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CONFIDENTIAL (FR)
CLASS II - FOMC

May 18, 1979

SUPPLEMENT

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Prepared for the
Federal Open Market Committee

By the Staff
Board of Governors
of the Federal Reserve System

TABLE OF CONTENTS

	<u>Page</u>
THE DOMESTIC NONFINANCIAL ECONOMY	
Total private housing starts	1
Personal income	2
Gross national product	2
Corporate profits	4
TABLES:	
Private Housing Starts and Residential Building Permits . .	5
Personal Income	6
THE DOMESTIC FINANCIAL ECONOMY	
TABLES:	
Monetary Aggregates	7
Commercial Bank Credit	8
Selected Financial Market Quotations	9
INTERNATIONAL DEVELOPMENTS	
ERRATA:	10
APPENDIX: Bank Credit Revision	A-1
TABLES:	
Commercial Bank Credit	A-4
Seasonally Adjusted Bank Credit (Comparison of Old and Revised Levels).	A-5

SUPPLEMENTAL NOTES

The Domestic Nonfinancial Economy

Total private housing starts declined 2 per cent in April to a seasonally adjusted annual rate of 1.75 million units, following the unusually sharp increase in March from weather-depressed levels in January and February. April starts were 16 per cent below the monthly average in the fourth quarter and were down 20 per cent from a year earlier. Total residential building permits dropped in April by 6 per cent to a level 16 per cent below 1978's fourth quarter rate and sharply below a year earlier. The decline in national housing activity in April was due primarily to reduced activity in the northeast and south Census regions. In the west, starts rose markedly relative to the first three months of 1979, and they were 6 per cent below the average in the final quarter of last year.

Single-family starts and permits in April were little changed from March levels, and both were about 15 per cent below a year earlier. Activity in single-family units this spring has shown only a modest rebound from the weather-affected rates in January and February. Starts and permits of multi-family units declined sharply in April, and were well-below levels late last year.

Personal income rose \$6 billion in annual rate terms, or 0.3 per cent, in April. This increase is much smaller than the \$22.5 billion (1.2 per cent) rise in March or the \$14.7 billion (0.8 per cent) average monthly rise during the first quarter. Income growth was held down in April by work stoppages in trucking and airlines and by income losses from tornado and flood damages.

Private wages and salaries edged up just a little in April. The Department of Commerce has estimated that in annual rate terms \$6-1/2 billion of wage and salary disbursements were lost due to the combined effects of the work stoppages and the flood disruption in the construction industry. The increase in private payrolls after adjusting for these factors still would be somewhat below the average monthly gain during the first quarter.

Growth in nonlabor income also slowed in April. A major factor was a decline of \$0.9 billion in rental income due to tornado and flood losses.

Gross national product increased at a 0.4 per cent annual rate in the first quarter of this year, according to revised estimates. The first quarter increase in GNP, both in real terms and in nominal terms, is now indicated to have been slightly less than estimated a month ago--down from a 0.7 per cent per year increase in real terms. The rise in nominal terms was at a 9.3 per cent rate as compared with a 9.5 per cent rate. Prices are now indicated to have risen at an 8.8 per cent annual rate as measured by the GNP implicit price deflator and at a 9.9 per cent rate

as measured by the gross domestic business product fixed-weighted price index. These rates of increase are a trifle higher than estimated last month.

Inventory investment increased a little more in the first quarter than in the preceding quarter, and final purchases in real terms declined a trifle. Total personal consumption expenditures in real terms changed little in the first quarter from the fourth quarter but expenditures for goods declined at a 3.6 per cent annual rate, according to the revised data. Declines in expenditures in real terms also are indicated for residential fixed investment, at a 16.2 per cent annual rate, and for both Federal and State and local government purchases, at a 2.2 per cent rate and a 5.3 per cent rate, respectively.

Substantially more strength is now indicated for business fixed investment and exports of goods and services than a month ago. Business fixed investment in real terms is estimated to have increased at a 5.4 per cent annual rate, instead of the 2.6 per cent rate indicated earlier. Total exports of goods and services are estimated to have increased by nearly \$12 billion in nominal annual rate terms and at a 11.2 per cent annual rate in real terms, instead of by about \$7 billion in nominal terms and at a 2.6 per cent rate in real terms. The personal saving rate is now indicated to have been 5.4 per cent in the first quarter, up from 4.8 per cent in the final quarter of last year.

Corporate profits in the first quarter of this year adjusted to eliminate inventory profits and effects of depreciating fixed capital goods at original cost rather than replacement costs declined by \$10.6 billion in annual rate terms--at a 21.9 per cent annual rate, according to Commerce Department preliminary estimates. These economic profits were close to the level in the third quarter of last year. Book profits, however, which do not include the above adjustments, are estimated to have risen slightly in the first quarter--by \$2.0 billion in annual rate terms, or at a 3.6 per cent annual rate. Economic profits of nonfinancial corporations from domestic operations are estimated to have declined at about a 30 per cent annual rate in the first quarter, and for these corporations book profits are estimated to have risen at a 1.7 per cent rate.

Total economic profits in the first quarter were 7.3 per cent of GNP, down from an 8.0 per cent share in the preceding quarter and the lowest since the first quarter of 1977. Book profits of all corporations were 10.0 per cent of GNP in the first quarter, down only slightly from the 10.2 per cent share in the fourth quarter.

PRIVATE HOUSING STARTS AND
RESIDENTIAL BUILDING PERMITS

	<u>1/</u> Q1	<u>1/</u> Feb.	<u>1/</u> Mar.	<u>2/</u> Apr.	Per cent change from	
	(Thousands of units, SAAR)				Mar. 1979	Apr. 1978
<u>STARTS</u>	1615	1381	1786	1749	-2	-20
1 - family	1119	953	1266	1279	+1	-14
2 - or more - family	496	428	520	470	-10	-32
Northeast	207	168	177	153	-14	-40
North Central	264	184	363	358	-1	-24
South	718	614	794	711	-10	-19
West	427	415	452	527	+17	-8
<u>PERMITS</u>	1396	1334	1531	1437	-6	-17
1 - family	880	819	981	968	-1	-16
2 - or more - family	516	515	550	469	-15	-20
Northeast	160	148	143	142	-1	-19
North Central	239	226	294	297	+1	-23
South	555	519	646	543	-16	-17
West	442	441	448	455	+2	-13
MEMO: Mobile home shipments	284	272	270	304	+13	+21

1/ Revised.
2/ Preliminary.

PERSONAL INCOME
(Based on seasonally adjusted annual rate data)

	1977	1978			1979		
		H1	QIII	QIV	QI	Mar.	Apr.
- - Average monthly change, in billions of dollars - -							
Total personal income	\$12.3	\$14.4	\$16.3	\$22.3	\$14.7	\$22.5	\$6.0
Nonagricultural income	12.1	14.9	16.0	19.2	16.0	22.4	5.6
Agricultural income	.3	-.5	.4	3.1	-1.2	.1	.4
Wage and salary disbursements	7.8	11.9	7.2	13.8	12.7	15.8	2.4
Private	6.7	10.9	6.4	11.8	11.9	14.9	1.5
Manufacturing	2.4	2.9	1.8	5.3	3.8	3.5	-1.3
Other income	5.0	3.7	9.5	9.1	4.4	7.6	3.7
Less: Personal contributions for social insurance	.5	1.1	.4	.6	2.3	.9	.0
- - Percentage change, compound annual rates <u>1/</u> - -							
Total personal income							
Current dollars	11.4	11.5	12.2	13.9	10.9	14.7	3.9
Constant dollars <u>2/</u>	4.4	2.3	3.1	4.4	-0.0	2.6	n.a.
Wage and salary disbursements							
Current dollars	11.0	14.0	8.7	13.7	13.1	16.0	2.4
Constant dollars <u>2/</u>	4.1	4.6	-1.1	4.1	1.9	3.8	n.a.

1/ Changes over a period longer than one quarter are from final quarter of preceding period to final quarter of period indicated. Monthly per cent changes at annual rates, not compounded.

2/ Deflated by the CPI for all urban consumers, seasonally adjusted.

MONETARY AGGREGATES
(Seasonally adjusted) 1/

	1978			1979			Apr. '78 to Apr. '79P/
	H1	QIII	QIV	Q1	Mar.	Apr. P/	
<u>Major monetary aggregates</u>							
1. M-1 (currency plus demand deposits)	8.0	8.1	4.4	-2.4	0.7	17.4	4.7
2. M-2 (M-1 plus time & savings deposits at CBs, other than large CDs)	7.7	9.9	7.7	1.6	3.7	13.8	7.2
3. M-3 (M-2 plus all deposits at thrift institutions)	8.3	10.4	9.3	4.6	6.1	10.9	8.5
<u>Bank time and savings deposits</u>							
4. Total	12.2	11.3	12.4	8.4	-1.4	1.9	9.7
5. Other than large negotiable CDs at weekly reporting banks (interest bearing component of M-2)	7.6	11.1	10.2	4.4	5.6	11.5	9.0
6. Savings deposits	2.9	2.3	-0.9	-10.2	-6.1	-1.1	-2.5
7. Individuals <u>2/</u>	2.7	3.5	-0.8	-10.2	-5.3	-0.6	-2.1
8. Other <u>3/</u>	5.2	-12.7	-2.6	-10.5	-16.3	-8.3	-7.7
9. Time deposits	11.7	18.5	19.2	15.9	14.0	20.5	18.7
Small time <u>4/</u>	6.8	12.0	15.1	17.2	26.0	46.0	19.3
Large time <u>4/</u>	21.5	30.3	26.2	13.4	-6.4	-24.8	17.6
12. Time and savings deposits subject to rate ceilings (6+10)	4.7	6.3	6.1	2.1	8.9	21.1	6.9
<u>Deposits at nonbank thrift institutions^{5/}</u>							
13. Total	9.2	11.1	11.6	8.8	9.5	6.8	10.3
14. Savings and loan associations	9.5	12.3	13.1	11.3	9.9	7.1	11.9
15. Mutual savings banks	5.6	6.8	7.8	4.6	6.8	2.5	6.0
16. Credit unions	17.0	13.7	10.1	0.8	16.0	n.a.	n.a.
<u>MEMORANDA:</u>							
	Average monthly changes, billions of dollars						
17. Total U.S. Govt. deposits <u>6/</u>	0.3	1.1	-0.5	-2.0	-0.8	-1.2	-0.2
18. Total large time deposits <u>7/</u>	3.6	3.3	4.9	1.3	-3.7	-6.3	2.3
19. Nondeposit sources of funds <u>8/</u>	0.7	1.4	3.0	2.4	2.8	3.0	2.0

e--estimated. n.a.--not available.

1/ Quarterly growth rates are computed on a quarterly average basis.

2/ Savings deposits held by individuals and nonprofit organizations.

3/ Savings deposits of business, government, and others, not seasonally adjusted.

4/ Small time deposits are time deposits in denominations less than \$100,000. Large time deposits are time deposits in denominations of \$100,000 and above excluding negotiable CDs at weekly reporting banks.

5/ Growth rates computed from monthly levels are based on average of current and preceding end-of-month data.

5/ Includes Treasury demand deposits at commercial banks and Federal Reserve Banks and Treasury note balances.

7/ All large time certificates, negotiable and nonnegotiable, at all CBs.

8/ Nondeposit borrowings of commercial banks from nonbank sources include Federal funds purchased and security RPs plus other liabilities for borrowed money (including borrowings from the Federal Reserve), gross Eurodollar borrowings, and loans sold, less interbank borrowings.

COMMERCIAL BANK CREDIT
(Per cent changes at annual rates, based on seasonally adjusted data) 1/

	1978			1979	1979		12
	H1	QIII	QIV	Q1	Mar.	Apr.e/	months ending Apr.e/
1. Total loans and investments <u>2/</u>	14.0	11.1	7.9	14.1	5.8	13.6	12.5
2. Investments	8.5	3.2	-8.6	10.5	-0.9	8.5	3.1
3. Treasury securities	9.6	-9.6	-36.8	7.7	-20.8	17.2	-6.6
4. Other securities	7.8	11.0	7.8	12.0	9.5	4.0	8.9
5. Total loans <u>2/</u>	16.2	14.2	14.1	15.5	8.2	15.4	16.3
6. Business loans	16.7	11.4	9.3	21.8	14.8	20.0	16.2
7. Security loans	23.5	-28.7	-43.3	43.9	-36.4	162.5	7.4
8. Real estate loans	18.7	18.9	18.6	15.1	11.6	14.2	19.1
9. Consumer loans	20.5	15.6	16.1	14.2	12.0	n.a.	n.a.

MEMORANDA:

10. Commercial paper issued by non-financial firms <u>3/</u>	11.5	28.9	42.7	24.4	92.8	91.9	38.9
11. Sum of items 6 & 10	12.4	12.6	11.7	22.0	20.6	25.6	17.8
12. Memo item 11 plus business loans from finance companies	13.2	10.7	15.4	20.5	19.4	n.a.	n.a.

n.a.--not available. e--estimated.

1/ Last-Wednesday-of-month series except for June and December, which are based on the last business day of the month.

2/ Loans include outstanding amounts of loans reported as sold outright to a bank's own foreign branches, unconsolidated nonbank affiliates of the bank, the bank's holding company (if not a bank), and unconsolidated nonbank subsidiaries of the holding company.

3/ Measured on an end-of-month basis.

SELECTED FINANCIAL MARKET QUOTATIONS
(per cent)

	1978 1/		1978 - 1979 2/					Change from:	
	High*	Low	End of 1978	FOMC Mar.20	FOMC Apr.17	May 8	May 17	End of 1978	April FOMC
<u>Short-term rates</u>									
Federal funds 1/	10.25	6.58	10.25	10.09	9.96	10.25	10.25 3/	0	+29
Treasury bills									
3-month	9.30	6.16	9.26	9.52	9.50	9.66	9.57	+31	+07
6-month	9.51	6.45	9.48	9.47	9.49	9.65	9.46	-.02	-.03
1-year	9.62	6.55	9.69	9.38	9.24	9.43	9.19	-.50	-.05
Commercial paper									
1-month	10.29	6.48	10.32	9.78	10.03	9.81	9.90	-.42	-.13
3-month	10.52	6.68	10.55	9.93	10.13	9.93	9.98	-.57	-.15
6-month	10.56	6.70	10.61	9.98	10.15	9.98	10.01	-.60	-.14
Large negotiable CDs 4/									
1-month	10.36	n.a.	10.29	9.96	10.04	9.93	10.01	-.28	-.03
3-month	10.96	6.77	10.83	10.22	10.21	10.19	10.17	-.66	-.04
6-month	11.52	6.97p	11.44	10.51	10.40	10.64	10.42	-1.02	+02
Euro-dollars									
3-month	11.95	7.20	11.69	10.94	10.88	11.06	10.69	-1.00	-.19
Bank prime rate	11.57	7.75	11.75	11.75	11.75	11.75	11.75	0	0
<u>Intermediate- and long-term rates</u>									
U.S. Treasury (constant maturity)									
1-year	9.59	7.40	9.59	9.39	9.45	9.55	9.42	-.17	-.03
7-year	9.22	7.72	9.23	9.15	9.20	9.35	9.22	-.01	+02
20-year	9.00	8.01	8.99	9.09	9.12	9.31	9.22	+23	+10
Municipal (Bond Buyer) 5/									
Corporate Aaa	6.67	5.58	6.61	6.30	6.33	6.27	6.30	-.31	-.03
New issue 6/	9.30	8.61	--	--	9.68	--	9.86p	--	+18
Recently offered 7/	9.54	8.48	9.51	9.65	9.68	9.93	9.84p	+33	+16
Primary conventional mortgages 7/	10.38	8.98	10.38	10.40	10.48	10.60	10.68	+30	+20
	Low 8/	High 8/	End of 1978	FOMC Mar.20	FOMC Apr.17	May 8	May .17	End of 1978	April FOMC

Stock prices

Dow-Jones Industrial	742.12	907.74	805.01	850.31	857.93	834.89	842.95	+37.94	-14.98
NYSE Composite	48.43	60.38	53.62	56.45	57.05	55.79	56.23	+2.61	-.82
AMEX Composite	119.73	176.87	150.56	173.02	178.65	175.66	178.84	+28.28	+19
NASDAQ (OTC)	102.66	149.53	117.98	128.79	132.26	129.60	130.44	+12.46	-1.82

1/ Daily averages for statement week, except where noted.

2/ One-day quotes except as noted.

3/ Average for statement week ending May 16.

4/ Secondary market.

5/ One-day quotes for preceding Thursday.

6/ Averages for preceding week.

7/ One-day quotes for preceding Friday.

8/ Calendar week averages.

11 highs were reached at or close to the end of 1978.

International Developments

ERRATA:

Page: IV-14

TABLE: Trade and Current-Account Balances of Major
Industrial Countries

Line: 6 Germany: Current Account^{b/}

Should read for:	<u>1979</u>	<u>1979</u>		
	Q1	Jan.	Feb.	Mar.
	1.5	0.0	0.5	1.0
instead of:	2.9	1.5	0.4	1.0

APPENDIX*
BANK CREDIT REVISION

The Commercial bank credit figures used in this month's analysis of financial developments reflect revisions based on preliminary December 31, 1978, Call Report data. Normally, benchmark adjustments would not be applied to the series until Call Report records are complete, but completion of the December 1978 call may be delayed for some time yet in view of substantive changes in Call reporting and processing. However, because of the large size of the revisions indicated by the new reporting System implemented last January, preliminary Call Report adjustments have been estimated and incorporated in the series.

Because of problems in linking estimated data for 1978 to 1979 levels derived from new reporting and blowup procedures, bank credit estimates for 1979 had been made previously for internal System use only. Now it is felt that the revised data are sufficiently reliable to be published, and the revised data from July 1978 through March 1979 data have been published on a new monthly bank credit press release--G.7(407). However, these data are subject to further revision when the final December Call data become available. This appendix explains the effects of the current revision on previous estimates.

According to preliminary December Call Report data, patterns of change between the old and new series were similar over the second half of 1978, but expansion was considerably larger on the revised basis. Revision revealed greater expansion in loans and in non-Treasury securities than estimated earlier. As shown in Table I, the seasonally adjusted annual rate of growth in total loans and investments over the second half of 1978 was 9.6 per cent, or 2.3 percentage points above the previously estimated 7.3 per cent; loan growth was revised to 14.4 per cent, 2.4 percentage points higher; and non-Treasury securities were raised to a 9.5 per cent growth rate, 2.5 percentage points higher.

The level of the total bank credit series was raised \$10.6 billion as of December 31, 1978, reflecting principally increases of \$8.1 billion in loans and \$2.1 billion in non-Treasury securities, as shown in Table II. While some bank credit revisions in the past have been larger, these were above the average amounts of revisions made in recent years. The increasing size of bank credit revision in recent years was a major consideration in the revision of reporting and blowup procedures introduced this year.

In this revision, the benchmarking procedure was modified from that previously used in order to link the 1978 data more closely with the estimates produced by the new reporting and estimating procedures implemented in January 1979. The new procedures were designed to reduce the

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size of the benchmark revisions in the bank credit estimates by introducing blowups of reported member bank data for several size strata and by utilizing available monthly data from U.S. branches of foreign banks. Formerly, the branches were included in aggregate estimates of credit at all nonmember banks. These estimates were based on weekly data reported by small member banks and on call report relationships between outstandings at nonmember and small member banks. It has been apparent in recent Calls that the simple linking of small member bank and all nonmember bank credit was not adequate for estimating credit at U.S. branches of foreign banks. For example, during 1978, loans at the branches increased almost 70 per cent compared with an increase of about 15 per cent at domestic chartered nonmember banks. The revision in loans at the branches as of December 31, 1978, accounted for \$6.4 billion of the total \$8.1 billion revision in loans at all nonmember banks. Investment holdings at branches of foreign banks are small, and revisions were nominal in these items.

Revised data for domestic chartered banks in the second half of 1978 reflect benchmark procedures similar to those used in the past. Data for the branches were excluded from the nonmember to member bank blowup ratios derived from Call reports. June and December 1978 ratios for nonmember domestic chartered banks to small member bank data were interpolated for intervening months and multiplied by reported member bank data. Thus, benchmark adjustments for these banks were spread equally over the July-December period. However, revisions for branches of foreign banks, derived from monthly FR886a reports, reflect actual changes rather than interpolation between Call dates, so monthly and quarterly revisions do not follow the normal smooth benchmarking pattern of past revisions.

Beginning in January 1979, the new nonmember blowup procedures provide estimates only for domestic chartered banks; data for branches of foreign banks are obtained from their monthly condition reports. For domestic chartered banks, current data sources include detailed weekly condition reports of 171 large member and nonmember banks and reports of related loans and investments by all other member banks. Estimates for all domestic chartered commercial banks are based primarily on these sources stratified by size; estimates for each stratum reflect blowup factors calculated from Call data. In addition, reports from a sample of 400 member banks are used to derive estimates of business loans, real estate loans, and loans to individuals, and breakdowns of total investments between U.S. Treasury and other securities. These loan components were not reported prior to January 1979, but estimates were made based on data reported by large banks and changes in total loans reported by other member banks.

Estimated levels for domestic chartered banks for 1979 were not affected by benchmark adjustments, but they will be changed when final December 1978 Call data are available and blowup ratios are shifted from June to December reference dates.¹ Bank credit changes in January 1979 were somewhat larger than initially estimated, reflecting mainly changes in the foreign-related branch component.

^{1/} In the future, with branches of foreign banks no longer included in the blowups, revisions in the domestic chartered bank estimates will be made quarterly rather than semiannually as in the past.

There are two other items that contributed to errors in the bank credit series--estimated interbank loans (subtracted from total loans) and estimated "window-dressing" (the difference between the reported last-Wednesday data and the Call data). It is expected that the new procedures will reduce estimation errors. Interbank loan errors have been very large at times in the past, contributing significantly to errors in total bank credit estimates, although the interbank error in December 1978 was relatively small. The error in "window-dressing" apparently was relatively substantial in December 1978--over \$6 billion; however, "window-dressing" was estimated at too high a level and thereby offset in part the basic error in the series which underestimated bank credit. It is planned to convert the bank credit series from an end-of-month basis to a monthly average of weekly data this summer. Then it will no longer be necessary to estimate "window-dressing," and this troublesome source of error will be eliminated.

The level of business loans at all commercial banks was raised by \$2.2 billion in December 31, 1978--an-unusually large revision--increasing the second half growth rate to 10.5 per cent from 8.6 per cent. This reflected upward revision of \$2.6 billion in growth attributable to foreign branches offset in small part by a \$0.4 billion downward revision for domestic chartered banks. Real estate loans were revised upward by \$1.2 billion, or close to the average revision of other recent Calls. This reflected only revisions at domestic commercial banks since real estate loans are nominal at branches of foreign banks.

Preliminary December Call data were not retrieved for agricultural, security, nonbank financial, consumer, and other loans. Therefore, these loans have not yet been benchmarked. Small changes in security and nonbank financial loans reflect the derivation of a domestic series on the old basis with actual changes at foreign-related branches added. The branches hold only negligible amounts of agricultural and consumer loans and these series were not affected.

Table I
COMMERCIAL BANK CREDIT^{1/}
COMPARISON OF OLD AND REVISED RATES OF GROWTH*
(Seasonally adjusted changes at annual percentage rates)

	<u>Total loans & investments^{2/}</u>		<u>US Treasury securities</u>		<u>Other securities</u>		<u>Total loans^{2/}</u>		<u>Business loans^{2/}</u>		<u>Real estate</u>	
	Old	Revised	Old	Revised	Old	Revised	Old	Revised	Old	Revised	Old	Revised
<u>Annual</u>												
1978	10.9	12.1	-7.5	-7.1	7.5	8.9	14.6	15.9	13.0	14.0	19.1	19.8
<u>Second half</u>												
1978	7.3	9.6	-23.5	-22.8	6.9	9.5	12.0	14.4	8.6	10.5	17.9	19.2
<u>Quarterly</u>												
1978 III	8.7	11.1	-12.0	-9.6	9.0	11.0	11.7	14.2	10.3	11.4	17.6	18.9
IV	5.9	7.9	-36.2	-36.8	4.8	7.8	12.1	14.1	6.7	9.3	17.5	18.6
1979 I	11.2	14.1	7.2	7.7	12.4	12.0	11.4	15.5	17.6	21.8	15.6	15.1
<u>Monthly</u>												
1978 July	11.0	10.1	4.8	7.2	5.8	7.3	13.2	11.2	10.3	10.3	17.4	18.6
Aug.	5.1	7.6	-32.2	-29.8	10.9	13.1	9.2	11.8	11.3	12.9	19.0	20.2
Sept.	9.7	15.3	-8.6	-6.1	10.1	12.2	12.3	19.1	9.1	10.6	15.7	16.9
Oct.	9.8	10.3	-24.7	-22.1	7.1	12.1	15.3	14.8	10.6	10.5	16.7	17.8
Nov.	6.7	12.7	-61.8	-57.5	3.6	4.9	16.8	23.8	10.0	16.2	21.1	21.6
Dec.	1.1	0.4	-25.2	-34.1	3.5	6.3	3.9	3.3	-0.5	1.0	13.8	15.5
1979 Jan.	19.2	25.3	13.6	8.1	18.9	22.8	19.7	28.0	28.0	35.5	19.4	18.1
Feb.	11.3	10.9	32.2	36.2	7.6	3.4	9.8	9.6	14.7	14.0	15.2	15.1
Mar.	2.9	5.8	-23.5	-20.8	10.3	9.5	4.4	8.2	9.5	14.8	11.6	11.6

A-4

^{1/} Last-Wednesday-of-month series except for June and December which are adjusted to the last business day of the month.
^{2/} Includes outstanding amounts of loans reported as sold outright by banks to their own foreign branches, nonconsolidated nonbank affiliates of the bank's holding company (if not a bank) and nonconsolidated nonbank subsidiaries of holding companies.
* Data revised to reflect adjustment to preliminary December 31, 1978 Call Report benchmark. All data are preliminary and subject to further revision. Old data for 1979 were used internally but were not released.

Table II
 SEASONALLY ADJUSTED BANK CREDIT^{1/}
 COMPARISON OF OLD AND REVISED LEVELS*
 (In billions of dollars)

	Total loans & investments ^{2/}		US Treasury securities		Other securities		Total loans ^{2/}		Business loans ^{2/}		Real estate	
	Old	Revised	Old	Revised	Old	Revised	Old	Revised	Old	Revised	Old	Revised
1978 July	945.3	944.6	100.6	100.8	165.0	165.2	679.7	678.6	223.1	223.1	195.9	196.1
Aug.	949.3	950.6	97.9	98.3	166.5	167.0	684.9	685.3	225.2	225.5	199.0	199.4
Sept.	957.0	962.7	97.2	97.8	167.9	168.7	691.9	696.2	226.9	227.5	201.6	202.2
Oct.	964.8	971.0	95.2	96.0	168.9	170.4	700.7	704.8	228.9	229.5	204.4	205.2
Nov.	970.2	981.3	90.3	91.4	169.4	171.1	710.5	718.8	230.8	232.6	208.0	208.9
Dec.	971.0 ^{3/}	981.5	88.4	88.8	171.4 ^{3/}	173.5	711.2 ^{3/}	719.2	231.3 ^{3/}	233.4	210.4	211.6 ^{A-5}
1979 Jan.	986.5	1002.2	89.4	89.4	174.1	176.8	722.9	736.0	236.7	240.3	213.8	214.8
Feb.	995.8	1011.3	91.8	92.1	175.2	177.3	728.8	741.9	239.6	243.1	216.5	217.5
March	998.2	1016.2	90.0	90.5	176.7	178.7	731.5	747.0	241.5	246.1	218.6	219.6

- ^{1/} Last-Wednesday-of-month series except for June and December which are adjusted to the last business day of the month.
- ^{2/} Includes outstanding amounts of loans reported as sold outright by banks to their own foreign branches, nonconsolidated nonbank affiliates of the bank's holding company (if not a bank) and nonconsolidated nonbank subsidiaries of holding companies.
- ^{3/} Old data adjusted from those originally published to reflect reclassifications associated with the December 31, 1978, Call Report instructions.
- * Data revised to reflect adjustment to preliminary December 31, 1978 Call Report benchmark. All data are preliminary and subject to further revision. Old data for 1979 were used internally but were not released.