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August 10, 1979

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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

August 10, 1979

MONETARY AGGREGATES AND  
MONEY MARKET CONDITIONS

Recent developments

(1) M-1 expanded at about a 10 percent annual rate in July and, though growth is apparently slowing markedly in August, for the two months it is still expected to be above the upper end of the 2½ to 6½ percent range specified by the FOMC. M-2 growth over July and August is projected at an annual rate of about 11½ percent, also above the upper end of its FOMC range. Savings deposits increased somewhat more rapidly in July than in June, after having declined almost without interruption over the preceding eight months. The time deposit component of M-2 continued to grow at about its strong second-quarter pace in July, as large time deposits included in M-2 increased for the first time since late last year. Growth in small time deposits remained strong by historical standards, but slowed from other recent months. At thrifts, however, deposit expansion decelerated from June's relatively strong pace.

Comparison of FOMC Policy Ranges for  
July-August  
to Latest Staff Estimates

	<u>Ranges</u>	<u>Latest Estimates</u>
M-1	2½ to 6½	7.5
M-2	6½ to 10½	11.3
Federal funds rate (percent per annum)	9½ to 10½ <sup>1/</sup>	Avg. for statement week ending
		July 11 10.28
		18 10.35
		25 10.63
		Aug. 1 10.75
		8 10.67

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<sup>1/</sup> On July 27 the FOMC voted to raise the upper limit of the intermeeting range for the Federal funds rate from 10½ percent to 10¾ percent.

(2) With growth in loans slowing somewhat, commercial bank credit increased at a  $12\frac{1}{2}$  percent annual rate in July, below the average pace for the first half of the year. Given the strong growth in demand and consumer-type time and savings deposits last month, banks reduced reliance on managed liabilities to finance credit expansion. In particular, over the course of the month banks tapped their foreign affiliates for only a minimal additional amount of funds, reflecting a relative firming of interest rates in the Durodollar market associated with weakness in the dollar.

(3) The Account Management continued to aim for a Federal funds rate in the  $10\frac{1}{2}$  percent area during the days immediately following the July FOMC meeting. On July 20, however, as projections suggested that over the July-August period M-1 and M-2 would grow at rates moderately above and about equal to the upper limits of their respective short-run ranges, the Manager began to aim for a weekly average Federal funds rate at about the  $10\frac{1}{2}$  percent upper limit specified by the Committee. On the same morning the Board announced an increase in the discount rate from  $9\frac{1}{2}$  percent to 10 percent. On July 27, as projections suggested that growth in both M-1 and M-2 over July and August would exceed the upper limits of their respective ranges, the Committee raised the upper limit of the intermeeting range for the Federal funds rate to  $10\frac{3}{4}$  percent and instructed the Manager to aim for a rate within a range of  $10\frac{1}{2}$  to  $10\frac{3}{4}$  percent, depending on subsequent behavior of the aggregates and conditions in foreign exchange markets. Initially, the Desk aimed for a rate around  $10-5/8$  percent. Most recently, however, with the aggregates continuing strong and with renewed pressure on the dollar in foreign exchange markets following publication of the July producer price index, the Desk has sought a funds rate a shade higher than  $10-5/8$  percent.

(4) Total reserves, after declining at a 4 percent annual rate in the first half of the year, are projected to expand at about an 8½ percent annual rate in the July-August period as strengthening deposit flows have been accompanied by increases in required reserves. Growth in the monetary base is projected to rise at about a 10½ percent annual rate over July and August as currency in circulation continues to expand at a brisk pace.

(5) Short-term interest rates have generally increased about 20 to 50 basis points since the July FOMC meeting, with the largest increases on private instruments. Bond yields have changed little on balance over the intermeeting period, however, as a light corporate and municipal financing calendar and widespread views that the economy is moving into recession have tended to damp reactions to the System's policy actions. Against this general background, the Treasury offerings of \$2.75 billion of 3-year notes, \$2.5 billion of reopened 7½-year notes, and \$2 billion of reopened 29½-year issues--to refund \$4.8 billion of maturing issues and raise \$2.4 billion of new money--were well bid for in their respective auctions. The two shorter issues are currently trading at or close to their average prices in the auction, after having been at premiums in the days immediately after the offering, while the longer issue is now at a significant discount. Average primary market rates on conventional home loans have edged down a few basis points, perhaps reflecting some slackening in housing credit demand and the attraction of diversified investors to this market by the wide spread between mortgage and bond yields.

(6) The dollar was under heavy selling pressure the first two weeks following the July FOMC meeting, reflecting market participants' apprehension over the course of U.S. economic policy, particularly in the wake of the Cabinet reshuffle. These pressures abated with the naming

of the new Federal Reserve Chairman, but pressures have resumed in recent days as noted in paragraph (3). Since the last FOMC meeting the United States has purchased \$2½ billion in support of the dollar,

(7) The table on the next page shows seasonally adjusted annual rates of change, in percent, for related monetary and financial flows over various time periods.

	1977 & 1978 Average	Past Twelve Months July '79 over July '78	Past Six Months July '79 over Jan. '79	Past Three Months July '79 over Apr. '79	Past Month July '79 over June '79
Nonborrowed reserves	4.9	-0.3	-4.1	-0.8	19.9
Total reserves	6.0	-0.7	-3.2	1.7	11.9
Monetary base	8.7	6.7	4.9	6.7	10.9
<u>Concepts of Money</u>					
M-1 (Currency plus demand deposits <u>1/</u> )	7.6	5.0	6.9	8.6	10.1
M-1+ (M-1 plus savings deposits at commercial banks, NOW accounts at banks and thrift institutions, credit union share draft accounts, and demand deposits at mutual savings banks)	7.3	2.5	3.9	6.6	10.0
M-2 (M-1 plus time deposits at commercial banks other than large CD's)	9.1	7.7	8.9	10.9	12.7
M-3 (M-2 plus deposits at thrift institutions)	10.5	8.4	8.3	9.2	10.6
M-4 (M-2 plus CD's)	10.3	6.6	4.8	5.6	11.4
M-5 (M-3 plus CD's)	11.1	7.7	5.8	6.1	9.9
<u>Bank Credit</u>					
Loans and investments of all commercial banks <u>2/</u>					
Month-end basis	11.9	12.5	12.1	13.6	12.5
Monthly average	12.1	12.8	11.9	12.1	8.3
<u>Short-term Market Paper</u> (Monthly average change in billions)					
Large CD's	1.4	-0.3	-2.6	-3.4	-0.2
Nonbank commercial paper	0.3	0.6	0.9	0.8	1.1

1/ Other than interbank and U.S. Government.

2/ 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 Wednesday statement date 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

(8) The table below presents for the Committee's consideration three alternative specifications for the monetary aggregates and the Federal funds rate for the August-September period. The Federal funds rate specifications of alternative B are centered on the currently prevailing  $10\frac{1}{2}$  to  $10\frac{3}{4}$  percent range. Alternatives A and C would ease or tighten, respectively, money market conditions in coming weeks. (More detailed and longer-term data are contained in the tables on pages 7 and 8.)

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for August-September			
M-1	$5\frac{1}{2}$ to $9\frac{1}{2}$	5 to 9	$4\frac{1}{2}$ to $8\frac{1}{2}$
M-2	$8\frac{1}{2}$ to $12\frac{1}{2}$	8 to 12	$7\frac{1}{2}$ to $11\frac{1}{2}$
Federal funds rate (intermeeting period)	$9\frac{1}{4}$ to $10\frac{1}{2}$	$10\frac{1}{4}$ to 11	$10\frac{1}{4}$ to $11\frac{1}{2}$

(9) Under alternative B, M-1 would be expected to expand in a 5 to 9 percent annual rate range over the August-September period. This would represent a noticeable deceleration from the 11 percent average pace of the preceding four months, but would still leave M-1 growth for the current quarter at a 9 percent annual rate. With nominal GNP projected to rise at a 7 percent rate, velocity would decline by about a 2 percent annual rate, following a  $1\frac{1}{2}$  percent decline in the second quarter.<sup>1/</sup> Because of the lags that ordinarily characterize the public's adjustment of its cash balances to changes in economic circumstances, some weakening in velocity would have been expected in light of the sharp deceleration of nominal GNP growth

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<sup>1/</sup> These figures somewhat understate the weakness in velocity since the shifting of demand deposits to ATS/NOW accounts is estimated to have depressed M-1 growth--and raised velocity--by about  $1\frac{1}{2}$  percentage points in the second quarter, and is expected to have about  $\frac{3}{4}$  percentage point impact in the current quarter. Quarterly velocity figures are shown in Appendix I.



Alternative Levels and Growth Rates for Key Monetary Aggregates

		<u>M-1<sup>1/</sup></u>			<u>M-2</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>
1979	July	372.1	372.1	372.1	914.0	914.0	914.0
	August	373.7	373.6	373.5	921.8	921.5	921.2
	September	376.8	376.5	376.2	929.9	929.2	928.5
1978	QIV	361.0	361.0	361.0	873.2	873.2	873.2
1979	QI	359.1	359.1	359.1	877.1	877.1	877.1
	QII	365.9	365.9	365.9	896.0	896.0	896.0
	QIII	374.2	374.1	373.9	921.9	921.6	921.2
	QIV	378.0	378.0	378.0	939.4	939.2	939.0
<u>Growth Rates</u>							
<u>Monthly:</u>							
1979	August	5.2	4.8	4.5	10.2	9.8	9.5
	September	10.0	9.3	8.7	10.5	10.0	9.5
<u>Quarterly Average:</u>							
1979	QI	-2.1	-2.1	-2.1	1.8	1.8	1.8
	QII	7.6	7.6	7.6	8.6	8.6	8.6
	QIII	9.1	9.0	8.7	11.6	11.4	11.3
	QIV	4.1	4.2	4.4	7.6	7.6	7.7
<u>Semi-Annual:</u>							
	QIV '78-QII '79	2.7	2.7	2.7	5.2	5.2	5.2
	QII '79-QIV '79	6.6	6.6	6.6	9.7	9.6	9.6
<u>Annual:</u>							
	QIV '78-QIV '79	4.7	4.7	4.7	7.6	7.6	7.5

<sup>1/</sup> The staff has assumed that over the longer-run policy period from QIV '78 to QIV '79 M-1 growth will be reduced by about 1½ percentage points by ATS.

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

		<u>M-3</u>			<u>Bank Credit</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>
1979	July	1566.0	1566.0	1566.0	1058.6	1058.6	1058.6
	August	1576.8	1576.4	1576.0	1066.8	1066.5	1066.4
	September	1589.0	1588.0	1587.0	1074.8	1074.1	1073.8
1978	QIV	1492.7	1492.7	1492.7	978.7	978.7	978.7
1979	QI	1510.3	1510.3	1510.3	1009.8	1009.8	1009.8
	QII	1540.0	1540.0	1540.0	1037.4	1037.4	1037.4
	QIII	1577.3	1576.8	1576.3	1066.7	1066.4	1066.3
	QIV	1607.8	1607.3	1606.9	1089.9	1088.8	1087.9
<u>Growth Rates</u>							
<u>Monthly:</u>							
1979	August	8.3	8.0	7.7	9.3	9.0	8.8
	September	9.3	8.8	8.4	9.0	8.6	8.3
<u>Quarterly Average:</u>							
1979	QI	4.7	4.7	4.7	12.7	12.7	12.7
	QII	7.9	7.9	7.9	10.9	10.9	10.9
	QIII	9.7	9.6	9.4	11.3	11.2	11.1
	QIV	7.7	7.7	7.8	8.7	8.4	8.1
<u>Semi-Annual:</u>							
	QIV '78-QII '79	6.3	6.3	6.3	12.0	12.0	12.0
	QII '79-QIV '79	8.8	8.7	8.7	10.1	9.9	9.7
<u>Annual:</u>							
	QIV '78-QIV '79	7.7	7.7	7.7	11.4	11.2	11.2

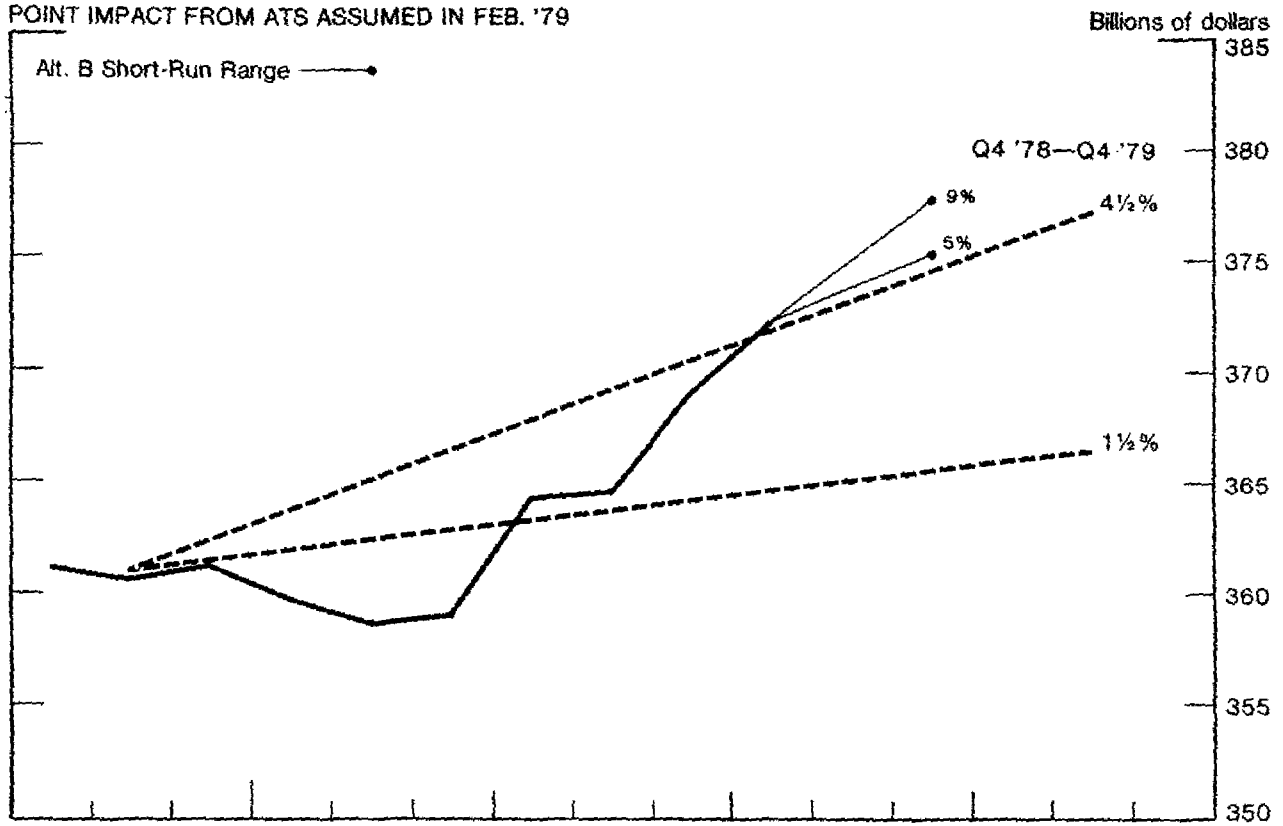
in the spring. However, the continued strength of M-1 suggests the possibility of a precautionary accumulation of liquid balances in response to unusual economic uncertainties. Such a pattern would not be expected to persist for an extended period, and the staff anticipates a return to somewhat weaker demands for M-1 over the remainder of the year--although not to the marked weakness observed in the past fall and winter.

(10) Under alternative B, M-2 growth is projected to expand at about a 10 percent annual rate during the August-September period, a somewhat slower growth rate than in June and July. In addition to the slowing in growth of the M-1 component, it is unlikely that savings deposits will continue to expand at their recent rate, given the high level of market interest rates. Nonetheless, growth in small time deposits should remain brisk, with banks continuing to attract a substantial amount of MMC deposits in the absence of an inter-institutional ceiling rate differential.

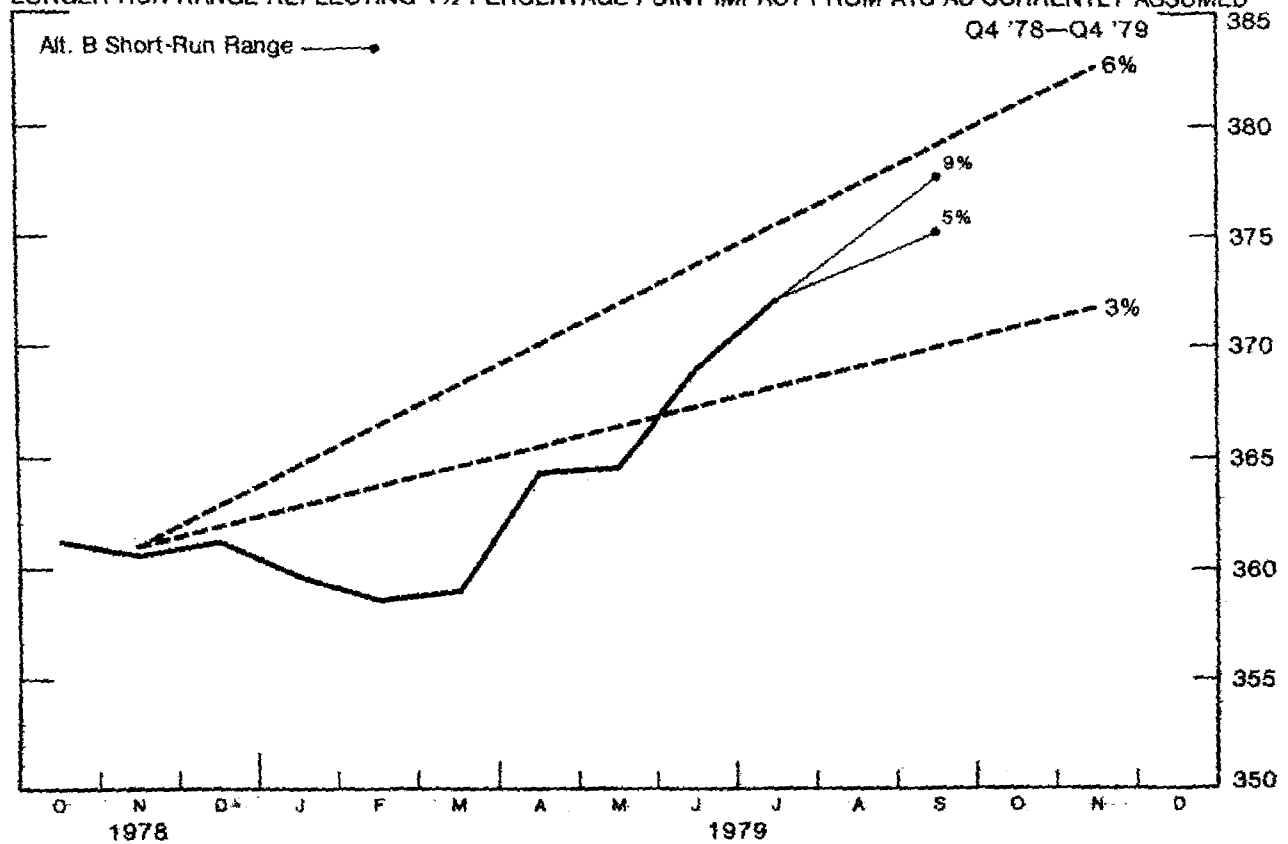
(11) As shown in the upper panel of the chart on page 10, under alternative B M-1 in September would be above the level implied by the upper end of the Committee's  $1\frac{1}{2}$  to  $4\frac{1}{2}$  percent growth range for the QIV '78 to QIV '79 period. This would also be true under alternatives A and C. However, as is indicated in the lower panel of the chart, if the longer-run range is adjusted to reflect the downward revision in the staff's estimate of the ATS/NOW effect from the original 3 percent to the current  $1\frac{1}{2}$  percent, the projected September level (under alternative B) is within, though in the upper half, of the adjusted 3 to 6 percent range. For M-2, growth indicated by the alternative B range would place the aggregate in September well into the upper half of the 5 to 8 percent range established by the Committee for the period QIV '78 to QIV '79.

### Growth Ranges and Actual M-1

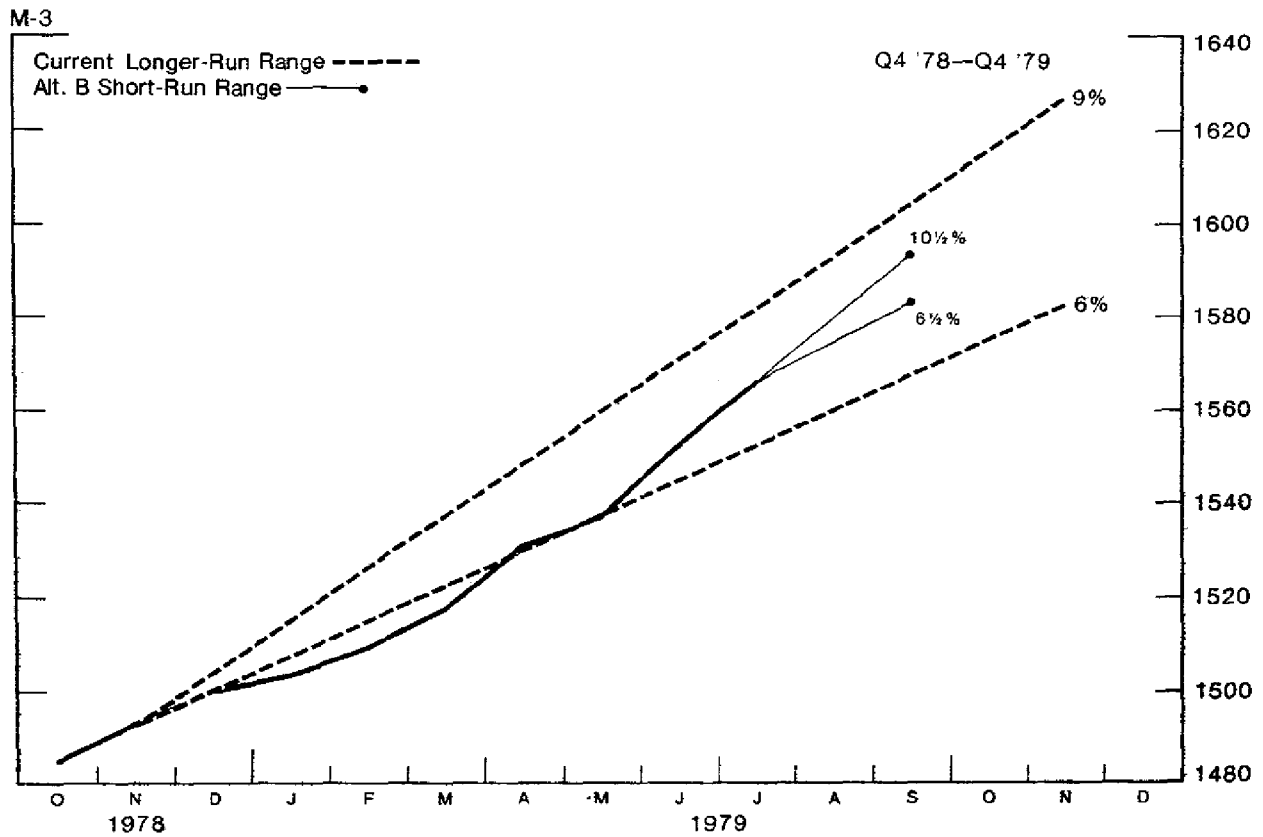
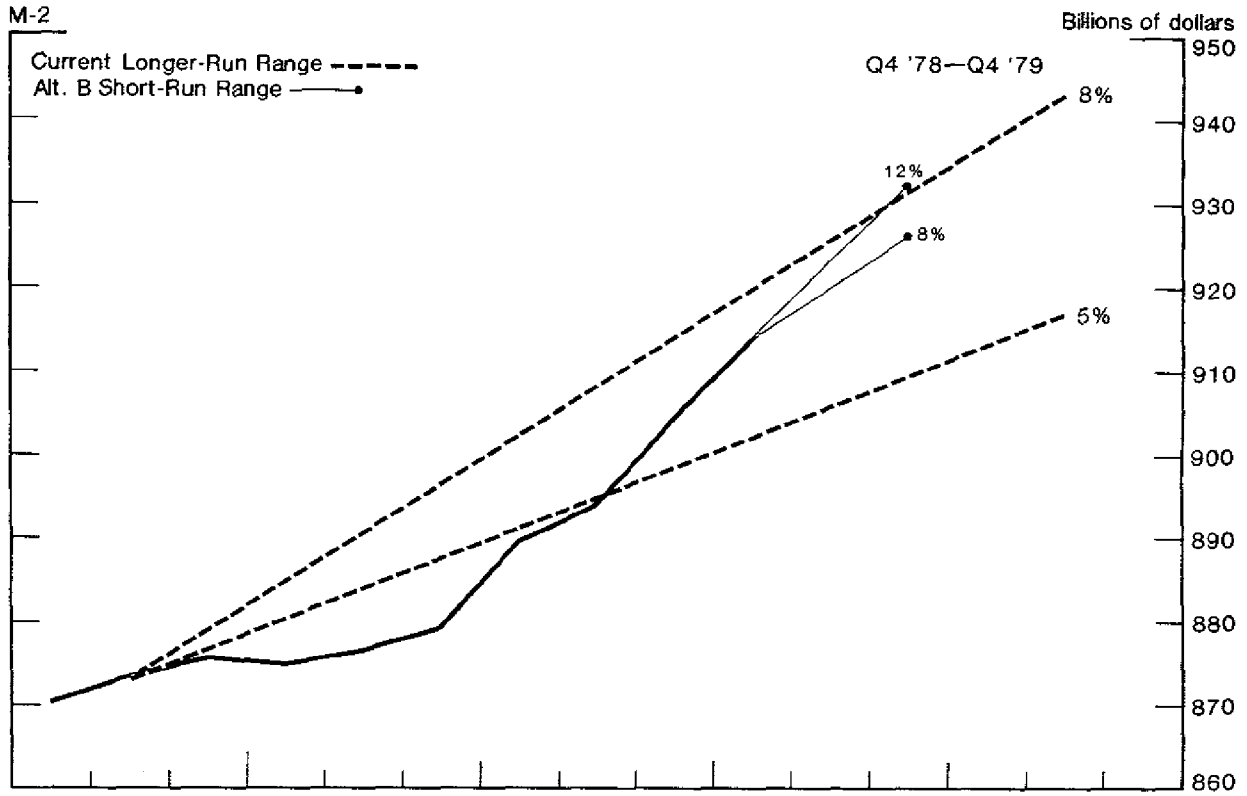
LONGER-RUN RANGE REFLECTING 3 PERCENTAGE POINT IMPACT FROM ATS ASSUMED IN FEB. '79



LONGER-RUN RANGE REFLECTING 1 1/2 PERCENTAGE POINT IMPACT FROM ATS AS CURRENTLY ASSUMED



### Growth Ranges and Actual M-2 and M-3



(12) The table on page 13 indicates the annual rates of growth of M-1 and M-2 required to reach the high ends, low ends, and midpoints of their respective longer-run ranges within certain periods. It may be noted that, assuming ATS retards M-1 growth by  $1\frac{1}{2}$  percentage points over the year, M-1 would need to rise at a 4.1 percent annual rate between July and the fourth quarter to hit the midpoint of its longer-run range. Growth in M-2 would have to be at a 5.3 percent annual rate over the same period to achieve the midpoint of its longer-run range.

(13) With Federal funds continuing to trade around  $10\frac{1}{2}$  to  $10\frac{3}{4}$  percent, the midpoint of alternative B, other interest rates would likely change little in the near term. Credit markets are not likely to be subject to demand pressures over the next few weeks. The Treasury's net borrowing activities during the intermeeting period may be limited to an early September cash management bill to carry it through the mid-month tax date, although the sale of a 5-year note is a possible alternative. Market participants likely will be focusing more on the greater cash needs confronting the Treasury in the fourth quarter. The forward calendars in the corporate and municipal bond markets are moderate. Loan demands at commercial banks may edge off, as inventory investment declines and household spending continues weak. Use of bank credit lines, and therefore bank demands on the money markets, could be increased, however, by any adverse developments in the commercial paper market associated with the Chrysler situation. At thrift institutions, growth of deposits subject to rate ceilings likely will remain sluggish, leading to continued borrowing from Home Loan Banks and market sources.

Growth Rates from July Levels Required to Achieve Levels  
 Implied by FOMC Longer-run Ranges for M-1 and M-2  
 (Seasonally adjusted annual rates)

	<u>Low End of Range</u>	<u>Midpoint of Range</u>	<u>High End of Range</u>
	<u>M-1</u>		
	(3 percent ATS/NOW impact on M-1)		
Achieve level by:			
September 1979 (in 2 months)	-10.6	-3.4	3.9
QIV '79 (end of longer-run period)	-4.6	-0.2	4.1
	<u>M-1</u>		
	(1½ percent ATS/NOW impact on M-1)		
Achieve level by:			
September 1979 (in 2 months)	-3.4	3.9	11.3
QIV '79 (end of longer-run period)	-0.2	4.1	8.5
	<u>M-2</u>		
September 1979 (in 2 months)	-2.9	4.3	11.4
QIV '79 (end of longer-run period)	1.0	5.3	9.6

(14) Alternative A involves a decline in the Federal funds rate to the midpoint of a 9-3/4 to 10-1/2 percent range. Growth in M-1 and M-2 over the August-September period would likely be in annual rate ranges of 5-1/2 to 9-1/2 and 8-1/2 to 12-1/2 percent, respectively. Other short-term market rates could decline rather considerably, since the market at present does not expect an easing in the System's posture. Given the recent data on inflation and unemployment, and the prevailing state of expectations regarding monetary policy, such a movement in domestic rates would likely lead to an appreciable weakening of the dollar on foreign exchange markets. Purchases of Treasuries by foreign official institutions associated with any substantial intervention activity might result in relatively larger declines in Treasury bill rates than in private rates. In long-term debt markets, bond yields would probably also decline, though such tendencies would be limited if an easing in the funds rate were to strengthen inflationary expectations. Thrift deposit flows would benefit from the decline in market rates, especially if bill yields fell enough to reopen a ceiling rate differential, and mortgage rates might edge downward.

(15) Alternative C calls for an increase in the Federal funds rate to the midpoint of a 10-3/4 to 11-1/2 percent range. Over the August-September period, M-1 probably would grow in a 4-1/2 to 8-1/2 percent annual rate range and M-2 between 7-1/2 and 11-1/2 percent. A further tightening action at this juncture would reinforce the view that the Federal Reserve is giving relatively heavy weight to domestic inflation and the performance of the dollar abroad in formulating its policies.



The dollar likely would strengthen on foreign exchange markets, and while a rise in short-term rates could be anticipated, bond yields might increase rather little, if at all. Given the already wide spread between bond yields and mortgage rates--and the minor impact of the assumed short-term rate increase on thrift institution deposit flows--mortgage rates probably might increase only moderately.

(16) As noted in paragraph (9), the staff currently expects that the public's demand for M-1 will be significantly weaker over the remainder of the year than it has been in recent months. Given the outlook for nominal GNP, and assuming that the Committee adopts short-run alternative B, the projected behavior of money demand would permit a decline in the Federal funds rate to around 9-1/2 percent by year-end with M-1 growth for the QIV '78 to QIV '79 period ending up close to the midpoint of the longer-run range (of 3 to 6 percent, assuming 1-1/2 percent ATS adjustment). However, should the public's demand for M-1 not exhibit the anticipated weakening, M-1 growth might be well into the upper half of the longer-run range even if the funds rate were held at its current level.

Directive language

(17) Given below are suggested operational paragraphs for the directive in the customary form, with alternative language related to the short-run specifications presented in the preceding section. Alternative language is also provided for placing main emphasis either on monetary aggregates or on money market conditions. The specifications adopted last month are shown in strike-through form.

In the short run, the Committee seeks to achieve bank reserve and money market conditions that are broadly consistent with the longer-run ranges for monetary aggregates cited above, while giving due regard to ~~the program for supporting the foreign exchange value of the dollar and to~~ developing conditions in FOREIGN EXCHANGE AND domestic financial markets. Early in the period before the next regular meeting, System open market operations are to be directed at maintaining the (or ATTAINING A) weekly average federal funds rate

- (A) SLIGHTLY BELOW THE CURRENT LEVEL.
- (B) at about the current level.
- (C) SLIGHTLY ABOVE THE CURRENT LEVEL.

Subsequently, operations shall be directed at maintaining the weekly average federal funds rate within the range of ~~9½ to 10½~~<sup>1/</sup> \_\_\_\_\_ TO \_\_\_\_\_ percent. In deciding on the specific objective for the federal funds rate the Manager shall be guided mainly by the relationship between the latest estimates of annual rates of growth in the ~~July-August~~ AUGUST-SEPTEMBER period of M-1 and M-2 and the following ranges of tolerance: ~~2½ to 6½~~ \_\_\_\_\_ TO \_\_\_\_\_ percent for M-1 and ~~6½ to 10½~~ \_\_\_\_\_ TO \_\_\_\_\_ percent for M-2. If rates of growth of M-1 and M-2, given approximately equal weight,

<sup>1/</sup> On July 27, the Committee voted to raise the upper limit of the range from 10½ percent to 10¾ percent.

appear to be

Monetary aggregates emphasis

SIGNIFICANTLY ABOVE OR BELOW THE MIDPOINTS

Money market emphasis

close to or beyond the upper or lower limits of the indicated ranges, the objective for the funds rate is to be raised or lowered in an orderly fashion within its range.

If the rates of growth in the aggregates appear to be beyond the upper or lower limits of the indicated ranges at a time when the objective for the funds rate has already been moved to the corresponding limit of its range, the Manager shall promptly notify the Chairman, who will then decide whether the situation calls for supplementary instructions from the Committee.

Appendix I

Implied Velocity Growth Rates

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
<u>V-1 (GNP/M-1)</u>			
1979 QI	12.3 ( 9.7)	12.3 ( 9.7)	12.3 ( 9.7)
QII	-1.4 (-2.8)	-1.4 (-2.8)	-1.4 (-2.8)
QIII	-2.3 (-3.1)	-2.1 (-3.0)	-1.9 (-2.7)
QIV	4.1 ( 3.5)	4.0 ( 3.5)	3.8 ( 3.7)
<u>V-2 (GNP/M-2)</u>			
1979 QI	8.3	8.3	8.3
QII	-2.4	-2.4	-2.4
QIII	-4.6	-4.5	-4.3
QIV	0.6	0.5	0.5

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Note: Figures in parentheses reflect V-1 without ATS.

Table 1

AUG. 10, 1979

## Money and Credit Aggregate Measures

Period	Bank Reserves <sup>1/</sup>			Bank Credit	Money Stock Measures							
	Total	Non-borrowed	Monetary Base	Total Loans and Investments	M-1	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
	(PER CENT ANNUAL RATES OF GROWTH)											
<sup>2/</sup> ANNUALLY:												
1976	0.6	0.8	6.7	8.0	5.8	12.6	10.9	12.7	7.1	10.2	9.9	9.9
1977	5.3	3.0	8.3	11.3	7.9	9.3	9.8	11.7	10.1	11.7	11.5	11.6
1978	6.6	6.7	9.1	12.4	7.2	5.4	8.4	9.3	10.4	10.5	10.2	11.4
<sup>2/</sup> SEMI-ANNUALLY:												
1ST HALF 1978	7.6	7.6	8.8	12.7	8.0	6.2	7.7	8.3	10.6	10.0	10.0	11.3
2ND HALF 1978	5.5	5.6	9.0	11.3	6.1	4.4	8.8	9.9	9.7	10.4	9.8	10.8
1ST HALF 1979	-3.9	-6.0	4.9	12.7	2.7	-0.7	5.2	6.3	4.0	5.5	7.0	9.6
QUARTERLY:												
3RD QTR. 1978	6.2	6.7	9.8	11.1	9.3	7.5	10.9	11.4	10.7	11.3	10.9	11.0
4TH QTR. 1978	0.5	2.4	7.3	7.8	0.6	-1.6	4.7	7.1	7.7	8.7	8.4	10.9
1ST QTR. 1979	-4.4	-5.7	4.2	14.1	-2.4	-5.2	1.7	4.6	2.5	5.0	6.2	8.6
2ND QTR. 1979	-3.9	-8.2	4.7	14.0	11.1	7.1	11.3	9.2	4.4	5.1	6.9	9.5
QUARTERLY-AV:												
3RD QTR. 1978	8.6	6.6	9.3	11.8	7.9	6.1	9.8	10.3	9.9	10.4	9.7	10.2
4TH QTR. 1978	2.3	4.6	8.4	10.6	4.1	2.7	7.6	9.3	9.3	10.2	9.7	11.1
1ST QTR. 1979	-2.9	-3.3	5.7	13.1	-2.1	-5.0	1.8	4.7	4.5	6.2	7.1	9.7
2ND QTR. 1979	-4.9	-8.8	4.0	11.8	7.6	3.6	8.6	7.9	3.5	4.8	6.8	9.2
MONTHLY:												
1978--JULY	14.8	8.5	10.6	10.1	6.5	3.1	8.5	9.5	9.4	10.0	8.4	9.0
AUG.	-5.0	0.2	5.2	7.6	7.8	7.2	11.2	11.2	9.6	10.3	9.8	9.7
SEPT.	8.6	11.3	13.5	15.3	13.5	12.1	12.8	13.3	12.7	13.2	14.1	13.9
OCT.	5.1	-1.2	8.0	10.3	1.7	0.8	6.4	8.7	5.9	8.3	7.2	8.5
NOV.	-3.6	13.4	5.7	12.7	-2.0	-4.3	4.8	6.7	12.9	11.6	10.0	12.7
DEC.	-0.1	-4.9	7.9	0.4	2.0	-1.2	2.9	5.6	4.1	6.1	7.9	11.2
1979--JAN.	6.0	2.2	8.6	25.3	-5.0	-7.8	-1.1	2.9	3.8	5.6	6.5	9.0
FEB.	-21.0	-20.4	-0.5	10.5	-3.7	-6.8	2.3	4.8	4.1	5.7	6.1	8.4
MAR.	1.8	1.3	4.6	5.8	1.3	-1.0	3.8	6.2	-0.4	3.5	6.0	8.2
APR.	-4.9	-2.9	4.9	13.8	17.7	11.4	14.1	10.5	7.7	7.0	9.2	11.5
MAY	-4.9	-30.6	3.1	12.1	0.7	-2.3	5.4	4.9	-0.5	1.3	3.3	5.9
JUNE	-1.8	8.9	6.1	15.7	14.8	12.1	14.2	11.9	6.0	7.1	8.2	10.8
JULY P	11.9	19.9	10.9	12.5	10.1	10.0	12.7	10.9	11.4	10.2	10.9	13.3

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

Table 2

AUG. 10, 1979

## Money and Credit Aggregate Measures

### Seasonally Adjusted, Billions of Dollars

Period	Bank Reserves <sup>1/</sup>			Bank Credit	Money Stock Measures							
	Total	Non-borrowed	Monetary Base	Total Loans and Investments	M-1	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
<b>ANNUALLY:</b>												
1976	37,013	36,960	120,572	788.9	313.8	517.2	740.6	1235.6	809.0	1298.0	1436.1	1483.8
1977	38,923	38,354	130,640	875.5	338.7	560.6	809.4	1374.3	883.1	1448.0	1601.8	1658.1
1978	41,271	40,403	142,381	981.5	361.2	587.2	875.8	1500.1	972.4	1596.7	1762.6	1848.0
<b>MONTHLY:</b>												
1978--JULY	41,099	39,782	137,699	944.6	354.4	580.1	848.6	1444.5	936.6	1532.5	1692.6	1764.3
AUG.	40,928	39,788	138,290	950.6	356.7	583.6	856.5	1458.0	944.1	1545.6	1706.4	1778.5
SEPT.	41,223	40,163	139,841	962.7	360.7	589.5	865.6	1476.1	954.1	1562.6	1726.4	1799.1
OCT.	41,399	40,122	140,777	971.0	361.2	589.9	870.2	1484.8	958.8	1573.4	1736.7	1811.9
NOV.	41,274	40,570	141,450	981.3	360.6	587.8	873.7	1493.1	969.1	1588.6	1751.1	1830.9
DEC.	41,271	40,403	142,381	981.5	361.2	587.2	875.8	1500.1	972.4	1596.7	1762.6	1848.0
1979--JAN.	41,479	40,476	143,400	1002.2	359.7	583.4	875.0	1503.7	975.5	1604.2	1772.1	1861.8
FEB.	40,754	39,781	143,345	1011.3	358.6	580.1	876.7	1509.7	978.8	1611.8	1781.1	1874.8
MAR.	40,815	39,825	143,893	1016.2	359.0	579.6	879.5	1517.5	978.5	1616.5	1790.0	1887.6
APR.	40,647	39,730	144,436	1027.9	364.3	585.1	889.8	1530.8	984.8	1625.9	1803.7	1905.7
MAY	40,481	38,716	144,862	1038.9	364.5	584.0	893.8	1537.0	984.4	1627.6	1808.7	1915.1
JUNE	40,421	39,004	145,601	1052.5	369.0	589.9	904.4	1552.3	989.3	1637.2	1821.1	1932.3
JULY P	40,821	39,650	146,924	1063.5	372.1	594.8	914.0	1566.4	998.7	1651.1	1837.7	1953.7
<b>WEEKLY:</b>												
1979--JUNE 13	39,993	38,694	144,830		368.5	589.3	902.8		987.3			
20	40,720	39,396	145,771		368.8	589.9	904.6		989.1			
27	40,219	38,633	145,742		368.7	589.9	905.8		990.3			
JULY 4	41,141	39,464	146,877		369.8	591.6	908.9		994.2			
11	39,985	39,044	145,736		373.4	596.0	913.7		998.5			
18	41,081	39,899	147,071		372.4	595.2	914.6		998.5			
25P	41,056	39,764	147,347		371.1	594.0	913.9		998.5			
AUG. 1P	41,006	40,060	147,717		372.3	595.1	916.5		1001.9			
8P	40,780	40,016	147,478									

NOTES: 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.

<sup>1/</sup> BASED ON DATA ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS. DATA SHOWN IN MILLIONS OF DOLLARS.

P - PRELIMINARY

Table 3

AUG. 10, 1979

# 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>	Other Private Short-term Assets <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)												
<sup>2/</sup> ANNUALLY:												
1976	9.5	4.6	8.1	15.0	25.0	7.5	-23.3	15.4	17.8	6.9	7.1	12.1
1977	9.3	7.4	11.4	11.2	11.1	11.4	12.8	14.0	19.5	6.6	12.6	13.5
1978	10.0	6.1	12.4	9.4	2.2	15.6	32.8	10.2	15.0	5.4	8.9	46.7
<sup>2/</sup> SEMI-ANNUALLY:												
1ST HALF 1978	9.3	7.6	12.2	7.6	2.9	11.7	42.6	8.5	17.0	6.3	12.5	50.9
2ND HALF 1978	10.2	4.5	12.0	10.7	1.5	18.4	19.0	11.5	12.0	4.3	4.9	33.9
1ST HALF 1979	8.7	0.6	4.8	6.9	-6.3	17.4	-7.1	8.2	4.5	0.7	40.2	65.9
QUARTERLY:												
3RD QTR. 1978	11.7	8.5	11.6	12.1	4.5	18.5	8.3	12.1	13.5	4.6	9.3	13.7
4TH QTR. 1978	9.7	-2.7	11.9	7.7	-5.3	18.1	36.6	10.7	7.7	4.0	6.2	69.3
1ST QTR. 1979	7.8	-6.4	5.4	4.6	-9.5	15.6	9.9	9.5	1.5	0.0	35.2	58.1
2ND QTR. 1979	8.5	12.3	0.5	11.5	0.2	19.4	-57.0	5.9	9.8	-0.5	45.3	55.3
QUARTERLY-AV:												
3RD QTR. 1978	9.6	7.3	11.3	11.0	2.9	17.9	12.2	10.9	13.7	4.6	2.5	21.0
4TH QTR. 1978	10.6	1.7	12.3	10.2	0.2	18.2	25.0	11.8	10.1	4.0	7.3	44.4
1ST QTR. 1979	9.1	-6.2	8.4	4.5	-9.6	15.6	29.9	9.6	0.8	1.5	28.7	67.9
2ND QTR. 1979	8.1	7.5	1.2	9.3	-3.1	18.5	-41.0	6.7	8.3	0.0	48.2	54.6
MONTHLY:												
1978--JULY	9.1	5.5	11.0	9.8	-3.2	20.7	18.0	11.1	11.9	6.1	-17.5	22.2
AUG.	9.0	7.4	10.9	13.8	6.5	19.9	-5.5	11.2	11.8	3.0	5.9	6.7
SEPT.	16.6	12.3	12.5	12.2	10.2	13.9	12.3	13.5	16.3	4.5	39.9	11.7
OCT.	7.6	-0.9	8.5	10.0	-0.5	18.5	1.4	12.5	9.2	4.5	-11.4	41.3
NOV.	10.0	-5.9	21.7	9.4	-8.5	23.7	92.1	9.8	4.6	3.0	-14.4	75.0
DEC.	11.2	-1.4	5.3	3.5	-7.0	11.2	15.1	9.5	9.1	4.5	45.3	81.1
1979--JAN.	8.6	-10.0	9.0	1.6	-11.8	12.8	48.4	9.7	-4.5	1.5	28.1	61.9
FEB.	8.6	-8.3	8.6	6.5	-12.0	20.0	19.1	9.6	-6.8	-1.5	19.2	53.5
MAR.	6.1	-0.9	-1.4	5.6	-4.9	13.6	-36.4	8.9	16.0	0.0	55.5	51.2
APP.	9.7	21.3	2.1	11.8	0.0	19.8	-48.5	5.5	6.8	0.0	58.2	51.6
MAY	6.0	-1.4	-1.4	8.7	-7.2	19.9	-55.6	3.9	4.5	0.0	39.5	53.0
JUNE	9.5	16.8	0.8	13.6	7.8	17.6	-75.5	8.1	17.8	-1.5	33.4	54.1
JULY P	9.5	10.3	12.2	14.6	9.4	18.1	-2.8	8.5	6.6	1.5	31.4	51.8

<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.

<sup>2/</sup> BASED ON QUARTERLY AVERAGE DATA.

P - PRELIMINARY.

Table 4

AUG. 10, 1979

# 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>	Other Private Short-term Assets <sup>1/2/</sup>	Non-Deposit Funds <sup>3/</sup>	Total Gov't Demand Deposits <sup>4/</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>														
1976	80.8	233.0	489.2	426.7	202.1	224.7	62.4	456.1	38.9	71.9	66.2	47.7	51.0	11.4
1977	88.6	250.1	544.4	470.7	219.7	251.0	73.7	518.3	46.6	76.6	77.2	56.3	62.0	11.7
1978	97.5	263.7	611.2	514.6	223.0	291.5	96.6	571.2	53.1	80.6	85.3	85.3	79.7	15.4
<b>MONTHLY:</b>														
1978--JULY	93.2	261.2	582.1	494.1	222.9	271.2	88.0	545.0	50.9	79.3	80.9	71.6	67.5	14.7
AUG.	93.9	262.8	587.4	499.8	224.1	275.7	87.6	550.1	51.4	79.5	81.3	72.0	69.7	16.8
SEPT.	95.2	265.5	593.5	504.9	226.0	278.9	88.5	556.3	52.1	79.8	84.0	72.7	70.8	16.7
OCT.	95.8	265.3	597.7	509.1	225.9	283.2	88.6	562.1	52.5	80.1	83.2	75.2	74.7	20.1
NOV.	96.6	264.0	608.5	513.1	224.3	288.8	95.4	566.7	52.7	80.3	82.2	79.9	73.5	21.0
DEC.	97.5	263.7	611.2	514.6	223.0	291.5	96.6	571.2	53.1	80.6	85.3	85.3	79.7	15.4
1979--JAN.	98.2	261.5	615.8	515.3	220.8	294.6	100.5	575.8	52.9	80.7	87.3	89.7	81.7	14.7
FEB.	98.9	259.7	620.2	518.1	218.6	299.5	102.1	580.4	52.6	80.6	88.7	93.7	84.0	19.2
MAR.	99.4	259.5	619.5	520.5	217.7	302.9	99.0	584.7	53.3	80.6	92.8	97.7	86.8	9.4
APR.	100.2	264.1	620.6	525.6	217.7	307.9	95.0	587.4	53.6	80.6	97.3	101.9	90.0	9.1
MAY	100.7	263.8	619.0	529.4	216.4	313.0	90.6	589.3	53.8	80.6	103.5	106.4	89.9	9.3
JUNE	101.5	267.5	620.3	535.4	217.8	317.6	84.9	593.3	54.6	80.5	103.3	111.2	93.8	13.8
JULY P	102.3	269.8	626.6	541.9	219.5	322.4	84.7	597.5	54.9	80.6	106.0	116.0	95.7	16.0
<b>WEEKLY:</b>														
1979--JUNE														
6	101.4	269.6	618.2	532.3	217.0	315.4	85.9						95.0	9.7
13	101.2	267.3	618.9	534.3	217.7	316.6	84.5						93.4	15.0
20	101.4	267.4	620.3	535.8	218.0	317.8	84.5						94.3	16.5
27	101.8	266.8	621.7	537.1	219.1	319.0	84.6						92.7	12.0
JULY														
4	101.9	267.9	624.4	539.2	218.7	320.5	85.2						94.3	15.4
11	102.0	271.3	625.1	540.4	219.5	320.9	84.7						96.1	14.3
18	102.3	270.2	626.1	542.2	219.6	322.6	83.9						96.8	15.3
25P	102.6	268.6	627.3	542.7	219.7	323.0	84.6						94.7	17.7
AUG. 1P	102.9	269.4	629.6	544.3	219.7	324.6	85.3							17.6

- 1/ ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.
  - 2/ INCLUDES PRIVATE DOMESTIC NONFINANCIAL INVESTORS' HOLDINGS OF COMMERCIAL PAPER, BANKERS ACCEPTANCES, SECURITY RP'S AND MONEY MARKET MUTUAL FUND SHARES.
  - 3/ BORROWINGS BY BANKS FROM OTHER THAN COMMERCIAL BANKS IN THE FORM OF FEDERAL FUNDS PURCHASED, SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE, AND OTHER LIABILITIES FOR BORROWED MONEY, PLUS GROSS LIABILITIES TO OWN FOREIGN BRANCHES (EURODOLLAR BORROWINGS), LOANS SOLD TO AFFILIATES, LOAN RP'S, AND OTHER MINOR ITEMS.
  - 4/ INCLUDES TREASURY DEMAND DEPOSITS AT COMMERCIAL BANKS AND FEDERAL RESERVE BANKS AND TREASURY NOTE BALANCES.
- P - PRELIMINARY



TABLE 5  
SELECTED INTEREST RATES  
(percent)

STRICTLY CONFIDENTIAL (FR)  
CLASS II - FOMC  
AUGUST 10, 1979

	Short-Term							Long-Term								
	Federal Funds	Treasury Bills			CDs New Issue- NYC	Comm. Paper 90-119 day	Bank Prime Rate	U.S. Govt. Constant Maturity Yields			Corp. -Aaa Utility		Municipal Bond Buyer	Home Mortgages		
		Market		Auction				3-yr	7-yr	20-yr	New Issue	Recently Offered		Primary Conv.	Secondary FNMA Auc.	Market GNMA Sec.
		3-mo	1-yr	6-mo	(8)	(9)	(10)						(11)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
1978--High	10.25	9.30	9.62	9.58	10.65	10.52	11.57	9.59	9.22	9.00	9.30	9.54	6.67	10.38	10.60	9.68
Low	6.58	6.16	6.55	6.42	6.65	6.68	7.75	7.40	7.72	8.01	8.61	8.48	5.58	8.98	9.13	8.43
1979--High	10.75	9.69	9.68	9.63	10.46	10.57	11.75	9.60	9.34	9.30	9.87	9.94	6.58	11.13	10.88	10.05
Low	9.93	8.85	8.64	8.87	9.46	9.66	11.50	8.78	8.74	8.79	9.42	9.40	6.08	10.38	10.42	9.51
1978--July	7.81	7.01	7.79	7.47	8.00	7.85	9.00	8.54	8.55	8.69	9.14	9.18	6.28	9.74	10.01	9.15
Aug.	8.04	7.08	7.73	7.36	7.86	7.83	9.01	8.33	8.38	8.45	8.82	8.91	6.12	9.79	9.81	8.97
Sept.	8.45	7.85	8.01	7.95	8.34	8.39	9.41	8.41	8.42	8.47	8.86	8.86	6.09	9.76	9.79	9.04
Oct.	8.96	7.99	8.45	8.49	9.12	8.98	9.94	8.62	8.64	8.69	9.17	9.13	6.13	9.86	10.03	9.25
Nov.	9.76	8.64	9.20	9.20	10.15	10.14	10.94	9.04	8.80	8.75	9.27	9.27	6.19	10.11	10.30	9.39
Dec.	10.03	9.08	9.44	9.40	10.44	10.37	11.55	9.33	9.03	8.90	9.28	9.41	6.51	10.35	10.50	9.38
1979--Jan.	10.07	9.35	9.54	9.50	10.20	10.25	11.75	9.50	9.14	8.98	9.54	9.51	6.47	10.39	10.70	9.67
Feb.	10.06	9.32	9.39	9.35	9.81	9.95	11.75	9.29	9.11	9.03	9.53	9.56	6.31	10.41	10.54	9.67
Mar.	10.09	9.48	9.38	9.46	9.86	9.90	11.75	9.38	9.15	9.08	9.62	9.62	6.33	10.43	10.43	9.70
Apr.	10.01	9.46	9.28	9.50	9.76	9.85	11.75	9.43	9.21	9.12	9.70	9.74	6.29	10.50	10.59	9.78
May	10.24	9.61	9.27	9.53	9.80	9.95	11.75	9.42	9.23	9.21	9.83	9.84	6.25	10.69	10.84	9.89
June	10.29	9.06	8.81	9.06	9.58	9.76	11.65	8.95	8.86	8.91	9.50	9.50	6.13	11.04	10.77	9.75
July	10.47	9.24	8.87	9.19	9.70	9.87	11.54	8.94	8.92	8.92	n.a.	n.a.	n.a.	11.09	10.66	9.77
1979--June 6	10.23	9.48	9.03	9.43	9.69	9.92	11.75	9.06	8.94	8.98	9.57	9.58	6.09	11.03	--	9.83
13	10.23	9.06	8.76	9.05	9.46	9.86	11.75	8.90	8.82	8.89	9.51	9.46	6.11	11.05	10.79	9.76
20	10.28	8.98	8.82	8.87	9.58	9.67	11.68	8.99	8.87	8.93	--	9.48	6.18	11.10	--	9.72
27	10.32	8.85	8.74	8.90	9.60	9.68	11.50	8.81	8.78	8.82	9.43	9.39	6.12	11.10	10.74	9.82
July 4	10.42	8.96	8.64	8.87	9.60	9.66	11.50	8.78	8.74	8.79	--	9.41	6.08	11.13	--	9.69
11	10.28	9.25	8.78	9.16	9.63	9.75	11.50	8.88	8.87	8.88	--	9.50	6.11	11.08	10.66	9.69
18	10.35	9.29	8.84	9.26	9.68	9.87	11.50	8.96	8.97	8.97	9.57	9.58	6.15	11.08	--	9.78
25	10.63	9.34	9.01	9.47	9.87	9.96	11.50	9.05	9.00	8.98	9.63	9.59	6.19	11.08	10.65	9.80
Aug. 1	10.75	9.16	8.94	9.30	9.89	9.98	11.71	9.01	8.99	8.96	9.52	9.57	6.14	11.08	--	9.88
8	10.67	9.37	8.91	9.32	9.91	10.04	11.75	8.98p	8.94p	8.92p	9.39p	9.44p	6.13	n.a.	10.64	9.82
15																
22																
29																
Daily--Aug. 2	10.70	9.33	8.93	--	--	9.98	11.75	8.96	8.92	8.92	--	--	--	--	--	--
9	10.68p	9.40	8.96	--	--	10.14	11.75	9.01p	8.99p	8.95p	--	--	--	--	--	--

NOTE: Weekly data for columns 1, 2, 3, 6, and 7 are statement week averages of daily data. Weekly data in column 4 are average rates set in the auctions of 6-month bills that will be issued on the Thursday following the end of the statement week. Data in column 5 are 1-day Wednesday quotes. For columns 8 through 11, the weekly date is the mid-point of the calendar week over which data are averaged. Column 12 and 13 are 1-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 14 is an average of contract interest rates on commitments for conventional first mortgages with 80 percent loan-to-value ratios made by a sample of insured savings and loan associations on the Friday following the end of the statement week. Column 15 gives FNMA auction data for Monday preceding the end of the statement week. Column 16 is a 1-day quote for 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.

TABLE 6  
NET CHANGES IN SYSTEM HOLDINGS OF SECURITIES  
(millions of dollars, not seasonally adjusted)

STRICTLY CONFIDENTIAL (FR)  
CLASS II - FOMC  
AUGUST 10, 1979

Period	Treasury Bills Net Change <u>2/</u>	Treasury Coupons Net Purchases <u>3/</u>					Federal Agencies Net Purchases <u>4/</u>					Net Change Outright Holdings Total <u>5/</u>	Net RPs <u>6/</u>
		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
1976	863	472	3,025	1,048	642	5,187	105	469	203	114	891	6,227	3,607
1977	4,361	517	2,833	758	553	4,660	--	792	428	213	1,433	10,035	-2,892
1978	870	1,184	4,188	1,526	1,063	7,962	-47	45	104	24	127	8,724	-1,774
1978--Qtr. II	5,444	288	1,156	468	334	2,246	46	127	104	24	301	7,930	1,224
Qtr. III	3,152	340	774	349	235	1,697	-92	-81	--	--	-173	4,632	266
Qtr. IV	-5,072	212	1,135	250	247	1,844	--	--	--	--	--	-3,283	-2,130
1979--Qtr. I	-3,750	48	426	134	93	700	-170	-229	--	--	-399	-882 <u>7/</u>	680
Qtr. II	465	42	640	--	--	682	110	258	2	--	371	-1,795	2,542
1979--Feb.	-628	48	426	134	93	700	-20	--	--	--	-20	52	2,135
Mar.	1,136	--	--	--	--	--	--	--	--	--	--	3,713 <u>7/</u>	4,290
Apr.	1,021	--	640	--	--	640	--	--	--	--	--	-1,579 <u>7/8/</u>	-944
May	-451	--	--	--	--	--	--	--	--	--	--	-491	-2,353
June	-105	42	--	--	--	42	110	258	2	--	371	275	5,840
July	2,252	218	237	96	142	693	191	288	3	--	482	3,427	-1,665
1979--June 6	-748	--	--	--	--	--	--	--	--	--	--	-748	-5,513
13	--	--	--	--	--	--	--	--	--	--	--	-33	1,230
20	342	42	--	--	--	--	42	110	258	2	371	755	1,830
27	101	--	--	--	--	--	--	--	--	--	--	101	5,723 <u>9/</u>
July 4	113	218	237	96	142	693	--	--	--	--	--	806	-4,853
11	266	--	--	--	--	--	--	--	--	--	--	266	-3,554
18	1,384	--	--	--	--	--	--	--	--	--	--	1,384	8,063
25	188	--	--	--	--	--	--	--	--	--	--	188	-3,828
Aug. 1	211	--	--	--	--	--	191	288	3	--	482	693	1,184
8	--	--	--	--	--	--	--	--	--	--	--	--	-5,466
15													
22													
29													
LEVEL--Aug. 8	42.7	16.1	28.4	12.3	11.9	68.8	1.6	4.3	1.5	.8	8.2	119.7	-5.9

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 borrowing 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 RPs (+) and matched sale-purchase transactions (-).

7/ The Treasury sold \$2,600 million of special certificates to the Federal Reserve on March 31 and redeemed the last of them on April 4.

8/ \$640 million of 2-year notes were exchanged for a like amount of cash management bills on April 3. On April 9 the bills were exchanged for new 2-year notes.

9/ This includes \$75 million of matched purchase-sale agreements.