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{CONFIDENTIAL FR}

November 16, 1973

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Prepared for the Federal Open Market Committee

By the Staff

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent developments

(1) After two months of net decline, the narrowly defined money stock grew at about a 4-1/2 per cent annual rate in October, and there appears to have been a further acceleration in early November. For October and November combined, M_1 appears to be growing at an annual rate of slightly above 6 per cent, which, as the table shows, is in excess of the range of tolerance adopted at the last Committee meeting. M_2 is also exceeding its October-November range of tolerance by a sizable amount, as time and savings deposits other than large CD's have been increasing more rapidly than expected. However, until the most recent statement week, large CD's outstanding, continued to decline; as a result, the adjusted credit proxy is likely to show no net growth for the October-November period. The related cut-back in bank need for reserves has contributed to a contraction in RPD's, which are running far below the Committee's target range.

Table 1

Growth of Monetary Aggregates and RPD's
in October-November Target Period

<u>Reserves and Monetary Aggregates</u> (Growth at SAAR in per cent)	<u>Range of Tolerance</u>	<u>Latest Estimates</u>
RPD's	2--5	-4.2
M_1	1--4	6.2
M_2	5--8	10.6
<u>Memo:</u>		<u>Average for</u>
Fed funds rate		<u>Statement week</u>
(per cent per annum)	9-1/4--10-1/4	<u>Ending</u>
		11/7 9.71
		11/14 10.03

(2) The marked further attrition in large CD's reflected both the high marginal reserve costs of CD's relative to other sources of bank funds and the shift of business borrowing from banks to the commercial paper market. The interest cost of commercial paper had declined substantially relative to the prime rate after the last Committee meeting, but most recently commercial paper rates have begun to rise. Reduced market rates in October help to explain the faster than anticipated growth in other time and savings deposits at banks, as well as the improved flow of savings funds into savings and loan associations. As usual, it is difficult to isolate factors that account for short-run variations in the demand for M_1 . However, the large liquidation of dollar holdings by foreign central banks may have been a special factor accounting for temporary increases in the cash balances of those receiving dollars, and financial market uncertainties related to the energy crisis may also have led to some temporary rise in demand for M_1 .

(3) Early in the inter-meeting period short-term interest rates recorded further general declines, as market participants continued to anticipate additional System action to correct the sluggish late summer performance of the monetary aggregates. Later on, however, as the monetary aggregates showed some strength and the Federal funds rate remained generally stable, market judgments about the likely course of interest rates changed, and Treasury bill rates began to rise toward levels consistent with the prevailing funds rate. Initially, the adjustment process was relatively gradual, but reactions in foreign exchange markets to the Mid-East oil supply situation entailed large-scale

shifts in funds and triggered sizable foreign central bank liquidation of U.S. Government securities, including special issues. To protect its cash position against further liquidation of special issues at a time when overdrafts on the System were no longer available, the Treasury announced an unanticipated bill strip offering, even before its mid-November refunding had been settled. Responding to these unexpected developments, rates in short-term markets rose sharply--particularly in the Treasury bill area, where the yield on the 3-month issue moved to about 8-5/8 per cent by November 13.

(4) In view of the sudden unsettlement of the Government securities market at a time when the Treasury refunding was still in process of distribution, the Desk moved cautiously in its reserve absorption operations. With market factors tending to supply reserves, the average Federal funds rate actually edged a little lower for a time. More recently, however, with new issues in the refunding fairly well distributed and general pressures in the credit market tending to subside, the Desk has been able to permit the funds market to tighten, and the Federal funds rate has moved up to 10 per cent or slightly above. At the same time, the 3-month bill rate has fluctuated sharply, dropping abruptly to 7.53 per cent on Thursday and closing at around 7.60 per cent on Friday.

(5) Since the recent behavior of the 3-month issue has reflected technical market conditions, the basic state of the bill market may be better measured by the 6-month rate, most recently quoted at around 8.20 per cent, or 90 basis points above its level at the time of the last

Committee meeting. In long-term markets, municipal and Treasury bond yields, have risen 20-25 basis points over the period, but yields on new high-grade corporate issues have shown little net change and mortgage market rates have declined.

(6) The table on the next page shows (in percentage annual rates of change) selected monetary and financial flows over various recent time periods. Appendix Table III compares money supply growth rates computed on a quarterly-average basis with those computed on a last-month-of-quarter basis.

	Past 3 Calendar Years	Past 12 Months	Past 6 Months	Past 3 Months	Past Month
	Dec. '72 over Dec. '69	Oct. '73 over Oct. '72	Oct. '73 over Apr. '73	Oct. '73 over July '73	Oct. '73 over Sept. '73
Total reserves	8.4	9.0	8.4	5.9	13.5
Nonborrowed reserves	8.8	6.5	13.9	3.9	18.7
Reserves available to support private non- bank deposits	9.0	11.1	11.3	7.3	--
<u>Concepts of Money</u>					
M ₁ (currency plus demand deposits) <u>1/</u>	7.5	5.1	4.8	0.2	4.6
M ₂ (M ₁ plus time deposits at commercial banks other than large CD's)	11.3	7.9	7.9	7.1	10.9
M ₃ (M ₂ plus deposits at thrift institu- tions)	12.8	8.5	7.1	5.6	9.4
<u>Bank Credit</u>					
Total member bank deposits (bank credit proxy adj.)	10.7	12.1	9.6	8.1	1.9
Loans and investments of commercial banks <u>2/</u>	12.4	15.4	11.2	9.2	6.7
<u>Short-term market paper</u> (Monthly ave. change in billions)					
Large CD's	.9	2.0	0.8	-0.4	-3.4
Nonbank commercial paper	0.1	0.3	1.0	1.6	2.8

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.

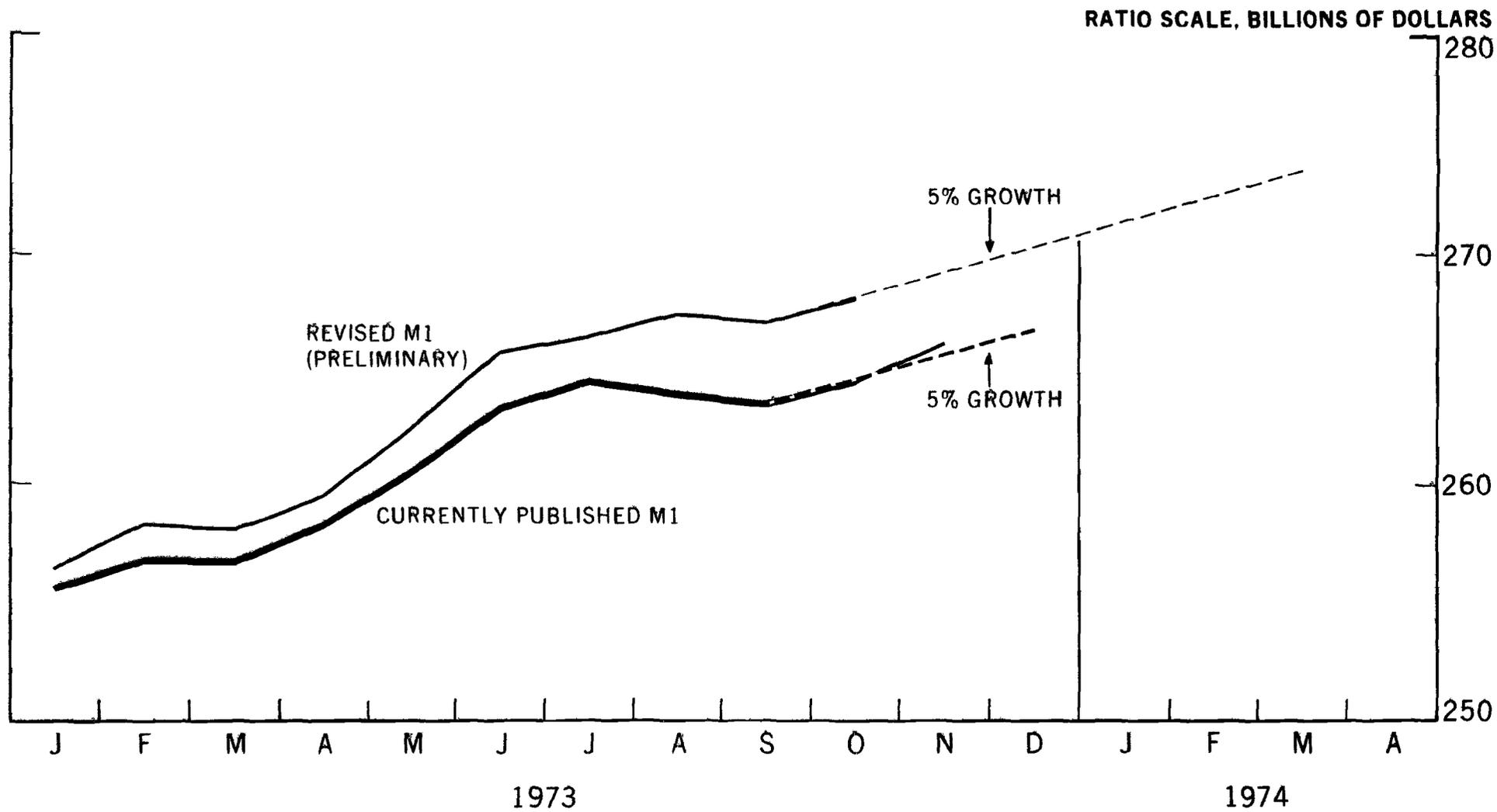
Prospective developments

(7) The alternatives for Committee consideration summarized below (and detailed on p. 6a) include annual rates of growth for M_1 over the fourth quarter of 1973 and the first quarter of 1974 combined of 6 per cent (alt. A), 5 per cent (alt. B), and 4 per cent (alt. C).

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Targets (4th & 1st qtrs. combined)			
M_1	6	5	4
M_2	8-1/2	7-1/2	6-1/2
Credit proxy	5	4	3-1/2
Associated ranges for November-December 1973			
RPD	0 to -2	-1 to -3	-1-1/2 to -3-1/2
M_1	5-1/2 to 7-1/2	4-1/2 to 6-1/2	4 to 6
M_2	7-1/2 to 9-1/2	6-1/2 to 8-1/2	6 to 8
Federal funds rate range (inter-meeting period)	8-3/4 to 10-1/4	9-1/2 to 10-1/2	10 to 11-1/2

(8) A 5 per cent growth path for M_1 from September is illustrated by the dashed lines on the chart on the following page. The bottom line of the chart shows M_1 before the forthcoming annual revision (expected to be ready by mid-December). The top line of the chart shows a rough estimate for M_1 as it will be after revision. We do not have new seasonal factors yet, but the benchmark adjustment appears to add

MONEY SUPPLY AND LONGER RUN TARGET PATH



Alternative Longer-Run Targets for Key Monetary Aggregates

		<u>M₁</u>			<u>M₂</u>			<u>M₃</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1973	Oct.	264.4	264.4	264.4	557.3	557.3	557.3	875.6	875.6	875.6
	Nov.	266.1	266.1	266.0	562.1	562.0	562.0	882.3	882.1	882.1
	Dec.	267.2	266.8	266.5	565.2	564.5	563.8	887.9	886.8	885.6
1974	Mar.	271.2	270.0	268.9	576.5	573.1	569.9	906.4	901.6	896.4
Quarters:		<u>Rates of Growth</u>								
1973	4th Q.	5.8	5.2	4.7	9.3	8.8	8.3	8.8	8.3	7.7
1974	1st Q.	6.0	4.8	3.6	8.0	6.1	4.3	8.3	6.7	4.9
Months:										
	Nov.	7.7	7.7	7.3	10.3	10.1	10.1	9.2	8.9	8.9
	Dec.	5.0	3.2	2.3	6.6	5.3	3.8	7.6	6.4	4.8
		<u>Adjusted Credit Proxy</u>			<u>Total Reserves</u>			<u>RPD</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>
1973	Oct.	446.6	446.6	446.6	34,955	34,955	34,955	32,736	32,736	32,736
	Nov.	445.7	445.6	445.6	34,739	34,738	34,736	32,550	32,548	32,547
	Dec.	448.4	447.8	447.5	34,816	34,759	34,717	32,734	32,678	32,636
	Mar.	457.4	454.8	453.3	35,194	35,009	34,904	33,507	33,322	33,218
Quarters:		<u>Rates of Growth</u>								
1973	4th Q.	2.2	1.7	1.4	2.4	1.7	1.3	-0.5	-1.2	-1.7
1974	1st Q.	8.0	6.3	5.2	4.3	2.9	2.2	9.4	7.9	7.1
Months:										
	Nov.	-2.4	-2.7	-2.7	-8.9	-8.9	-9.0	-8.4	-8.5	-8.5
	Dec.	7.3	5.9	5.1	2.7	0.7	-0.7	6.8	4.8	3.3

about \$3--\$3-1/2 billion to the level of M_1 in September, and smaller amounts in earlier months, due mainly to larger than estimated growth in nonmember bank deposits. The rate of growth for the year ending September in the revised figures will be around 6-1/2--7 per cent, as compared with 5.3 per cent for the unrevised, currently published figures. All of the tables are, of course, based on the unrevised figures since the new data will not be available on a firm enough basis to guide operations between now and the next meeting.

(9) Under alternative B, M_1 is indicated to expand in November-December at a 4-1/2--6-1/2 per cent annual rate, given a Federal funds rate range centered around 10 per cent. RPD growth in this period is expected to be negative, however, because reserves required to be held against bank CD's are expected to drop further despite a projected pick-up in CD issuance later this year.

(10) The demand for M_1 (as well as for short-term interest earning assets) in the near-term is likely to be sustained by financial and economic uncertainties generated by the energy crisis. In addition to these precautionary demands for cash, expansion in nominal GNP is projected to be sizable in the fourth quarter and is likely to require expanding transactions demands for money. However, the impacts of the energy crisis on transactions demands for cash are by no means clear. If the crisis lowers the rate of growth in nominal GNP, transactions demands would likely be dampened somewhat for any given Federal funds rate. On the other hand, if nominal GNP expands about as projected (even though real GNP growth may be adversely affected), these demands for money may not be significantly altered. These income and output effects are most likely to be felt after the turn of the year, however.

(11) While any significant income effects of an energy shortage are likely to come later rather than sooner, market interest rates could be influenced by anticipations of a slowing in income growth and a reduction over the short-run in credit demands. Thus, between now and the next meeting of the Committee, short-term rates could drop back toward the late October lows or even further for expectational reasons, and the spread between the funds rate and short-term rates could again widen. The recent decline in Treasury bill rates may already have discounted a considerable amount of potential weakness in credit demand, but as indicated earlier, bill rates, and particularly the 3-month bill, have been extremely volatile in recent days.

(12) Apart from expectational effects related to the energy crisis, upward pressure on short-term rates might be anticipated over the next few weeks as business credit demands at banks and in the open market combined continue fairly strong and as the Treasury comes to market to borrow new cash in early December, presumably through tax bills. Our estimates suggest a cash need of about \$4 billion.

(13) Under alternative A the Federal funds rate is likely to decline toward 8-3/4 per cent by the next Committee meeting as reserves are provided to support a movement toward the higher longer-run growth path for the aggregates indicated under that alternative. And under alternative C the funds rate is likely to rise toward 11-1/2 per cent in the process of moving toward its lower aggregate growth path. Under current circumstances, the market is sensitive to small changes in the funds rate, and would be even more sensitive to sustained increases or

decreases. Thus, an appreciable decline in market rates is likely under alternative A and a large rise under alternative C.

(14) Under alternative C, disintermediation would clearly once again become a pressing problem, particularly around the year-end reinvestment period. Under alternative B, however, net inflows of consumer-type time deposits to banks and to thrift institutions may be at a moderate pace over the next few months. Growth of such deposits at banks is likely to slow from the relatively rapid pace of recent months, when banks were able to offer a varied and attractive menu of ceiling-free certificates. Banks and thrift institutions could, however, have an unfavorable experience around the year-end reinvestment period even under alternative B if credit demands are strong enough to generate rising short-term market interest rates around that time.

(15) With regard to bank credit, we have assumed that the recent rise in the commercial paper rate will lead to a renewal of business loan growth at banks at a moderate pace in the last few weeks of the year and thus to some renewed demand for CD funds. In addition, we have assumed a modest net addition to banks' bill holdings, largely as a result of participation in the forthcoming Treasury financing. But we expect most of the bills to be acquired by nonbank investors, after initial tax and loan underwriting by banks. In part reflecting these developments, the bank credit proxy is expected to rise modestly in December, following a period of virtual stagnation in October and November taken together.

(16) In long-term markets, a relatively large volume of new corporate and state and local government bond issues are expected to be offered between now and the mid-December holiday lull. As a result, bond yields may come under some upward pressure under alternative B, upward rate pressure would be considerably greater under alternative C. The energy crisis could augment upward rate pressures by increasing inflationary expectations and/or by stimulating anticipations of additional real capital investment.

Proposed directive

(17) Presented below are three alternative formulations for the operational paragraph of the directive, which are intended to correspond to the similarly lettered policy alternatives discussed in the preceding section. In all three alternatives, it is proposed to delete the reference to Treasury financing because the quarterly refunding announced on October 24 has been completed. Alternatives A and C refer to growth in the monetary aggregates that "has occurred over the past 6 months"; the annual rates of growth from April through October for M_1 , M_2 , and the bank credit proxy are, respectively, 4.8, 7.9, and 9.6 per cent.

Alternative A

To implement this policy, while taking account of ~~the forthcoming-Treasury-financing-and-of~~ international and domestic financial market developments, the Committee seeks to achieve bank reserve and money market conditions consistent with moderate FASTER growth in monetary aggregates over the months ahead THAN HAS OCCURRED OVER THE PAST 6 MONTHS.

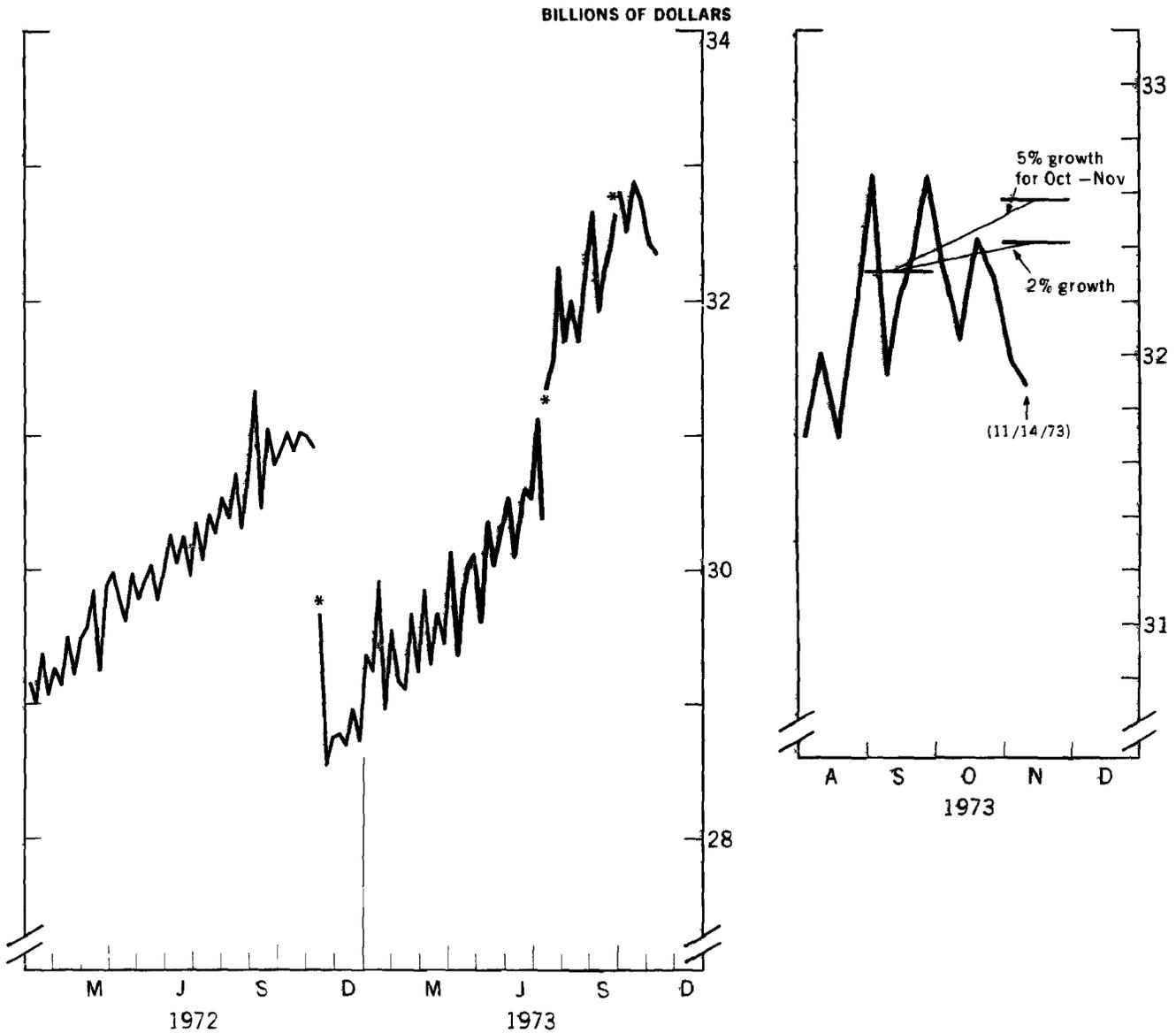
Alternative B

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

Alternative C

To implement this policy, while taking account of ~~the~~
~~forthcoming-Treasury-financing-and-of~~ international and domestic
financial market developments, the Committee seeks to achieve
bank reserve and money market conditions consistent with
~~moderate~~ SLOWER growth in monetary aggregates over the months
ahead THAN HAS OCCURRED OVER THE PAST 6 MONTHS.

RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS

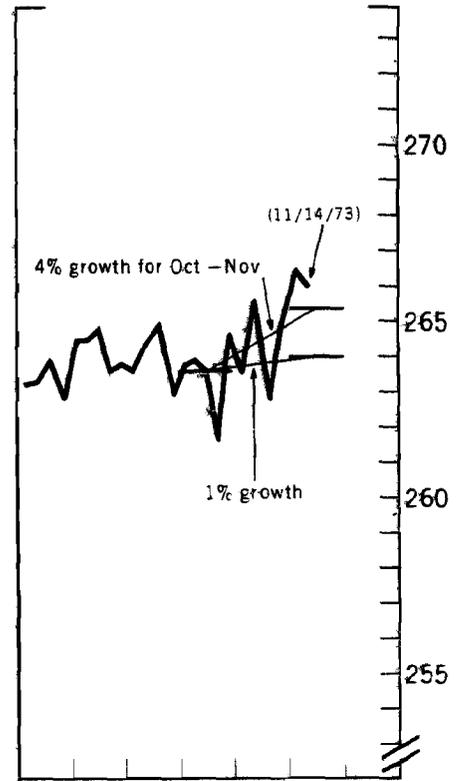
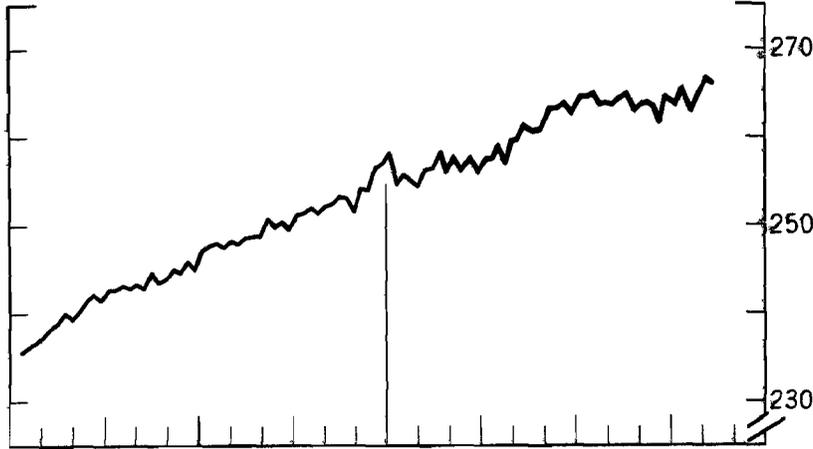


* Break in Series Actual Level of RPD After Changes in Reserve Requirements Effective November 9, 1972, July 19, 1973, and October 4, 1973

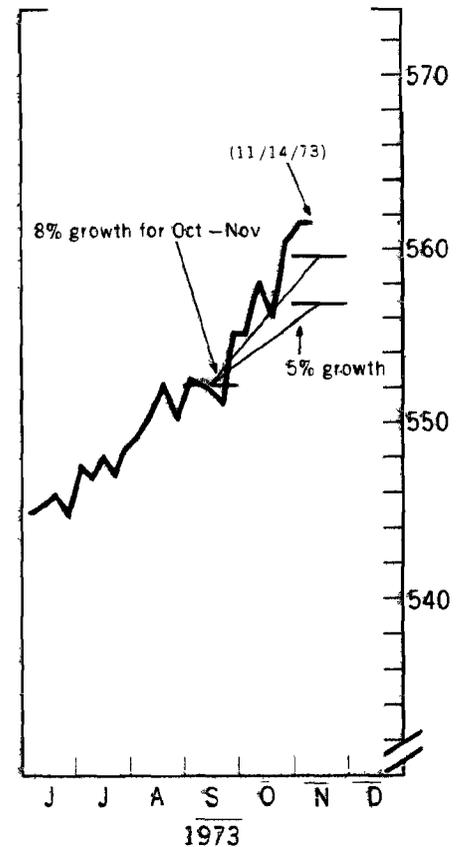
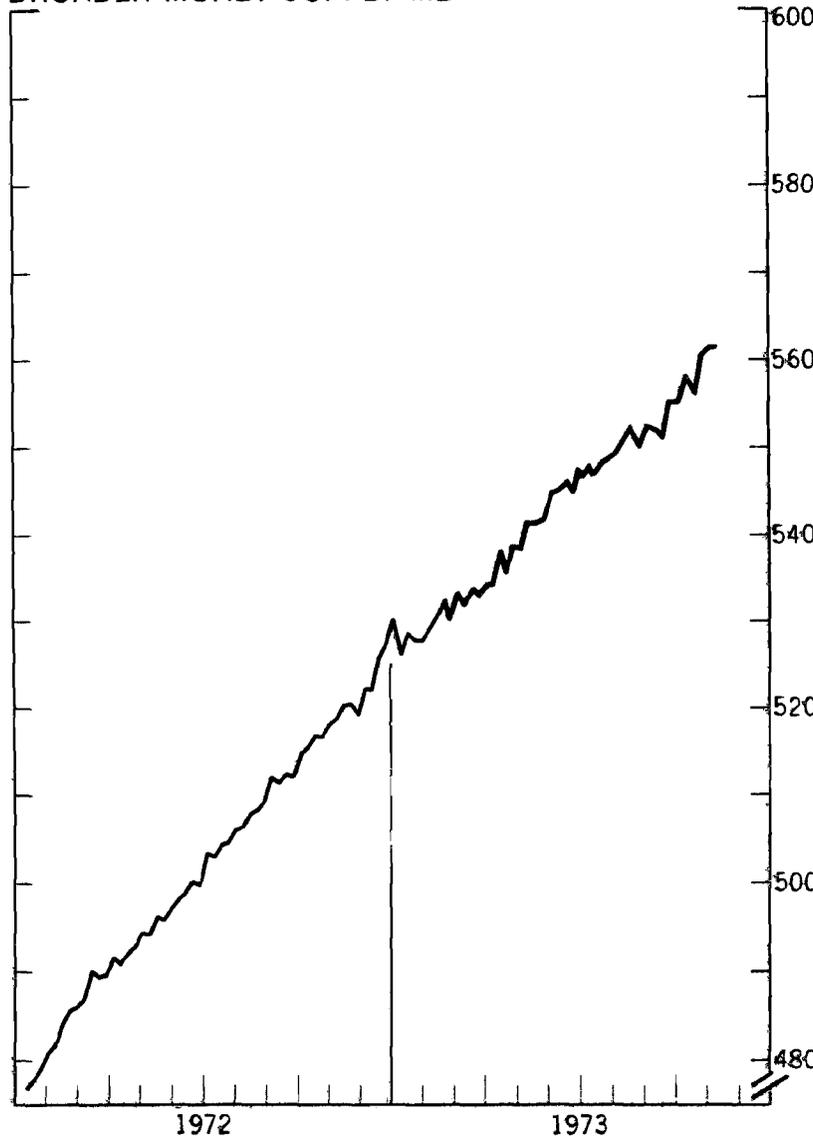
MONETARY AGGREGATES

NARROW MONEY SUPPLY M1

BILLIONS OF DOLLARS



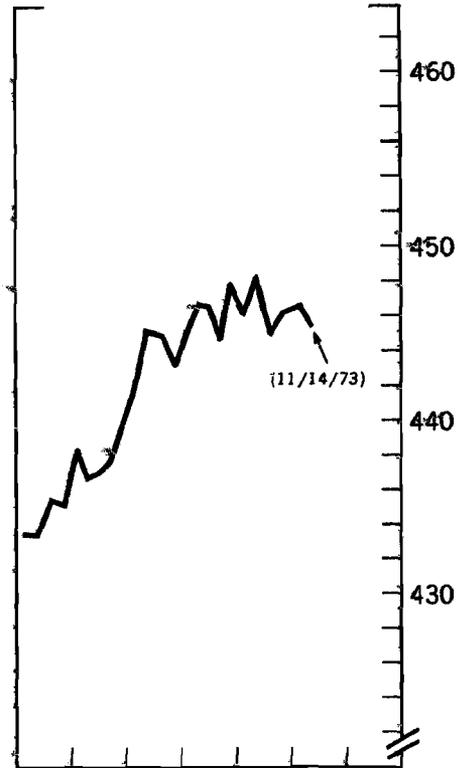
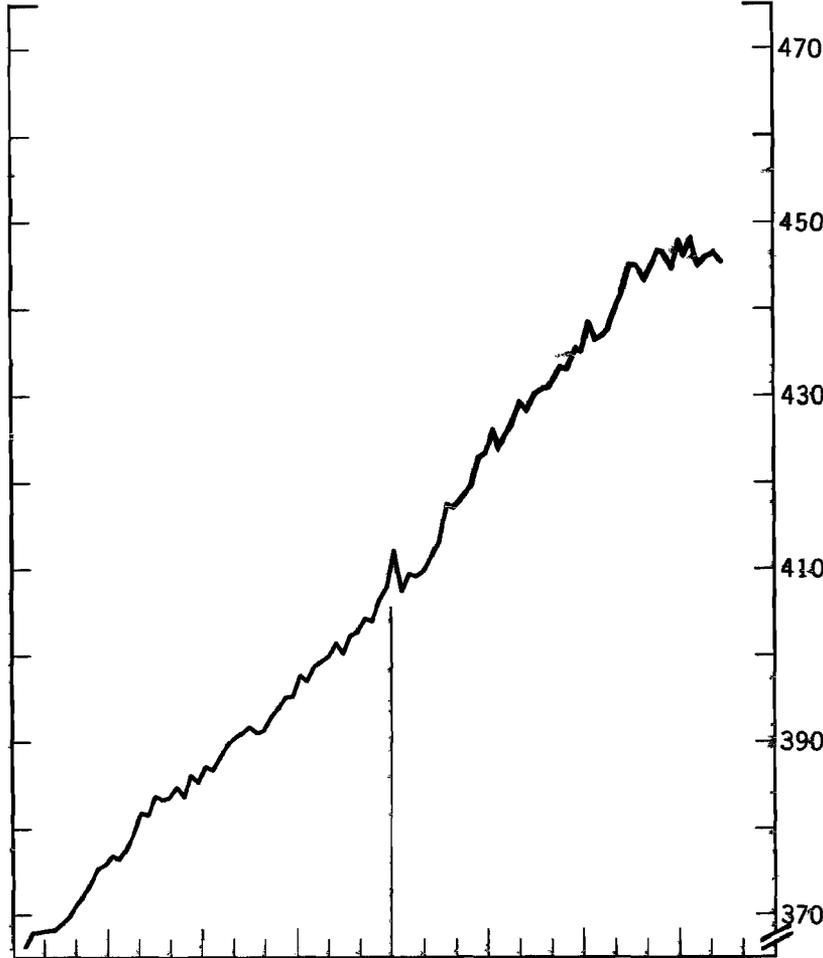
BROADER MONEY SUPPLY M2



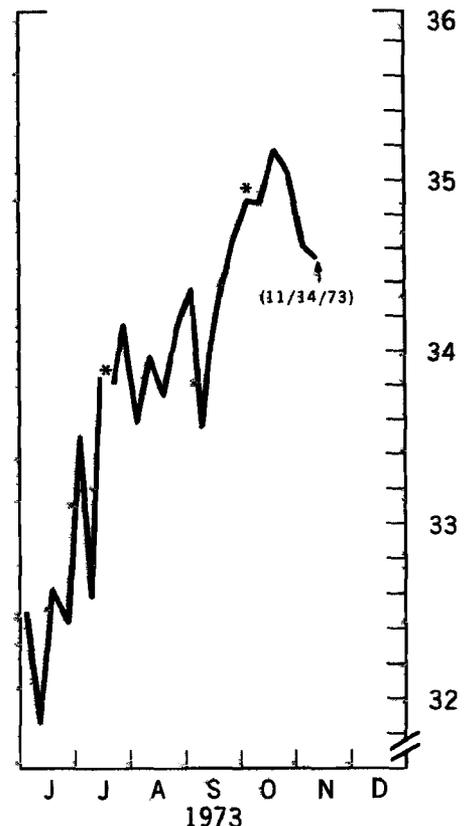
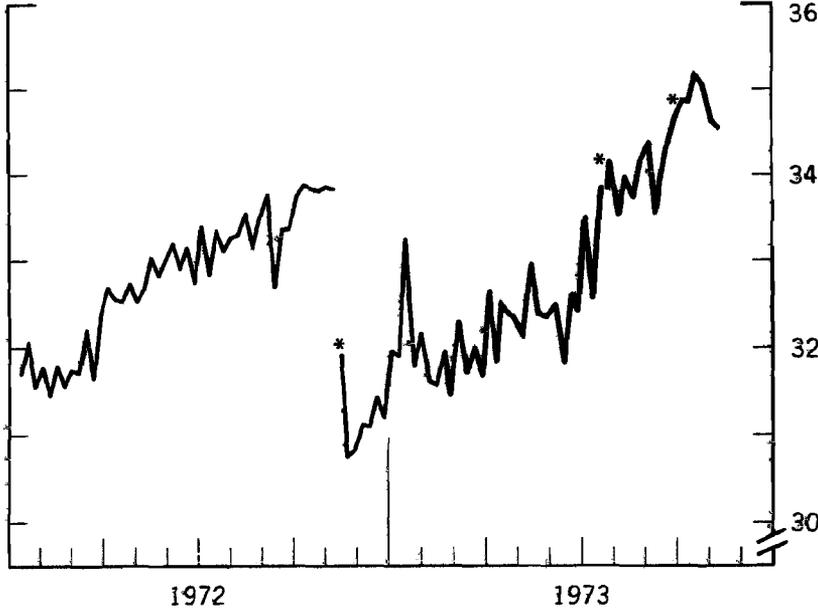
MONETARY AGGREGATES

ADJUSTED CREDIT PROXY

BILLIONS OF DOLLARS



TOTAL RESERVES



* Break in series, Actual Level of Total Reserves After Changes in Reserve Requirements Effective November 9, 1972, July 19, 1973, and October 4, 1973

CHART 4

MONEY MARKET CONDITIONS AND INTEREST RATES

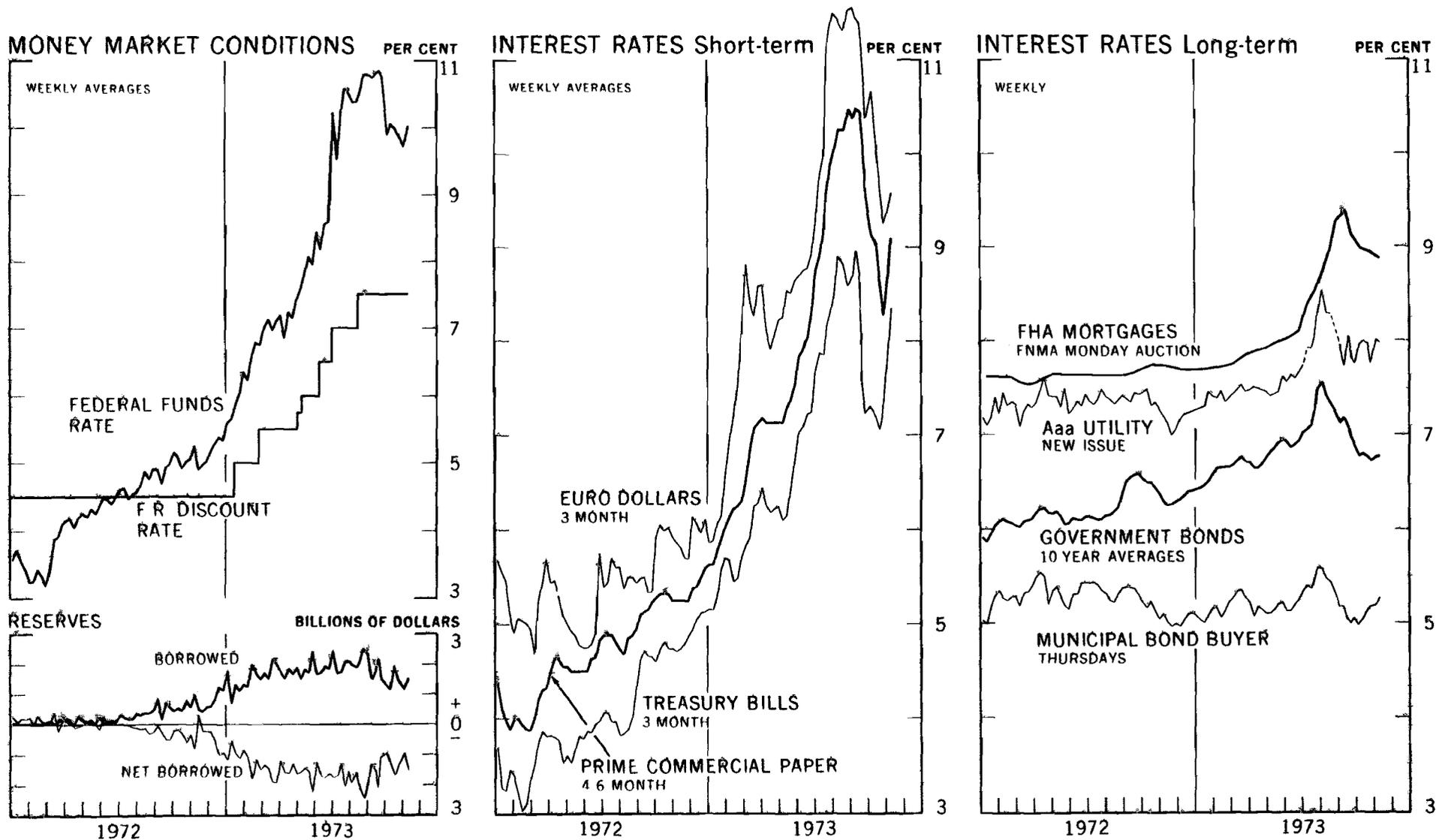


TABLE 1

STRICTLY CONFIDENTIAL

BANK RESERVES
(ACTUAL AND CURRENT PROJECTIONS)

NOVEMBER 16, 1973

PERIOD	RESERVES AVAILABLE FOR PRIVATE NONBANK DEPOSITS		AGGREGATE RESERVES		REQUIRED RESERVES			
	SEAS ADJ	NON SEAS ADJ	TOTAL RESERVES	NONBORROWED RESERVES	SEASONALLY ADJUSTED			
					PRIVATE DEMAND	OTHER TIME DEP	CD'S AND NON DEP	GOV'T AND INTERBANK
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTHLY LEVELS--\$MILLIONS								
1973--AUG.	31,961	31,672	33,898	31,996	19,964	8,027	3,806	1,938
SEPT.	32,311	32,096	34,145	32,604	19,872	8,185	4,068	1,833
OCT.	32,736	32,638	34,955	33,536	19,899	8,299	4,304	2,219
NOV.	(32,548)	(32,630)	(34,738)	(33,442)	(19,891)	(8,430)	(4,055)	(2,189)
ANNUAL RATES OF CHANGE								
QUARTERLY:								
1973--1ST QTR.	10.5		8.8	-7.1	2.9	7.7		
2ND QTR.	12.0		5.8	17.3	2.2	9.9		
3RD QTR.	13.6		10.3	12.4	-0.3	14.5		
4TH QTR.	(-2.2)		(0.8)	(-4.4)	(-8.4)	(14.1)		
MONTHLY:								
1973--AUG.	8.4		-5.1	-30.3	-9.7	18.2		
SEPT.	13.1		8.7	22.8	-5.5	23.6		
OCT.	0.0		13.5	18.7	-24.0	16.7		
NOV.	(-8.5)		(-8.9)	(-4.9)	(-3.0)	(18.9)		
OCT.--NOV.	(-4.2)		(2.2)	(6.9)	(-13.5)	(18.0)		
WEEKLY LEVELS--\$MILLIONS								
OCT. 3	32,674	32,715	34,644	33,224	19,980	8,196	4,096	1,970
10	32,809	32,558	34,876	33,438	19,595	8,262	4,500	2,067
17	32,524	32,481	34,867	33,672	20,065	8,298	4,336	2,343
24	32,883	32,690	35,168	33,479	19,828	8,326	4,283	2,286
31	32,756	32,790	35,041	33,743	20,071	8,354	4,186	2,285
NOV. 7	32,432	32,490	34,605	33,182	19,681	8,376	4,168	2,172
14	32,340	32,548	34,533	32,801	19,916	8,453	4,111	2,193

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS. ANNUAL RATES OF GROWTH HAVE BEEN ADJUSTED FOR CHANGES IN RESERVE REQUIREMENTS EFFECTIVE JULY 19, AND OCT 4, 1973. AT THE FOMC MEETING OF OCTOBER 16, 1973 THE COMMITTEE AGREED ON A RPD RANGE OF 2 TO 5 PER CENT.

TABLE 2

STRICTLY CONFIDENTIAL

MONETARY AGGREGATES
(ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED)

NOVEMBER 16, 1973

PERIOD	MONEY SUPPLY		ADJUSTED CREDIT PROXY	U.S. GOVT. DEPOSITS	TIME AND SAVINGS DEPOSITS			NONDEPOSIT SOURCES OF FUNDS
	NARROW (M1)	BROAD (M2)			TOTAL	OTHER THAN CD S	CD S	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
MONTHLY LEVELS--\$BILLIONS								
1973--AUG.	263.9	550.5	443.9	4.2	353.6	286.6	67.0	7.1
SEPT.	263.4	552.3	445.9	5.1	355.6	288.9	66.8	7.3
OCT.	264.4	557.3	446.6	6.6	356.3	292.9	63.4	6.9
NOV.	(266.1)	(562.1)	(445.5)	(5.7)	(357.7)	(296.0)	(61.7)	(6.7)
PERCENT ANNUAL GROWTH								
QUARTERLY								
1973--1ST QTR.	1.7	5.7	15.0		23.1	9.5		
2ND QTR.	10.3	9.5	12.2		16.0	8.7		
3RD QTR.	0.3	5.1	10.5		13.4	9.8		
4TH QTR.	(5.2)	(9.4)	(1.0)		(7.0)	(13.3)		
MONTHLY								
1973--AUG.	-1.8	6.4	17.0		20.4	14.0		
SEPT.	-2.3	3.9	5.4		6.8	9.6		
OCT.	4.6	10.9	1.9		2.4	16.6		
NOV.	(7.7)	(10.3)	(-3.0)		(4.7)	(12.7)		
OCT.--NOV.	(6.2)	(10.6)	(-0.5)		(3.5)	(14.7)		
WEEKLY LEVELS--\$BILLIONS								
OCT. 3	264.6	555.1	447.7	5.9	355.3	290.4	64.9	7.1
10	263.6	555.1	446.1	6.9	355.4	291.5	63.9	7.0
17	265.6	558.0	448.3	7.5	355.6	292.5	63.1	7.2
24	262.8	556.1	445.0	6.8	356.5	293.3	63.3	6.8
31	265.0	560.4	446.2	5.3	358.0	295.4	62.5	6.5
NOV. 7 P	266.5	561.5	446.6	6.3	356.7	295.1	61.6	6.7
14 PE	266.0	561.5	445.3	6.5	357.1	295.5	61.6	6.6

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

P - PRELIMINARY

PE - PARTIALLY ESTIMATED

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

	Open Market Operations ^{1/}					Daily Average Reserve Effect ^{2/}			Δ in reserve categories		Δ Target
	Bills & Accept (1)	Coupon Issues (2)	Agency Issuacs (3)	RP's Net ^{3/} (4)	Total (5)	Open Market Operations (6)	Δ Member Bank Borrowing (7)	Other ^{4/} Factors (8)	req. res. against U.S.G. and interb. (9)	available res. ^{5/} (6)+(7)+(8)-(9) ^{5/} (10)	available reserves ^{5/} (11)
Monthly											
1973 -- April	1,332	207	-19	-414	1,106	1,323	-137	-884	-74	376	505
May	-506	--	-21	-942	-1,470	1,437	66	-1,392	45	66	200
June	649	228	209	--	1,085	-1,450	1	1,084	-470	105	175
July	1,073	27	168	1,148	2,416	2,090	263	-850	311	1,185	795
Aug.	-753	--	-20	-143	-915	-818	93	978	-304	557	680
Sept	-494	--	-30	531	7	-583	-282	1,150	-133	418	475
Oct.	1,972	--	172	295	2,440	1,985	-394	-668	380	543	1,005
Nov											860
Dec.											
Weekly											
1973 -- Sept. 5	-228	--	-5	158	-75	530	-198	-7	-132	457	
12	-417	169*	-26	-619	-893	-2,683*	-875	2,962	41	-637	
19	89	-169*	--	-109	-189	356*	216	-237	27	308	
26	118	--	--	2,051	2,169	1,438*	485	-1,639	63	221	
Oct. 3	313	--	--	1,567	1,880	1,491	-670	-293	-5	593	
10	589	--	20	-5,668	-5,059	-559	-168	850	280	-157	
17	590	--	--	4,648	5,238	632	-182	-230	297	-77	
24	302	--	152	-71	383	351	745	-1,090	-203	209	
31	303	--	--	716	1,019	-95	-459p	499p	-155p	100p	
Nov. 7	-418	--	--	-2,811	-3,229	-326	-285p	217p	-94p	-300p	
14	-303	--	--	2,571	2,268	-848	351p	653p	94p	62p	
21											
28											

^{1/} Represents change in System's portfolio from end-of-period to end-of-period; includes redemptions in regular bill auctions.

^{2/} Represents change in daily average level from preceding period.

^{3/} Includes matched sale-purchase transactions as well as RP's.

^{4/} Sum of changes in vault cash, currency in circulation, Treasury operations, F.R. float, gold and foreign accounts, and other F.R. accounts.

^{5/} Reserves to support private nonbank deposits. Target change for October and November reflects the target adopted at the October 16, 1973 FOMC meeting. Target change for previous months reflects the bluebook patterns that are consistent with target ranges that were adopted during the month.

* Includes effect of special certificate (i.e., borrowing by Treasury from F.R.).

TABLE 4
SECURITY DEALER POSITIONS AND BANK POSITIONS
Millions of dollars

	U.S. Govt. Security Dealer Positions		Dealer Positions		Excess** Reserves	Member Bank Reserves Positions		Basic Reserve Deficit	
	Bills	Coupon Issues	Corporate Bonds	Municipal Bonds		Borrowing at FRB**		8 New York	38 Others
						Total	Seasonal		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1972 -- High	4,291	1,585	235	383	796	1,223		-5,635	-5,720
Low	1,916	-93	0	40	-133	12		-1,638	-1,910
1973 -- High	3,718	1,299	175	384	631	2,561		-5,243	-8,519
Low	897	-301	0	36	-175	688		-1,831	-4,048
1972 -- Oct.	2,887	207	105	132	247	574		-3,637	-4,044
Nov.	3,096	1,039	84	191	314	606		-4,561	-3,622
Dec.	3,510	953	58	291	219	1,049		-4,977	-4,958
1973 -- Jan.	3,407	720	27	177	289	1,161		-4,550	-5,469
Feb.	2,132	562	77	123	207	1,594		-4,187	-5,436
Mar.	2,490	-50	24	125	177	1,825		-4,273	-5,847
Apr.	2,457	106	17	60	255	1,688	3	-3,293	-6,577
May	1,894	421	66	151	161	1,843	30	-3,019	-5,872
June	2,281	562	33	120	234	1,851	75	-3,507	-6,443
July	1,425	265	24	139	285	1,953	155	-2,460	-6,106
Aug.	1,690	39	0	70	177	2,165	163	-2,689	-4,940
Sept.	2,745	395	6	80	216	1,801	148	-3,173	-5,355
Oct.	*2,565	*484	44	226	182p	1,477p	126p	-3,814p	-6,090
1973 -- Sept. 5	2,390	386	15	36	477	2,363	168	-2,075	-4,240
12	3,169	395	0	89	124	1,488	145	-3,471	-6,233
19	2,924	323	10	58	136	1,704	139	-3,687	-5,672
26	2,255	443	0	136	74	2,189	150	-3,050	-5,494
Oct. 3	2,124	462	60	177	452	1,519	144	-2,910	-4,612
10	2,743	447	15	155	400	1,351	131	-3,526	-6,593
17	2,372	416	117	384	-91	1,169	120	-4,614	-6,669
24	*2,640	*462	18	189	275p	1,914p	125p	-3,906	-5,877
31	*2,823	*629	38	185	123p	1,455p	119p	-3,591	-5,773
Nov. 7	*2,973	*1,299	2	154	202p	1,170p	93p	-5,162p	-6,878p
14	*2,975	* 859	75p	155p	21p	1,571p	80p	-5,120p	-8,519p
21									
28									

Notes: Government Security dealer trading positions are on a commitment basis. Trading positions, which exclude Treasury bills financed by repurchase agreements maturing in 16 days or more, are indicators of dealer holdings available for sale over the near-term. Other security dealer positions are debt issues still in syndicate, excluding trading positions. The 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 ** Beginning with January 1973, monthly averages for excess reserves and borrowings are weighted averages of statement week figures

NOVEMBER 16, 1973

TABLE 5
SELECTED INTEREST RATES
Per Cent

Period	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. Government (10-yr. Constant Maturity)	FNMA Auction Yields
		90-Day	1-Year		60-89 Day	90-119 Day	New Issue	Recently Offered			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
1972 -- High	5.38	5.13	5.52	5.50	5.38	5.50	7.60	7.46	5.54	6.58	7.72
Low	3.18	3.03	3.60	3.75	3.13	3.50	6.99	7.12	4.96	5.87	7.54
1973 -- High	10.84	8.95	8.43	10.50	10.50	10.75	8.52	8.30	5.59	7.54	9.37
Low	5.61	5.15	5.42	5.63	5.38	5.50	7.29	7.26	4.99	6.42	7.69
1972 -- Oct	5.04	4.74	5.39	5.21	5.00	5.19	7.38	7.38	5.19	6.48	7.72
Nov	5.06	4.78	5.20	5.18	5.00	5.13	7.09	7.18	5.02	6.28	7.71
Dec.	5.33	5.07	5.28	5.40	5.19	5.38	7.15	7.18	5.05	6.36	7.68
1973 -- Jan	5.94	5.41	5.58	5.76	5.63	5.75	7.38	7.35	5.05	6.46	7.69
Feb	6.58	5.60	5.93	6.17	6.16	6.28	7.40	7.41	5.13	6.64	7.72
Mar	7.09	6.09	6.53	6.76	6.78	6.75	7.49	7.51	5.29	6.71	7.78
Apr.	7.12	6.26	6.51	7.13	7.04	6.75	7.48	7.48	5.15	6.67	7.89
May	7.84	6.36	6.63	7.26	7.44	7.41	7.51	7.50	5.15	6.85	7.98
June	8.49	7.19	7.05	8.00	7.98	8.13	7.64	7.64	5.18	6.90	8.07
July	10.40	8.01	7.97	9.26	9.09	9.19	8.01	7.97	5.40	7.13	8.46
Aug	10.50	8.67	8.32	10.26	10.25	10.40	8.36	8.22	5.48	7.40	8.83
Sept.	10.78	8.29	8.07	10.31	10.31	10.50	7.88	7.99	5.10	7.09	9.32
Oct	10.01	7.22	7.17	9.14	9.15	9.08	7.92p	7.94p	5.05	6.79	9.01
Nov											
1973 -- Sept. 5	10.79	8.69	8.22	10.50	10.50	10.75	7.94	8.02	5.18	7.13	9.27
12	10.74	8.95	8.33	10.50	10.50	10.75	7.74	8.06	5.18	7.19	--
19	10.80	8.71	8.32	10.50	10.50	10.75	8.03	8.03	5.05	7.09	9.37
26	10.84	7.53	7.78	10.10	9.75	9.75	7.81	7.84	5.00	6.95	--
Oct. 3	10.72	7.22	7.51	9.63	9.75	9.50	7.75	7.90	5.04	6.89	9.11
10	9.87	7.30	7.35	9.53	9.50	9.38	7.96	7.88	4.99	6.77	--
17	10.07	7.19	7.27	9.33	9.25	9.25	7.99	7.98	5.05	6.80	8.97
24	9.98	7.06	6.91	9.06	8.75	8.75	7.97	7.98	5.12	6.75	--
31	9.90	7.20	6.88	8.45	8.50	8.50	7.76	7.97	5.17	6.72	8.94
Nov. 7	9.71	7.84	7.30	8.78	8.75	8.50	8.00	8.02	5.19	6.76	--
14	10.03	8.34	7.54	9.03	9.00	8.88	7.98p	8.00p	5.27	6.78p	8.87
21											
28											

Notes: Weekly data for columns 1 to 4 are statement week averages of daily data. Columns 5 and 6 are one-day Wednesday quotes. For columns 7, 8 and 10 the weekly date is the mid-point of the calendar week over which data are averaged. Column 9 is a one-day quote for Thursday following the end of the statement week. Column 11 gives FNMA auction data for the Monday preceding the end of the statement week. The FNMA auction yield is the average yield in the bi-weekly auction for short-term forward commitments for Government underwritten mortgages.

November 16, 1973

Appendix Table I
RESERVES AND MONETARY VARIABLES

Period	Reserves			Money Stock Measures			Bank Credit Measures		Other						
	Total (1)	Nonborrowed (2)	Available to Support Pvt. Deposits (3)	M 1 (4)	M 2 (5)	M 3 (6)	Adjusted Credit Proxy (7)	Total 2/ Loans and Investments (8)	Total Time (9)	Time Other than CD's (10)	Thrift Institutions Deposits 1/ (11)	CD's (12)	Nondeposit Funds (13)	U.S. Gov't Demand (14)	
(Per Cent Annual Rates of Growth)													(Dollar Change in Billions)		
<u>Annually</u>															
1968	+7.5	+5.3	+8.1	+7.8	+9.3	+8.3	+9.5	+10.9	+11.5	+11.2	+6.3	+2.9	+2.6	-0.6	
1969	-1.1	-2.8	-1.7	+3.6	+2.6	+2.9	+0.4	+2.9	-4.8	+1.4	+3.6	-12.4	+13.0	+0.5	
1970	+6.1	+9.6	+8.6	+6.0	+8.4	+8.0	+8.2	+8.1	+17.9	+11.1	+7.1	+14.4	-8.4	+1.1	
1971	+7.2	+8.1	+7.7	+6.6	+11.4	+13.5	+9.4	+11.2	+18.2	+16.7	+17.4	+7.7	-7.6	-0.3	
1972	+10.6	+7.1	+9.7	+8.3	+10.8	+13.0	+11.6	+14.6	+15.5	+13.3	+17.0	+10.1	+0.4	+0.4	
<u>Semi-Annually</u>															
1st Half 1971	+9.7	+9.6	+10.7	+10.1	+14.9	+16.4	+10.1	+12.1	+21.6	+20.0	+19.3	+4.3	-7.1	-1.4	
2nd Half 1971	+4.4	+6.3	+3.4	+3.0	+7.4	+9.8	+8.4	+9.7	+13.4	+12.1	+14.3	+3.4	-0.4	+1.1	
1st Half 1972	+11.7	+12.1	+8.6	+7.7	+10.8	+13.0	+11.4	+13.6	+15.4	+13.7	+17.3	+4.4	-0.3	--	
2nd Half 1972	+9.0	+2.0	+10.4	+8.5	+10.3	+12.1	+11.1	+14.7	+14.5	+12.1	+15.4	+5.7	+0.6	+0.4	
1st Half 1973	+7.4	+4.9	+11.4	+6.0	+7.7	+9.1	+13.8	+16.6	+20.0	+9.2	+11.6	+18.9	+1.2	-1.4	
<u>Quarterly</u>															
3rd Qtr. 1971	+6.5	+6.6	+3.2	+4.1	+6.0	+8.9	+6.7	+8.5	+9.8	+8.0	+14.5	+1.7	-0.4	+1.1	
4th Qtr. 1971	+7.3	+6.0	+3.6	+1.9	+8.7	+10.5	+9.8	+10.6	+16.6	+15.9	+13.5	+1.8	--	--	
1st Qtr. 1972	+10.4	+10.7	+10.4	+9.2	+12.7	+14.9	+11.0	+15.7	+15.4	+16.1	+19.1	+0.8	-0.3	-0.4	
2nd Qtr. 1972	+12.6	+13.1	+6.6	+6.1	+8.5	+10.7	+11.5	+11.1	+14.8	+10.8	+14.7	+3.7	--	+0.5	
3rd Qtr. 1972	+3.6	-0.8	+9.9	+8.2	+10.3	+12.4	+9.8	+13.0	+14.0	+12.3	+16.2	+2.4	+0.4	-1.1	
4th Qtr. 1972	+14.2	+4.8	+10.6	+8.6	+10.2	+11.5	+12.1	+15.8	+14.4	+11.6	+13.9	+3.3	+0.3	+1.4	
1st Qtr. 1973	+8.8	-7.1	+10.5	+1.7	+5.7	+8.6	+15.0	+19.9	+23.1	+9.5	+13.6	+11.7	+0.5	+0.9	
2nd Qtr. 1973	+5.8	+17.3	+12.0	+10.3	+9.5	+9.4	+12.2	+12.7	+16.0	+8.7	+9.4	+7.1	+0.7	-2.4	
3rd Qtr. 1973	+10.3	+12.4	+13.6	+0.3	+5.1	+4.4	+10.5	+11.4	+13.4	+9.8	+3.1	+4.7	+1.6	--	
1972	Jan.	+21.8	+26.7	+11.0	+1.0	+10.4	+13.2	+9.2	+15.3	+17.7	+19.2	+18.9	+0.1	-0.1	+0.2
	Feb.	-5.2	-5.7	+6.5	+14.7	+15.1	+16.8	+7.2	+13.9	+16.2	+15.4	+20.0	+0.6	-0.3	-1.7
	Mar.	+14.5	+11.0	+13.4	+11.5	+12.4	+14.2	+16.2	+17.3	+11.6	+13.2	+17.4	+0.1	+0.1	+1.1
	Apr.	+22.1	+21.7	+6.8	+8.0	+7.9	+10.7	+12.2	+11.4	+12.8	+7.8	+15.8	+1.5	-0.2	+1.1
	May	+8.8	+9.4	+3.9	+4.0	+8.3	+10.1	+15.6	+15.2	+18.2	+13.0	+13.4	+1.5	+0.2	+0.7
	June	+6.4	+8.0	+9.0	+6.4	+9.2	+11.1	+6.6	+6.5	+12.9	+11.4	+14.5	+0.7	--	-1.3
	July	+5.2	+2.9	+6.9	+12.7	+12.5	+13.9	+10.0	+9.9	+13.6	+12.3	+17.0	+0.8	+0.1	-1.0
	Aug.	+7.6	+0.7	+9.7	+4.4	+9.3	+11.6	+9.6	+14.4	+15.9	+14.0	+15.5	+0.8	+0.3	-0.7
	Sept.	-1.9	-6.1	+12.9	+7.2	+8.7	+11.2	+9.5	+14.2	+12.0	+15.7	+0.8	-0.1	+0.6	
	Oct.	+18.2	+15.5	+3.2	+7.2	+10.1	+12.0	+11.9	+11.2	+11.5	+12.8	+15.5	+0.2	+0.2	+1.2
	Nov.	+11.4	+9.8	+20.8	+5.2	+7.9	+9.8	+10.5	+21.4	+14.2	+10.4	+13.2	+1.2	--	+0.6
	Dec.	+12.5	+10.9	+7.7	+13.3	+12.2	+12.4	+13.4	+17.7	+11.2	+12.7	+11.9	+0.1	-0.4	-0.4
1973	Jan.	+35.8	+31.3	+22.8	-0.5	+6.4	+9.8	+8.3	+17.8	+15.7	+12.9	+15.8	+1.2	+0.1	+0.6
	Feb.	-22.1	-41.3	-4.7	+6.1	+5.9	+9.0	+16.4	+23.7	+21.6	+5.7	+14.4	+4.5	--	+0.1
	Mar.	+13.3	-10.5	+13.4	-0.5	+4.7	+6.9	+19.7	+17.2	+30.9	+9.6	+10.2	+6.1	+0.4	+0.3
	Apr.	+17.3	+26.1	+9.6	+7.5	+8.1	+8.4	+13.1	+21.0	+8.7	+9.4	+9.4	+3.8	+0.2	-1.7
	May	+4.4	+1.1	+9.4	+10.7	+9.8	+9.1	+12.1	+16.6	+18.2	+9.1	+7.8	+3.1	+0.3	-1.2
	June	+0.6	+24.0	+16.6	+12.4	+10.4	+10.4	+11.1	+8.2	+8.1	+10.8	+0.3	+0.2	+0.5	
	July	+26.9	+44.9	+18.6	+5.0	+5.1	+5.6	+8.8	+13.3	+12.6	+5.5	+6.5	+2.4	+0.9	-1.7
	Aug.	-5.1	-30.3	+8.4	-1.8	+6.4	+4.2	+17.0	+16.7	+20.4	+14.0	--	+2.5	+0.6	+0.8
	Sept.	+8.7	+22.8	+13.1	-2.3	+3.9	+3.2	+5.4	+4.1	+6.8	+9.6	+2.7	+0.2	+0.1	+0.9
	Oct. p	+ 13.5	+ 18.7	--	+4.6	+10.9	+9.4	+1.9	+6.7	+2.4	+16.6	+6.4	-3.4	-0.4	+1.5

p - Preliminary

NOTE: Reserve Requirements on Eurodollar borrowings are included beginning October 16, 1969, and requirements on bank-related commercial paper are included beginning October 1, 1970.

1/ Growth rates are based on estimated monthly average levels derived by averaging end of current month and end of previous month reported data.

2/ Series revised to incorporate new seasonal factors and June 30, 1973, benchmark adjustments. Data are preliminary and may be subject to minor changes.

Appendix Table II
RESERVES AND MONETARY VARIABLES
(Seasonally adjusted, billions of dollars)

CONFIDENTIAL (FR)
November 16, 1973

Period	RESERVES			MONEY STOCK MEASURES				BANK CREDIT MEASURES			OTHER				
	Total (1)	Non- borrowed (2)	Available to Support Pvt. Deposits (3)	M ₁		M ₂ (6)	M ₃ (7)	Adjusted Credit Proxy (8)	Total Loans and Investments (9)	Total Time (10)	Time Other than CD's (11)	Thrift Institution Deposits ^{1/} (12)	CD's (13)	Non- Deposits Funds (14)	U.S. Gov't Demand (15)
				Total (4)	Pvt. Dep. (5)										
ANNUALLY:															
Dec. 1969	27,959	26,699	25,339	208.8	162.7	392.3	594.0	307.7	405.6	194.4	183.5	201.7	10.9	20.0	5.3
Dec. 1970	29,121	28,727	26,975	221.3	172.2	425.2	641.3	332.9	438.5	229.2	203.9	216.1	25.3	11.6	6.5
Dec. 1971	31,209	31,060	28,907	236.0	183.4	473.8	727.7	364.3	487.6	270.9	237.9	253.8	33.0	4.0	6.1
MONTHLY:															
1972--July	33,171	33,018	30,317	247.7	193.1	504.5	784.0	388.3	525.1	295.0	256.8	279.6	38.3	3.9	5.2
Aug.	33,381	33,038	30,562	248.6	193.8	508.4	791.6	391.4	531.4	298.9	259.8	283.2	39.1	4.2	4.5
Sept.	33,327	32,870	30,890	250.1	194.8	512.1	799.0	394.5	537.7	301.9	262.0	286.9	39.8	4.1	5.1
Oct.	33,832	33,295	30,973	251.6	195.9	516.4	807.0	398.4	542.	304.8	264.8	290.6	40.0	4.3	6.3
Nov.	31,883	31,297	29,496	252.7	196.5	519.8	813.6	401.9	552.4	308.4	267.1	293.8	41.2	4.3	6.9
Dec.	31,309	30,063	28,862	255.5	198.7	525.1	822.0	406.4	559.0	312.8	269.6	296.9	43.2	4.4	6.5
1973--Jan.	32,242	30,848	29,411	255.4	198.4	527.9	828.7	409.2	567.3	316.9	272.5	300.8	44.4	4.5	7.1
Feb.	31,649	29,787	29,296	256.7	199.3	530.5	834.9	414.8	578.5	322.6	273.8	304.4	48.8	4.5	7.2
Mar.	31,999	29,526	29,622	256.6	198.7	532.6	839.7	421.6	586.8	330.9	276.0	307.0	54.9	4.9	7.5
Apr.	32,326	30,167	29,860	258.2	199.5	536.2	845.6	426.2	593.2	336.7	278.0	309.4	58.7	5.1	5.8
May	32,445	30,195	30,095	260.5	201.6	540.6	852.0	430.5	601.4	341.8	280.1	311.4	61.7	5.4	4.6
June	32,460	30,800	30,511	263.2	203.9	545.3	859.4	434.5	605.5	344.1	282.0	314.2	62.0	5.6	5.1
July	33,569	32,332	31,324	264.3	204.9	547.6	863.5	437.7	612.2	347.7	283.3	315.9	64.5	6.5	3.4
Aug.	33,898	31,996	31,961	263.9	204.2	550.5	866.5	443.9	620.7	353.6	286.6	315.9	67.0	7.1	4.2
Sept.	34,145	32,604	32,311	263.4	203.3	552.3	868.8	445.9	622.8	355.6	288.9	316.6	66.8	7.3	5.1
Oct. p	34,955	33,536	32,736	264.4	204.1	557.3	875.6	446.6	626.3	356.3	292.9	318.3	63.4	6.9	6.6
WEEKLY:															
1973--July 4	33,501	32,126	31,113	264.5	205.0	547.4	874.4	438.3	626.3	346.1	283.0	318.3	63.1	5.9	5.4
11	32,578	31,647	30,383	264.5	205.0	546.8	874.4	436.7	626.3	346.3	282.4	318.3	63.9	6.3	3.1
18	33,849	32,853	31,350	264.8	205.3	548.0	874.4	437.0	626.3	347.6	283.2	318.3	64.4	6.5	2.5
25	33,808	32,311	31,567	263.6	204.2	547.0	874.4	437.7	626.3	348.7	283.4	318.3	65.4	6.8	3.3
Aug. 1	34,164	32,578	32,248	263.8	204.5	548.4	874.4	439.4	626.3	350.2	284.6	318.3	65.5	6.8	3.5
8	33,577	31,709	31,696	263.6	203.7	549.1	874.4	441.5	626.3	351.7	285.5	318.3	66.2	6.5	4.4
15	33,961	32,264	32,010	264.4	204.8	550.3	874.4	445.1	626.3	353.2	285.9	318.3	67.3	7.3	4.6
22	33,743	31,829	31,695	264.9	205.2	552.1	874.4	444.9	626.3	354.6	287.2	318.3	67.4	7.2	4.2
29	34,142	31,761	32,200	263.0	203.3	550.2	874.4	443.2	626.3	354.9	287.3	318.3	67.6	7.5	3.4
Sept. 5	34,362	32,800	32,665	263.8	203.7	552.4	874.4	445.2	626.3	355.5	288.6	318.3	66.8	7.2	4.4
12	33,562	32,307	31,917	263.9	203.9	552.1	874.4	446.7	626.3	355.3	288.2	318.3	67.1	6.9	5.5
19	34,046	32,562	32,186	263.6	203.5	551.9	874.4	446.6	626.3	356.2	288.3	318.3	67.9	7.5	5.0
26	34,385	32,542	32,372	261.7	201.7	551.2	874.4	444.7	626.3	356.0	289.4	318.3	66.5	7.5	5.1
Oct. 3	34,644	33,224	32,674	264.6	204.6	555.1	874.4	447.7	626.3	355.3	290.4	318.3	64.9	7.1	5.9
10	34,876	33,438	32,809	263.6	203.0	555.1	874.4	446.1	626.3	355.4	291.5	318.3	63.9	7.0	6.9
17	34,867	33,672	32,524	265.6	205.2	558.0	874.4	448.3	626.3	355.6	292.5	318.3	63.1	7.2	7.5
24 p	35,168	33,479	32,883	262.8	202.3	556.1	874.4	445.0	626.3	356.5	293.3	318.3	63.3	6.8	6.8
31 p	35,041	33,743	32,756	265.0	205.0	560.4	874.4	446.2	626.3	358.0	295.4	318.3	62.5	6.5	5.3
Nov. 7 p	34,605	33,182	32,432	266.5	205.9	561.5	874.4	446.6	626.3	356.7	295.1	318.3	61.6	6.7	6.4

p - Preliminary

NOTE: Reserve requirements on Eurodollar borrowings are included beginning October 16, 1969, and requirements on bank-related commercial paper are included beginning October 1, 1970. Adjusted credit proxy includes mainly total member bank deposits subject to reserve requirements, bank-related commercial paper, and Eurodollar borrowings of U.S. banks. Weekly data are daily averages for statement weeks. Monthly data are daily averages except for nonbank commercial paper figures which are for last day of month. Weekly data are not available for M₃, total loans and investments and thrift institution deposits.

1/ Estimated monthly average levels derived by averaging end of current month and end of previous month reported data.

2/ Series revised to incorporate new seasonal factors and June 30, 1973, benchmark adjustments. Data are preliminary and may be subject to minor changes.

APPENDIX TABLE III

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

		<u>M₁</u>		<u>M₂</u>		<u>M₃</u>	
		<u>M</u>	<u>Q</u>	<u>M</u>	<u>Q</u>	<u>M</u>	<u>Q</u>
1971	I	8.9	6.3	17.1	13.7	18.0	14.8
	II	11.1	11.2	12.1	14.8	14.1	16.3
	III	4.1	7.1	6.0	8.2	8.9	10.6
	IV	1.9	2.2	8.7	7.4	10.5	9.6
1972	I	9.2	5.3	12.7	11.1	14.9	13.2
	II	6.1	8.4	8.5	10.0	10.7	12.1
	III	8.2	8.0	10.3	10.3	12.4	12.2
	IV	8.6	7.1	10.2	9.5	11.5	11.4
1973	I	1.7	4.7	5.7	7.7	8.6	10.0
	II	10.3	6.9	9.5	7.8	9.4	8.5
	III	0.3	5.1	5.1	7.0	4.4	6.5

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

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