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# MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

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Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

December 17, 1976

MONETARY AGGREGATES AND  
MONEY MARKET CONDITIONS

Recent developments

(1) After expanding at a 13.7 per cent annual rate in October,  $M_1$  remained unchanged on average during November. Available data for December suggest a resumption of moderate growth, and for the November-December period  $M_1$  is now projected to rise at a 2.1 per cent annual rate--somewhat below the Committee's operating range. Despite the efforts of some institutions to slow inflows of high-cost term funds by cutting rates or reducing advertising, growth of savings and consumer-type time deposits at banks and thrift institutions has continued at a rapid pace. Indeed, growth of time and savings deposits (excluding CD's) at commercial banks is running somewhat stronger than anticipated, and thus  $M_2$  is expected to increase at an 11.2 per cent rate in the November-December period--near the midpoint of the range specified by the Committee. With large CD's and interbank deposits also rising unexpectedly and adding to the demand for reserves, nonborrowed reserves appear to be increasing at a 7.5 per cent rate over the two-month policy period.<sup>1/</sup>

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<sup>1/</sup> Appendix A contains a discussion of the actual behavior of nonborrowed reserves in the weeks between the November and December meetings relative to the behavior that was expected to be consistent with the Committee's short-run ranges for monetary growth.

Growth in Monetary Aggregates  
over November-December Period  
(SAAR in per cent)

	<u>Ranges</u>	<u>Latest Estimates</u>
M <sub>1</sub>	3 to 7	2.1
M <sub>2</sub>	9½ to 13½	11.2
Memo:		Avg. for statement
Federal funds rate		<u>week ending</u>
(Per cent per annum)		Nov. 17 5.02
		24 4.90
		Dec. 1 4.78
		8 4.67
		15 4.68

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(2) Data available shortly after the November meeting indicated that while M<sub>2</sub> growth would be around the mid-point of the range set by the Committee, M<sub>1</sub> growth would be in the lower half of its range. Consequently, the Desk proceeded to implement the Committee's directive by seeking a reduction in the Federal funds rate from the prevailing level of 5 per cent--first to 4-7/8 per cent and then to 4¾ per cent. As December progressed, incoming data suggested a further weakening in M<sub>1</sub> growth, and the Desk became somewhat more accommodative in the provision of reserves. Most recently the Desk has been seeking reserve conditions consistent with a Federal funds rate around 4-5/8 per cent.

(3) Market rates of interest have declined sharply since the November Committee meeting, reaching lows for the current cycle. Yields on most short-term instruments have dropped about 40 to 60 basis points, and bond yields have eased roughly 30 basis points. Much of the impetus for the market rally was supplied by System actions: the lowering of the Desk's funds rate objective and the quarter-point

cut in the discount rate announced on November 19. Expectations of additional easing actions by the System, fostered by evidence of sluggish growth in  $M_1$  and slow economic expansion, also contributed to the rally. The prime lending rate at most commercial banks has declined from  $6\frac{1}{2}$  to  $6\frac{1}{4}$  per cent, and one major institution has posted a 6 per cent rate. In the mortgage sector, secondary market rates have fallen in sympathy with other yields, but rates on new home loans in the primary market have been stable. Stock prices have risen significantly since the November meeting.

(4) In November, total short-term business credit--that is, business loans plus nonfinancial commercial paper--rose substantially for the second consecutive month. At the same time, public bond offerings by domestic corporations fell to the lowest level of the year. In December, however, the volume of such offerings rebounded, partly because of the decline in interest rates. Tax-exempt bond offerings have remained at a high level, reflecting in part some acceleration of planned borrowings. In the Government sector, the Treasury has borrowed \$6 billion, net, since the November meeting, primarily through an addition to the November 2-year note and the sale of 4-year notes and 132-day cash management bills.

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

	Calendar Year	Twelve Months	Past Six Months	Past Three Months	Past Month
	1975	Nov. '76 over Nov. '75	Nov. '76 over May '76	Nov. '76 over Aug. '76	Nov. '76 over Oct. '76
Nonborrowed reserves	1.3	1.1	4.7	4.6	14.9
Total reserves	-.4	1.1	4.4	4.3	14.1
Monetary Base	5.8	6.9	6.9	7.4	10.3
<u>Concepts of Money</u>					
M <sub>1</sub> (currency plus demand deposits) <u>1/</u>	4.1	4.8	4.2	4.4	0.0
M <sub>2</sub> (M <sub>1</sub> plus time deposits at commercial banks other than large CD's)	8.5	10.6	10.4	11.9	10.3
M <sub>3</sub> (M <sub>2</sub> plus deposits at thrift institutions)	11.3	12.6	12.8	13.9	11.6
M <sub>4</sub> (M <sub>2</sub> plus CD's)	6.4	6.7	7.9	9.8	9.3
M <sub>5</sub> (M <sub>3</sub> plus CD's)	9.7	10.0	11.0	12.4	11.1
<u>Bank Credit</u>					
Total member bank deposits (bank credit proxy adj.)	3.9	3.9	7.4	9.1	13.2
Loans and investments of commercial banks <u>2/</u>	4.4	5.9	7.6	9.2	9.4
<u>Short-term Market Paper</u> (Monthly average change in billions)					
Large CD's	-.6	-1.6	-1.0	-0.8	0.1
Nonbank commercial paper	-.2	0.2	-.1	-.5	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

(6) Summarized below are three sets of short-run specifications for the monetary aggregates and the Federal funds rate. More detailed data, including longer-run growth rates, are shown in the tables on pp. 5a and 5b.

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for December-January			
M <sub>1</sub>	3-7	2½-6½	2-6
M <sub>2</sub>	9½-13½	9-13	8½-12½
Federal funds rate (Intermeeting period)	3¾-4½	4½-5	4¾-5½

(7) Alternative B assumes that prevailing money market conditions--indexed by a Federal funds rate around 4-5/8 per cent--would be maintained between now and the next Committee meeting. M<sub>1</sub> in the December-January period would, in consequence, be expected to expand in a 2½-6½ per cent annual rate range. The mid-point of that growth range is close to the average rate of growth in M<sub>1</sub> over the past six months--a period when the rate of expansion in nominal GNP had slowed. A faster growth in M<sub>1</sub> is expected to develop later in the winter in reflection of the pick-up in economic expansion that is currently projected by the staff.

(8) A continued sizable increase in M<sub>2</sub> would be expected over the next few weeks, given prevailing money market conditions. Growth in M<sub>2</sub> for the December-January period is projected in a 9-13

Alternative Levels and Growth Rates for Key Monetary Aggregates

		<u>M<sub>1</sub></u>			<u>M<sub>2</sub></u>			<u>M<sub>3</sub></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	November	309.8	309.8	309.8	732.0	732.0	732.0	1223.4	1223.4	1223.4
	December	310.9	310.9	310.9	739.4	739.4	739.4	1236.3	1236.3	1236.3
	January	312.4	312.1	311.9	746.4	745.6	744.7	1249.5	1248.0	1247.0
1976	QIII	305.9	305.9	305.9	710.9	710.9	710.9	1182.5	1182.5	1182.5
	QIV	310.2	310.2	310.2	732.4	732.4	732.4	1223.8	1223.8	1223.8
1977	QI	314.3	314.1	313.9	753.0	751.8	750.5	1262.4	1259.9	1258.2
	QII	318.6	318.2	318.0	769.9	768.4	767.9	1293.8	1292.0	1289.8
	QIII	322.8	322.8	322.8	783.8	783.5	783.4	1320.2	1319.9	1321.7
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	December	4.3	4.3	4.3	12.1	12.1	12.1	12.7	12.7	12.7
	January	5.8	4.6	3.9	11.4	10.1	8.6	12.8	11.4	10.4
<u>Quarterly Average:</u>										
1976	QIV	5.6	5.6	5.6	12.1	12.1	12.1	14.0	14.0	14.0
1977	QI	5.3	5.0	4.8	11.3	10.6	9.9	12.6	11.8	11.2
	QII	5.5	5.2	5.2	9.0	8.8	8.7	9.9	10.2	10.0
	QIII	5.3	5.8	6.0	7.2	7.9	8.6	8.2	8.6	9.9
<u>Semi-annual</u>										
	QIII '76-QI '77	5.5	5.4	5.2	11.8	11.5	11.1	13.5	13.1	12.8
	QI '77-QIII '77	5.4	5.5	5.7	8.2	8.4	8.8	9.2	9.5	10.1
<u>Annual</u>										
	QIII '76-QIII '77	5.5	5.5	5.5	10.3	10.2	10.2	11.6	11.6	11.8
<u>FOMC Longer-run Range</u>										
	QIII '76-QIII '77	4½-6½			7½-10			9-11½		



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

		<u>M<sub>4</sub></u>			<u>M<sub>5</sub></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	November	794.0	794.0	794.0	1285.5	1285.5	1285.5	534.4	534.4	534.4
	December	802.7	802.7	802.7	1299.5	1299.5]	1299.5	537.8	537.8	537.8
	January	809.3	808.4	807.6	1312.3	1310.8	1309.8	541.6	541.0	540.5
1976	QIII	776.3	776.3	776.3	1247.9	1247.9	1247.9	523.2	523.2	523.2
	QIV	794.9	794.9	794.9	1286.2	1286.2	1286.2	533.6	533.6	533.6
1977	QI	815.9	814.7	813.3	1325.2	1322.8	1320.9	545.5	544.7	543.7
	QII	833.1	831.9	829.4	1357.0	1355.5	1352.2	555.1	554.4	552.3
	QIII	849.2	848.9	847.5	1385.6	1385.3	1385.8	567.2	567.0	565.6
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	December	13.1	13.1	13.1	13.1	13.1	13.1	7.6	7.6	7.6
	January	9.9	8.5	7.3	11.8	10.4	9.5	8.5	7.1	6.0
<u>Quarterly Averages:</u>										
1976	QIV	9.6	9.6	9.6	12.3	12.3	12.3	8.0	8.0	8.0
1977	QI	10.6	10.0	9.3	12.1	11.4	10.8	8.9	8.3	7.6
	QII	8.4	8.4	7.9	9.6	9.9	9.5	7.0	7.1	6.3
	QIII	7.7	8.2	8.7	8.4	8.8	9.9	8.7	9.1	9.6
<u>Semi-annual</u>										
	QIII '76-QI '77	10.2	9.9	9.5	12.4	12.0	11.7	8.5	8.2	7.8
	QI '77-QIII '77	8.2	8.4	8.4	9.1	9.4	9.8	8.0	8.2	8.1
<u>Annual</u>										
	QIII '76-QIII '77	9.4	9.4	9.2	11.0	11.0	11.1	8.4	8.4	8.1

per cent annual rate range. This reflects continued rapid expansion in time and savings deposits other than money market CD's at banks. The rate of growth in such deposits, however, is not expected to accelerate from the pace of recent months despite recent declines in market interest rates, as banks appear to be in process of lowering offering rates on certain time certificates.

(9) Basically, credit demands over the next few weeks and into early 1977 are likely to be generally moderate and will probably have little net impact on the current level of market rates. Market participants, however, remain quite sensitive to possible monetary actions. For example, with the 3-month bill rate about 35 basis points below the funds rate and dealer holdings of securities large, it appears that the market is expecting a lower funds rate. Thus, if the funds rate does not decline further, there could be a technical re-adjustment in rate structure. Bill rates could rise somewhat. On the other hand, the primary mortgage rate is likely to decline over the next few weeks--even assuming no change in the funds rate--in lagged response to earlier declines in market rates.

(10) As time goes on, and the pace of economic activity picks up, private credit demands are likely to strengthen. Treasury borrowing needs in the first quarter will be substantial and perhaps more than the market is currently anticipating. Against this background, we would expect interest rates to begin rising by spring of next year if growth in  $M_1$  is kept to around the mid-point of the

4½-6½ per cent range adopted by the FOMC for the QIII '76-QIII '77 period. If growth in GNP during the first three quarters of 1977 is at about the 11 per cent annual rate projected by the staff on the assumption that taxes are cut, we would anticipate that the funds rate may rise to an average of around 6 per cent in the third quarter of next year, as shown in appendix table II. On the other hand, if there were no additional fiscal stimulus, we would expect a smaller rise in interest rates from current levels--perhaps an increase in the funds rate to 5½ per cent or so by the third quarter. This would of course, mainly reflect the weaker expansion in nominal GNP and transactions demand for money.

(11) Alternative A involves an easing of the money market between now and the next Committee meeting, with the funds rate dropping to the mid-point of a 3¾-4½ per cent range. Further declines in market rates are likely to be generated, though such declines will be limited if incoming economic evidence continues to suggest a more vigorous economy and therefore leads market participants to believe that interest rates may soon rise. Banks, in such circumstances, may seek to issue money market CD's more aggressively--particularly longer maturities--in an effort to lock in favorable yields. And corporate and municipal borrowers may continue to accelerate marketings of new bond issues.

(12) An easing of the money market would generate only slightly more growth in  $M_1$  and  $M_2$  over the December-January period than under alternative B. However, the lower level of market rates

will, with a lag, tend to strengthen the demand for money further. Thus,  $M_1$  growth over the longer-run would likely be higher than the mid-point of the Committee's one-year range. As a result, to contain growth within desired bounds interest rates under this alternative may have to rise to somewhat higher levels than under alternative B and the rise may begin sooner.

(13) Alternative C contemplates a tightening in the money market over the next few weeks, with the funds rate rising to around  $5\frac{1}{8}$  per cent. A substantial upward re-adjustment of market rates would be likely to follow, since most market participants appear to have adjusted their current positions to expectations that the funds rate will either decline or remain about unchanged over the near-term. The 3-month bill rate, for example, might move up to the area of  $5\frac{5}{8}$  per cent. After the initial reaction, however, further rate increases might be quite limited. Some rate increases, particularly in longer-term markets, could be partly reversed as the funds rate tended to level off at the new higher level. The staff would expect that little further increase in the funds rate would, in practice, be required to achieve the FOMC's longer-run monetary growth rates.

Proposed directive

(14) Given below is a proposed operational paragraph for the directive if the Committee wishes to continue formulating its instructions in terms of desired growth in monetary aggregates over the months ahead. No alternatives are presented for this formulation, in the expectation that the reference to desired growth will be taken to apply to the longer-term targets and that at this meeting the Committee will not reconsider those targets.

"Monetary Aggregates" Proposal

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate growth in monetary aggregates over the period ahead.

(15) Should the Committee desire to place main emphasis on bank reserve and money market conditions, the language needed would depend on the specific conditions sought. Three alternative "money market" directives intended to correspond to the similarly lettered policy alternatives are given below.

Alternative "Money Market" Proposals

Alternative A

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve SOMEWHAT EASIER bank reserve and money market conditions ~~consistent with moderate growth in monetary aggregates~~

over the period IMMEDIATELY ahead, PROVIDED THAT MONETARY AGGREGATES APPEAR TO BE GROWING AT ABOUT THE RATES CURRENTLY EXPECTED.

Alternative B

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

Alternative C

To implement this policy, while taking account of developments in domestic and international financial markets, the Committee seeks to achieve SOMEWHAT FIRMER bank reserve and money market conditions ~~consistent-with-moderate-growth-in-monetary-aggregates~~ over the period IMMEDIATELY ahead, PROVIDED THAT MONETARY AGGREGATES APPEAR TO BE GROWING AT ABOUT THE RATES CURRENTLY EXPECTED.

## APPENDIX A

### Comparison of Actual and Targeted Reserves

The table below compares the actual average level of reserves for the five-week period ending December 22 with the "targeted" level that had been thought consistent with the mid-points of the short-run ranges for the monetary aggregates adopted at the last FOMC meeting.

	<u>Actual</u> <sup>1/</sup>	<u>Targeted</u>	<u>Differences</u>
1. (2+3) Nonborrowed reserves	34,879	34,619	260
2. Required reserves	34,701	34,448	253
3. (4-5) Free reserves	178	171	7
4. Excess reserves	243	228	15
5. Member bank borrowing	65	57	8
6. (1+5) Total reserves	34,944	34,676	268
7. Currency	83,436	83,510	-74
8. (6+7) Monetary base	118,380	118,186	194

As can be seen from the table, actual nonborrowed reserves were \$260 million higher than the "targeted" level. This developed as the Desk provided the reserves required to support unexpected increases in negotiable CD's and interbank deposits.

Total reserves and the monetary base were also higher than expected. But the monetary base was somewhat nearer the targeted level, as currency expanded less than expected.

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<sup>1/</sup> Includes week of December 22, which is partly estimated.

Appendix Table I

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

	<u>Average of 4 weeks</u> <u>Dec. 29 to Jan. 19</u> (\$ million)			<u>Change from average of</u> <u>previous 5-week period</u> (\$ million)			<u>2-month Annual Percentage</u> <u>Growth Rate for Dec.-Jan.</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	34,814	34,778	34,725	-65	-101	-154	1.5	0.9	0.1
Member bank borrowing	38	51	79	-27	-14	14	--	--	--
Excess reserves	273	250	225	30	7	-18	--	--	--
Other reserve aggregates:									
Total reserves	34,852	34,829	34,804	-92	-115	-140	0.8	0.3	-0.1
Monetary base <sup>1/</sup>	119,198	119,176	119,150	818	796	770	7.5	7.4	7.3
Nonborrowed monetary base	119,160	119,125	119,071	845	810	756	7.8	7.6	7.3

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<sup>1/</sup> Total reserves plus currency held outside the Treasury, the Federal Reserve, and member banks.



Appendix Table II

Projected Federal Funds Rates

		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	QIV	4-7/8	4-7/8	4-7/8
1977	QI	4-3/8	4-5/8	5-1/8
	QII	5½	5½	5½
	QIII	6½	6	5½

Appendix Table III

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

		<u>M<sub>1</sub></u>		<u>M<sub>2</sub></u>		<u>M<sub>3</sub></u>	
		<u>M</u>	<u>Q</u>	<u>M</u>	<u>Q</u>	<u>M</u>	<u>Q</u>
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	1.6	2.3	7.0	6.4	9.3	9.4
QIV '74-QIV '75		4.1	4.4	8.5	8.3	11.3	11.1
1976	I	4.5	2.7	11.0	9.7	12.3	11.2
	II	6.8	8.4	9.3	10.8	11.0	12.0
	III	4.1	4.1	10.3	9.2	13.1	11.6

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.

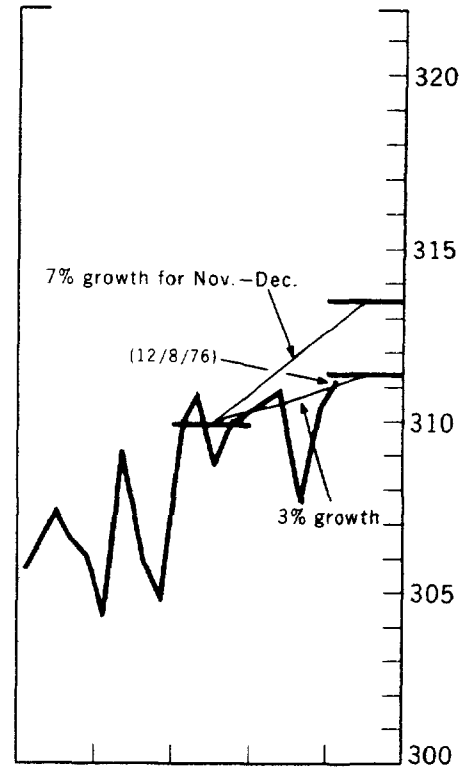
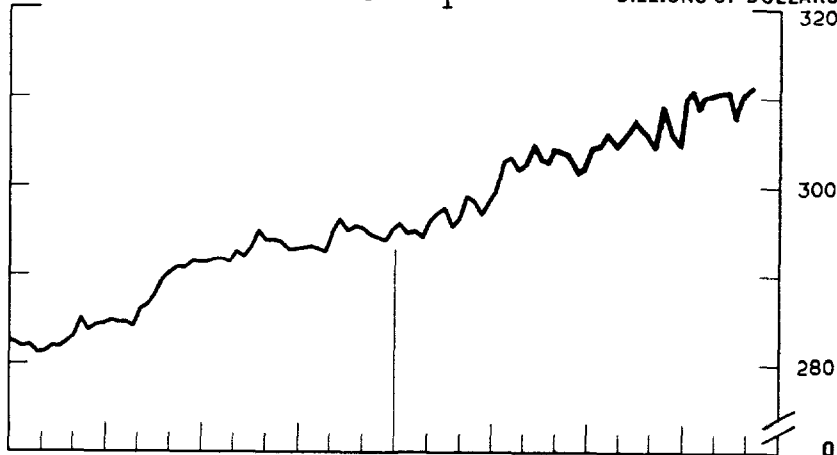
CHART 1

CONFIDENTIAL (FRI)  
CLASS II-FOMC  
12/17/76

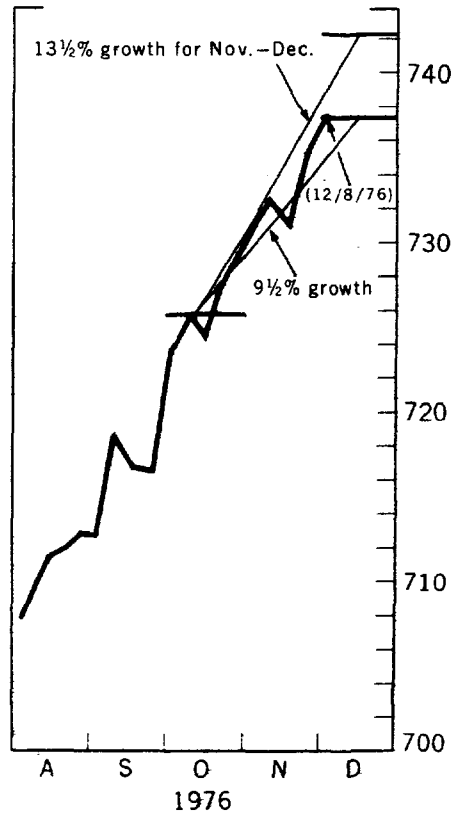
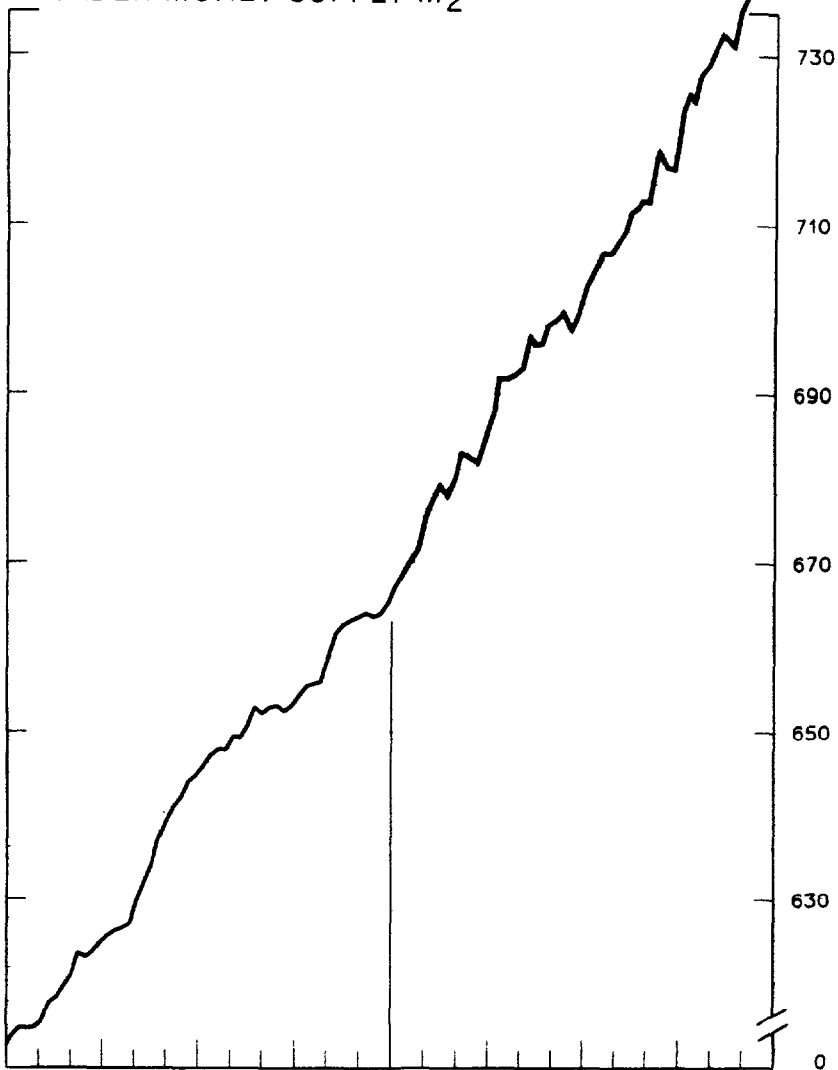
# MONETARY AGGREGATES

## NARROW MONEY SUPPLY M<sub>1</sub>

BILLIONS OF DOLLARS



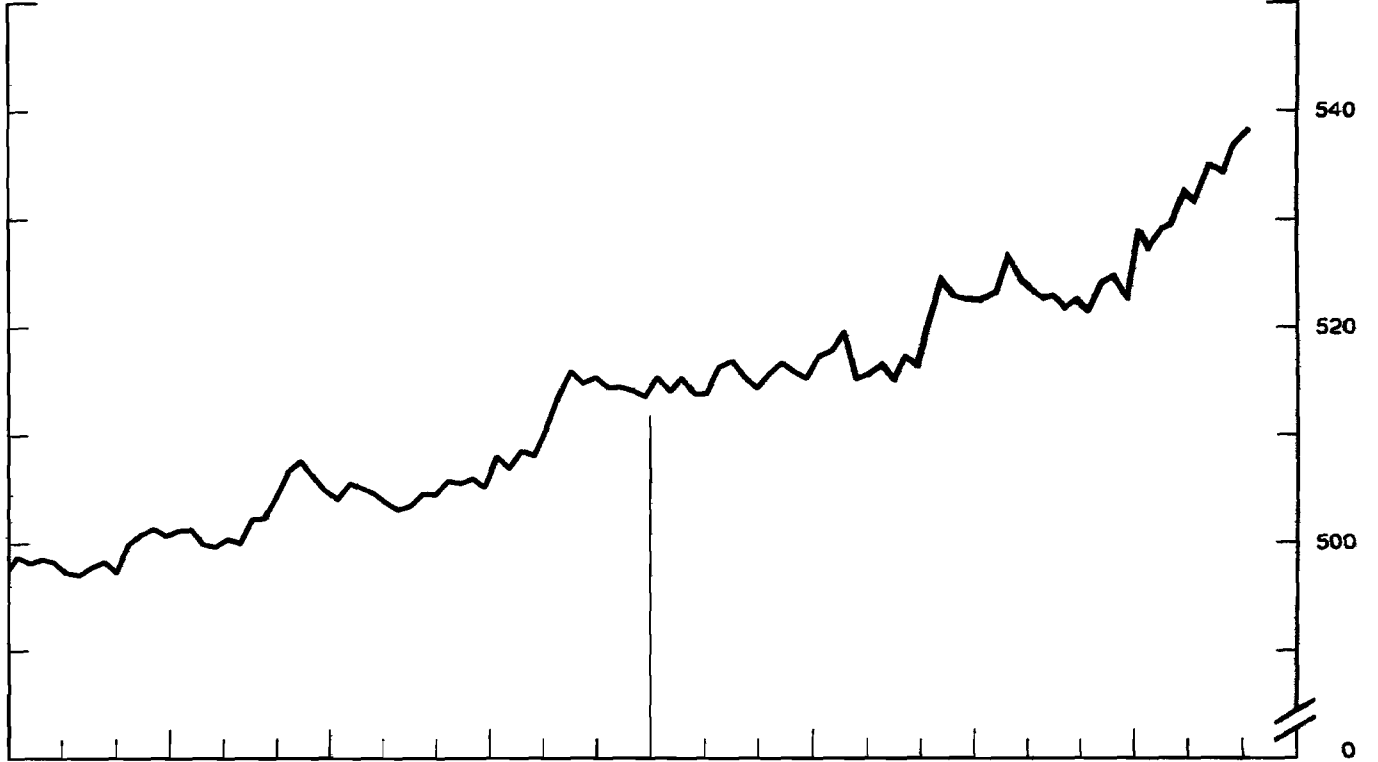
## BROADER MONEY SUPPLY M<sub>2</sub>



# MONETARY AGGREGATES

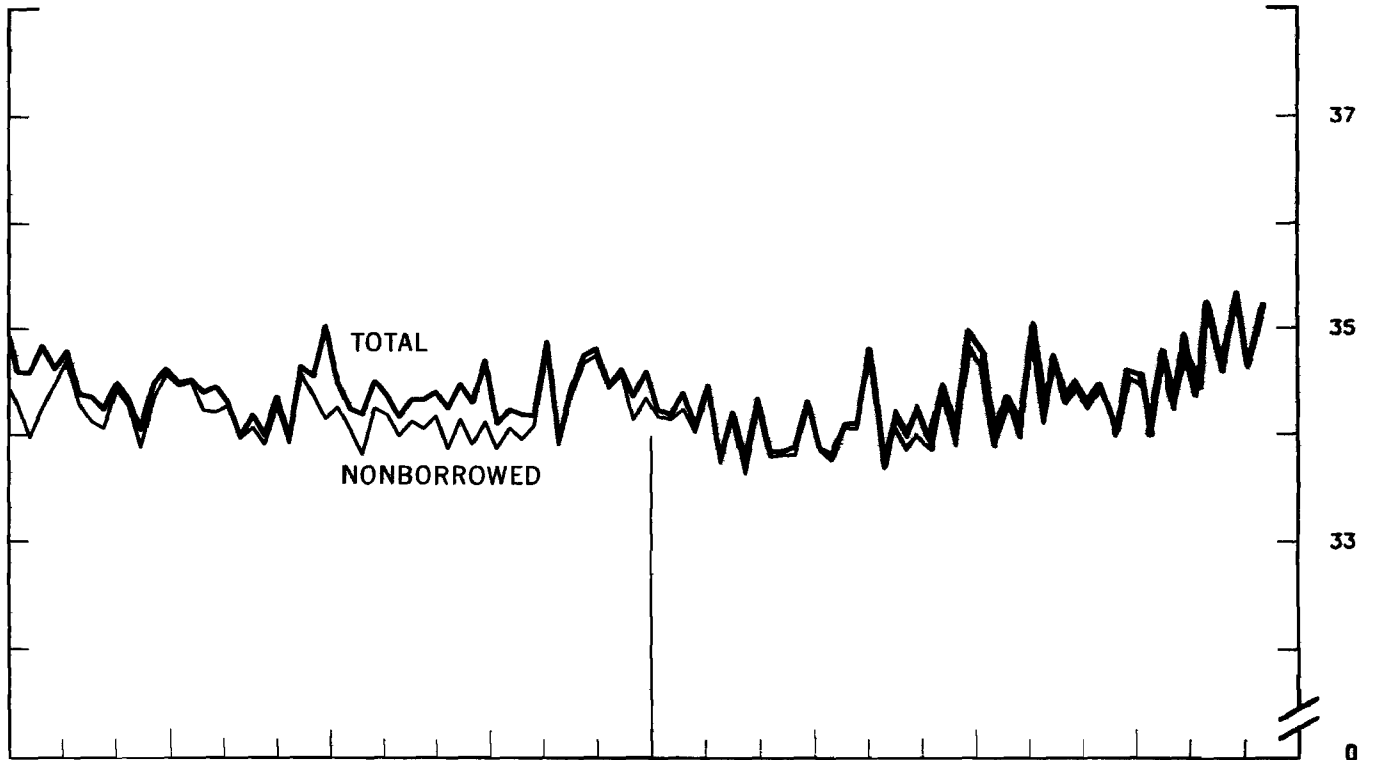
ADJUSTED CREDIT PROXY

BILLIONS OF DOLLARS



RESERVES

BILLIONS OF DOLLARS



1975

1976

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

# MONEY MARKET CONDITIONS AND INTEREST RATES

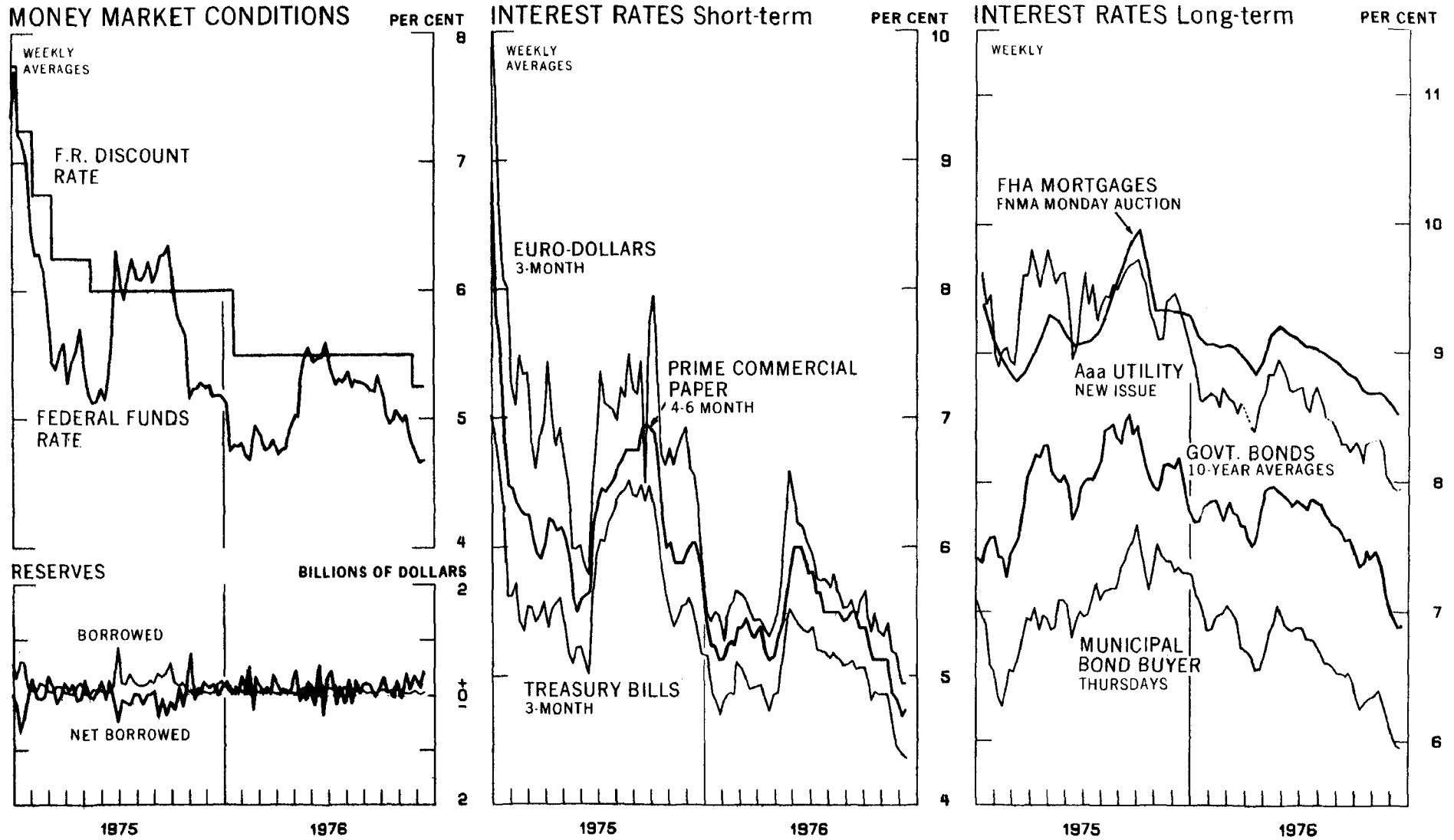


Table 1

CONFIDENTIAL (FR)

CLASS II-FOMC

DEC. 17, 1976

**MONETARY AGGREGATES**

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

Period	Money Supply		Adjusted Credit Proxy	Total U.S. Govt. Deposits <sup>1/</sup>	Time and Savings Deposits					Nondeposit Sources of Funds	Member Bank U.S. Govt. Deposits	
	Narrow (M1)	Broad (M2)			Total	Other Than CD'S			CD'S			
						Total	Savings	Other				
	1	2	3	4	5	6	7	8	9	10	11	
<b>MONTHLY LEVELS--\$BIL</b>												
1976--SEPT.	306.3	716.4	523.5	13.1	472.5	410.1	187.9	222.2	62.4	8.2	3.8	
OCT.	309.8	725.8	528.6	13.9	478.0	416.0	192.6	223.5	62.0	9.0	3.4	
NOV.	309.8	732.0	534.4	13.5	484.2	422.2	196.8	225.4	62.1	9.1	4.5	
DEC.	(310.9)	(739.4)	(537.8)	( 9.4)	(491.8)	(428.5)	(201.3)	(227.3)	( 63.2)	( 8.9)	( 2.9)	
<b>% ANNUAL GROWTH</b>												
<b>QUARTERLY</b>												
1976--2ND QTR.	6.8	9.3	4.9		7.3	11.3	13.6	9.5	-14.2			
3RD QTR.	4.1	10.3	0.9		5.7	15.0	19.0	11.7	-46.5			
4TH QTR.	( 6.0)	( 12.8)	( 10.9)		( 16.3)	( 17.9)	( 28.5)	( 9.2)	( 5.1)			
<b>QUARTERLY-AV</b>												
1976--2ND QTR.	8.4	10.8	2.4		5.3	12.5	21.7	5.1	-30.6			
3RD QTR.	4.1	9.2	3.8		7.1	13.2	13.4	12.7	-26.2			
4TH QTR.	( 5.6)	( 12.1)	( 8.0)		( 12.2)	( 17.0)	( 26.9)	( 8.9)	( -18.9)			
<b>MONTHLY</b>												
1976--SEPT.	-0.4	9.5	2.3		9.7	16.9	22.8	12.0	-37.3			
OCT.	13.7	15.7	11.7		14.0	17.3	30.0	7.0	-7.7			
NOV.	0.0	10.3	13.2		15.6	17.9	26.2	10.2	1.9			
DEC.	( 4.3)	( 12.1)	( 7.6)		( 18.8)	( 17.9)	( 27.4)	( 10.1)	( 21.3)			
NOV.-DEC.	( 2.1)	( 11.2)	( 10.4)		( 17.3)	( 18.0)	( 27.1)	( 10.2)	( 11.6)			
<b>WEEKLY LEVELS--\$BIL</b>												
1976--NOV.	3	310.2	728.9	532.6	14.9	480.1	418.8	194.6	224.2	61.3	9.5	4.0
	10	310.5	731.1	531.7	15.4	482.1	420.6	196.0	224.6	61.5	8.7	4.4
	17	310.8	732.5	535.0	14.2	483.7	421.6	196.7	225.0	62.0	8.6	5.3
	24	307.6	731.0	534.4	12.2	485.8	423.4	197.6	225.8	62.4	9.4	5.0
DEC.	1	310.4	735.2	537.1	11.8	487.6	424.8	198.3	226.5	62.7	9.4	3.5
	8 P	311.2	737.5	538.1	8.9	489.5	426.4	199.9	226.5	63.1	8.9	4.0

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

<sup>1/</sup> INCLUDES TREASURY DEPOSITS AT MEMBER BANKS AND FEDERAL RESERVE BANKS.

P - PRELIMINARY.

TABLE 2

**BANK RESERVES**

DEC. 17, 1976

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

Period	BANK RESERVES			REQUIRED RESERVES			
	Total Reserves	Nonborrowed Reserves	Monetary Base	Total Required	Private Demand	Total Time Deposits	Gov't. and Interbank
	1	2	3	4	5	6	7
<b>MONTHLY LEVELS--\$MILLIONS</b>							
1976--SEPT.	34,360	34,298	116,201	34,159	20,153	11,653	2,353
OCT.	34,487	34,393	116,891	34,267	20,131	11,695	2,441
NOV.	34,891	34,819	117,899	34,621	20,336	11,749	2,537
DEC.	(34,897)	(34,825)	(118,678)	(34,634)	(20,092)	(11,920)	( 2,622)
<b>PERCENT ANNUAL GROWTH</b>							
<b>QUARTERLY</b>							
1976--2ND QTR.	3.9	3.1	8.8	4.0	6.0	-1.0	
3RD QTR.	0.3	1.0	5.4	0.4	4.0	-6.4	
4TH QTR.	( 6.3)	( 6.1)	( 8.5)	( 5.6)	( -1.2)	( 9.2)	
<b>QUARTERLY-AV</b>							
1976--2ND QTR.	0.8	0.5	8.5	1.2	4.2	-4.4	
3RD QTR.	3.0	3.0	6.0	2.8	3.6	-0.8	
4TH QTR.	( 3.9)	( 4.1)	( 7.3)	( 3.5)	( 1.9)	( -1.0)	
<b>MONTHLY</b>							
1976--SEPT.	-5.7	-4.4	4.5	-5.5	-0.8	-14.6	
OCT.	4.4	3.3	7.1	3.8	-1.3	4.3	
NOV.	14.1	14.9	10.3	12.4	12.2	5.5	
DEC.	( 0.2)	( 0.2)	( 7.9)	( 0.5)	( -14.4)	( 17.5)	
NOV.--DEC.	( 7.1)	( 7.5)	( 9.2)	( 6.4)	( -1.2)	( 11.5)	
<b>WEEKLY LEVELS--\$MILLIONS</b>							
1976--NOV.							
3	34,920	34,718	117,674	34,459	20,228	11,698	2,532
10	34,422	34,372	117,216	34,400	20,268	11,714	2,418
17	35,233	35,179	118,184	34,799	20,509	11,726	2,564
24	34,631	34,587	117,753	34,486	20,279	11,778	2,429
DEC.							
1	35,331	35,243	118,644	34,913	20,333	11,806	2,774
8	34,641	34,616	117,898	34,467	19,873	11,859	2,735
15	35,234	35,166	118,862	34,805	20,286	11,899	2,619

NOTE: RESERVE SERIES HAVE BEEN ADJUSTED TO REMOVE DISCONTINUITIES ASSOCIATED WITH CHANGES IN RESERVE REQUIREMENT RATIO.  
DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

CONFIDENTIAL (FR)  
 CLASS II - FOMC  
 DECEMBER 17, 1976

TABLE 3  
 NET CHANGES IN SYSTEM HOLDINGS OF SECURITIES<sup>1/</sup>  
 (\$ millions, not seasonally adjusted)

Period	Treasury Bills Net Change 2/	Treasury Coupons					Federal Agencies					Net Change Outright Holdings Total 5/	Net RP's 6/
		Net Purchases 3/					Net Purchases 4/						
		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. 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
Qtr. II	2,067	109	796	245	134	1,284	3	140	57	40	240	3,371	1,654
Qtr. III	45	171	881	345	160	1,557	--	--	--	--	--	1,398	392
1976--June	1,845	83	617	195	96	990	--	--	--	--	--	2,735	1,351
July	-2,000	--	--	--	--	--	--	--	--	--	--	-2,040	-2,334
Aug.	1,100	42	301	72	65	480	--	--	--	--	--	1,484	2,093
Sept.	954	129	580	272	95	1,077	--	--	--	--	--	1,954	633
Oct.	418	--	--	--	--	--	--	--	--	--	--	409	-1,742
Nov.	-733	18	113	62	73	266	--	41	37	36	115	-377	-3,930
1976--Oct. 6	204	90	240	85	41	456	--	--	--	--	--	648	-13,110
13	255	--	--	--	--	--	--	--	--	--	--	255	10,061
20	364	--	--	--	--	--	--	--	--	--	--	363	-2,158
27	--	--	--	--	--	--	--	--	--	--	--	-3	-1,797
Nov. 3	-200	--	--	--	--	--	--	--	--	--	--	-199	3,597
10	-535	--	--	--	--	--	--	--	--	--	--	-535	-4,105
17	92	--	--	--	--	--	--	--	--	--	--	91	-588
24	54	--	--	--	--	--	--	41	37	36	115	171	3,462
Dec. 1	-518	18	113	62	73	266	--	--	--	--	--	-292	-6,290
8	-1,025	--	--	--	--	--	--	--	--	--	--	-1,033	3,102
15	-234	--	--	--	--	--	--	--	--	--	--	-267	3,384
22p		44	242	122	84	492							
29													

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 (-).



CONFIDENTIAL (FR)  
 CLASS II - FOMC  
 DECEMBER 17, 1976

TABLE 4  
SECURITY DEALER POSITIONS AND BANK POSITIONS  
 (millions of dollars)

	U. S. Govt. Security Dealer Positions		Underwriting Syndicate Positions		Member Bank Reserve Positions				
	Bills (1)	Coupon Issues (2)	Corporate Bonds (3)	Municipal Bonds (4)	Borrowing at FRB**			Basic Reserve Deficit	
					Excess** Reserves (5)	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	*8,896	2,904	334	343	655	242	34	-8,161	-12,744
Low	3,668	175	0	34	-180	24	8	-2,367	- 6,908
1975--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	223	54	8	-4,726	- 9,640
Apr.	5,750	605	69	133	155	43	10	-5,179	-10,783
May	4,239	591	95	199	210	114	11	-4,402	- 8,151
June	4,996	582	100	196	214	127	20	-4,219	- 9,158
July	5,743	904	106	211	234	132	25	-4,756	- 9,399
Aug.	6,174	1,686	85	116	207	100	31	-4,624	- 9,691
Sept.	7,838	1,509	95	172	205	63	31	-5,703	- 9,716
Oct.	6,271	1,832	94	258	221	94	32	-6,428	-10,527
Nov.	*6,876	*2,418	79	217	289p	73p	22p	-6,289	-11,618
1976--Oct. 6	7,020	1,896	16	205	334	101	34	-6,718	- 9,037
13	5,549	2,117	137	305	212	47	33	-7,911	-11,640
20	5,740	1,893	152	246	99	48	29	-5,813	-10,835
27	6,254	1,653	70	275	111	119	33	-5,098	-10,484
Nov. 3	6,106	1,355	65	253	461	202	30	-5,730	-10,276
10	7,818	2,904	24	343	22	51	24	-8,030	-12,664
17	6,894	2,417	70	176	434	54	21	-7,059	-11,985
24	*6,480	*2,441	156	97	145	44	21	-5,479	-11,665
Dec. 1	*6,402	*2,359	0	122	418p	88p	19p	-5,146	-10,845
8	*7,927	*2,611	152	122	174p	25p	14p	-7,067p	-12,375p
15	*8,896	*1,932	120p	204p	487p	69p	15p	-7,991p	-12,414p
22									
29									

NOTE: Government security dealer trading positions are on a commitment basis. Trading positions, which exclude Treasury securities financed by repurchase agreements maturing in 16 days or more, are indicators of dealer holdings available for sale over the near-term. Underwriting syndicate positions consist of 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)  
 CLASS II - FOMC  
 DECEMBER 17, 1976

TABLE 5  
SELECTED INTEREST RATES  
 (per cent)

	Short-Term						Long-Term					
	Federal Funds	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
		90-Day	1-Year		60-Day	90-Day	New Issue	Recently Offered				
(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	5.58	5.53	6.32	5.90	5.63	5.75	8.95	8.94	7.13	8.17	9.20	8.45
Low	4.67	4.37	4.65	4.65	4.40	4.50	7.93	7.94	5.95	7.32	8.51	7.60
1975--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	9.21	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
Apr.	4.82	4.86	5.54	5.08	4.81	4.94	8.48	8.52	6.60	7.86	8.89	8.10
May	5.29	5.20	5.98	5.44	5.25	5.38	8.82	8.77	6.87	8.13	9.09	8.33
June	5.48	5.41	6.12	5.83	5.55	5.68	8.72	8.73	6.87	8.03	9.13	8.35
July	5.31	5.23	5.82	5.54	5.30	5.42	8.63	8.63	6.79	8.00	9.05	8.37
Aug.	5.29	5.14	5.64	5.35	5.23	5.31	8.52	8.50	6.61	7.91	8.99	8.30
Sept.	5.25	5.08	5.50	5.33	5.11	5.24	8.29	8.33	6.51	7.78	8.88	8.10
Oct.	5.03	4.92	5.19	5.10	4.90	5.04	8.25r	8.24	6.30	7.70	8.75	7.98
Nov.	4.95	4.75	5.00	4.98	4.84	4.94	8.17	8.18	6.29	7.64	8.66	7.93
1976--Oct. 6	5.17	5.07	5.39	5.25	5.10	5.20	8.26	8.23	6.33	7.69	8.80	8.06
13	5.02	4.94	5.18	5.19	4.88	5.00	8.15	8.20	6.25	7.63	--	7.96
20	4.97	4.82	5.06	5.05	4.83	4.91	8.28	8.25	6.30	7.70	8.70	7.89
27	4.99	4.89	5.18	5.00	4.80	5.05	8.29	8.27	6.33	7.74	--	8.02
Nov. 3	5.06	4.87	5.16	5.00	4.85	5.03	--	8.23	6.34	7.70	8.67	8.02
10	4.98	4.87	5.16	5.08	4.95	5.06	8.31	8.28	6.39	7.76	--	8.02
17	5.02	4.87	5.12	5.13	4.95	5.05	8.24	8.18	6.26	7.66	8.68	8.02
24	4.90	4.67	4.89	4.90	4.63	4.63	8.05	8.04	6.16	7.51	--	7.84
Dec. 1	4.78	4.46	4.68	4.75	4.54	4.50	7.95	7.97	6.03	7.39	8.63	7.75
8	4.67	4.40	4.65	4.68	4.54	4.50	7.93	7.94	5.96	7.32	--	7.62
15	4.68	4.37	4.66	4.65	4.40	4.50	7.95p	7.99p	5.95	7.34p	8.51	7.60
22	4.63											
29												
Dec. 9	4.69	4.44	4.70	4.63	--	--	--	--	--	7.34	--	--
16	4.65p	4.33	4.67	4.75	--	--	--	--	--	7.34(12/15)	--	--

NOTE: Weekly data for columns 1 to 4 are statement week averages of daily data. Columns 5 and 6 are 1-day Wednesday quotes (prior to 1976, figures shown are for 60-89 day and 90-119 day ranges, respectively). For columns 7 and 10, the weekly date is the mid-point of the calendar week over which data are averaged. Columns 8 and 9 are 1-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 11 gives FNMA auction data for Monday preceding the end of the statement week. Column 12 is a 1-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 coupon rate 50 basis points below the current FHA/VA ceiling.

APPENDIX TABLE 1-A  
**MONEY AND CREDIT AGGREGATE MEASURES**

DEC. 17, 1976

Period	BANK RESERVES <sup>1/</sup>			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>	M <sub>6</sub>	M <sub>7</sub>
	1	2	3	4	5	6	7	8	9	10	11	12
	(Per cent annual rates of growth)											
<b>ANNUALLY:</b>												
1973	6.7	6.0	7.7	10.5	13.8	6.0	8.8	8.8	11.6	10.6	10.6	11.7
1974	7.1	9.2	9.2	10.2	9.2	4.7	7.2	6.8	10.6	9.0	8.8	9.0
1975	-0.4	1.3	5.8	3.9	4.4	4.1	6.5	11.3	6.4	9.7	10.7	10.6
<b>SEMI-ANNUALLY:</b>												
1ST HALF 1975	-1.2	1.7	5.6	4.5	4.2	5.6	9.8	11.9	6.9	9.9	10.1	10.0
2ND HALF 1975	0.3	0.9	5.7	3.1	4.5	2.6	6.8	10.1	5.7	9.2	10.8	10.6
1ST HALF 1976	-1.2	-1.2	6.7	3.1	4.9	5.7	10.3	11.8	5.9	8.9	9.0	9.4
<b>QUARTERLY:</b>												
4TH QTR. 1975	1.4	4.5	7.3	7.0	4.6	1.6	7.0	9.3	8.4	10.0	11.7	12.1
1ST QTR. 1976	-6.2	-5.3	4.6	1.2	5.5	4.5	11.0	12.3	4.6	8.1	8.3	8.3
2ND QTR. 1976	3.9	3.1	8.8	4.9	4.3	6.8	9.3	11.0	7.1	9.4	9.5	10.2
3RD QTR. 1976	0.3	1.0	5.4	0.9	7.0	4.1	10.3	13.1	5.0	9.7	9.0	9.0
<b>QUARTERLY-AV:</b>												
4TH QTR. 1975	0.6	2.7	5.6	6.0	6.0	2.3	6.4	9.4	6.7	9.4	11.0	10.9
1ST QTR. 1976	-3.8	-3.2	5.3	2.3	3.8	2.7	9.7	11.2	5.4	8.4	9.0	9.3
2ND QTR. 1976	0.8	0.5	8.5	2.4	5.4	8.4	10.8	12.0	6.6	9.3	9.3	9.8
3RD QTR. 1976	3.0	3.0	6.0	3.8	5.9	4.1	9.2	11.6	5.9	9.4	9.3	9.7
<b>MONTHLY:</b>												
1975—NOV.	9.7	14.3	11.1	14.4	9.8	9.0	11.5	11.9	11.7	12.1	14.4	15.0
DEC.	0.8	-1.6	7.0	0.7	-2.3	-3.2	4.0	7.1	5.3	7.7	8.8	9.6
1976—JAN.	-10.2	-8.4	2.6	-0.7	3.5	1.2	10.3	11.6	3.2	7.0	7.4	7.5
FEB.	-6.8	-6.9	4.0	3.5	5.9	6.1	14.1	14.4	6.6	9.5	9.2	9.0
MAR.	-1.7	-0.8	7.0	0.9	6.9	6.1	8.3	10.5	3.8	7.7	6.0	8.1
APR.	0.7	1.1	12.2	3.0	5.4	14.9	14.4	14.4	10.3	11.8	11.6	11.9
MAY	4.0	1.5	7.0	-4.6	5.4	6.8	8.5	10.5	2.7	6.6	6.9	7.8
JUNE	7.0	6.6	6.9	16.3	2.1	-1.2	4.8	7.7	8.2	9.7	9.8	10.7
JULY	1.8	1.6	5.2	3.0	6.9	6.7	11.9	13.0	9.0	11.1	12.0	12.3
AUG.	4.8	6.0	6.5	-2.5	8.2	5.9	9.2	12.7	0.3	7.1	6.3	6.2
SEPT.	-5.7	-4.4	4.5	2.3	5.9	-0.4	9.5	13.2	5.7	10.6	8.4	8.2
OCT.	4.4	3.3	7.1	11.7	12.2	13.7	15.7	16.5	14.0	15.3	13.6	13.4
NOV. P	14.1	14.9	10.3	13.2	9.4	0.0	10.3	11.6	9.3	11.1	10.1	10.5

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.

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

P - PRELIMINARY

APPENDIX TABLE 1-B

## MONEY AND CREDIT AGGREGATE MEASURES

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

DEC. 17, 1976

Period	BANK RESERVES <sup>1/</sup>			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>	M <sub>6</sub>	M <sub>7</sub>
	1	2	3	4	5	6	7	8	9	10	11	12
<b>ANNUALLY:</b>												
1973	32,390	31,092	96,051	449.4	637.7	270.5	571.4	919.5	634.9	982.9	1086.5	1121.1
1974	34,693	33,966	104,892	495.3	695.2	283.1	612.4	981.6	702.2	1071.4	1181.8	1222.2
1975	34,539	34,409	110,930	514.4	725.5	294.8	664.3	1092.9	747.2	1175.8	1308.7	1351.4
<b>MONTHLY:</b>												
1975—NOV.	34,515	34,455	110,287	514.1	726.9	295.6	662.1	1086.5	743.9	1168.3	1299.2	1340.7
DEC.	34,539	34,409	110,930	514.4	725.5	294.8	664.3	1092.9	747.2	1175.8	1308.7	1351.4
1976—JAN.	34,245	34,167	111,171	514.1	727.6	295.1	670.0	1103.5	749.2	1182.7	1316.8	1359.9
FEB.	34,052	33,971	111,538	515.6	731.2	296.6	677.9	1116.7	753.3	1192.1	1326.9	1370.1
MAR.	34,003	33,949	112,192	516.0	735.4	298.1	682.6	1126.5	755.7	1199.7	1335.7	1379.3
APR.	34,024	33,980	113,333	517.3	738.7	301.8	690.8	1140.0	762.2	1211.5	1346.6	1393.0
MAY	34,136	34,022	113,994	515.3	742.0	303.5	695.7	1150.0	763.9	1218.2	1356.3	1402.1
JUNE	34,335	34,209	114,653	522.3	743.3	303.2	698.5	1157.4	769.1	1228.0	1367.4	1414.6
JULY	34,387	34,254	115,151	523.6	747.6	304.9	705.4	1169.9	774.9	1239.4	1361.1	1429.1
AUG.	34,524	34,424	115,770	522.5	752.7	306.4	710.8	1182.3	775.1	1246.7	1388.3	1436.5
SEPT.	34,360	34,298	116,201	523.5	756.4	306.3	716.4	1195.3	778.8	1257.7	1398.0	1446.3
OCT.	34,487	34,393	116,891	528.6	764.1	309.8	725.8	1211.7	787.9	1273.7	1413.8	1462.5
NOV. P	34,891	34,819	117,899	534.4	770.1	309.8	732.0	1223.4	794.0	1285.5	1425.7	1475.3
<b>WEEKLY:</b>												
1976—OCT. 13	34,033	33,986	116,344	527.1		310.8	725.7		788.1			
20	34,766	34,718	117,159	529.2		308.7	724.4		786.3			
27	34,343	34,223	116,666	529.7		310.0	727.5		788.9			
NOV. 3	34,920	34,718	117,674	532.6		310.2	728.9		790.3			
10	34,422	34,372	117,216	531.7		310.5	731.1		792.6			
17	35,233	35,179	118,184	535.0		310.8	732.5		794.5			
24	34,631	34,587	117,753	534.4		307.6	731.0		793.4			
DEC. 1P	35,331	35,243	118,644	537.1		310.4	735.2		797.9			
8P	34,641	34,616	117,898	538.1		311.2	737.5		800.7			

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 M<sub>3</sub>, M<sub>5</sub>, M<sub>6</sub>, M<sub>7</sub>, TOTAL LOANS AND INVESTMENTS AND THRIFT INSTITUTION DEPOSITS.

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

P - PRELIMINARY

APPENDIX TABLE 2-A

DEC. 17, 1976

## COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Time and Savings Deposits					Mutual Savings Bank & S&L Shares <sup>1/</sup>	Credit Union Shares <sup>1/</sup>	Savings Bonds <sup>1/</sup>	Short Term U.S. Gov't Securities <sup>1/</sup>	Commercial Paper <sup>1/</sup>
			Total	Other Than CD's			CD's					
				Total	Savings	Other						
	1	2	3	4	5	6	7	8	9	10	11	12
(Per cent annual rates of growth)												
ANNUALLY:												
1973	8.1	5.3	16.2	11.4	2.8	18.7	45.6	8.5	13.8	4.9	25.2	52.4
1974	10.2	3.0	15.0	9.4	7.0	11.2	41.4	5.6	12.1	4.8	9.0	16.6
1975	8.7	2.6	7.9	12.2	17.8	8.2	-7.7	15.6	20.2	6.3	39.5	5.7
SEMI-ANNUALLY:												
1ST HALF 1975	9.4	4.4	7.8	13.4	18.2	10.0	-12.7	15.2	20.9	6.0	21.7	5.9
2ND HALF 1975	7.6	0.9	7.8	10.4	16.0	6.1	-2.9	15.2	17.6	6.4	51.7	5.3
1ST HALF 1976	10.6	4.2	6.0	13.9	23.6	6.6	-29.7	14.0	16.8	6.2	13.1	21.1
QUARTERLY:												
4TH QTR. 1975	9.4	-1.1	12.9	11.6	15.8	6.2	19.2	12.5	17.6	6.6	51.5	24.9
1ST QTR. 1976	10.9	2.5	4.6	16.0	32.4	3.6	-46.8	14.3	16.8	5.9	12.8	8.4
2ND QTR. 1976	10.0	5.8	7.3	11.3	13.6	9.5	-14.2	13.2	16.1	6.4	13.0	33.0
3RD QTR. 1976	7.7	2.8	5.7	15.0	19.0	11.7	-46.5	17.6	16.6	8.1	-2.3	9.3
QUARTERLY-AV:												
4TH QTR. 1975	8.4	0.2	9.7	9.8	14.4	6.6	9.5	14.0	16.5	6.1	48.1	7.9
1ST QTR. 1976	9.8	0.5	7.2	15.3	26.3	5.6	-29.3	13.4	17.1	6.6	22.7	17.3
2ND QTR. 1976	11.7	7.4	5.3	12.5	21.7	5.1	-30.6	13.8	16.4	5.9	13.1	23.1
3RD QTR. 1976	7.3	2.8	7.1	13.2	13.4	12.7	-26.2	15.4	15.7	7.5	10.4	21.0
MONTHLY:												
1975—NOV.	13.2	7.1	13.5	13.6	14.6	12.8	13.4	12.4	14.8	5.4	69.4	32.7
DEC.	4.9	-5.9	11.0	10.1	20.5	1.7	16.1	11.3	18.3	7.2	31.9	34.7
1976—JAN.	8.1	-0.5	4.5	17.2	26.9	10.3	-53.6	13.4	18.0	5.3	14.6	11.2
FEB.	12.9	3.8	6.9	20.5	44.6	2.3	-57.6	14.7	10.7	7.1	5.4	5.0
MAR.	11.2	4.3	2.4	9.8	23.3	-1.7	-35.0	14.2	21.1	5.3	18.0	6.3
APR.	15.9	15.1	7.3	14.0	22.1	8.0	-27.9	14.1	13.8	5.3	12.4	22.0
MAY	9.4	5.3	0.0	10.2	18.3	3.4	-55.4	13.3	13.7	7.0	10.5	37.6
JUNE	4.7	-3.2	14.3	9.5	0.0	16.9	42.2	11.7	20.3	7.0	15.6	36.7
JULY	7.7	6.4	10.6	15.5	11.4	18.9	-17.0	14.5	10.0	5.2	34.3	20.3
AUG.	7.7	5.3	-3.3	12.0	21.9	3.8	-89.7	18.8	19.8	10.3	-10.0	5.0
SEPT.	7.6	-3.2	9.7	16.9	22.8	12.0	-37.3	18.8	19.5	8.5	-30.3	2.5
OCT.	10.6	14.8	14.0	17.3	30.0	7.0	-7.7	17.1	19.1	5.1	-10.3	9.9
NOV. P	7.5	-2.1	15.6	17.9	26.2	10.2	1.9	13.7	12.6	6.8	-3.5	19.7

<sup>1/</sup> 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-B  
**COMPONENTS OF MONEY STOCK AND RELATED MEASURES**

Period	Currency	Demand Deposits	Time and Savings Deposits					Mutual Savings Bank & S&L Shares <sup>1/</sup>	Credit Union Shares <sup>1/</sup>	Savings Bonds <sup>1/</sup>	Short-Term U.S. Gov't Sec <sup>1/</sup>	Com-mercial Paper <sup>1/</sup>	Non-Deposit Funds	Total Gov't Demand Deposits <sup>2/</sup>
			Total	Other Than CD's			CD's							
				Total	Savings	Other								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<b>ANNUALLY:</b>														
1973	61.5	209.0	364.4	300.9	127.3	173.6	63.5	323.5	24.7	60.4	43.2	34.6	6.6	7.3
1974	67.8	215.3	419.1	329.3	136.2	193.1	89.8	341.6	27.7	63.3	47.1	40.4	6.4	5.6
1975	73.7	221.0	452.4	369.6	160.5	209.0	82.9	395.5	33.3	67.3	65.7	42.7	8.4	7.6
<b>MONTHLY:</b>														
1975—NOV.	73.4	222.1	448.3	366.5	157.8	208.7	81.8	391.8	32.8	66.9	64.0	41.5	8.2	9.6
DEC.	73.7	221.0	452.4	369.6	160.5	209.0	82.9	395.5	33.3	67.3	65.7	42.7	8.4	7.6
1976—JAN.	74.2	220.9	454.1	374.9	164.1	210.8	79.2	399.9	33.8	67.6	66.5	43.1	7.9	8.0
FEB.	75.0	221.6	456.7	381.3	170.2	211.2	75.4	404.8	34.1	68.0	66.8	43.3	8.0	10.9
MAR.	75.7	222.4	457.6	384.4	173.5	210.9	73.2	409.6	34.7	68.3	67.8	43.6	8.2	10.9
APR.	76.7	225.2	460.4	388.9	176.7	212.3	71.5	414.4	35.1	68.6	68.5	44.4	7.5	7.2
MAY	77.3	226.2	460.4	392.2	179.4	212.9	68.2	419.0	35.5	69.0	69.1	45.8	7.6	7.4
JUNE	77.6	225.6	465.9	395.3	179.4	215.9	70.6	423.1	36.1	69.4	70.0	47.2	8.4	9.8
JULY	78.1	226.8	470.0	400.4	181.1	219.3	69.6	428.2	36.4	69.7	72.0	48.0	8.8	9.0
AUG.	78.6	227.8	468.7	404.4	184.4	220.0	64.4	434.9	37.0	70.3	71.4	48.2	8.9	13.6
SEPT.	79.1	227.2	472.5	410.1	187.9	222.2	62.4	441.7	37.6	70.8	69.6	48.3	8.2	13.1
OCT.	79.8	230.0	478.0	416.0	192.6	223.5	62.0	448.0	38.2	71.1	69.0	48.7	9.6	13.9
NOV. P	80.3	229.6	484.2	422.2	196.8	225.4	62.1	453.1	38.6	71.5	68.8	49.5	9.1	13.5
<b>WEEKLY:</b>														
1976—OCT.	13	79.7	231.1	477.3	414.9	192.0	222.9	62.4					8.6	13.6
	20	79.6	229.0	477.7	415.7	192.4	223.3	62.0					9.2	15.6
	27	79.5	230.5	478.9	417.6	193.7	223.9	61.4					9.4	14.3
NOV.	3	80.0	230.2	480.1	418.8	194.6	224.2	61.3					9.5	14.9
	10	80.3	230.2	482.1	420.6	196.0	224.6	61.5					8.7	15.4
	17	80.2	230.7	483.7	421.6	196.7	225.0	62.0					8.6	14.2
	24	80.3	227.3	485.8	423.4	197.6	225.8	62.4					9.4	12.2
DEC.	1P	80.4	230.0	487.6	424.8	198.3	226.5	62.7					9.4	11.8
	8P	80.6	230.6	489.5	426.4	199.9	226.5	63.1					8.9	8.9

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

2/ INCLUDES TREASURY DEPOSITS AT MEMBER BANKS AND FEDERAL RESERVE BANKS.

P - PRELIMINARY