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MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

June 18, 1976

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent Developments

(1) Growth in M_1 slowed to a 6 per cent annual rate in May-- following April's exceptionally rapid advance--and appears to be moderating somewhat further in June. Thus, for the May-June period, M_1 expansion is now projected at around a $5\frac{1}{2}$ per cent annual rate, just below the mid-point of the Committee's range. M_2 is projected to expand at around an $8\frac{1}{2}$ per cent rate during May and June, also well below its pace in April, but near the upper bound of the Committee's range. Growth in the time deposit component of M_2 has been somewhat greater than expected in recent weeks, despite a marked diminution of inflows to savings deposits, as market rates moved above the ceiling rate on passbook savings. Inflows of funds to nonbank thrift institutions were well maintained in May.

Growth in Monetary Aggregates
over May-June Period
(SAAR in per cent)

	<u>Ranges</u>	<u>Latest Estimates</u>
M_1	4 to $7\frac{1}{2}$	5.6
M_2	5 to 9	8.7

Memo:

Federal funds rate
(per cent per annum)

	<u>Avg. for statement</u> <u>week ending</u>
May 19	5.28
26	5.50
June 2	5.54
9	5.44
16	5.47

(2) Following the May 18 FOMC meeting, the Desk promptly became somewhat less accommodative in the provision of reserves and sought a Federal funds rate around 5-3/8 per cent, a shade above the then prevailing 5-1/4 per cent and equal to the mid-point of the 5 to 5-3/4 per cent range newly adopted by the Committee. When incoming data during the latter part of May suggested that May-June growth in both M_1 and M_2 would be near the upper ends of the Committee's ranges, the Desk raised its funds rate objective to 5-1/2 per cent. Subsequent data tended to confirm this projection of M_2 growth, but indicated that M_1 growth might be weaker than earlier believed. Under the circumstances, the Desk has continued to seek a Federal funds rate averaging about 5-1/2 per cent.

(3) Nonborrowed reserves in the May-June period appear to be increasing at about a 3-1/2 per cent annual rate, on average, rather than decreasing slightly as the staff had thought would be consistent with the short-run ranges for the monetary aggregates adopted by the FOMC at its last meeting.^{1/} Since the banking system held more free reserves (excess reserves minus borrowings) than anticipated, this growth rate did not support more monetary expansion than expected. With Federal funds generally trading around the 5-1/2 per cent discount rate, member bank borrowing did nonetheless increase and averaged about \$125 million in the interval between Committee meetings, as compared with about \$50 million in the preceding two months.

^{1/} A discussion of the actual behavior of nonborrowed reserves in the weeks between meetings relative to the behavior that was expected to be consistent with the Committee's short-run targets for monetary growth may be found in Appendix A.

(4) Since the May FOMC meeting, private short-term interest rates have generally increased $1/4$ to $1/2$ of a percentage point, on balance, while Treasury bill rates have changed little. Most of the increase in private rates occurred in late May and early June, as the Federal funds rate rose. When the funds rate subsequently stabilized around the $5-1/2$ per cent level, and published data indicated a substantial slowdown of growth in M_1 , the upward movement of rates stopped. The spread between private short-term rates and Treasury bill rates widened, in part reflecting some firming in business demands for short-term credit while the Treasury continued to redeem maturing bills in its weekly auction. The volume of commercial paper increased modestly further in May. Business loans at banks also rose a little over this period, and banks--perhaps expecting a further increase in business loans and rising interest rates--have increased their outstanding CD's.

(5) Bond yields continued to move higher in late May, but declined in June as short-term markets stabilized, and on balance were down a little over the intermeeting period. The bond markets have absorbed a substantial volume of new corporate and municipal issues in recent weeks. Treasury borrowing activity over the period was less heavy than had previously been projected by the Treasury--reflecting an unexpected shortfall in outlays--but was still on the large side for the period of the year. Although yields in the secondary mortgage market have moved in sympathy with bond market rates, rates in the primary market for home loans have continued to edge upward in the past few weeks. Net acquisitions of

mortgages by savings and loan associations remained at a relatively high level in April, and loan commitments increased to their highest level in 3 years.

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

	Calendar Year	Past Twelve Months May '76 over May '75	Past Six Months May '76 over Nov. '75	Past Three Months May '76 over Feb. '75	Past Month May '76 over Apr. '76
Nonborrowed reserves	1.3	-.2	-2.6	.5	1.2
Total reserves	-.4	--	-2.2	.9	3.7
Monetary Base	5.8	6.9	6.7	8.8	6.9
<u>Concepts of Money (Revised Series)</u>					
M ₁ (currency plus demand deposits) <u>1/</u>	4.1	5.4	5.1	9.0	6.0
M ₂ (M ₁ plus time deposits at commercial banks other than large CD's)	8.5	10.0	10.5	10.9	8.8
M ₃ (M ₂ plus deposits at thrift institutions)	11.3	12.3	11.9	12.1	10.4
M ₄ (M ₂ plus CD's)	6.4	6.5	5.7	6.0	2.8
M ₅ (M ₃ plus CD's)	9.7	9.8	8.7	8.9	6.5
<u>Bank Credit</u>					
Total member bank deposits (bank credit proxy adj.)	3.9	2.9	.6	--	-3.9
Loans and investments of commercial banks <u>2/</u>	4.4	5.2	4.1	5.9	5.2
<u>Short-term Market Paper</u> (Monthly average change in billions)					
Large CD's	-.6	-1.4	-2.3	-2.4	-3.2
Nonbank commercial paper	-.2	--	0.4	0.3	.2

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) Three alternative sets of short-run specifications for the monetary aggregates and the Federal funds rate are summarized below for Committee consideration. (More detailed data, as well as longer-run growth rates, are shown in the tables on pp. 6a and 6b, while reserve aggregates believed to be consistent with these specifications are presented in appendix Table I.)

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for June-July			
M ₁	4½-8½	4-8	3½-7½
M ₂	7-11	6½-10½	5½-9½
Federal funds rate (intermeeting range)	4½-5½	5-6	5½-6½

(8) If the Federal funds rate between now and the next meeting of the Committee remains around the recently prevailing 5½ per cent--the mid-point of the alternative B range--the staff would expect that the annual rate of M₁ growth may be in a 4-8 per cent range over the June-July period. In light of the data already reported for the early part of the month, growth in June is expected to be around a 5 per cent annual rate. Such a growth rate may reflect, in part, continued adjustment by cash-holders to the April bulge in M₁ growth. Recently available deposit ownership survey figures suggest that much of the April increase was in balances of consumers, who may take a longer time than businesses and other holders to restore their balances to desired levels. The staff expects M₁ growth in July to be at a somewhat higher rate, in view of the projected rise in nominal GNP.

Alternative Levels and Growth Rates for Key Monetary Aggregates

		<u>M₁</u>			<u>M₂</u>			<u>M₃</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	May	303.2	303.2	303.2	697.0	697.0	697.0	1151.0	1151.0	1151.0
	June	304.5	304.5	304.5	702.0	701.9	701.8	1160.6	1160.4	1160.1
	July	306.6	306.3	306.0	707.6	706.8	705.5	1170.2	1169.1	1167.6
1976	QI	296.5	296.5	296.5	677.4	677.4	677.4	1116.1	1116.1	1116.1
	QII	303.1	303.1	303.1	697.0	696.9	696.9	1150.9	1150.8	1150.7
	QIII	308.1	307.6	307.3	711.7	710.8	709.0	1177.4	1176.1	1173.8
	QIV	311.3	310.6	310.4	722.4	721.8	720.6	1195.9	1195.5	1194.3
1977	QI	313.5	313.5	313.5	731.8	732.9	732.9	1214.0	1216.3	1217.3
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	June	5.1	5.1	5.1	8.6	8.4	8.3	10.0	9.8	9.5
	July	8.3	7.1	5.9	9.6	8.4	6.3	9.9	9.0	7.8
<u>Quarterly Average:</u>										
1976	QII	8.9	8.9	8.9	11.6	11.5	11.5	12.5	12.4	12.4
	QIII	6.6	5.9	5.5	8.4	8.0	6.9	9.2	8.8	8.0
	QIV	4.2	3.9	4.0	6.0	6.2	6.5	6.3	6.6	7.0
1977	QI	2.8	3.7	4.0	5.2	6.2	6.8	6.1	7.0	7.7
<u>Semi-annual</u>										
QI '76-QIII '76		7.8	7.5	7.3	10.1	9.9	9.3	11.0	10.8	10.3
QIII '76-QI '77		3.5	3.8	4.0	5.6	6.2	6.7	6.2	6.8	7.4
<u>Annual</u>										
QI '76-QI '77		5.7	5.7	5.7	8.0	8.2	8.2	8.8	9.0	9.1
FOMC longer-run range										
QI '76-QI '77		4½-7			7½-10			9-12		

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

		<u>M₄</u>			<u>M₅</u>			<u>Credit Proxy</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	May	765.2	765.2	765.2	1219.1	1219.1	1219.1	515.6	515.6	515.6
	June	772.5	772.3	772.1	1231.0	1230.8	1230.6	522.0	521.9	521.9
	July	779.5	778.9	777.9	1242.1	1241.2	1239.9	525.8	525.5	524.9
1976	QI	753.2	753.2	753.2	1192.0	1192.0	1192.0	515.2	515.2	515.2
	QII	767.0	767.0	766.9	1220.9	1220.8	1220.7	518.3	518.3	518.2
	QIII	784.7	784.0	782.4	1250.4	1249.3	1247.1	529.6	529.2	528.1
	QIV	798.1	797.8	795.6	1271.7	1271.5	1269.2	538.2	538.0	536.2
1977	QI	810.8	811.7	810.1	1292.9	1295.0	1294.4	544.8	545.3	543.7
<u>Growth Rates</u>										
<u>Monthly:</u>										
1976	June	11.4	11.1	10.8	11.7	11.5	11.3	14.9	14.7	14.7
	July	10.9	10.3	9.0	10.8	10.1	9.1	8.7	8.3	6.9
<u>Quarterly Averages:</u>										
1976	QII	7.3	7.3	7.3	9.7	9.7	9.6	2.4	2.4	2.4
	QIII	9.2	8.9	8.1	9.7	9.3	8.7	8.7	8.4	7.6
	QIV	6.8	7.0	6.7	6.8	7.1	7.1	6.5	6.7	6.1
1977	QI	6.4	7.0	7.3	6.7	7.4	7.9	4.9	5.4	5.6
<u>Semi-annual</u>										
QI '76-QIII '76		8.4	8.2	7.8	9.8	9.6	9.2	5.6	5.4	5.0
QIII '76-QI '77		6.7	7.1	7.1	6.8	7.3	7.6	5.7	6.1	5.9
<u>Annual</u>										
QI '76-QI '77		7.6	7.8	7.6	8.5	8.6	8.6	5.7	5.8	5.5

(9) Given the prevailing Federal funds rate, time deposits other than large money market CD's are expected to grow over the next two months at an annual rate around 10 per cent. With short-term market rates generally above the 5 per cent passbook rate, interest-sensitive holders, including businesses and state and local governments, may continue to reduce holdings of savings deposits. However, this may be offset by further expansion of ceiling-free time certificates of deposit, including large-denomination certificates issued by non-money market banks. Thus, for the June-July period, M_2 growth may be in a $6\frac{1}{2}$ - $10\frac{1}{2}$ per cent annual rate range under alternative B.

(10) In the near-term, if the money market remains stable, short- and long-term interest rates are likely to change little. Longer-term market interest rates could edge down further once the market has absorbed the very large volume of new corporate and municipal bond offerings scheduled for June. The Treasury has a very large third-quarter deficit to finance, but it is expected to end the current fiscal year with a large cash balance and will probably raise the bulk of the new cash it needs later this summer.

(11) Over the longer run, the outlook is still for upward pressures on interest rates, particularly short-term rates. Credit demands on banks and in short-term markets are expected to strengthen as the year progresses--with consequent upward pressure on CD and commercial paper rates. And by early winter the Treasury may have to finance itself

increasingly outside the banking system, even if some upward adjustment in Regulation Q ceiling rates has been made by then, as we assume. As may be seen from appendix Table II, under alternative B the staff would expect a Federal funds rate of around 8 per cent by early next year, given a growth rate in M_1 from QI '76 to QI '77 of $5\frac{1}{2}$ per cent.

(12) The specifications of alternative C include a tightening of the funds rate over the next few weeks to the mid-point of a $5\frac{1}{2}$ - $6\frac{1}{2}$ per cent range. This would clearly entail further upward adjustments in market rates, with the 3-month bill rate moving to the 6 per cent area and the 3-month commercial paper rate rising to perhaps around $6\frac{1}{2}$ - $6\frac{1}{2}$ per cent. However, such a near-term tightening of the money market would tend to moderate the need for restraint as the year progresses, as compared with alternative B. The funds rate under alternative C would be expected to peak at around $7\frac{1}{2}$ per cent by late this year, again assuming a $5\frac{1}{2}$ per cent growth rate in M_1 over the QI '76-QI '77 period,

(13) Growth in M_1 in the June-July period may be in a $3\frac{1}{2}$ - $7\frac{1}{2}$ per cent, annual rate, range under alternative C, only a little less than under alternative B. In the short run, member banks could be expected to offset the greater constraint on nonborrowed reserves that is specified under alternative C by increasing their borrowing through the discount window, as suggested in appendix Table I. Expansion of M_2 over the forthcoming 2-month period might be in a $5\frac{1}{2}$ - $9\frac{1}{2}$ per cent annual rate range, in part reflecting reduced inflows to time and savings deposits (other than money market CD's) as funds are increasingly diverted from such accounts to higher-yielding market instruments.

(14) Alternative A assumes an easing in the Federal funds rate to the mid-point of a $4\frac{1}{2}$ - $5\frac{1}{2}$ per cent range between now and the next Committee meeting. Such an easing would encourage more rapid money growth in the third and fourth quarter than under alternatives B and C. However, if the FOMC also wished to constrain longer-run M_1 growth to $5\frac{1}{2}$ per cent, alternative A would entail a more pronounced slowing in the rate of expansion of M_1 in early 1977 and a sharper rise in interest rates in late 1976 and early 1977 than would the other two alternatives.

Proposed directive

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

"Monetary Aggregates" Proposal

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

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

Alternative "Money Market" Proposals

Alternative A

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

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

Alternative B

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

Alternative C

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

Appendix A

Comparison of Actual and "Targeted" Reserves

The table below compares the actual average level of reserves for the 5 week period ending June 23 with the "targeted" level that had been thought consistent with the mid-points of the short-run ranges for the monetary aggregates adopted at the last FOMC meeting.

	<u>Actual</u> ^{1/}	<u>"Targeted"</u>	<u>Difference</u>
1 (2+3) <u>Nonborrowed reserves</u>	34,023	33,948	75
2 Required reserves	33,952	34,061	-109
3 (4-5) Free reserves	71	-113	184
4 Excess reserves	194	162	32
5 Member bank borrowing	123	275	-152
6 (1+5) <u>Total reserves</u>	34,146	34,223	-77
7 Currency	80,298	80,460	-162
8 (6+7) <u>Monetary base</u>	114,444	114,683	-239

^{1/} Includes week of June 23, which is partly estimated.

As can be seen from the table, nonborrowed reserves during the intermeeting period were \$75 million higher than "targeted." Relative to expectations, these reserves were employed to support more free reserves in the banking system (line 3) rather than more required reserves (line 2). Member banks held somewhat more excess reserves than anticipated and did not borrow as much as had been thought consistent with the "targeted" reserves and monetary aggregates. At the same time, required reserves were

about \$110 million weaker than expected in the five week period, owing to weaker than anticipated demand deposits at member banks as well as a slightly higher multiplier relationship between lagged deposits at member banks and current required reserves (given changes in the mix of deposits).

With borrowing falling considerably short of "target," total reserves were smaller than anticipated during the intermeeting period. The monetary base was even further below "target," as currency in circulation turned out to be substantially smaller than expected.

Achievement of the nonborrowed "target" during the period by the Desk would have resulted in a higher Federal funds rate, perhaps around the upper end of the 5-5½ per cent range adopted by the FOMC. On the other hand, if the Desk had attempted to reach "targeted" levels of total reserves or the monetary base, the funds rate would have been lower than actually prevailed--and much lower in the case of the monetary base.

Appendix Table I

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

	<u>Average of 4 weeks June 23 to July 14</u> (\$ million)			<u>Change from average of previous 5-week period</u> (\$ million)			<u>2-month Annual Percentage Growth Rate for June-July</u>		
	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Nonborrowed reserves	34,343	34,265	34,093	310	232	60	8.4	6.6	1.0
Member bank borrowing	105	168	325	-23	40	197	--	--	--
Excess reserves	166	158	149	-97	-105	-114	--	--	--
Other reserve aggregates:									
Total reserves	34,448	34,433	34,418	288	273	258	7.7	7.1	6.4
Monetary base ^{1/}	115,155	115,140	115,126	843	828	814	7.3	7.1	6.9
Nonborrowed monetary base	115,050	114,972	114,801	866	788	617	7.5	7.0	5.3

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

Appendix Table II

Projected Federal Funds Rates

		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1976	QII	5½	5½	5½
	QIII	5½	6	6½
	QIV	7½	7½	7½
1977	QI	9	8	7½

Appendix Table III

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

		<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>
1973	I	3.6	7.4	7.3	9.2	8.4	10.3
	II	10.1	6.4	9.9	8.2	9.8	8.5
	III	1.8	5.5	6.3	7.9	6.1	7.8
	IV	7.8	5.1	10.5	9.0	9.9	8.4
	QIV '72-QIV '73	6.0	6.2	8.8	8.8	8.8	9.0
1974	I	5.3	6.0	9.0	9.6	8.4	8.9
	II	5.3	5.6	6.9	7.4	5.7	6.5
	III	3.0	4.2	5.5	6.4	5.2	5.6
	IV	4.7	4.0	6.6	6.4	7.2	6.5
	QIV '73-QIV '74	4.7	5.0	7.2	7.7	6.8	7.1
1975	I	1.4	0.6	6.9	5.6	9.0	7.5
	II	9.7	7.4	12.5	10.2	14.5	12.6
	III	3.6	7.1	6.5	10.1	10.7	13.3
	IV	1.6	2.3	7.0	6.4	9.3	9.4
	QIV '74-QIV '75	4.1	4.4	8.5	8.3	11.3	11.1
1976	I	4.3	2.6	11.5	10.1	12.6	11.4

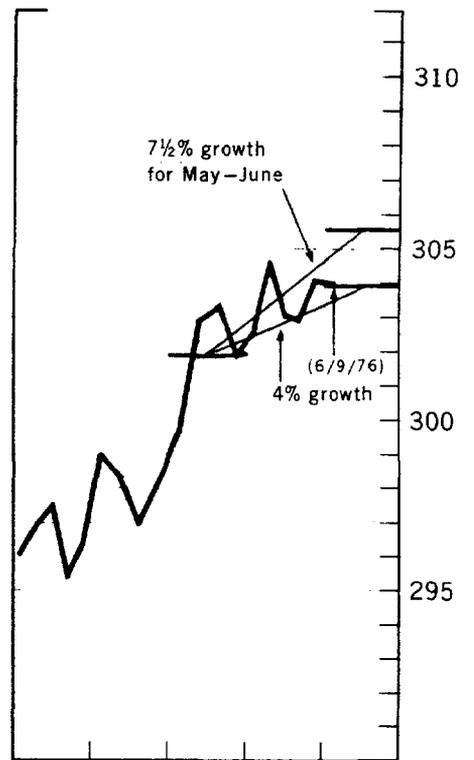
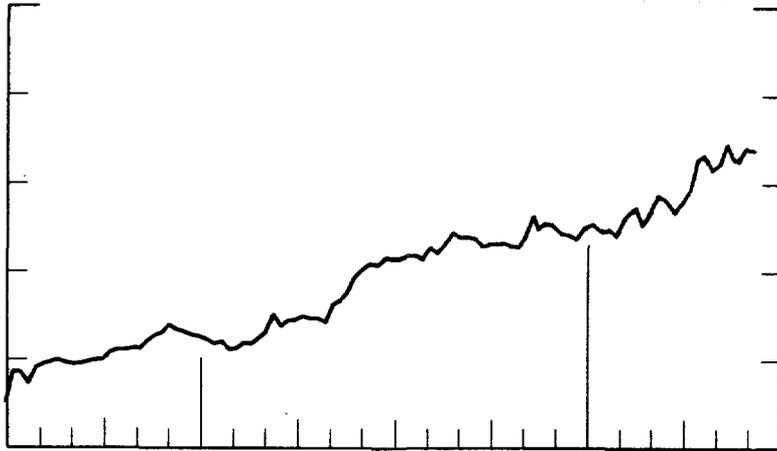
M = Annual rates of growth calculated from average levels in the final months of the quarters.

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

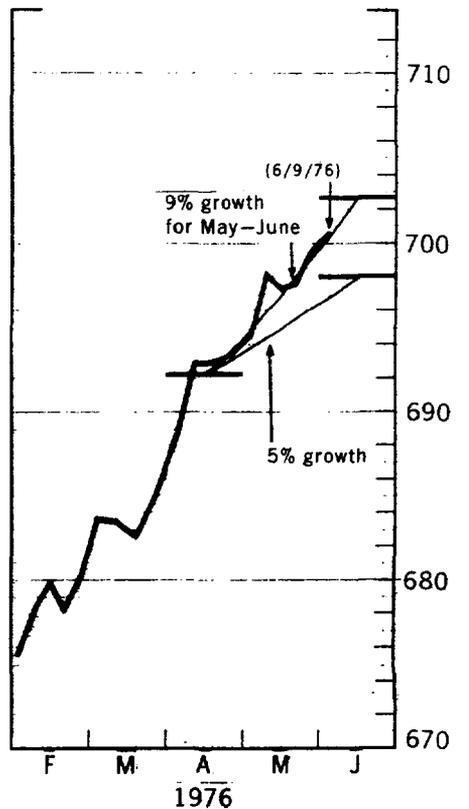
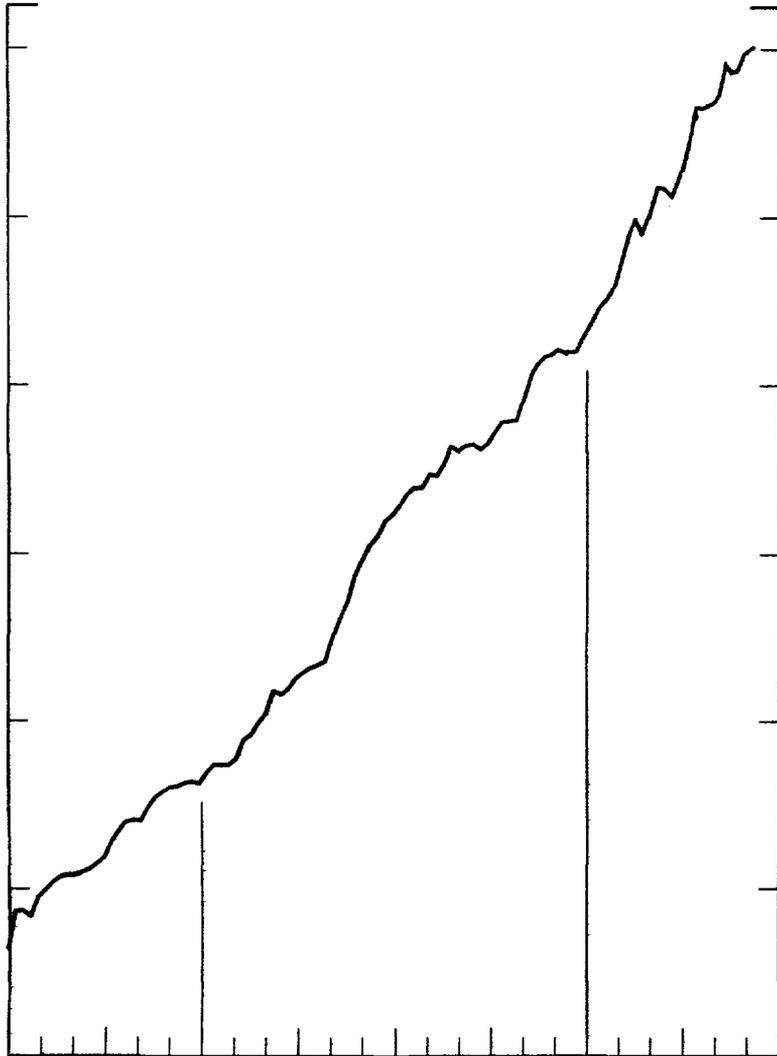
MONETARY AGGREGATES

NARROW MONEY SUPPLY M1

BILLIONS OF DOLLARS



BROADER MONEY SUPPLY M2



1974

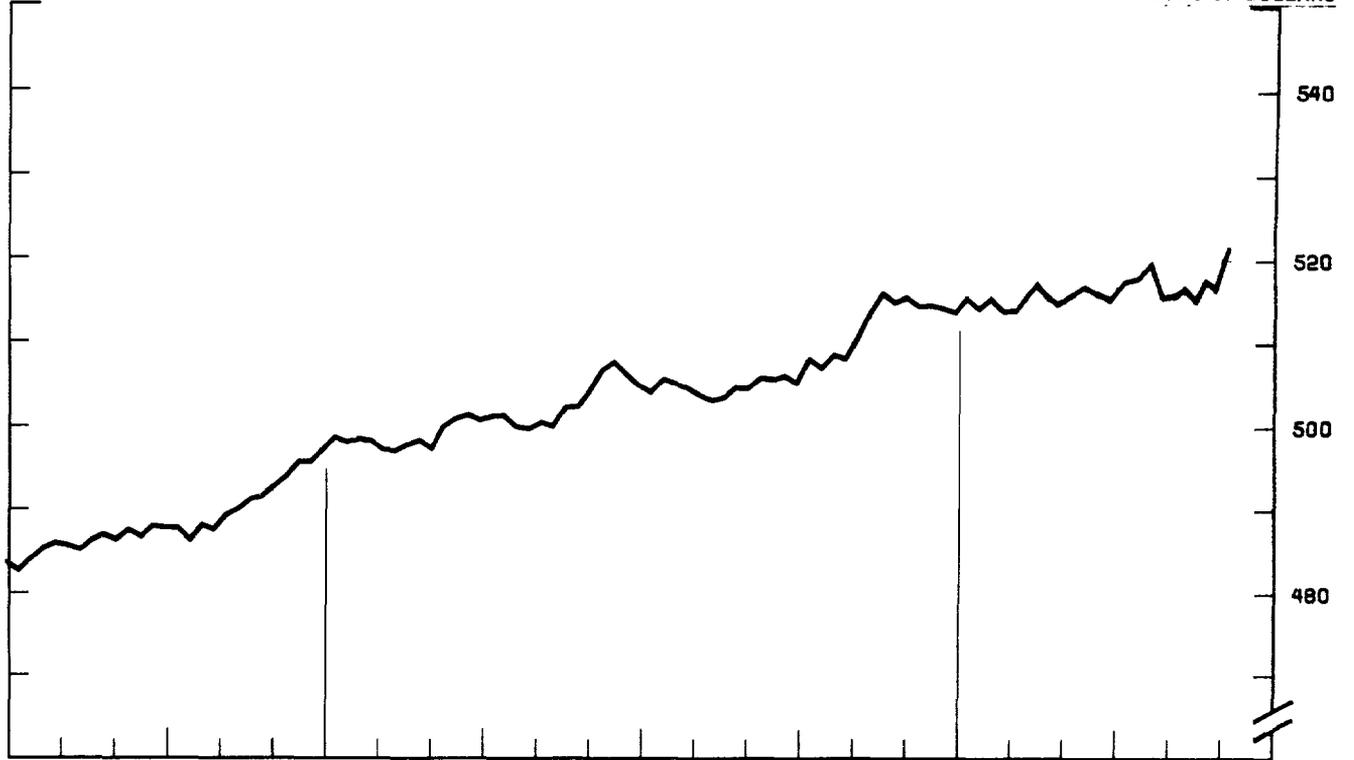
1975

1976

MONETARY AGGREGATES

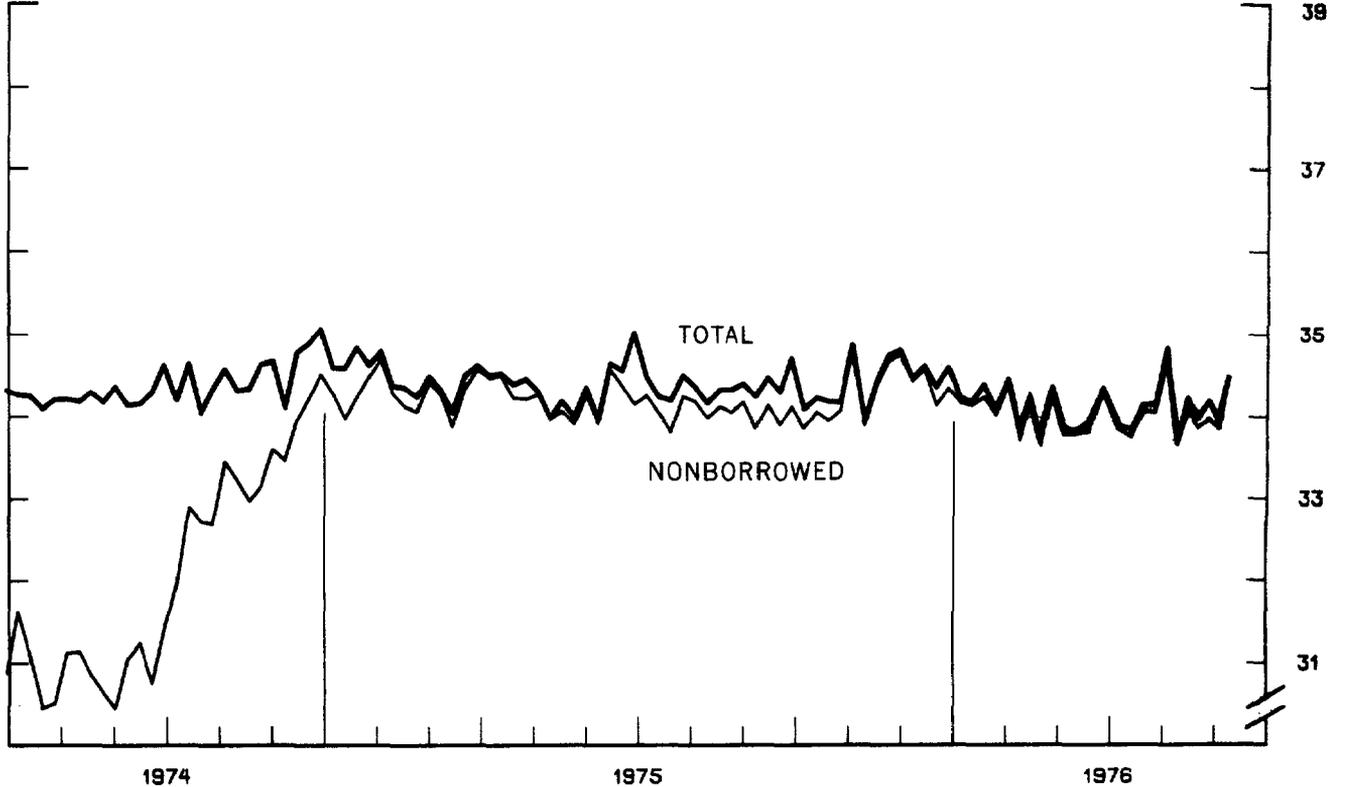
ADJUSTED CREDIT PROXY

BILLIONS OF DOLLARS



RESERVES

BILLIONS OF DOLLARS



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

MONEY MARKET CONDITIONS AND INTEREST RATES

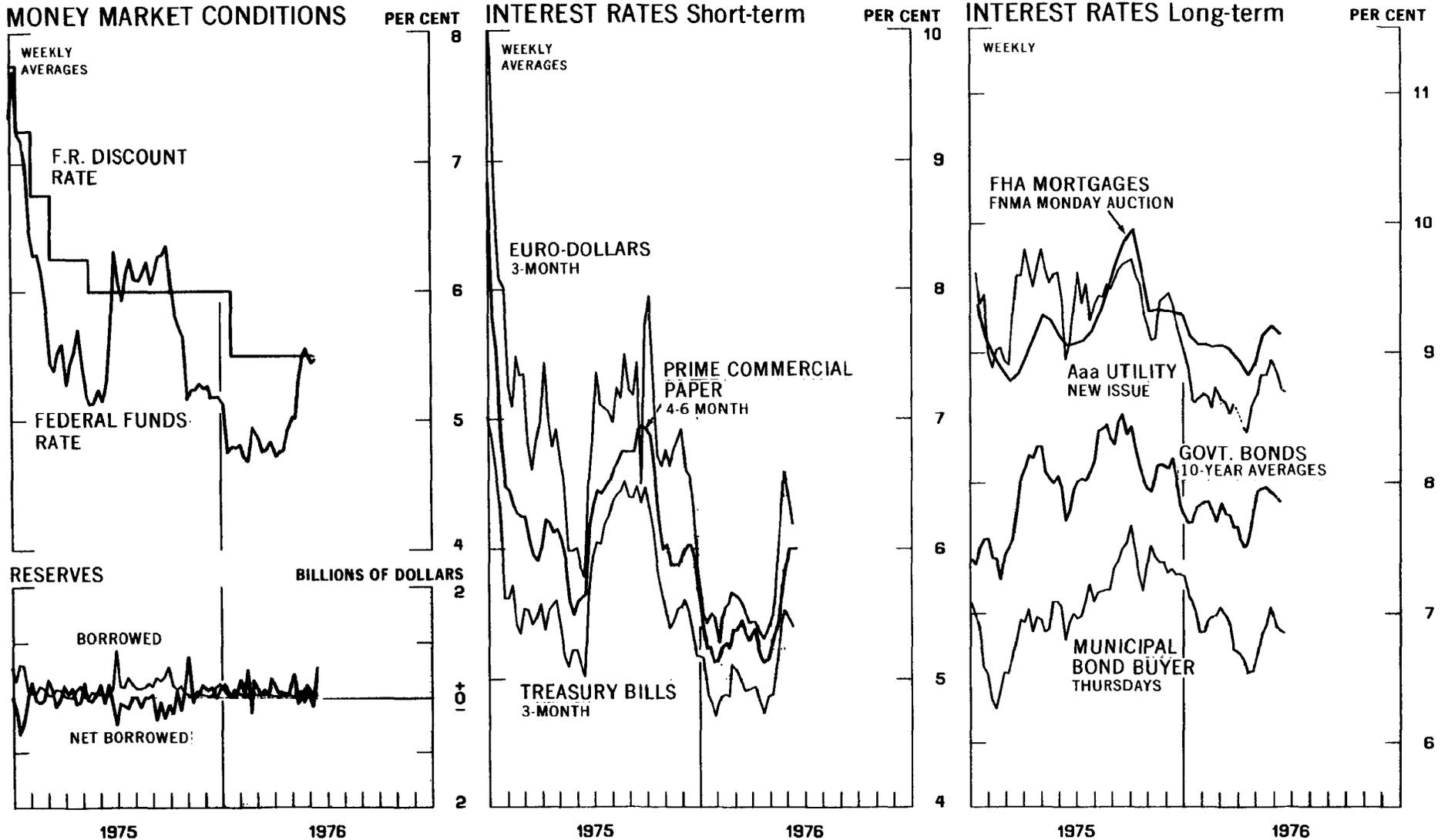


TABLE 1

CONFIDENTIAL (FR)

CONFIDENTIAL (F.R.)

CLASS II-FOMC

JUNE 18, 1976

TABLE 1

BANK RESERVES

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

Period	BANK RESERVES			REQUIRED RESERVES			
	Total Reserves	Nonborrowed Reserves	Monetary Base	Total Required	Private Demand	Total Time Deposits	Gov't. and Interbank
	1	2	3	4	5	6	7
MONTHLY LEVELS--\$MILLIONS							
1976--MAR.	34,003	33,949	112,192	33,780	19,659	11,871	2,249
APR.	34,024	33,980	113,333	33,869	19,763	11,931	2,155
MAY	34,128	34,014	113,985	33,925	19,990	11,750	2,185
JUNE	(34,305)	(34,175)	(114,880)	(34,072)	(19,932)	(11,844)	(2,296)
PERCENT ANNUAL GROWTH							
QUARTERLY							
1975--4TH QTR.	1.4	4.5	7.3	0.5	-3.4	4.1	
1976--1ST QTR.	-6.2	-5.3	4.6	-5.7	-2.0	-11.0	
2ND QTR.	(3.6)	(2.7)	(9.6)	(3.5)	(5.6)	(-0.9)	
QUARTERLY-AV							
1975--4TH QTR.	0.6	2.7	5.6	-0.1	-2.1	-0.6	
1976--1ST QTR.	-3.8	-3.2	5.3	-3.6	-1.0	-6.5	
2ND QTR.	(0.6)	(0.3)	(8.7)	(1.0)	(4.1)	(-4.3)	
MONTHLY							
1976--MAR.	-1.7	-0.8	7.0	-1.9	-3.4	-4.6	
APR.	0.7	1.1	12.2	3.2	7.6	6.1	
MAY	3.7	1.2	6.9	2.0	12.6	-18.2	
JUNE	(6.2)	(5.7)	(9.4)	(5.2)	(-3.5)	(9.6)	
MAY-JUNE	(5.0)	(3.4)	(8.2)	(3.6)	(4.5)	(-4.4)	
WEEKLY LEVELS--\$MILLIONS							
1976--MAY							
5	34,807	34,777	114,355	34,366	20,141	11,790	2,435
12	33,693	33,638	113,472	33,726	19,945	11,784	1,997
19	34,187	34,065	114,103	33,942	19,934	11,751	2,257
26	33,991	33,855	113,843	33,913	20,081	11,719	2,114
JUNE							
2	34,171	33,929	114,366	33,757	19,857	11,704	2,195
9	33,967	33,874	114,254	34,010	19,914	11,759	2,337
16	34,486	34,441	114,994	33,864	19,992	11,821	2,051

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

Table 2

MONETARY AGGREGATES

CONFIDENTIAL (FR)
CLASS II-FOMC
JUNE 18, 1976

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

Period	Money Supply		Adjusted Credit Proxy	Total U.S. Govt. Deposits	Time and Savings Deposits					Nondeposit Sources of Funds	Member Bank U.S. Govt. Deposits
	Narrow (M1)	Broad (M2)			Total	Other Than CD'S			CD'S		
						Total	Savings	Other			
	1	2	3	4	5	6	7	8	9	10	11
MONTHLY LEVELS--\$BIL											
1976--MAR.	298.0	683.4	516.0	11.0	458.5	385.4	173.5	211.9	73.2	8.2	2.5
APR.	301.7	691.9	517.3	7.2	461.6	390.2	176.7	213.5	71.4	7.5	2.5
MAY	303.2	697.0	515.6	7.4	462.0	393.8	179.3	214.5	68.2	7.6	2.3
JUNE	(304.5)	(701.9)	(521.9)	(9.4)	(467.8)	(397.4)	(179.8)	(217.6)	(70.5)	(7.8)	(3.3)
% ANNUAL GROWTH											
QUARTERLY											
1975--4TH QTR.	1.6	7.0	7.0		12.9	11.6	15.8	8.2	19.2		
1976--1ST QTR.	4.3	11.5	1.2		5.4	17.1	32.4	5.6	-46.8		
2ND QTR.	(8.7)	(10.8)	(4.6)		(8.1)	(12.5)	(14.5)	(10.8)	(-14.8)		
QUARTERLY-AV											
1975--4TH QTR.	2.3	6.4	6.0		9.7	9.8	14.4	6.6	9.5		
1976--1ST QTR.	2.6	10.1	2.3		7.8	15.9	28.3	6.7	-29.3		
2ND QTR.	(8.9)	(11.5)	(2.4)		(6.2)	(13.7)	(22.0)	(6.8)	(-31.1)		
MONTHLY											
1976--MAR.	6.1	8.7	0.9		3.1	11.0	23.3	0.6	-35.0		
APR.	14.9	14.9	3.0		8.1	14.9	22.1	9.1	-29.5		
MAY	6.0	8.8	-3.9		1.0	11.1	17.7	5.6	-53.8		
JUNE	(5.1)	(8.4)	(14.7)		(15.1)	(11.0)	(3.3)	(17.3)	(40.5)		
MAY-JUNE	(5.6)	(8.7)	(5.3)		(8.1)	(11.1)	(10.5)	(11.5)	(-7.6)		
WEEKLY LEVELS--\$BIL											
1976--MAY 5	302.5	694.5	515.7	6.8	461.0	391.9	178.4	213.5	69.1	7.3	1.7
12	304.6	698.2	516.4	6.3	461.8	393.6	179.3	214.3	68.2	7.6	1.9
19	303.1	697.3	515.1	7.3	461.7	394.1	179.8	214.4	67.6	7.8	2.5
26	302.9	697.6	517.1	9.2	462.7	394.7	179.8	214.9	68.0	7.8	3.1
JUNE 2	304.1	699.6	516.3	8.7	464.2	395.5	179.6	215.9	68.7	7.4	2.8
9 P	303.9	700.6	521.4	8.2	466.3	396.7	179.7	217.0	69.6	7.7	4.5

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.

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

P - PRELIMINARY

TABLE 3 ^{1/}
NET CHANGES IN SYSTEM HOLDINGS OF SECURITIES
(\$ millions, not seasonally adjusted)

Period	Treasury Bills Net Change 2/	Treasury Coupons Net Purchases 3/					Federal Agencies Net Purchases 4/					Net Change Outright Holdings Total 5/	Net RP's 6/
		Within 1-year	1 - 5	5 - 10	Over 10	Total	Within 1-year	1 - 5	5 - 10	Over 10	Total		
1972	-490	87	789	539	167	1,582	46	592	253	168	1,059	1,631	-1,358
1973	7,232	207	579	500	129	1,415	120	400	244	101	864	9,273	-46
1974	1,280	320	797	434	196	1,747	439	1,665	659	318	3,082	6,303	-154
1975	-468	337	3,284	1,510	1,070	6,202	191	824	460	138	1,613	7,267	1,272
1975--Qtr. I	-2,093	33	1,054	625	312	2,024	69	169	285	61	584	508	53
Qtr. II	1,086	218	1,135	454	273	2,079	--	--	-2	--	-2	3,076	230
Qtr. III	-757	13	712	201	171	1,096	64	514	106	63	747	1,060	2,392
Qtr. IV	1,294	74	385	234	315	1,006	58	141	71	14	284	2,626	-1,403
1976--Qtr. I	-363	115	554	226	156	1,052	102	288	108	38	535	1,022	1,256
1975--Dec.	1,784	31	118	78	71	297	--	--	--	--	--	2,096	1,219
1976--Jan.	-1,596	37	110	100	73	321	26	139	47	27	240	-1,030	3,597
Feb.	1,275	40	366	63	59	528	76	149	61	11	297	2,029	-3,129
Mar.	-42	38	78	63	24	203	--	--	--	--	--	23	788
Apr.	513	27	179	51	38	294	--	--	--	--	--	758	1,261
May	-292	--	--	--	--	--	3	140	57	40	240	-122	-958
1976--Apr. 7	-1,593	--	-70	--	--	-70	--	--	--	--	--	-1,678	-7,764
14	-501	--	--	--	--	--	--	--	--	--	--	-521	5,064
21	800	27	249	51	38	364	--	--	--	--	--	1,166	5,206
28	1,008	--	--	--	--	--	--	--	--	--	--	988	-1,002
May 5	240	--	--	--	--	--	--	--	--	--	--	242	-2,077
12	-626	--	--	--	--	--	--	--	--	--	--	-634	522
19	298	--	--	--	--	--	--	--	--	--	--	277	605
26	597	--	--	--	--	--	3	140	57	40	240	792	-1,115
June 2	-572	--	--	--	--	--	--	--	--	--	--	-587	-5,170
9	-302	--	--	--	--	--	--	--	--	--	--	-310	-1,068
16	949	--	--	--	--	--	--	--	--	--	--	911	5,443
23p		28	387	112	64	591							
30													

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

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

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

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

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

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

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

Period	U.S. Govt. Security Dealer Positions		Underwriting Syndicate Positions		Member Bank Reserve Positions				
	Bills (1)	Coupon Issues (2)	Corporate Bonds (3)	Municipal Bonds (4)	Excess** Reserves (5)	Borrowing at FRB**		Basic Reserve Deficit	
						Total (6)	Seasonal (7)	8 New York (8)	38 Others (9)
1975--High	7,029	2,845	464	389	804	609	74	-7,387	-11,632
Low	1,586	253	0	48	-42	17	5	-1,757	-7,207
1976--High	6,821	1,684	167	249	622	242	17	-6,686	-12,660
Low	*3,668	*175	0	34	-106	24	8	-2,367	-7,390
1975--May	4,744	1,752	91	170	155	66	9	-3,965	-9,567
June	5,201	1,351	89	118	201	227	11	-5,821	-9,344
July	4,321	1,246	60	135	188	259	17	-5,546	-9,896
Aug.	4,020	1,204	44	181	195	211	37	-3,964	-9,966
Sept.	5,008	588	31	122	191	397	58	-3,551	-9,015
Oct.	5,766	1,480	14	123	161	189	65	-2,644	-9,202
Nov.	4,751	2,073	156	173	251	60	29	-3,812	-10,159
Dec.	4,822	1,075	95	103	265	130	14	-2,811	-10,418
1976--Jan.	4,959	1,220	34	97	232	79	9	-3,581	-9,746
Feb.	5,214	1,051	66	181	256	81	10	-4,138	-10,015
Mar.	5,910	778	43	151	223	54	8	-4,726	-9,640
Apr.	5,750	605	69	133	155	43	10	-5,179	-10,783
May	*4,239	*591			123p	114p	11p	-4,426p	-8,259p
1976--Apr. 7	6,725	669	10	158	123	24	10	-5,819	-10,533
14	6,821	773	41	97	173	61	10	-6,686	-12,660
21	6,190	611	98	139	130	39	10	-5,016	-11,856
28	4,100	405	151	136	112	54	11	-3,533	-9,215
May 5	4,309	548	110	137	441	30	11	-4,214	-7,390
12	4,620	949	65	236	-33	55	9	-6,126	-9,329
19	3,915	509	70	175	245	122	10	-4,789	-8,523
26	*3,668	*470	135	249	78	136	11	-3,183	-8,124
June 2	*5,266	*175	10	199	414p	242p	17p	-3,235	-7,605
9	*5,052	*636	30	223	-43p	93p	12p	-5,490p	-10,464p
16	*5,777	*522	50p	206p	622p	48p	16p	-4,914p	-8,848p
23									
30									

NOTE: Government security dealer trading positions are on a commitment basis. Trading positions, which exclude Treasury securities financed by repurchase agreements maturing in 16 days or more, are indicators of dealer holdings available for sale over the near-term. Underwriting syndicate positions consist of issues still in syndicate, excluding trading positions. The basic reserve deficit is excess reserves less borrowing at Federal Reserve less net Federal funds purchases. Weekly data are daily averages for statement weeks, except for corporate and municipal issues in syndicate which are Friday figures.

*STRICTLY CONFIDENTIAL

**Monthly averages for excess reserves and borrowings are weighted averages of statement week figures.

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. Govt. (20-yr. Constant Maturity)	FNMA Auction Yield	GNMA Guaranteed Securities
		90-Day	1-year		60-Day	90-Day	New Issue	Recently Offered				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
1975--High	7.70	6.68	7.31	8.43	7.88	7.75	9.80	9.71	7.67	8.63	9.95	9.10
Low	5.13	5.02	5.46	5.38	5.25	5.38	8.89	9.06	6.27	7.63	8.78	7.93
1976--High	5.54	5.53	6.32	5.90	5.63	5.75	8.95	8.94	7.13	8.17	9.20	8.45
Low	4.70	4.73	5.35	5.00	4.75	4.88	8.38	8.44	6.54	7.80	8.83	8.00
1975--May	5.22	5.23	5.91	5.70	5.44	5.63	9.63	9.65	6.97	8.22	9.27	8.51
June	5.55	5.34	5.86	5.67	5.34	5.51	9.25	9.33	6.94	8.04	9.09	8.34
July	6.10	6.13	6.64	6.32	6.05	6.25	9.41	9.43	7.06	8.17	9.14	8.50
Aug.	6.14	6.44	7.16	6.59	6.31	6.63	9.46	9.49	7.17	8.50	9.41	8.75
Sept.	6.24	6.42	7.20	6.79	6.44	6.81	9.68	9.57	7.44	8.57	9.78	8.97
Oct.	5.82	5.96	6.48	6.35	6.08	6.45	9.45	9.43	7.39	8.35	9.80	8.87
Nov.	5.22	5.48	6.07	5.78	5.69	6.03	9.20	9.26	7.43	8.28	9.80	8.50
Dec.	5.20	5.44	6.16	5.88	5.65	5.83	9.36	9.23	7.31	8.23	9.31	8.56
1976--Jan.	4.87	4.87	5.44	5.15	4.91	5.03	8.70	8.79	7.07	8.01	9.10	8.37
Feb.	4.77	4.88	5.53	5.13	4.84	5.06	8.63	8.63	6.94	8.03	9.06	8.29
Mar.	4.84	5.00	5.82	5.25	5.05	5.20	8.62	8.61	6.92	7.97	9.05	8.30
Apr.	4.82	4.86	5.54	5.08	4.81	4.94	8.48	8.52	6.60	7.86	8.89	8.10
May	5.29	5.20	5.98	5.44	5.25	5.38	8.82	8.77	6.87	8.13	9.04	8.30
1976--Apr. 7	4.73	4.94	5.69	5.20	4.88	5.00	--	8.50	6.65	7.84	8.94	8.16
14	4.77	4.84	5.42	5.10	4.75	4.88	8.42	8.44	6.54	7.80	--	8.00
21	4.78	4.74	5.40	5.03	4.75	4.88	8.38	8.54	6.55	7.84	8.83	8.16
28	4.93	4.87	5.57	5.00	4.88	5.00	8.58	8.57	6.55	7.94	--	8.09
May 5	5.03	4.88	5.65	5.13	5.00	5.13	8.68	8.62	6.71	8.03	8.94	8.16
12	5.02	5.04	5.79	5.25	5.13	5.25	8.82	8.78	6.83	8.15	--	8.16
19	5.28	5.21	6.01	5.43	5.38	5.50	8.82	8.83	6.91	8.16	9.13	8.44
26	5.50	5.44	6.20	5.68	5.50	5.63	8.95	8.84	7.03	8.17	--	8.44
June 2	5.54	5.53	6.32	5.81	5.63	5.75	8.83	8.80	6.89	8.08	9.20	8.44
9	5.44	5.46	6.17	5.88	5.63	5.75	8.71	8.76	6.86	8.04	--	8.39
16	5.47	5.40	6.07	5.90	5.63	5.75	8.69p	8.72p	6.85	8.02p	9.14	8.34
23												
30												
Daily--June 10	5.47	5.43	6.11	5.88	--	--	--	--	--	8.01	--	--
17	5.57p	5.38	6.09	5.88	--	--	--	--	--	8.04(6/16)	--	--

NOTE: Weekly data for columns 1 to 4 are statement week averages of daily data. Columns 5 and 6 are 1-day Wednesday quotes (prior to 1976, figures shown are for 60-89 day and 90-119 day ranges, respectively). For columns 7 and 10, the weekly date is the mid-point of the calendar week over which data are averaged. Columns 8 and 9 are 1-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 11 gives FNMA auction data for the Monday preceding the end of the statement week. Column 12 is a 1-day quote for the Monday preceding the end of the statement week. The FNMA auction yield is the average yield in bi-weekly auction for short-term forward commitments for Government underwritten mortgages. GNMA yields are average net yields to investors on mortgage-backed securities for immediate delivery, assuming prepayment in 12 years on pools of 30-year FHA/VA mortgages carrying the coupon rate 50 basis points below the current FHA/VA ceiling.

APPENDIX TABLE 1-A
MONEY AND CREDIT AGGREGATE MEASURES

JUNE 18, 1976

Period	BANK RESERVES ^{1/}			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M ₁	M ₂	M ₃	M ₄	M ₅	M ₆	M ₇
	1	2	3	4	5	6	7	8	9	10	11	12
(Per cent annual rates of growth)												
ANNUALLY:												
1973	6.7	6.0	7.7	10.5	13.8	6.0	8.6	8.8	11.6	10.6	11.1	11.9
1974	7.1	9.2	9.2	10.2	9.2	4.7	7.2	6.8	10.6	9.0	8.9	8.9
1975	-0.4	1.3	5.8	3.9	4.4	4.1	8.5	11.3	6.4	9.7	10.0	9.7
SEMI-ANNUALLY:												
2ND HALF 1974	4.2	19.3	8.0	6.1	4.1	3.9	6.1	6.2	7.8	7.4	7.1	7.0
1ST HALF 1975	-1.2	1.7	5.6	4.5	4.2	5.6	9.8	11.9	6.9	9.9	9.5	9.4
2ND HALF 1975	0.3	0.9	5.7	3.1	4.5	2.6	6.8	10.1	5.7	9.2	10.0	9.5
QUARTERLY:												
2ND QTR. 1975	1.3	-0.1	7.2	5.3	5.7	9.7	12.5	14.5	7.7	11.3	10.8	10.1
3RD QTR. 1975	-0.8	-2.8	4.1	-0.8	4.2	3.6	6.5	10.7	3.0	8.1	8.6	7.5
4TH QTR. 1975	1.4	4.5	7.3	7.0	4.6	1.6	7.0	9.3	8.4	10.0	11.3	11.3
1ST QTR. 1976	-6.2	-5.3	4.6	1.2	5.5	4.3	11.5	12.6	5.0	8.4	7.7	7.7
QUARTERLY-AV:												
2ND QTR. 1975	-1.4	-0.4	5.2	3.6	5.0	7.4	10.2	12.6	5.6	9.4	8.7	8.7
3RD QTR. 1975	0.1	-1.9	6.3	1.4	4.4	7.1	10.1	13.3	5.7	10.1	10.7	9.5
4TH QTR. 1975	0.6	2.7	5.6	6.0	6.0	2.3	6.4	9.4	6.7	9.4	9.9	9.6
1ST QTR. 1976	-3.8	-3.2	5.3	2.3	3.8	2.6	10.1	11.4	5.7	8.6	8.7	8.7
MONTHLY:												
1975--MAY	-11.6	-10.1	3.6	1.0	3.2	11.4	13.4	14.9	6.2	10.1	9.4	8.6
JUNE	12.2	6.5	13.3	12.7	7.5	14.2	16.5	17.4	12.9	15.0	14.9	13.5
JULY	-3.2	-5.8	4.7	-3.3	1.0	3.7	9.5	13.2	5.1	10.0	11.9	10.6
AUG.	-3.1	0.0	4.9	-4.3	5.9	5.3	5.7	10.3	-0.5	5.9	7.0	6.0
SEPT.	3.9	-2.6	2.8	5.2	5.7	1.6	4.2	8.5	4.3	8.2	6.5	5.7
OCT.	-6.3	0.8	3.6	5.9	6.4	-0.8	5.3	8.7	7.9	9.9	10.3	10.1
NOV.	9.7	14.3	11.1	14.4	9.8	9.0	11.5	11.9	11.7	12.1	14.3	14.3
DEC.	0.8	-1.6	7.0	0.7	-2.3	-3.2	4.0	7.1	5.3	7.7	8.9	9.1
1976--JAN.	-10.2	-8.4	2.6	-0.7	3.5	1.2	10.7	11.9	3.5	7.2	7.1	7.1
FEB.	-6.8	-6.9	4.0	3.5	5.9	5.7	14.9	14.7	7.0	9.8	8.2	8.0
MAR.	-1.7	-0.8	7.0	0.9	6.9	6.1	8.7	10.8	4.3	7.9	7.7	7.8
APR.	0.7	1.1	12.2	3.0	5.4	14.9	14.9	14.7	10.9	12.0	12.2	12.3
MAY P	3.7	1.2	6.9	-3.9	5.2	6.0	8.8	10.4	2.8	6.5	6.9	7.7

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURODOLLAR BORROWINGS OF U.S.BANKS.

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

P - PRELIMINARY

APPENDIX TABLE 1-B
MONEY AND CREDIT AGGREGATE MEASURES

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

JUNE 18, 1976

Period	BANK RESERVES ^{1/}			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M ₁	M ₂	M ₃	M ₄	M ₅	M ₆	M ₇
	1	2	3	4	5	6	7	8	9	10	11	12
ANNUALLY:												
1973	32,390	31,092	96,051	449.4	637.7	270.5	571.4	919.5	634.9	982.9	1093.7	1132.0
1974	34,693	33,966	104,892	495.3	695.2	283.1	612.4	981.6	702.2	1071.4	1191.0	1232.7
1975	34,539	34,409	110,930	514.4	725.5	294.8	664.3	1092.9	747.2	1175.8	1310.3	1351.9
MONTHLY:												
1975--MAY	34,143	34,077	106,647	501.2	705.3	287.6	633.7	1025.3	718.8	1110.4	1232.4	1276.3
JUNE	34,490	34,263	107,833	506.5	709.7	291.0	642.4	1040.2	726.5	1124.3	1247.7	1290.7
JULY	34,399	34,098	108,254	505.1	710.3	291.9	647.5	1051.6	729.6	1133.7	1260.1	1302.1
AUG.	34,310	34,099	108,694	503.3	713.6	293.2	650.6	1060.6	729.3	1139.3	1267.5	1308.6
SEPT.	34,421	34,024	108,949	505.5	717.2	293.6	652.9	1068.1	731.9	1147.1	1274.4	1314.8
OCT.	34,239	34,048	109,279	508.0	721.0	293.4	655.8	1075.8	736.7	1156.6	1285.3	1325.9
NOV.	34,515	34,455	110,287	514.1	726.9	295.6	662.1	1086.5	743.9	1168.3	1300.6	1341.7
DEC.	34,539	34,409	110,930	514.4	725.5	294.8	664.3	1092.9	747.2	1175.8	1310.3	1351.9
1976--JAN.	34,245	34,167	111,171	514.1	727.6	295.1	670.2	1103.7	749.4	1182.9	1318.0	1359.9
FEB.	34,052	33,971	111,538	515.6	731.2	296.5	678.5	1117.2	753.8	1192.6	1327.0	1369.0
MAR.	34,003	33,949	112,192	516.0	735.4	298.0	683.4	1127.3	756.5	1200.5	1335.5	1377.9
APR.	34,024	33,980	113,333	517.3	738.7	301.7	691.9	1141.1	763.4	1212.5	1349.1	1392.0
MAY P	34,128	34,014	113,985	515.6	741.9	303.2	697.0	1151.0	765.2	1219.1	1356.9	1400.9
WEEKLY:												
1976--APR. 14	33,805	33,744	112,937	517.9		302.8	692.9		765.1			
21	34,095	34,056	113,906	519.6		303.3	693.0		763.9			
28	34,107	34,049	113,760	515.2		301.9	693.5		763.2			
MAY 5	34,807	34,777	114,355	515.7		302.5	694.5		763.6			
12	33,693	33,638	113,472	516.4		304.6	698.2		766.4			
19	34,187	34,065	114,103	515.1		303.1	697.3		764.8			
26	33,991	33,855	113,843	517.1		302.9	697.6		765.6			
JUNE 2P	34,171	33,929	114,366	516.3		304.1	699.6		768.3			
9P	33,967	33,874	114,254	521.4		303.9	700.6		770.2			

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

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

P - PRELIMINARY

APPENDIX TABLE 2-A

JUNE 18, 1976

COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Total Time Deposits	Time Other Than CD's	Mutual Savings Bank and S & L Shares ^{1/}	Credit Union Shares ^y	CD's	Savings Bonds ^y	Short Term U.S. Gov't Securities	Commercial Paper ^y	
	1	2	3	4	5	6	7	8	9	10	
(Per cent annual rates of growth)											
ANNUALLY:											
1973	8.1	5.3	16.2	11.4	8.5	15.8	45.6	4.9	31.3	39.3	
1974	10.2	3.0	15.0	9.4	5.6	12.1	41.4	4.8	11.9	9.1	
1975	8.7	2.6	7.9	12.2	15.8	20.2	-7.7	6.2	19.5	-0.5	
SEMI-ANNUALLY:											
2ND HALF 1974	9.9	2.1	10.6	8.0	6.1	11.5	20.9	5.2	4.4	4.4	
1ST HALF 1975	9.4	4.4	7.8	13.4	15.2	20.9	-12.7	5.7	6.7	5.7	
2ND HALF 1975	7.6	0.9	7.8	10.4	15.2	17.6	-2.9	6.5	31.3	-6.5	
QUARTERLY:											
2ND QTR. 1975	9.2	9.9	6.3	14.6	17.7	20.6	-25.4	5.6	7.0	-4.1	
3RD QTR. 1975	5.6	2.9	2.6	8.9	17.4	17.0	-23.8	6.8	19.2	-24.2	
4TH QTR. 1975	9.4	-1.1	12.9	11.6	12.5	17.6	19.2	6.0	41.3	11.9	
1ST QTR. 1976	10.9	2.4	5.4	17.1	14.3	16.8	-46.6	6.5	-3.6	7.7	
QUARTERLY-AV:											
2ND QTR. 1975	8.1	6.9	4.5	12.5	16.2	21.0	-24.5	5.6	-2.8	9.3	
3RD QTR. 1975	8.5	6.6	4.7	12.7	18.2	18.6	-27.5	6.8	26.4	-23.7	
4TH QTR. 1975	8.4	0.2	9.7	9.8	14.0	16.5	9.5	6.1	23.5	-1.0	
1ST QTR. 1976	9.8	0.4	7.8	15.9	13.4	17.1	-29.3	6.6	12.3	9.7	
MONTHLY:											
1975--MAY	12.1	11.1	3.1	15.1	17.2	20.3	-44.8	5.6	-2.1	-13.5	
JUNE	13.7	14.4	12.0	18.4	18.9	19.9	-14.1	5.6	23.1	-24.6	
JULY	5.1	3.3	5.8	14.0	18.9	15.7	-28.5	9.2	53.6	-25.1	
AUG.	10.1	3.8	-3.8	6.4	17.7	19.4	-48.2	5.5	27.6	-28.5	
SEPT.	1.7	1.6	5.8	6.0	14.9	15.2	4.6	5.5	-23.2	-20.4	
OCT.	10.0	-4.3	13.7	10.7	13.5	18.8	27.3	7.3	21.6	3.0	
NOV.	13.2	7.1	13.5	13.6	12.4	14.8	13.4	5.4	63.8	17.8	
DEC.	4.9	-5.9	11.0	10.1	11.3	18.3	16.1	5.4	34.9	14.6	
1976--JAN.	8.1	-1.1	5.3	18.2	13.4	18.0	-53.6	7.1	3.6	8.7	
FEB.	14.6	3.8	7.7	21.4	14.7	10.7	-57.6	7.1	-19.6	5.7	
MAR.	9.6	4.3	3.1	11.0	14.2	21.1	-35.0	5.3	5.4	8.6	
APR.	15.9	14.6	8.1	14.9	14.1	6.9	-29.5	5.3	21.6	17.0	
MAY P	9.4	4.8	1.0	11.1	13.3	6.9	-53.8	7.0	15.9	27.9	

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

P - PRELIMINARY.

COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Total Time Deposits	Time Other Than CD's	Mutual Savings Bank and S & L Shares ^{1/}	Credit Union Shares ^{1/}	CD's	Savings Bonds ^{1/}	Short Term U.S. Gov't Securities	Commercial Paper ^{1/}	Non-deposit Funds	U.S. Gov't Demand
	1	2	3	4	5	6	7	8	9	10	11	12
ANNUALLY:												
1973	61.5	209.0	364.4	300.9	323.5	24.7	63.5	60.4	50.3	38.3	6.0	5.0
1974	67.8	215.3	419.1	329.3	341.6	27.7	89.8	63.3	56.3	41.8	6.4	3.4
1975	73.7	221.0	452.4	369.6	395.5	33.3	82.9	67.2	67.3	41.6	8.4	3.0
MONTHLY:												
1975--MAY	70.2	217.4	431.2	346.1	361.8	30.1	85.1	64.8	57.1	43.9	7.4	2.5
JUNE	71.0	220.0	435.5	351.4	367.5	30.6	84.1	65.1	58.2	43.0	7.0	3.2
JULY	71.3	220.6	437.6	355.5	373.3	31.0	82.1	65.6	60.8	42.1	6.8	2.6
AUG.	71.9	221.3	436.2	357.4	378.8	31.5	78.8	65.9	62.2	41.1	7.0	2.8
SEPT.	72.0	221.6	438.3	359.2	383.5	31.9	79.1	66.2	61.0	40.4	7.0	3.0
OCT.	72.6	220.8	443.3	362.4	387.8	32.4	80.9	66.6	62.1	40.5	7.9	3.0
NOV.	73.4	222.1	448.3	366.5	391.8	32.8	81.8	66.9	65.4	41.1	8.2	3.9
DEC.	73.7	221.0	452.4	369.6	395.5	33.3	82.9	67.2	67.3	41.6	8.4	3.0
1976--JAN.	74.2	220.8	454.4	375.2	399.9	33.8	79.2	67.6	67.5	41.9	7.9	2.6
FEB.	75.1	221.5	457.3	381.9	404.8	34.1	75.4	68.0	66.4	42.1	8.0	2.6
MAR.	75.7	222.3	458.5	385.4	409.6	34.7	73.2	68.3	66.7	42.4	8.2	2.5
APR.	76.7	225.0	461.6	390.2	414.4	34.9	71.4	68.6	67.9	43.0	7.5	2.5
MAY P	77.3	225.9	462.0	393.8	419.0	35.1	68.2	69.0	68.8	44.0	7.6	2.3
WEEKLY:												
1976--APR. 14	76.6	226.1	462.3	390.1			72.2				7.2	2.5
21	77.2	226.0	460.6	389.7			70.9				8.0	3.6
28	76.9	225.0	461.3	391.6			69.7				7.6	1.9
MAY 5	77.1	225.5	461.0	391.9			69.1				7.3	1.7
12	77.3	227.2	461.8	393.6			68.2				7.6	1.9
19	77.4	225.8	461.7	394.1			67.6				7.8	2.5
26	77.2	225.7	462.7	394.7			68.0				7.8	3.1
JUNE 2P	77.6	226.5	464.2	395.5			68.7				7.4	2.6
9P	77.8	226.1	466.3	396.7			69.6				7.7	4.5

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