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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

February 11, 1977

MONETARY AGGREGATES AND  
MONEY MARKET CONDITIONS

Recent developments

(1)  $M_1$  and  $M_2$  appear to be expanding at annual rates of around 4-1/2 and 8-1/2 per cent, respectively, over the January-February period, in both cases just below the mid-point of the Committee's operating range. The recent reduction in offering rates at some banks and thrift institutions on time and savings accounts, in combination with the rise in market interest rates, seems to have had the expected moderating impact on growth of the time and savings deposit component of the broader monetary aggregates.

Growth in Monetary Aggregates  
over January-February period<sup>1/</sup>  
(SAAR in per cent)

	<u>Ranges</u>	<u>Latest Estimates</u>
$M_1$	3 to 7	4.4
$M_2$	7 to 11	8.4

Memorandum:

Federal funds rate  
(Per cent per annum)

<u>Avg. for statement</u>	
<u>week ending</u>	
Jan. 19	4.65
26	4.72
Feb. 2	4.60
9	4.66

<sup>1/</sup> These figures do not incorporate the quarterly benchmark and seasonal factor revisions of monetary aggregates that will be published on February 17. The benchmark revisions (based on the June call report) are quite small. The level of  $M_1$  for each month of last year was revised up no more than \$300 million. The monthly levels of  $M_2$  were adjusted up by even smaller amounts. The effects of changes in seasonal factors on  $M_1$  and  $M_2$  levels were also generally quite small. The net impact of the revisions raised growth rates of  $M_1$  and  $M_2$  for 1976 by less than .1 percentage point. All tables on subsequent pages of this report (with the exception of Tables 1 and 2, following the charts) are based on the new series. The new and old series are compared in Appendix IV.

(2) Immediately following the January FOMC meeting the Desk aimed for a Federal funds rate in the 4-5/8--4-3/4 per cent area in accordance with the Committee's instructions. This objective has been maintained throughout the intermeeting period, as incoming data have suggested  $M_1$  and  $M_2$  growth well within their respective two-month ranges. With negotiable CD's declining since year end and demand deposits falling in late January, nonborrowed reserves are expected to decrease in February after increasing rapidly in January.<sup>1/</sup>

(3) Since the mid-January FOMC meeting, interest rates on Treasury securities, especially coupon issues, have fluctuated within a relatively wide range. Interest rates rose in late January following announcement of the terms of the Treasury's mid-February financing package and likely cash needs over the balance of the first quarter. Subsequently, with the funds rate remaining near 4-5/8 per cent and growth in the monetary aggregates slowing, interest rates declined. Interest rates generally showed little change, on balance, over the intermeeting period, but most interest rates remained significantly above their December lows.

(4) Credit demands have generally remained strong recently. Public offerings of corporate bonds were substantial in January despite some postponements and cancellations in response to higher interest rates. State and local governments have issued new securities at a rapid pace so

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<sup>1/</sup> The recent behavior of nonborrowed reserves is compared with estimates of 6-month growth rates in nonborrowed reserves, and related measures, believed consistent with longer-run growth ranges for the aggregates in appendix I.

far in 1977. On the other hand, the pace of business borrowing in short-term markets appears to have slackened somewhat over the past two months.

(5) The Federal government has borrowed appreciable amounts of new cash since the January FOMC meeting, raising \$2.8 billion through a late January sale of 2-year notes and \$3.7 billion in connection with its mid-February refunding. In the refunding the Treasury auctioned \$3.0 billion of 3-year notes at an average rate of 6.62 per cent, \$2.0 billion of 7-year notes at an average rate of 7.25 per cent, and \$750 million of 30-year bonds at an average rate of 7.63 per cent. Most recently, the two notes have been trading at prices above their auction averages, and dealers have made reasonable progress in distributing their awards of these issues. The bond has been trading slightly below its average issuing price; dealers still hold most of the relatively sizable awards they received of this issue.

	1975 & 1976	Past Six Months Jan. '77 over July '76	Past Three Months Jan. '77 over Oct. '76	Past Month Jan. '77 over Dec. '76
Nonborrowed reserves	1.5	5.6	9.7	8.5
Total reserves	0.5	5.3	9.4	9.0
Monetary Base	6.4	7.7	9.3	10.0
<u>Concepts of Money</u>				
M <sub>1</sub> (currency plus demand deposits) <u>1/</u>	5.0	5.7	4.6	5.8
M <sub>2</sub> (M <sub>1</sub> plus time deposits at commercial banks other than large CD's)	10.0	11.4	10.8	9.4
M <sub>3</sub> (M <sub>2</sub> plus deposits at thrift institutions)	12.3	13.5	12.1	10.7
M <sub>4</sub> (M <sub>2</sub> plus CD's)	7.0	8.9	10.4	8.4
M <sub>5</sub> (M <sub>3</sub> plus CD's)	10.2	11.8	11.7	10.0
<u>Bank Credit</u>				
Total member bank deposits (bank credit proxy adj.)	4.4	6.8	8.8	4.2
Loans and investments of commercial banks <u>2/</u>	5.4	7.9	6.9	9.0
<u>Short-term Market Paper</u> (Monthly average change in billions)				
Large CD's	- 1.1	- 1.0	0.3	- 0.2
Nonbank commercial paper	0.0	0.0	0.4	0.4

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

2/ Based on month-end figures. Includes loans sold to affiliates and branches.

NOTE: All items are based on averages of daily figures, except for data on total loans and investments of commercial banks, commercial paper, and thrift institutions--which are derived from either end-of-month or last Wednesday-of-month figures. Growth rates for reserve measures in this and subsequent tables are adjusted to remove the effect of discontinuities from breaks in the series when reserve requirements are changed.

Prospective developments

(6) Summarized below are alternative short-run specifications for the monetary aggregates and the Federal funds rate. (More detailed short-run and longer-run data are shown in the tables on pp. 5a and 5b). Each of the alternatives is believed to be consistent with growth ranges for the monetary aggregates over the QIV '76-QIV '77 period adopted by the Committee at its previous meeting. The differing patterns of Federal funds rates and velocity implied by the three alternatives--given the projected growth in nominal GNP--are shown in appendices II and III, respectively.

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for February-March			
M <sub>1</sub>	3½-7½	3-7	2½-6½
M <sub>2</sub>	7½-11½	7-11	6½-10½
Federal funds rate (intermeeting period)	3¾-4½	4½-5	4¾-5½

(7) Growth in M<sub>1</sub> over the February-March period is expected to be in a 3-7 per cent annual rate range, assuming a Federal funds rate centered in a 4½-5 per cent range, as in alternative B. The rate of expansion that is anticipated for M<sub>1</sub> reflects in part the retardation in economic activity caused by the recent cold snap and associated fuel shortage.

(8) M<sub>2</sub> expansion under alternative B may be in a 7-11 per cent annual rate range over the February-March period. Time and savings deposits other than large CD's are likely to continue rising at close

Alternative Levels and Growth Rates for Key Monetary Aggregates

		<u>M<sub>1</sub></u>			<u>M<sub>2</sub></u>			<u>M<sub>3</sub></u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1977	January	313.7	313.7	313.7	745.5	745.5	745.5	1247.9	1247.9	1247.9
	February	314.9	314.9	314.9	750.7	750.7	750.7	1258.3	1258.3	1258.3
	March	316.6	316.4	316.1	757.1	756.5	755.9	1270.2	1269.3	1268.5
1976	QIII	306.0	306.0	306.0	710.7	710.7	710.7	1181.7	1181.7	1181.7
	QIV	310.8	310.8	310.8	732.5	732.5	732.5	1223.9	1223.9	1223.9
1977	QI	315.1	315.0	314.9	751.1	750.9	750.7	1258.8	1258.5	1258.2
	QII	321.8	321.3	320.8	771.9	770.3	768.7	1295.6	1293.1	1290.3
	QIII	325.1	324.7	324.2	786.4	784.9	782.9	1324.0	1321.6	1318.0
	QIV	327.9	327.9	327.9	798.0	797.8	798.0	1356.1	1345.8	1346.9

Growth Rates

Monthly:

1977	February	4.6	4.6	4.6	8.4	8.4	8.4	10.0	10.0	10.0
	March	6.5	5.7	4.6	10.2	9.3	8.3	11.3	10.5	9.7

Quarterly Average:

1976	QIV	6.3	6.3	6.3	12.3	12.3	12.3	14.3	14.3	14.3
1977	QI	5.5	5.4	5.3	10.2	10.0	9.9	11.4	11.3	11.2
	QII	8.5	8.0	7.5	11.1	10.3	9.6	11.7	11.0	10.2
	QIII	4.1	4.2	4.2	7.5	7.6	7.4	8.8	8.8	8.6
	QIV	3.4	3.9	4.6	5.9	6.6	7.7	6.7	7.3	8.8

Semi-annual

QIV '76-QII '77	7.1	6.8	6.4	10.8	10.3	9.9	11.7	11.3	10.9
QII '77-QIV '77	3.8	4.1	4.4	6.8	7.1	7.6	7.8	8.2	8.8

Annual

QIV '76-QIV '77	5.5	5.5	5.5	8.9	8.9	8.9	10.0	10.0	10.0
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FOMC longer-run range

QIII '76-QIV '77		4½-6½		7-10			8½-11½		
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Alternative Levels and Growth Rates for Key Monetary Aggregates (cont'd)

		<u>M<sub>4</sub></u>			<u>M<sub>5</sub></u>			<u>Credit Proxy</u>		
		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1977	January	808.6	808.6	808.6	1311.0	1311.0	1311.0	540.7	540.7	540.7
	February	813.9	813.9	813.9	1321.5	1321.5	1321.5	542.1	542.1	542.1
	March	819.8	819.3	818.8	1332.8	1332.1	1331.4	546.5	546.3	546.0
1976	QIII	776.4	776.4	776.4	1247.4	1247.4	1247.4	523.2	523.2	523.2
	QIV	795.2	795.2	795.2	1286.5	1286.5	1286.5	533.9	533.9	533.9
1977	QI	814.1	813.9	813.8	1321.8	1321.5	1321.3	543.1	543.0	542.9
	QII	833.7	832.6	831.5	1357.4	1355.5	1353.1	557.0	556.4	555.8
	QIII	848.7	847.7	846.4	1386.2	1384.3	1381.4	568.9	568.4	567.7
	QIV	862.8	862.7	862.4	1411.0	1410.8	1411.3	580.0	579.9	579.6
<u>Growth Rates</u>										
Monthly:										
1977	February	7.9	7.9	7.9	9.6	9.6	9.6	3.1	3.1	3.1
	March	8.7	8.0	7.2	10.3	9.6	9.0	9.7	9.3	8.6
Quarterly Averages:										
1976	QIV	9.7	9.7	9.7	12.5	12.5	12.5	8.2	8.2	8.2
1977	QI	9.5	9.4	9.4	11.0	10.9	10.8	6.9	6.8	6.7
	QII	9.6	9.2	8.7	10.8	10.3	9.6	10.2	9.9	9.5
	QIII	7.2	7.3	7.2	8.5	8.5	8.4	8.5	8.6	8.6
	QIV	6.6	7.1	7.6	7.2	7.7	8.7	7.8	8.1	8.4
<u>Semi-annual</u>										
	QIV '76-QII '77	9.7	9.4	9.1	11.0	10.7	10.4	8.7	8.4	8.2
	QII '77-QIV '77	7.0	7.2	7.4	7.9	8.2	8.6	8.3	8.4	8.6
<u>Annual</u>										
	QIV '76-QIV '77	8.5	8.5	8.5	9.7	9.7	9.7	8.6	8.6	8.6

to their reduced January pace, as banks remain less aggressive in offering time deposits over the next few weeks in light of moderate bank credit demands from business and other customers. Also, the rise in yield on intermediate-term Treasury obligations since the beginning of the year has made such securities somewhat more attractive to savers as compared with time certificates of deposit.

(9)  $M_1$  and  $M_2$  under alternative B may be expected to rise at annual rates of about  $5\frac{1}{2}$  and 10 per cent, respectively, in the first quarter. Growth in these aggregates, especially  $M_1$ , is likely to strengthen in the second quarter, as a result of the temporary impact of tax rebates.  $M_1$  growth in the second quarter would be further augmented by increased money demands associated with the rapid expansion in nominal GNP projected for the spring as the fuel shortage subsides.

(10) A considerably slower growth in monetary aggregates would be required in the second half of 1977 than in the first half if growth over the year is to be around the mid-points of the longer-run ranges adopted at the previous Committee meeting. Growth in the aggregates would probably slow to some extent as a natural reaction to the sharp expansion in money that is likely to accompany rebate payments. To achieve the amount of slowing needed, however, it is very likely that short-term interest rates will have to rise as the year progresses, given the projected expansion in nominal GNP over the year. Under alternative B, the staff would expect the Federal funds rate to begin rising in the spring and reach around  $6\frac{1}{2}$  per cent by the fourth quarter of this year.

(11) Interest rates are expected to show little net change over the next few weeks, though, given the specifications of alternative B. The Treasury will probably raise \$7-9 billion of new money between now and the next meeting through routine offerings of 2- and 4-year notes, additions to the weekly and monthly bill auctions, and cash management bills. Much of this need has probably already been discounted by the market, but rates on Treasury securities could rise a little in the process of distributing the issues. The municipal bond volume is expected to remain at around the advanced January pace over the weeks immediately ahead, but new issues of publicly offered corporate bonds seem to be moderating in reaction to the recent rise in bond yields.

(12) Bank credit is expected to continue expanding at a moderate pace in the first quarter. Business loan expansion may be only a little above the reduced December-January average rate, but banks can be expected to continue to be active lenders in the consumer and mortgage loan markets. The higher level of yields on intermediate-term Treasury issues since the beginning of the year may encourage some pick-up in bank buying of such securities. Banks are expected to obtain sufficient funds to finance such credit expansion from demand deposits and time deposits other than money market CD's. The outstanding volume of CD's will probably continue to decline modestly.

(13) Alternative C contemplates a tightening of the money market over the next few weeks, with the funds rate rising to the midpoint of a  $4\frac{3}{4}$ - $5\frac{1}{2}$  per cent range. Such a rise in the funds rate in the weeks immediately ahead has probably not been discounted by the market,

and thus a fairly substantial upward adjustment in interest rates could be expected to ensue. The 3-month bill rate would probably rise to levels somewhat above 5 per cent. Yields on intermediate- and longer-term issues would also increase, though probably by less than the rise in short rates, given increases that have already occurred in longer-term interest rates.

(14) The tightening of the money market and slower near-term growth in nonborrowed reserves under alternative C would also tend to hold down expansion of the monetary aggregates over the February-March period as compared with alternative B. It would also be likely to lead to slower growth in the aggregates over the first half of 1977, assuming that the funds rate were permitted to rise somewhat further in the spring. However, alternative C would require a more rapid growth in the aggregates than alternative B in the second half of 1977 to attain the longer-run, QIV '76-QIV '77 ranges for the aggregates adopted by the FOMC. Thus, monetary policy would have to be more accommodative in the latter part of 1977, and the Federal funds rate would not be likely to rise as high as under alternative B. We estimate that the rate would, as a result, peak at about 6 per cent in the summer of this year.

(15) The near-term easing of the money market encompassed by alternative A would, of course, lead to declines in interest rates over the next few weeks and higher growth rates in the monetary aggregates. Most market participants would probably view the drop in the funds rate as temporary, and this would work to limit interest rate declines. In bond markets, for example, corporations would be likely to accelerate offerings of new issues.

(16) With monetary growth rates more rapid over the next few months than under the alternatives discussed above, alternative A would imply more restraint later in the year if growth in the aggregates is to be constrained within current longer-run ranges. A funds rate of around  $6\frac{3}{4}$  per cent is expected by the end of 1977 under this alternative.

Proposed directive

(17) 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.

(18) 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 I

Expansion in Reserves Over the Period  
From QIV '76 to QII '77 Consistent  
With Proposed Alternatives  
(Seas. adj. annual rates)

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Nonborrowed Reserves	6.9	6.2	5.0
Total Reserves	7.6	7.4	7.2
Monetary Base	8.0	7.9	7.8

Growth in both nonborrowed and total reserves from the fourth quarter of 1976 to February of this year is estimated at about a 3 per cent annual rate, below the longer-run growth rates for reserve aggregates shown in the table above. The rate of increase in reserves is expected to accelerate in the spring, however, when required reserves would expand considerably because of a transitory rise in the public's holdings of demand deposits resulting from the proposed tax rebates.

Appendix II

Projected Federal Funds Rate, 1977

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
QI	4½	4¾	5
QII	5½	5½	5¾
QIII	6	6	6
QIV	6¾	6½	6

### Appendix III

#### Implied Velocity Growth Rates

<u>V<sub>1</sub> (GNP/M<sub>1</sub>)</u>		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1977	I	3.3	3.5	3.6
	II	4.8	5.3	5.8
	III	7.2	7.1	7.1
	IV	8.3	7.9	7.2
<u>V<sub>2</sub> (GNP/M<sub>2</sub>)</u>				
1977	I	-1.2	-1.2	-1.0
	II	2.2	3.0	3.7
	III	3.8	3.8	4.0
	IV	6.0	5.1	4.1

APPENDIX IV

Comparison of Old and Revised Money Stock Growth Rates

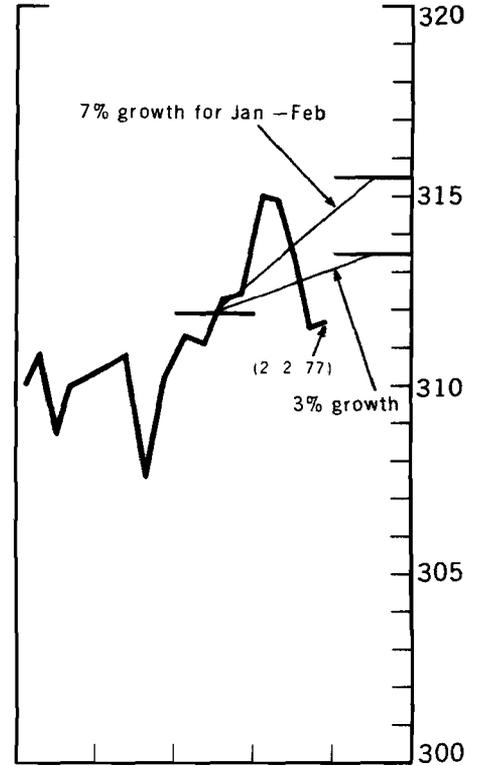
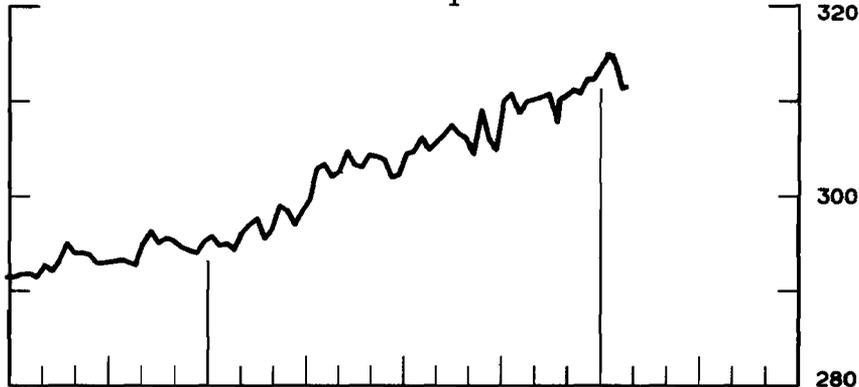
	M <sub>1</sub>		M <sub>2</sub>		M <sub>3</sub>	
	<u>Old</u>	<u>Revised</u>	<u>Old</u>	<u>Revised</u>	<u>Old</u>	<u>Revised</u>
1976--January	1.2	2.0	10.3	10.8	11.6	12.3
February	6.1	6.1	14.1	14.1	14.4	14.6
March	6.1	5.3	8.3	7.8	10.5	10.0
April	14.9	14.9	14.4	14.1	14.4	14.2
May	6.8	6.8	8.5	8.9	10.5	10.5
June	-1.2	-1.2	4.8	4.3	7.7	7.1
July	6.7	7.1	11.9	12.0	13.0	12.8
August	5.9	5.1	9.2	9.0	12.7	12.5
September	-0.4	1.2	9.5	10.1	13.2	13.3
October	13.7	13.7	15.7	15.7	16.5	16.8
November	0.0	0.0	10.3	10.1	11.6	12.3
December	8.1	8.1	12.5	12.6	12.8	13.0
1977--January	4.6	5.8	8.8	9.4	10.5	10.7
Quarterly: <sup>1/</sup>						
1976--I	4.5	4.5	11.0	11.0	12.3	12.4
II	6.8	6.8	9.3	9.1	11.0	10.7
III	4.1	4.5	10.3	10.5	13.1	13.0
IV	7.3	7.3	13.0	13.0	13.8	14.2
Quarterly Average:						
1976--I	2.7	2.9	9.7	9.9	11.2	11.5
II	8.4	8.2	10.8	10.5	12.0	11.8
III	4.1	4.2	9.2	9.2	11.6	11.4
IV	6.0	6.3	12.2	12.3	14.0	14.3

<sup>1/</sup> End-month-of-quarter to end-month-of-quarter

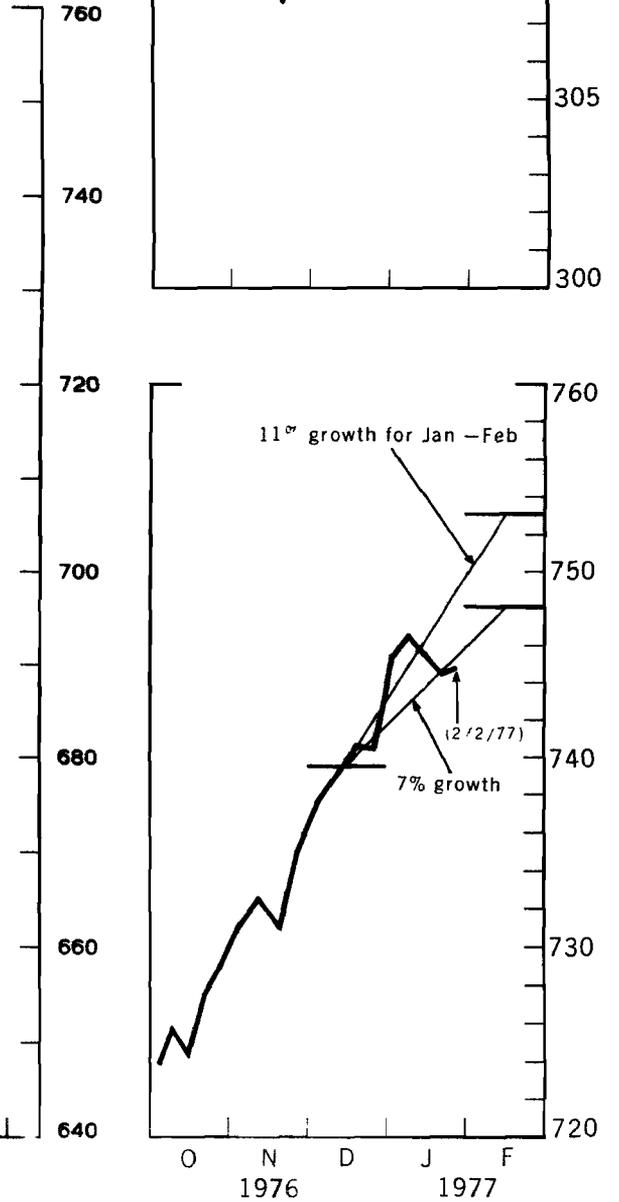
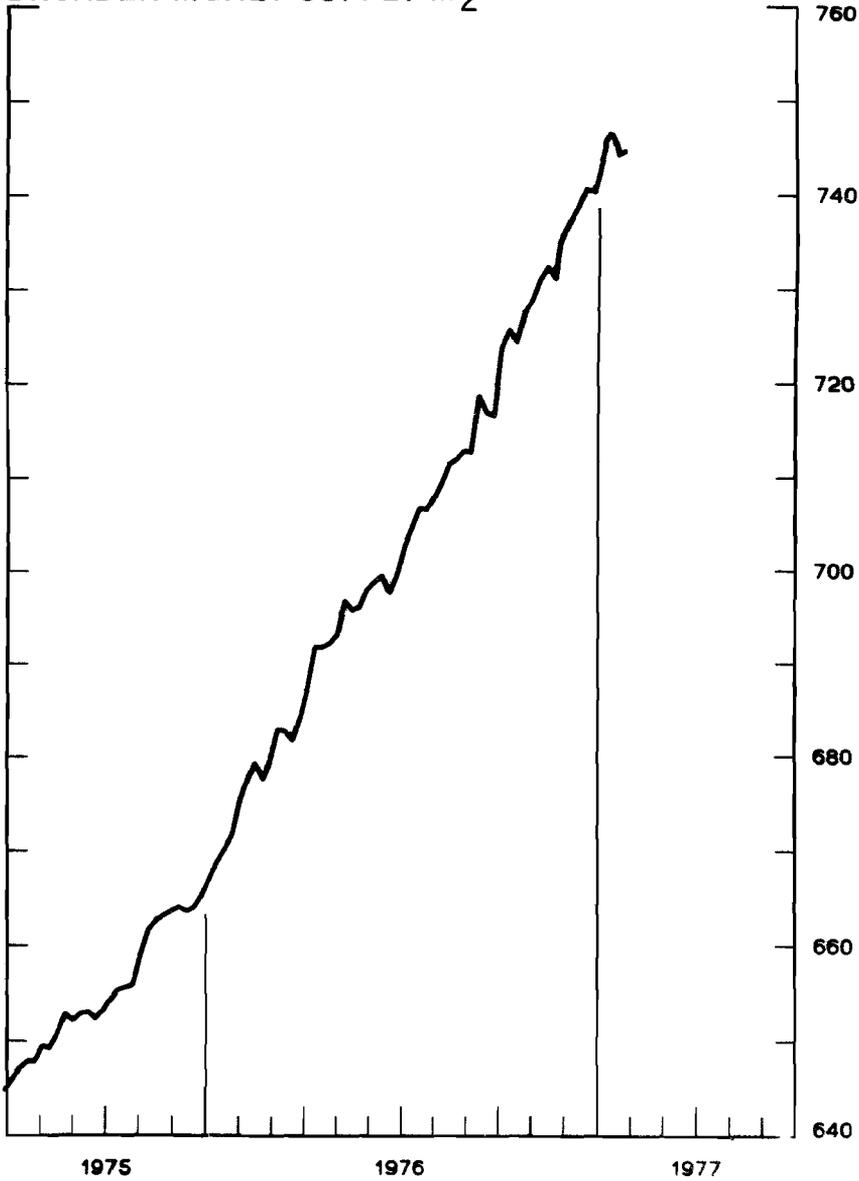
# MONETARY AGGREGATES

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

BILLIONS OF DOLLARS

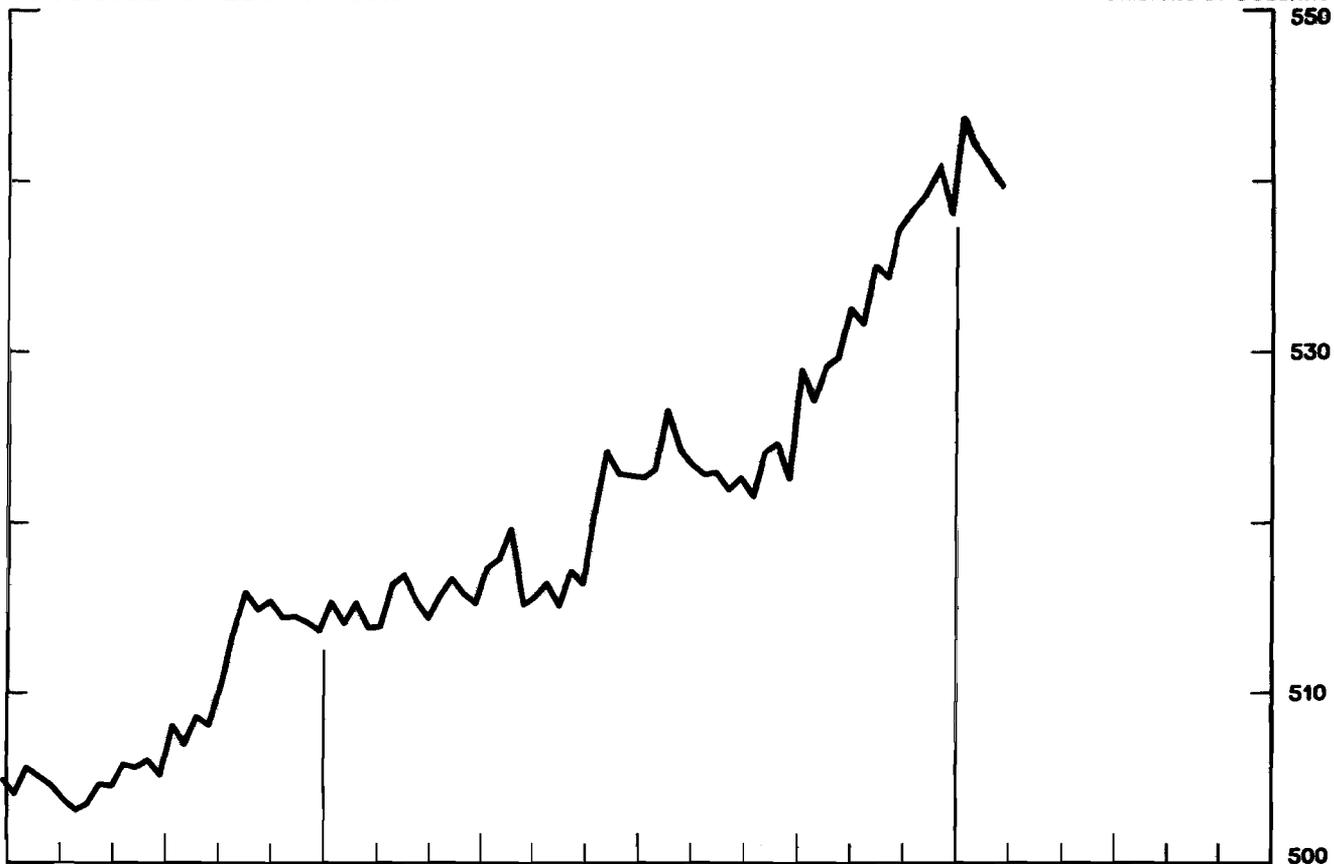


BROADER MONEY SUPPLY M<sub>2</sub>

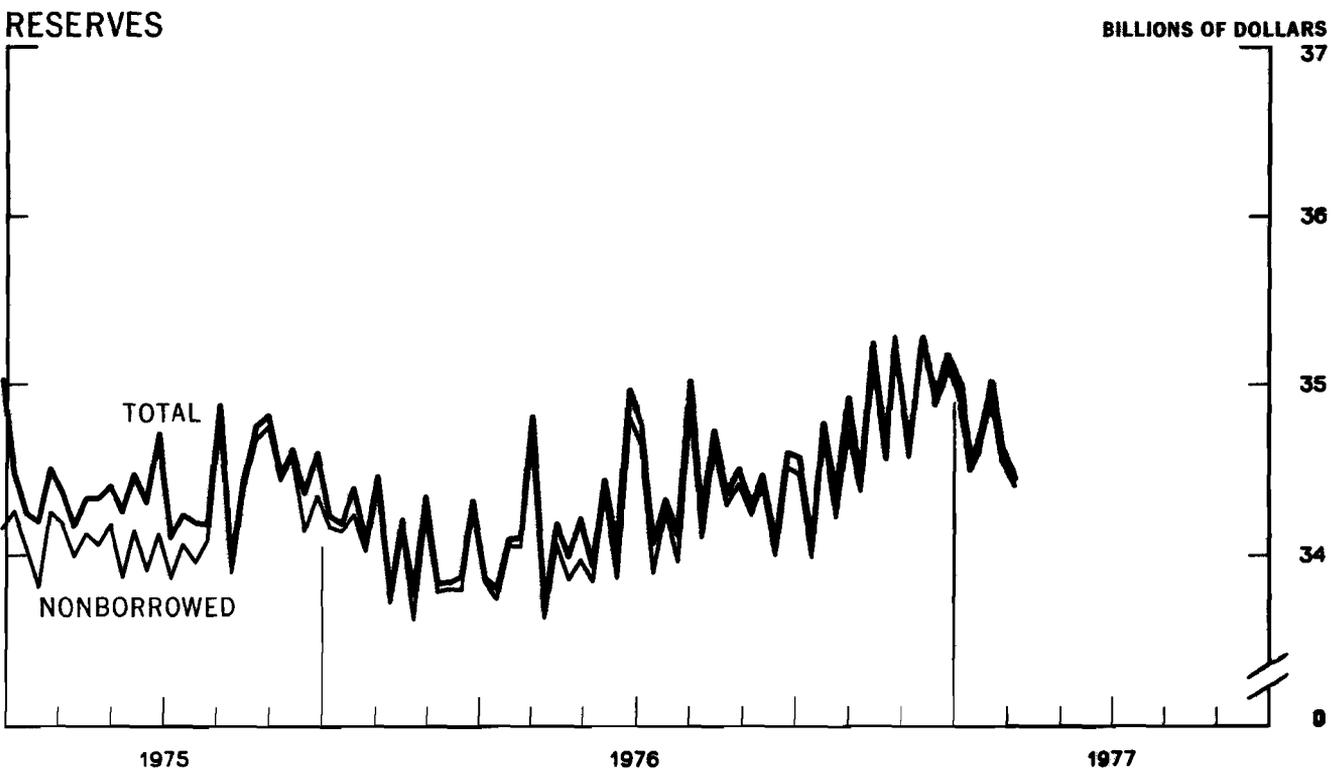


# MONETARY AGGREGATES

### ADJUSTED CREDIT PROXY



### RESERVES



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

# MONEY MARKET CONDITIONS AND INTEREST RATES

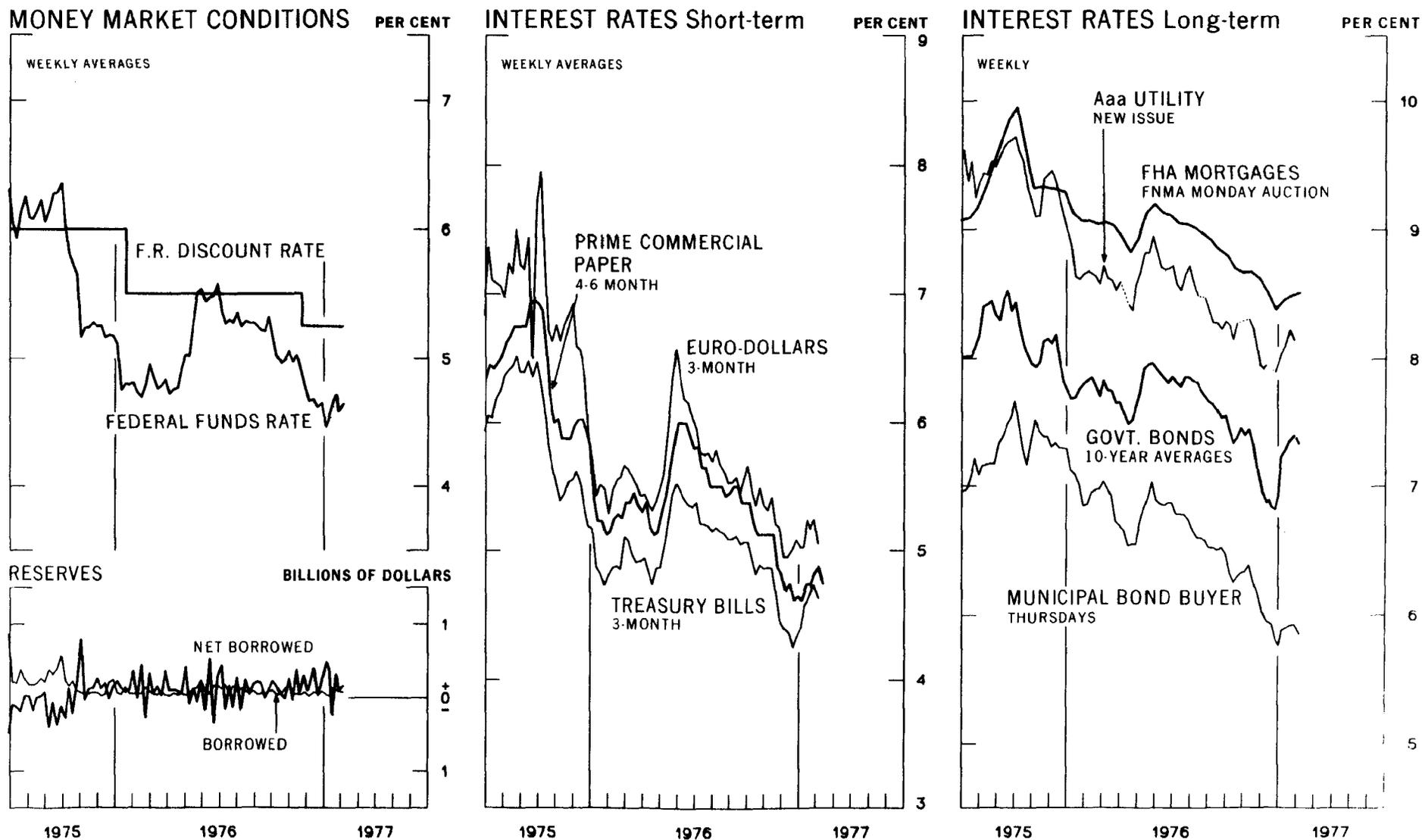


Table 1

CONFIDENTIAL (FR)  
CLASS II-FOMC  
FEB. 11, 1977**MONETARY AGGREGATES**

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
<b>MONTHLY LEVELS--\$BIL</b>											
1976--NOV.	309.8	732.0	534.4	13.5	484.2	422.2	196.8	225.4	62.1	9.1	4.5
DEC.	311.9	739.6	539.2	10.1	491.5	427.7	201.4	226.2	63.8	9.2	3.2
1977--JAN.	313.1	745.0	541.0	10.2	495.6	431.9	204.9	227.0	63.7	8.3	2.6
FEB.	(314.2)	(750.0)	(541.9)	( 11.9)	(499.0)	(435.8)	(207.0)	(228.8)	( 63.2)	( 7.8)	( 2.3)
<b>% ANNUAL GROWTH</b>											
<b>QUARTERLY</b>											
1976--2ND QTR.	6.8	9.3	4.9		7.3	11.3	13.6	9.5	-14.2		
3RD QTR.	4.1	10.3	0.9		5.7	15.0	19.0	11.7	-46.5		
4TH QTR.	7.3	13.0	12.0		16.1	17.2	28.7	7.2	9.0		
<b>QUARTERLY-AV</b>											
1976--2ND QTR.	8.4	10.8	2.4		5.3	12.5	21.7	5.1	-30.6		
3RD QTR.	4.1	9.2	3.8		7.1	13.2	13.4	12.7	-26.2		
4TH QTR.	6.0	12.2	8.3		12.1	16.8	26.9	8.2	-17.7		
<b>MONTHLY</b>											
1976--NOV.	0.0	10.3	13.2		15.6	17.9	26.2	10.2	1.9		
DEC.	8.1	12.5	10.8		18.1	15.6	28.0	4.3	32.9		
1977--JAN.	4.6	8.8	4.0		10.0	11.8	20.9	4.2	-1.9		
FEB.	( 4.2)	( 8.1)	( 2.0)		( 8.2)	( 10.8)	( 12.3)	( 9.5)	( -9.4)		
JAN.-FEB.	( 4.4)	( 8.4)	( 3.0)		( 9.2)	( 11.4)	( 16.7)	( 6.9)	( -5.6)		
<b>WEEKLY LEVELS--\$BIL</b>											
1977--JAN. 5	315.0	745.4	543.6	10.2	495.6	430.4	203.1	227.4	65.2	9.0	1.9
12	314.9	746.5	542.1	10.6	495.7	431.6	204.7	227.0	64.1	8.0	3.5
19	313.5	745.6	541.1	10.2	495.4	432.1	205.0	227.2	63.3	8.3	3.3
26	311.5	744.5	540.4	10.1	496.1	433.0	205.8	227.3	63.1	8.5	2.8
FEB. 2 P	311.7	744.8	539.7	9.9	496.1	433.1	205.7	227.3	63.0	7.8	1.7

NOTE: DATA SHOWN IN PARENTHESES ARE CURRENT PROJECTIONS.  
 1/ INCLUDES TREASURY DEPOSITS AT MEMBER BANKS AND FEDERAL RESERVE BANKS.  
 P - PRELIMINARY

TABLE 2  
**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
<b>MONTHLY LEVELS--\$MILLIONS</b>							
1976--NOV.	34,355	34,283	117,361	34,097	20,336	11,749	2,013
DEC.	34,507	34,454	118,097	34,233	20,242	11,925	2,067
1977--JAN.	34,767	34,698	119,082	34,498	20,619	12,068	1,810
FEB.	(34,528)	(34,469)	(119,221)	(34,299)	(20,511)	(12,072)	(1,716)
<b>PERCENT ANNUAL GROWTH</b>							
<b>QUARTERLY</b>							
1976--2ND QTR.	3.9	3.0	8.8	4.0	6.0	-1.0	
3RD QTR.	0.2	1.0	5.4	0.4	4.0	-6.4	
4TH QTR.	7.8	7.9	8.3	7.0	1.8	9.3	
<b>QUARTERLY-AV</b>							
1976--2ND QTR.	0.7	0.4	8.5	1.1	4.2	-4.4	
3RD QTR.	3.0	3.0	6.0	2.7	3.6	-0.8	
4TH QTR.	4.3	4.6	7.2	3.9	2.9	-0.9	
<b>MONTHLY</b>							
1976--NOV.	13.6	14.4	10.2	12.3	12.2	5.4	
DEC.	5.3	6.0	7.5	4.8	-5.5	18.0	
1977--JAN.	9.0	8.5	10.0	9.3	22.4	14.4	
FEB.	(-8.2)	(-7.9)	(1.4)	(-6.9)	(-6.3)	(0.4)	
JAN.-FEB.	(0.4)	(0.3)	(5.7)	(1.2)	(8.0)	(7.4)	
<b>WEEKLY LEVELS--\$MILLIONS</b>							
1977--JAN. 5	34,923	34,892	118,913	34,410	20,398	12,008	2,005
12	34,521	34,501	118,762	34,117	20,515	12,062	1,540
19	34,714	34,605	119,047	34,825	20,836	12,139	1,850
26	35,052	34,962	119,560	34,647	20,752	12,079	1,816
FEB. 2	34,629	34,542	119,079	34,450	20,500	12,024	1,926
9	34,475	34,400	118,572	34,223	20,321	12,026	1,877

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

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

CONFIDENTIAL (FR)  
CLASS II - FOMC  
FEBRUARY 11, 1977

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	1,277
1976	863	472	3,025	1,048	642	5,187	105	469	203	114	891	6,227	3,607
1975--Qtr. IV	1,294	74	385	234	315	1,006	58	141	71	14	284	2,626	-1,403
1976--Qtr. I	-363	115	554	226	156	1,052	102	288	108	38	535	1,022	1,256
Qtr. II	2,067	109	796	245	134	1,284	3	140	57	40	240	3,371	1,654
Qtr. III	45	171	881	345	160	1,557	--	--	--	--	--	1,398	392
Qtr. IV	-886	77	794	232	192	1,294	--	41	37	36	115	436	304
1976--Aug.	1,100	42	301	72	65	480	--	--	--	--	--	1,484	2,093
Sept.	954	129	580	272	95	1,077	--	--	--	--	--	1,954	633
Oct.	418	--	--	--	--	--	--	--	--	--	--	409	-1,742
Nov.	-733	18	113	62	73	266	--	41	37	36	115	-377	-3,930
Dec.	-570	59	681	170	119	1,029	--	--	--	--	--	403	5,976
1977--Jan.	2,222	45	475	128	48	695	--	--	--	--	--	2,908	-6,877
1976--Dec. 1	-518	18	113	62	73	266	--	--	--	--	--	-292	-6,290
8	-1,025	--	--	--	--	--	--	--	--	--	--	-1,033	3,102
15	-234	--	--	--	--	--	--	--	--	--	--	-267	3,384
22	757	44	242	122	84	492	--	--	--	--	--	1,249	2,882
29	42	--	--	--	--	--	--	--	--	--	--	43	3,254
1977--Jan. 5	-71	15	439	48	35	537	--	--	--	--	--	465	-6,349
12	-45	--	--	--	--	--	--	--	--	--	--	-45	-1,231
19	184	--	--	--	--	--	--	--	--	--	--	181	-3,305
26	1,098	27	475	128	48	677	--	--	--	--	--	1,772	4,191
Feb. 2	705	18	--	--	--	18	--	--	--	--	--	720	-7,198
9	-24	--	--	--	--	--	--	--	--	--	--	-24	6,641
16													
23													
LEVEL Feb. 9 (in billions)	40.4	10.3	30.9	9.2	5.0	55.4	1.4	3.3	1.3	.7	6.8	102.7	2.3

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. Exclude 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)

CONFIDENTIAL (FR)  
CLASS II - FOMC  
FEBRUARY 11, 1977

	U. S. Govt. Security Dealer Positions		Underwriting Syndicate Positions		Member Bank Reserve Positions				
	Bills (1)	Coupon Issues (2)	Corporate Bonds (3)	Municipal Bonds (4)	Borrowing at FRB**			Basic Reserve Deficit	
					Excess** Reserves (5)	Total (6)	Seasonal (7)	8 New York (8)	38 Others (9)
1975--High	7,029	2,845	464	389	804	609	74	-7,387	-11,632
Low	1,586	253	0	48	-42	17	5	-1,757	- 7,207
1976--High	8,896	3,046	334	343	655	242	34	-8,161	-12,744
Low	3,668	175	0	34	-180	24	8	-2,367	- 6,908
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.	5,570	605	69	133	155	43	10	-5,179	-10,783
May	4,239	591	95	199	210	114	11	-4,402	- 8,151
June	4,996	582	100	196	214	127	20	-4,219	- 9,158
July	5,743	904	106	211	234	132	25	-4,756	- 9,399
Aug.	6,174	1,686	85	116	207	100	31	-4,624	- 9,691
Sept.	7,838	1,509	95	172	205	63	31	-5,703	- 9,716
Oct.	6,271	1,832	94	258	221	94	32	-6,428	-10,527
Nov.	6,876	2,418	79	217	257	72	22	-6,289	-11,618
Dec.	8,005	2,443	145	167	311p	53p	13p	-7,168	-11,449
1977--Jan.	*6,406	*2,320	82	202	332p	68p	10p	-6,421	-11,504
1976--Dec. 1	6,402	2,359	0	122	384	87	19	-5,146	-10,845
8	7,927	2,611	152	144	125	2 <sup>c</sup>	14	-6,873	-12,362
15	8,896	1,932	266	226	467	69	15	-7,908	-12,34 <sup>a</sup>
22	7,815	2,068	116	201	71	37	11	-7,726	-11,72 <sup>a</sup>
29	8,179	3,046	44	143	348	82	11	-6,407	-10,050
1977--Jan. 5	7,123	3,017	26	188	513	31	8	-6,719	- 9,656
12	7,141	2,680	59	195	404	20	10	-8,742	-12,483
19	*7,234	*1,958	91	222	-111p	109p	10p	-7,244	-12,993
26	*5,917	*2,243	152	204	405p	90p	9p	-5,490	-10,913
Feb. 2	*3,720	*1,694	70	139	179p	87p	11p	-4,382p	-10,032p
9	*4,371	*2,385	25p	205p	252p	75p	12p	-5,817p	-12,543p
16									
23									

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 reserve and borrowings are weighted averages of statement week figures.

TABLE 5  
SELECTED INTEREST RATES  
(per cent)

STRICTLY CONFIDENTIAL (FR)  
CLASS II - FOMC  
FEBRUARY 11, 1977

	Short-term						Long-term								
	Federal Funds	Treasury Bills		Commercial Paper 90-119 Day	CD's New Issue-NYC		U. S. Govt.-Constant Maturity Yields			Corp.-Aaa Utility		Municipal Bond Buyer	Home Mortgages		
		90-Day	1-Year		60-Day	90-Day	3-yr	7-yr	20-yr	New Issue	Recently Offered		Primary Conv.	Secondary Market	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
1975--High	7.70	6.68	7.31	8.43	7.88	7.75	8.44	8.50	8.63	9.80	9.71	7.67	9.59	9.95	9.10
Low	5.13	5.02	5.46	5.38	5.25	5.38	6.46	7.18	7.63	8.89	9.06	6.27	8.80	8.78	7.93
1976--High	5.58	5.53	6.32	5.90	5.63	5.75	7.52	7.89	8.17	8.95	8.94	7.13	9.10	9.20	8.45
Low	4.63	4.27	4.62	4.63	4.40	4.50	5.65	6.33	7.23	7.93	7.84	5.83	8.70	8.39	7.57
1976--Jan.	4.87	4.87	5.44	5.15	4.91	5.03	6.99	7.67	8.01	8.70	8.79	7.07	9.02	9.10	8.37
Feb.	4.77	4.88	5.53	5.13	4.84	5.06	7.06	7.77	8.03	8.63	8.63	6.94	8.81	9.06	8.29
Mar.	4.84	5.00	5.82	5.25	5.05	5.20	7.13	7.65	7.97	8.62	8.61	6.92	8.76	9.05	8.30
Apr.	4.82	4.86	5.54	5.08	4.81	4.94	6.84	7.44	7.86	8.48	8.52	6.60	8.73	8.89	8.10
May	5.29	5.20	5.98	5.44	5.25	5.38	7.27	7.77	8.13	8.82	8.77	6.87	8.77	9.09	8.33
June	5.48	5.41	6.12	5.83	5.55	5.68	7.32	7.76	8.03	8.72	8.73	6.87	8.85	9.13	8.35
July	5.31	5.23	5.82	5.54	5.30	5.42	7.12	7.70	8.00	8.63	8.63	6.79	8.93	9.05	8.37
Aug.	5.29	5.14	5.64	4.35	5.23	5.31	6.86	7.58	7.91	8.52	8.50	6.61	9.00	8.99	8.30
Sept.	5.25	5.08	5.50	5.33	5.11	5.24	6.66	7.41	7.78	8.29	8.33	6.51	8.98	8.88	8.10
Oct.	5.03	4.92	5.19	5.10	4.90	5.04	6.24	7.16	7.70	8.25	8.24	6.30	8.93	8.75	7.98
Nov.	4.95	4.75	5.00	4.98	4.84	4.94	6.09	6.86	7.64	8.17	8.18	6.29	8.81	8.66	7.93
Dec.	4.65	4.35	4.64	4.66	4.48	4.50	5.68	6.37	7.30	7.94	7.93	5.94	8.79	8.45	7.59
1977--Jan.	4.61	4.62	5.00	4.72	4.61	4.68	6.22	6.92	7.48	8.08	8.09	5.87	8.72	8.48	7.83
1976--Dec. 1	4.78	4.46	4.68	4.75	4.54	4.50	5.65	6.36	7.39	7.95	7.97	6.03	8.80	8.63	7.75
8	4.67	4.40	4.65	4.68	4.54	4.50	5.67	6.33	7.32	7.93	7.94	5.96	8.80	--	7.62
15	4.68	4.37	4.66	4.65	4.40	4.50	5.69	6.38	7.34	7.95	7.97	5.95	8.80	8.51	7.60
22	4.63	4.27	4.62	4.68	4.46	4.50	5.67	6.40	7.28	--	7.92	5.93	8.78	--	7.57
29	4.66	4.33	4.62	4.63	4.48	4.50	5.71	6.42	7.23	--	7.84	5.83	8.78	8.39	7.57
1977--Jan. 5	4.47	4.41	4.67	4.63	4.48	4.50	5.83	6.59	7.26	7.90	7.95	5.78	8.70	--	7.56
12	4.55	4.58	4.89	4.68	4.65	4.70	6.20	6.97	7.50	8.05	8.06	5.89	8.73	8.46	7.92
19	4.65	4.62	5.03	4.75	4.63	4.75	6.33	6.99	7.54	8.10	8.15	5.90	8.73	--	7.92
26	4.72	4.68	5.12	4.75	4.70	4.75	6.48	7.09	7.59	8.22	8.18	5.92	8.73	8.49	7.92
Feb. 2	4.60	4.74	5.25	4.80	4.70	4.80	6.54	7.17	7.63	8.15	8.14	5.93	8.68	--	7.95
9	4.66	4.64	5.16	4.78	4.61	4.75	6.40p	7.12p	7.61p	--	8.12p	5.86	n.a.	8.52	7.92
16															
23															
Daily--Feb. 3	4.58	4.73	5.30	4.88	--	--	6.58	7.22	7.66	--	--	--	--	--	--
10	4.67p	4.63	5.12	4.75	--	--	6.41p	7.14p	7.64p	--	--	--	--	--	--

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 through 10, the weekly date is the mid-point of the calendar week over which data are averaged. Columns 11 and 12 are 1-day quotes for Friday and Thursday, respectively, following the end of the statement week. Column 13 is an average of contract interest rates on commitments for conventional first mortgages with 80 per cent 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 14 gives FNMA auction data for Monday preceding the end of the statement week. Column 15 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.

APPENDIX TABLE 1-A

## MONEY AND CREDIT AGGREGATE MEASURES

FEB. 11, 1977

Period	BANK RESERVES <sup>1/</sup>			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>	M <sub>6</sub>	M <sub>7</sub>
	1	2	3	4	5	6	7	8	9	10	11	12
	(Per cent annual rates of growth)											
<b>ANNUALLY:</b>												
1974	7.2	9.4	9.2	10.2	9.2	4.7	7.2	6.7	10.6	9.0	8.7	9.0
1975	-0.5	1.3	5.8	3.9	4.4	4.1	8.5	11.4	6.4	9.8	10.8	10.6
1976	1.4	1.6	6.9	4.9	6.4	5.9	11.4	13.2	7.6	10.6	10.4	10.6
<b>SEMI-ANNUALLY:</b>												
2ND HALF 1975	0.3	0.8	5.8	3.5	4.5	2.8	6.9	10.2	5.7	9.2	10.8	10.6
1ST HALF 1976	-1.3	-1.3	6.7	3.0	4.9	5.7	10.2	11.7	5.9	8.9	8.9	9.3
2ND HALF 1976	4.1	4.5	6.9	6.7	7.6	5.9	11.9	13.8	9.0	11.9	11.3	11.4
<b>QUARTERLY:</b>												
1ST QTR. 1976	-6.3	-5.4	4.6	1.9	5.5	4.5	11.0	12.4	5.0	8.5	8.7	8.6
2ND QTR. 1976	3.7	2.9	8.7	4.0	4.3	6.8	9.1	10.7	6.6	9.0	9.0	9.8
3RD QTR. 1976	0.4	1.1	5.4	1.8	7.2	4.5	10.5	13.0	5.8	9.9	9.2	9.2
4TH QTR. 1976	7.8	7.9	8.3	11.5	7.9	7.8	13.0	14.2	12.1	13.5	13.1	13.2
<b>QUARTERLY-AV:</b>												
1ST QTR. 1976	-3.9	-3.2	5.4	2.6	3.8	2.9	9.9	11.5	5.4	8.6	9.2	9.4
2ND QTR. 1976	0.7	0.4	8.5	2.2	5.4	8.2	10.5	11.8	6.4	9.1	9.1	9.6
3RD QTR. 1976	3.0	3.0	6.0	3.9	6.0	4.2	9.2	11.4	6.1	9.3	9.3	9.6
4TH QTR. 1976	4.3	4.6	7.2	8.2	8.7	6.3	12.3	14.3	9.7	12.5	11.6	11.6
<b>MONTHLY:</b>												
1976—JAN.	-10.2	-8.4	2.7	0.2	3.5	2.0	10.8	12.3	3.5	7.6	7.9	8.0
FEB.	-6.9	-7.0	4.0	4.4	5.9	6.1	14.1	14.6	7.7	10.6	10.1	10.0
MAR.	-1.8	-0.8	7.1	1.2	6.9	5.3	7.8	10.0	3.8	7.3	7.8	7.7
APR.	0.7	1.0	12.2	2.1	5.4	14.9	14.1	14.2	9.4	11.1	10.9	11.3
MAY	4.0	1.4	7.0	-3.7	5.4	6.8	8.9	10.5	3.9	7.3	7.5	8.4
JUNE	6.5	6.1	6.8	13.5	2.1	-1.2	4.3	7.1	6.4	8.3	8.6	9.4
JULY	2.2	2.0	5.4	3.2	7.1	7.1	12.0	12.8	8.9	10.9	11.8	12.1
AUG.	4.7	5.9	6.4	0.7	8.2	5.1	9.0	12.5	2.2	7.9	7.0	7.0
SEPT.	-5.8	-4.5	4.5	1.6	6.1	1.2	10.1	13.3	6.2	10.9	8.6	8.4
OCT.	4.4	3.3	7.1	11.9	12.2	13.7	15.7	16.8	13.4	15.3	14.5	14.4
NOV.	13.6	14.4	10.2	11.3	9.4	0.0	10.1	12.3	9.3	11.5	11.4	11.6
DEC.	5.3	6.0	7.5	10.8	2.0	8.1	12.6	13.0	13.1	13.4	12.9	13.2
1977—JAN. P	9.0	8.5	10.0	4.2	9.0	5.8	9.4	10.7	8.4	10.0	9.8	10.2

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.

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

P - PRELIMINARY

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

FEB. 11, 1977

SEASONALLY ADJUSTED, BILLIONS OF DOLLARS

Period	BANK RESERVES <sup>1/</sup>			BANK CREDIT MEASURES		MONEY STOCK MEASURES						
	Total	Non-borrowed	Monetary Base	Adj. Credit proxy	Total Loans and Investments	M <sub>1</sub>	M <sub>2</sub>	M <sub>3</sub>	M <sub>4</sub>	M <sub>5</sub>	M <sub>6</sub>	M <sub>7</sub>
	1	2	3	4	5	6	7	8	9	10	11	12
<b>ANNUALLY:</b>												
1974	34,202	33,475	104,400	494.6	695.2	283.1	612.4	981.5	701.4	1070.5	1180.9	1221.3
1975	34,034	33,904	110,425	513.8	725.5	294.8	664.3	1092.9	746.5	1175.1	1308.0	1350.7
1976	34,507	34,454	118,097	538.8	771.6	312.2	739.7	1236.9	803.0	1300.2	1443.6	1494.1
<b>MONTHLY:</b>												
1976—JAN.	33,745	33,667	110,671	513.9	727.6	295.3	670.3	1104.1	748.7	1182.5	1316.6	1359.7
FEB.	33,551	33,470	111,037	515.8	731.2	296.8	678.2	1117.5	753.5	1192.9	1327.7	1371.0
MAR.	33,502	33,448	111,691	516.3	735.4	298.1	682.6	1126.8	755.9	1200.2	1336.3	1379.8
APR.	33,521	33,477	112,830	517.2	738.7	301.8	690.6	1140.1	761.8	1211.3	1348.4	1392.8
MAY	33,632	33,517	113,489	515.6	742.0	303.5	695.7	1150.1	764.3	1218.7	1356.8	1402.6
JUNE	33,814	33,688	114,132	521.4	743.3	303.2	698.2	1156.9	768.4	1227.1	1366.5	1413.6
JULY	33,877	33,745	114,641	522.8	747.7	305.0	705.2	1169.2	774.1	1238.2	1379.9	1427.9
AUG.	34,010	33,910	115,256	523.1	752.8	306.3	710.5	1181.4	775.5	1246.3	1388.0	1436.2
SEPT.	33,846	33,784	115,686	523.8	756.6	306.6	716.5	1194.5	779.5	1257.6	1397.9	1446.2
OCT.	33,971	33,877	116,375	529.0	764.3	310.1	725.9	1211.2	788.2	1273.6	1414.8	1463.6
NOV.	34,355	34,283	117,360	534.0	770.3	310.1	732.0	1223.6	794.3	1285.8	1428.2	1477.8
DEC.	34,507	34,454	118,097	538.8	771.6	312.2	739.7	1236.9	803.0	1300.2	1443.6	1494.1
1977—JAN. P	34,767	34,698	119,082	540.7	777.4	313.7	745.5	1247.9	808.6	1311.0	1455.4	1506.8
<b>WEEKLY:</b>												
1976—DEC.	8	34,084	34,058	117,358	538.2	311.6	737.7		800.8			
	15	34,756	34,687	118,397	539.1	311.5	739.1		802.5			
	22	34,383	34,346	117,964	540.8	312.6	740.6		804.3			
	29	34,650	34,568	118,441	538.3	312.8	740.5		805.4			
1977—JAN.	5	34,923	34,892	118,913	543.6	315.3	745.5		810.7			
	12	34,521	34,501	118,762	542.1	315.2	746.7		810.7			
	19	34,714	34,605	119,047	541.1	313.8	745.7		808.9			
	26P	35,052	34,962	119,560	540.4	311.8	744.7		807.8			
FEB.	2P	34,629	34,542	119,080	539.7	312.1	745.2		808.2			

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

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

## COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Time and Savings Deposits					Mutual Savings Bank & S&L Shares <sup>1/</sup>	Credit Union Shares <sup>1/</sup>	Savings Bonds <sup>1/</sup>	Short Term U.S. Gov't Securities <sup>1/</sup>	Commercial Paper <sup>1/</sup>
			Total	Other Than CD's			CD's					
				Total	Savings	Other						
	1	2	3	4	5	6	7	8	9	10	11	12
<b>ANNUALLY:</b>	(Per cent annual rates of growth)											
1974	10.2	3.0	14.9	9.4	7.0	11.2	41.3	5.5	12.1	4.8	9.0	16.8
1975	8.7	2.6	8.0	12.2	17.8	8.2	-7.8	15.8	20.2	6.3	39.5	5.7
1976	9.5	4.8	8.6	15.6	25.5	8.1	-22.9	15.9	18.0	6.8	8.8	18.3
<b>SEMI-ANNUALLY:</b>												
2ND HALF 1975	7.9	1.0	7.7	10.4	16.0	6.1	-3.6	15.3	18.4	6.4	51.7	5.3
1ST HALF 1976	10.3	4.2	6.0	13.8	23.6	6.4	-29.0	13.9	16.2	6.2	13.1	21.1
2ND HALF 1976	8.3	5.3	10.9	16.4	24.5	9.6	-19.7	16.7	18.3	7.2	4.3	14.0
<b>QUARTERLY:</b>												
1ST QTR. 1976	10.9	2.5	5.4	16.0	32.4	3.6	-42.4	14.5	16.8	5.9	12.8	8.4
2ND QTR. 1976	9.5	5.8	6.6	11.1	13.6	9.1	-17.4	12.8	15.0	6.4	13.0	33.0
3RD QTR. 1976	8.8	3.2	6.5	15.0	19.0	11.7	-40.5	16.9	17.8	8.1	-2.3	9.3
4TH QTR. 1976	7.6	7.4	15.1	17.1	28.7	7.2	1.3	15.9	18.1	6.2	10.9	18.2
<b>QUARTERLY-AV:</b>												
1ST QTR. 1976	9.8	0.9	7.1	15.3	28.3	5.6	-29.8	13.9	17.0	6.6	22.7	17.3
2ND QTR. 1976	11.2	7.0	5.4	12.4	21.7	4.9	-30.1	13.6	14.0	5.9	13.1	23.1
3RD QTR. 1976	7.8	2.8	7.3	13.0	13.4	12.5	-24.6	14.7	16.9	7.5	10.4	21.0
4TH QTR. 1976	8.7	5.8	11.8	16.8	26.9	8.2	-18.9	17.1	18.4	6.8	-0.6	11.6
<b>MONTHLY:</b>												
1976--JAN.	9.8	0.5	4.3	17.2	26.9	10.3	-54.1	14.3	21.6	5.3	14.6	11.2
FEB.	11.3	3.8	9.0	20.5	44.6	2.3	-45.9	15.6	10.6	7.1	5.4	5.6
MAR.	11.2	3.2	2.9	9.8	23.3	-1.7	-31.8	13.0	17.5	5.3	18.0	8.3
APR.	14.3	15.1	5.8	14.0	22.1	7.4	-36.0	14.1	13.8	5.3	12.4	22.0
MAY	11.0	5.3	1.8	9.9	18.3	3.4	-43.8	13.0	13.7	7.0	10.5	37.8
JUNE	3.1	-3.2	12.0	9.2	0.0	16.4	28.0	10.9	16.9	7.0	15.6	36.7
JULY	9.3	6.4	9.8	15.5	11.4	18.9	-22.2	13.9	13.3	5.2	34.3	20.3
AUG.	7.7	4.8	0.0	11.7	21.9	3.8	-67.9	18.0	19.8	10.3	-10.0	5.0
SEPT.	9.2	-1.6	9.7	17.2	22.8	12.0	-35.1	18.2	19.5	8.5	-30.3	2.5
OCT.	10.6	15.3	13.2	17.3	30.0	6.5	-15.2	18.0	19.1	5.1	10.3	9.9
NOV.	6.0	-2.6	15.3	17.6	26.2	10.8	-1.9	15.3	15.7	6.8	12.0	22.2
DEC.	6.0	9.4	16.1	15.6	28.0	4.3	21.2	13.8	18.6	6.7	10.2	21.8
1977--JAN. P	10.4	3.6	10.0	12.1	20.9	4.2	-3.8	12.0	15.3	6.7	10.1	21.4

<sup>1/</sup> GROWTH RATES ARE BASED ON ESTIMATED MONTHLY AVERAGE LEVELS DERIVED BY AVERAGING END OF CURRENT MONTH AND END OF PREVIOUS MONTH REPORTED DATA.

P - PRELIMINARY.

APPENDIX TABLE 2-B  
**COMPONENTS OF MONEY STOCK AND RELATED MEASURES**

Period	Currency	Demand Deposits	Time and Savings Deposits					Mutual Savings Bank & S&L Shares <sup>1/</sup>	Credit Union Shares <sup>1/</sup>	Savings Bonds <sup>1/</sup>	Short-Term U.S. Gov't Sec <sup>1/</sup>	Commercial Paper <sup>1/</sup>	Non-Deposit Funds	Total Gov't Demand Deposits <sup>2/</sup>
			Total	Other Than CD's			CD's							
				Total	Savings	Other								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
<b>ANNUALLY:</b>														
1974	67.8	215.3	418.3	329.3	136.2	193.1	89.0	341.5	27.7	63.3	47.1	40.4	8.4	5.6
1975	73.7	221.0	451.7	369.6	160.5	209.0	82.1	395.5	33.3	67.3	65.7	42.7	8.4	7.6
1976	80.7	231.6	490.7	427.4	201.4	226.0	63.3	458.3	39.3	71.9	71.5	50.5	9.2	10.1
<b>MONTHLY:</b>														
1976—JAN.	74.3	221.1	453.3	374.9	164.1	210.8	78.4	400.2	33.9	67.6	66.5	43.1	7.9	8.0
FEB.	75.0	221.8	456.7	381.3	170.2	211.2	75.4	405.4	34.2	68.0	66.8	43.3	8.0	10.9
MAR.	75.7	222.4	457.8	384.4	173.5	210.9	73.4	409.8	34.7	68.3	67.8	43.6	8.2	10.9
APR.	76.6	225.2	460.0	388.9	176.7	212.2	71.2	414.6	35.1	68.6	68.5	44.4	7.5	7.2
MAY	77.3	226.2	460.7	392.1	179.4	212.8	68.6	419.1	35.5	69.0	69.1	45.8	7.6	7.4
JUNE	77.5	225.6	465.3	395.1	179.4	215.7	70.2	422.9	36.0	69.4	70.0	47.2	8.4	9.8
JULY	78.1	226.8	469.1	400.2	181.1	219.1	68.9	427.8	36.4	69.7	72.0	48.0	8.8	9.0
AUG.	78.6	227.7	469.1	404.1	184.4	219.8	65.0	434.2	37.0	70.3	71.4	48.2	8.9	13.8
SEPT.	79.2	227.4	472.9	409.9	187.9	222.0	63.1	440.8	37.6	70.8	69.6	48.3	8.2	13.1
OCT.	79.9	230.3	478.1	415.8	192.6	223.2	62.3	447.4	38.2	71.1	70.2	48.7	9.0	13.9
NDV.	80.3	229.8	484.2	421.9	196.8	225.2	62.2	453.1	38.7	71.5	70.9	49.6	9.1	13.5
DEC.	80.7	231.6	490.7	427.4	201.4	226.0	63.3	458.3	39.3	71.9	71.5	50.5	9.2	10.1
1977—JAN. P	81.4	232.3	494.8	431.7	204.9	226.8	63.1	462.9	39.8	72.3	72.1	51.4	8.3	10.2
<b>WEEKLY:</b>														
1976—DEC. 8	80.6	231.0	489.2	426.1	202.3	223.9	63.1						8.9	8.9
15	80.8	230.7	491.0	427.7	203.4	224.3	63.4						8.9	8.7
22	80.7	231.9	491.7	428.0	204.5	223.5	63.7						9.9	11.2
29	80.8	232.0	492.6	427.7	204.7	223.0	64.9						9.0	10.7
1977—JAN. 5	80.9	234.4	495.4	430.2	205.6	224.6	65.2						9.0	10.2
12	81.3	233.9	495.5	431.4	207.3	224.1	64.1						8.0	10.6
19	81.4	232.3	495.2	431.9	207.7	224.2	63.3						8.3	10.2
26P	81.6	230.2	496.0	432.9	205.8	227.1	63.1						8.5	10.1
FEB. 2P	81.6	230.5	496.1	433.1	205.9	227.2	63.0						7.8	9.9

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

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

P - PRELIMINARY