07	5.78	5.69	6.03	9.20	9.26	7.43	8.28	9.80	8.50
Dec.	5.20	5.44	6.16	5.88	5.65	5.83	9.36	9.23	7.31	8.23	9.31	8.56
1976--Jan.	4.87	4.87	5.44	5.15	4.91	5.03	8.70	8.79	7.07	8.01	9.10	8.37
Feb.	4.77	4.88	5.53	5.13	4.84	5.06	8.63	8.63	6.94	8.03	9.06	8.29
Mar.	4.84	5.00	5.82	5.25	5.05	5.20	8.62	8.61	6.92	7.97	9.05	8.30
1976--Feb. 4	4.82	4.82	5.36	5.00	4.75	4.88	8.68	8.62	6.86	8.04	--	8.27
11	4.73	4.87	5.48	5.13	4.88	5.13	--	8.68	6.95	8.10	9.07	8.31
18	4.70	4.88	5.56	5.21	4.88	5.13	8.64	8.67	6.97	8.06	--	8.31
25	4.80	4.86	5.57	5.15	4.88	5.13	8.58	8.56	6.98	7.96	9.04	8.25
Mar. 3	4.95	5.11	5.87	5.20	5.13	5.38	8.72	8.72	7.04	8.07	--	8.31
10	4.86	5.08	5.92	5.25	5.13	5.25	8.63	8.64	6.98	7.99	9.06	8.31
17	4.77	4.97	5.86	5.33	5.13	5.25	8.61	8.60	6.92	7.97	--	8.31
24	4.79	4.91	5.71	5.30	5.00	5.13	8.53	8.50	6.72	7.89	9.03	8.31
31	4.84	4.92	5.71	5.13	4.88	5.00	8.60	8.54	6.69	7.90	--	8.28
Apr. 7	4.73	4.94	5.69	5.20	4.88	5.00	--	8.50	6.65	7.84	8.94	8.27
14	4.77	4.84	5.42	5.10	4.75	4.88	8.43p	8.46p	6.54	7.80p	--	8.12
21												
28												
Daily--Apr. 8	4.73	4.90	5.56	5.13	--	--	--	--	--	7.82	--	--
15	4.75p	4.78	5.37	5.13	--	--	--	--	--	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 and 10, the weekly date is the mid-point of the calendar week over which data are averaged. Column 8 and 9 are one-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 11 gives FNMA auction data for the Monday preceding the end of the statement week. Column 12 is a one-day quote 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. GNMA yields are average net yields to investors on mortgage-backed securities for immediate delivery, assuming prepayment in 12 years on pools of 30-year FHA/VA mortgages carrying the prevailing ceiling rate.

MONEY AND CREDIT AGGREGATE MEASURES

Period	RESERVES ^{1/}			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Available to Support Pvt. Deposits	Adj. Credit proxy	Total Loans and Investments	M ₁	M ₂	M ₃	M ₄	M ₅	M ₆	M ₇
	1	2	3	4	5	6	7	8	9	10	11	12
ANNUALLY:	(Per cent annual rates of growth)											
1973	6.7	6.0	8.4	10.5	13.5	6.0	8.6	8.8	11.6	10.6	11.1	11.4
1974	7.1	9.2	7.4	10.2	9.2	4.7	7.2	6.8	10.6	9.0	8.9	8.9
1975	-0.4	1.3	-1.1	3.9	4.3	4.2	8.3	11.2	6.3	9.6	10.0	9.6
SEMI-ANNUALLY:												
2ND HALF 1974	4.2	19.3	5.7	6.1	3.1	3.9	6.1	6.2	7.8	7.4	7.1	7.0
1ST HALF 1975	-1.2	1.7	-1.7	4.5	5.1	5.6	9.8	11.9	6.9	9.9	9.5	9.4
2ND HALF 1975	0.3	0.9	-6.6	3.1	3.4	2.7	6.5	9.9	5.4	9.0	10.0	9.3
QUARTERLY:												
2ND QTR. 1975	1.3	-0.1	-0.2	5.3	4.6	9.7	12.5	14.5	7.7	11.3	10.8	10.1
3RD QTR. 1975	-0.8	-2.8	-1.5	-0.8	3.6	3.6	6.5	10.7	3.0	8.1	8.6	7.5
4TH QTR. 1975	1.4	4.5	0.4	7.0	3.1	1.9	6.4	8.9	7.8	9.6	11.2	10.9
1ST QTR. 1976	-6.2	-5.4	-5.9	1.6	7.3	4.6	11.1	12.4	4.6	6.2	6.1	7.6
QUARTERLY-AV:												
2ND QTR. 1975	-1.4	-0.4	-2.2	3.6	5.1	7.4	10.2	12.6	5.6	9.4	8.7	8.7
3RD QTR. 1975	0.1	-1.9	-0.8	1.4	4.1	7.1	10.1	13.5	5.7	10.1	10.7	9.5
4TH QTR. 1975	0.6	2.7	-0.8	6.0	4.7	2.5	6.1	9.2	6.5	9.2	10.1	9.5
1ST QTR. 1976	-3.9	-3.2	-3.4	2.6	4.0	2.9	9.5	11.1	5.2	6.3	8.6	8.3
MONTHLY:												
1975--FEB.	-9.0	-0.4	-6.2	-0.7	4.3	0.0	7.2	8.9	4.9	7.3	6.6	7.4
MAR.	-1.4	0.0	-4.8	6.0	7.9	9.4	9.3	11.7	4.4	8.2	6.9	7.9
APR.	3.5	3.4	2.2	2.2	3.4	3.4	7.1	10.8	3.9	8.3	7.8	7.8
MAY	-11.6	-10.1	-8.1	1.0	5.1	11.4	12.4	14.9	6.2	10.1	9.4	8.6
JUNE	12.2	6.5	5.4	12.7	5.1	14.2	16.5	17.4	12.9	15.0	14.9	13.5
JULY	-3.2	-5.8	-0.3	-3.3	2.0	3.7	9.5	13.2	5.1	10.0	11.9	10.6
AUG.	-3.1	0.0	-4.3	-4.3	6.8	5.3	5.7	10.3	-0.5	5.9	7.0	6.0
SEPT.	3.9	-2.6	0.3	5.2	2.0	1.6	4.2	8.5	4.3	8.3	6.5	5.7
OCT.	-6.3	0.8	-5.1	5.9	6.0	-0.8	5.1	8.4	7.7	9.7	11.0	10.4
NOV.	9.7	14.3	6.0	14.4	16.5	9.4	10.6	11.6	11.1	11.6	14.6	14.3
DEC.	0.8	-1.6	0.3	0.7	-7.3	-2.8	3.1	6.4	4.5	7.2	7.7	7.6
1976--JAN.	-10.2	-8.4	-4.9	-0.7	5.3	1.2	10.3	11.7	3.2	7.0	6.8	6.5
FEB.	-6.8	-6.9	-9.4	4.2	8.1	6.1	14.2	14.4	6.6	9.4	9.3	8.9
MAR. P	-1.8	-0.9	-3.7	1.2	6.2	6.5	8.5	10.8	4.0	7.9	8.6	7.7

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURODOLLAR BORROWINGS OF U.S. BANKS. WEEKLY DATA ARE DAILY AVERAGES FOR STATEMENT WEEKS. MONTHLY DATA ARE DAILY AVERAGES. WEEKLY DATA ARE NOT AVAILABLE FOR M₃, M₅, M₆, M₇, TOTAL LOANS AND INVESTMENTS AND THRIFT INSTITUTION DEPOSITS.

1/ BASED ON DATA ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS.

P - PRELIMINARY

APPENDIX TABLE I-B

MONEY AND CREDIT AGGREGATE MEASURES

APRIL 16, 1976

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

Period	RESERVES ^{1/}			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Available to Support Pvt. Deposits	Adj. Credit proxy	Total Loans and Investments	M ₁	M ₂	M ₃	M ₄	M ₅	M ₆	M ₇
	1	2	3	4	5	6	7	8	9	10	11	12
ANNUALLY:												
1973	32,390	31,092	30,335	449.4	634.6	270.5	571.4	919.5	634.9	982.9	1093.7	1132.0
1974	34,693	33,966	32,591	495.3	691.9	283.1	612.4	981.6	702.2	1071.4	1191.0	1232.7
1975	34,539	34,409	32,231	514.4	721.6	295.0	663.3	1091.8	746.2	1174.7	1310.0	1350.5
MONTHLY:												
1975--MAR.	34,377	34,271	32,337	499.9	701.7	284.1	623.0	1003.7	712.8	1093.5	1214.9	1259.0
APR.	34,477	34,367	32,396	500.8	703.7	284.9	626.7	1012.7	715.1	1101.1	1222.8	1267.2
MAY	34,143	34,077	32,176	501.2	706.7	287.6	633.7	1025.3	718.8	1110.4	1232.4	1276.3
JUNE	34,490	34,263	32,320	506.5	709.7	291.0	642.4	1040.2	726.5	1124.3	1247.7	1290.7
JULY	34,399	34,098	32,311	505.1	710.9	291.9	647.5	1051.6	729.6	1133.7	1260.1	1302.1
AUG.	34,310	34,099	32,194	503.3	714.9	293.2	650.6	1060.6	729.3	1139.3	1267.5	1308.6
SEPT.	34,421	34,024	32,201	505.5	716.1	293.6	652.9	1068.1	731.9	1147.2	1274.4	1314.8
OCT.	34,239	34,048	32,063	508.0	719.7	293.4	655.7	1075.6	736.6	1156.5	1286.1	1326.2
NOV.	34,515	34,455	32,224	514.1	726.0	295.7	661.6	1086.0	743.4	1167.7	1301.7	1342.0
DEC.	34,539	34,409	32,231	514.4	721.6	295.0	663.3	1091.8	746.2	1174.7	1310.0	1350.5
1976--JAN.	34,245	34,167	32,100	514.1	724.8	295.3	669.0	1102.4	748.2	1181.6	1317.4	1357.6
FEB.	34,052	33,971	31,849	515.9	729.7	296.8	676.9	1115.6	752.3	1190.9	1327.6	1367.9
MAR. P	34,000	33,946	31,752	516.4	734.7	298.4	681.7	1125.6	754.8	1198.7	1336.5	1376.7
WEEKLY:												
1976--FEB. 11	33,775	33,724	31,626	516.4		297.3	676.7		752.5			
18	34,210	34,154	32,176	516.9		297.9	678.4		753.7			
25	33,774	33,626	31,578	515.4		295.8	676.7		751.4			
MAR. 3	34,340	34,256	31,970	514.4		296.8	678.5		752.3			
10	33,834	33,786	31,533	515.7		299.3	682.0		755.0			
17	33,843	33,803	31,608	516.7		298.7	681.8		754.8			
24	33,876	33,798	31,699	515.9		297.3	681.0		754.0			
31P	34,300	34,263	32,074	515.3		298.6	683.0		756.4			
APR. 7P	33,858	33,834	31,621	517.4		300.0	686.6		760.0			

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURODOLLAR BORROWINGS OF U.S. BANKS. WEEKLY DATA ARE DAILY AVERAGES FOR STATEMENT WEEKS. MONTHLY DATA ARE DAILY AVERAGES. WEEKLY DATA ARE NOT AVAILABLE FOR M₃, M₅, M₆, M₇, TOTAL LOANS AND INVESTMENTS AND THRIFT INSTITUTION DEPOSITS.

^{1/} BASED ON DATA ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS.

P - PRELIMINARY

COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Total Time Deposits	Time Other Than CD's	Mutual Savings Bank and S & L Shares ^{1/}	Credit Union Shares ^{1/}	CD's	Savings Bonds ^{1/}	Short Term U.S. Gov't Securities	Commercial Paper ^{1/}	
	1	2	3	4	5	6	7	8	9	10	
(Per cent annual rates of growth)											
ANNUALLY:											
1973	8.1	5.3	16.2	11.4	6.5	13.8	45.6	4.9	31.3	39.3	
1974	10.2	3.0	15.0	9.4	5.6	12.1	41.4	4.8	11.9	9.1	
1975	8.7	2.8	7.7	11.8	15.7	20.2	-7.7	6.3	21.0	-3.3	
SEMI-ANNUALLY:											
2ND HALF 1974	9.9	2.1	10.6	8.0	6.1	11.5	20.9	5.2	4.4	4.4	
1ST HALF 1975	9.4	4.4	7.8	13.4	15.2	20.9	-12.7	5.7	6.7	5.7	
2ND HALF 1975	7.6	1.2	7.2	9.6	15.2	17.6	-2.9	6.8	34.0	-12.1	
QUARTERLY:											
2ND QTR. 1975	9.2	9.9	6.3	14.6	17.7	20.6	-25.4	5.6	7.0	-9.1	
3RD QTR. 1975	5.6	2.9	2.6	8.9	17.4	17.0	-23.8	6.8	19.2	-24.2	
4TH QTR. 1975	9.4	-0.5	11.8	10.1	12.4	17.6	19.2	6.6	46.6	0.0	
1ST QTR. 1976	10.9	2.7	4.6	16.2	14.1	19.2	-47.3	5.9	8.2	-2.0	
QUARTERLY-AV:											
2ND QTR. 1975	8.1	6.9	4.5	12.5	16.2	21.0	-24.5	5.6	-2.8	9.3	
3RD QTR. 1975	8.5	6.6	4.7	12.7	18.2	18.6	-27.5	6.8	26.4	-23.7	
4TH QTR. 1975	8.4	0.5	9.1	9.1	14.0	16.5	9.5	6.7	30.7	-8.7	
1ST QTR. 1976	9.8	0.7	6.8	14.8	13.2	18.3	-29.3	5.4	17.0	0.0	
MONTHLY:											
1975--MAR.	12.2	8.4	1.1	10.0	15.2	21.0	-30.0	5.6	-16.6	33.6	
APR.	1.7	3.9	3.9	9.9	16.4	20.6	-18.7	5.6	0.0	10.9	
MAY	12.1	11.1	3.1	15.1	17.2	20.3	-44.8	5.6	-2.1	-13.5	
JUNE	13.7	14.4	12.0	18.4	18.9	19.9	-14.1	5.6	23.1	-24.6	
JULY	5.1	3.3	5.8	14.0	16.9	15.7	-28.5	9.2	53.6	-25.1	
AUG.	10.1	3.8	-3.8	6.4	17.7	19.4	-48.2	5.5	27.6	-28.5	
SEPT.	1.7	1.6	5.8	6.0	14.9	15.2	4.6	5.5	-23.2	-20.4	
OCT.	10.0	-4.3	13.4	10.4	13.5	18.8	27.3	7.3	37.4	-5.9	
NOV.	13.2	8.2	11.9	11.9	12.4	14.8	13.4	7.2	78.2	6.0	
DEC.	4.9	-5.4	9.7	7.9	11.0	18.3	16.1	5.4	19.7	0.0	
1976--JAN.	8.1	-0.5	4.5	17.6	13.4	18.0	-53.6	5.3	1.8	0.0	
FEB.	12.9	3.3	6.9	20.6	14.4	10.7	-57.6	5.3	10.6	-3.0	
MAR. P	11.2	5.4	2.4	9.8	13.9	28.2	-36.6	7.1	12.2	-3.0	

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.

APPENDIX TABLE 2-8

COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Total Time Deposits	Time Other Than CD's	Mutual Savings Bank and S & L Shares ^{1/}	Credit Union Shares ^{1/}	CD's	Savings Bonds ^{1/}	Short Term U.S. Gov't Securities	Commercial Paper ^{1/}	Non-deposit Funds	U.S. Gov't Demand
	1	2	3	4	5	6	7	8	9	10	11	12
ANNUALLY:												
1973	61.5	209.0	364.4	300.9	323.5	24.7	63.5	60.4	50.3	38.3	6.6	5.0
1974	67.8	215.3	419.1	329.3	341.6	27.7	89.8	63.3	56.3	41.8	8.4	3.4
1975	73.7	221.3	451.2	368.3	395.4	33.3	82.9	67.3	68.1	40.4	8.4	3.0
MONTHLY:												
1975--MAR.	69.4	214.7	428.7	339.0	351.9	29.1	89.8	64.2	57.2	44.0	6.5	2.5
APR.	69.5	215.4	430.1	341.8	356.7	29.6	88.4	64.5	57.2	44.4	6.7	2.7
MAY	70.2	217.4	431.2	346.1	361.8	30.1	85.1	64.8	57.1	43.9	7.4	2.5
JUNE	71.0	220.0	435.5	351.4	367.5	30.6	84.1	65.1	58.2	43.0	7.0	3.2
JULY	71.3	220.6	437.6	355.5	373.3	31.0	82.1	65.6	60.8	42.1	6.8	2.6
AUG.	71.9	221.3	436.2	357.4	378.8	31.5	78.8	65.9	62.2	41.1	7.0	2.8
SEPT.	72.0	221.6	438.3	359.2	383.5	31.9	79.1	66.2	61.0	40.4	7.0	3.0
OCT.	72.6	220.8	443.2	362.3	387.8	32.4	80.9	66.6	62.9	40.2	7.9	3.0
NOV.	73.4	222.3	447.6	365.9	391.8	32.8	81.8	67.0	67.0	40.4	8.2	3.9
DEC.	73.7	221.3	451.2	366.3	395.4	33.3	82.9	67.3	68.1	40.4	8.4	3.0
1976--JAN.	74.2	221.2	452.9	373.7	399.8	33.8	79.2	67.6	68.2	40.4	7.9	2.6
FEB.	75.0	221.8	455.5	380.1	404.6	34.1	75.4	67.9	68.8	40.3	8.3	2.6
MAR. P	75.7	222.8	456.4	383.2	409.3	34.9	73.1	68.3	69.5	40.2	8.6	2.5
WEEKLY:												
1976--FEB. 11	74.9	222.4	455.2	379.4			75.8				8.1	2.5
18	75.0	222.8	455.8	380.5			75.3				8.1	2.8
25	75.1	220.7	455.7	380.9			74.8				8.0	3.0
MAR. 3	75.2	221.6	455.5	381.7			73.8				7.9	2.2
10	75.7	223.5	455.8	382.7			73.0				8.1	2.9
17	75.7	223.0	456.1	383.1			73.0				8.3	2.8
24	75.8	221.5	456.7	383.7			73.0				8.5	2.8
31P	75.8	222.8	457.8	384.4			73.4				8.2	1.9
APR. 7P	76.2	223.8	460.0	386.7			73.4				7.2	2.4

^{1/} ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.

P - PRELIMINARY

Appendix Table III

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

		M_1		M_2		M_3	
		M	Q	M	Q	M	Q
1973	I	3.6	7.4	7.3	9.2	8.4	10.3
	II	10.1	6.4	9.9	8.2	9.8	8.5
	III	1.8	5.5	6.3	7.9	6.1	7.8
	IV	7.8	5.1	10.5	9.0	9.9	8.4
QIV '72-QIV '73		6.0	6.2	8.8	8.8	8.8	9.0
1974	I	5.3	6.0	9.0	9.6	8.4	8.9
	II	5.3	5.6	6.9	7.4	5.7	6.5
	III	3.0	4.2	5.5	6.4	5.2	5.6
	IV	4.7	4.0	6.6	6.4	7.2	6.5
QIV '73-QIV '74		4.7	5.0	7.2	7.7	6.8	7.1
1975	I	1.4	0.6	6.9	5.6	9.0	7.5
	II	9.7	7.4	12.5	10.2	14.5	12.6
	III	3.6	7.1	6.5	10.1	10.7	13.3
	IV	1.9	2.5	6.4	6.1	8.9	9.2
QIV '74-QIV '75		4.2	4.4	8.3	8.2	11.2	11.1
1976	I	4.6	2.9	11.1	9.5	12.4	11.1

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

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

Appendix Table IV

Projected Federal Funds Rates

		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	QII	4-5/8	5	5½
	QIII	4-7/8	5¾	6½
	QIV	5½	6½	7½
1977	QI	6	7	7¾

Appendix Table V

Reserve Measures Consistent With Short-run Alternatives
(seasonally adjusted)

	<u>Average of 4 weeks April 28 to May 19</u> (\$ million)			<u>Change from average of previous 5-week period</u> (\$ million)			<u>2-month Annual Percentage Growth Rate for April-May</u>		
	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Nonborrowed reserves	34,012	33,966	33,886	44	-2	-82	2.6	1.6	0.0
Member bank borrowing	33	38	78	-14	-9	31	--	--	--
Excess reserves	204	186	169	-28	-46	-63	--	--	--
Other reserve aggregates:									
Total reserves	34,045	34,003	33,964	30	-12	-51	2.2	1.4	0.6
Monetary base ^{1/}	113,316	113,274	113,234	756	714	674	7.9	7.6	7.4
Nonborrowed monetary base	113,283	113,237	113,157	770	724	644	8.0	7.7	7.2

^{1/} Total reserves plus currency held outside the Treasury, the Federal Reserve, and member banks.