

Prefatory Note

The attached document represents the most complete and accurate version available based on original copies culled from the files of the FOMC Secretariat at the Board of Governors of the Federal Reserve System. This electronic document was created through a comprehensive digitization process which included identifying the best-preserved paper copies, scanning those copies,¹ and then making the scanned versions text-searchable.² Though a stringent quality assurance process was employed, some imperfections may remain.

Please note that some material may have been redacted from this document if that material was received on a confidential basis. Redacted material is indicated by occasional gaps in the text or by gray boxes around non-text content. All redacted passages are exempt from disclosure under applicable provisions of the Freedom of Information Act.

¹ In some cases, original copies needed to be photocopied before being scanned into electronic format. All scanned images were deskewed (to remove the effects of printer- and scanner-introduced tilting) and lightly cleaned (to remove dark spots caused by staple holes, hole punches, and other blemishes caused after initial printing).

² A two-step process was used. An advanced optical character recognition computer program (OCR) first created electronic text from the document image. Where the OCR results were inconclusive, staff checked and corrected the text as necessary. Please note that the numbers and text in charts and tables were not reliably recognized by the OCR process and were not checked or corrected by staff.

MONETARY AGGREGATES AND MONEY MARKET CONDITIONS

Prepared for the Federal Open Market Committee

By the staff Board of Governors of the Federal Reserve System

May 13, 1977

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent developments

(1) M_1 increased at a record $19\frac{3}{4}$ per cent annual rate in April, and growth for the April-May period is projected at a $12\frac{1}{4}$ per cent annual rate-- $2\frac{1}{4}$ percentage points above the upper end of the Committee's desired range. M_2 appears to be expanding at about a 9.1 per cent annual rate over April and May, below the mid-point of the Committee's range, reflecting a further moderation in the growth of the interest bearing component of this aggregate. Nonborrowed reserves expanded substantially in April, reflecting the sharp expansion of demand deposits early in the month, but are likely to show little net change on balance in May, partly in lagged response to recent declines in demand deposits.

Growth in Monetary Aggregates
over April-May period
(SAAR in per cent)

	<u>Ranges</u>	<u>Latest Estimates</u>
M_1	6 to 10	12.3
M_2	8 to 12	9.1

Memorandum:

Federal funds rate
(per cent per annum)

	<u>Avg. for statement week ending</u>	
Apr. 20		4.71
27		4.82
May 4		5.15
11		5.31

(2) In response to very rapid growth of M_1 in the early weeks of April, the Desk became somewhat less generous in its provision of non-borrowed reserves in the statement week following the April FOMC meeting, expecting the Federal funds rate to average $4\frac{3}{4}$ per cent or slightly higher. Over following statement weeks, the Desk raised its funds rate target first to around 5 per cent and then to around $5\frac{1}{4}$ per cent, as incoming data indicated that M_1 was apparently growing at rates well above the Committee's range, while M_2 growth was near the mid-point of its range. In the latest statement week the funds rate averaged 5.31 per cent. With the rise in the funds rate, member bank borrowing at the discount window has increased since the April FOMC meeting to averages of \$214 million and \$154 million, respectively, in the last two statement weeks.

(3) Since the April FOMC meeting short-term market rates generally have increased by around $\frac{1}{2}$ percentage point, and most recently, a number of major banks have raised the prime loan rate from $6\frac{1}{4}$ per cent to $6\frac{1}{2}$ per cent. Business demands for short-term funds have been quite strong over this period. Business loans at banks increased at a $12\frac{1}{4}$ per cent annual rate in April--exceeding the rapid first quarter pace--and commercial paper issued by finance companies and nonfinancial corporations expanded more sharply than in any month since 1974. Upward pressures on short-term rates, however, were tempered by the improved Treasury financial position which has permitted a paydown of Treasury bills amounting to \$4.5 billion thus far in the second quarter.

(4) Long-term interest rates have increased from 10 to 20 basis points since the April FOMC meeting. Upward pressures on long rates have been moderated by a significant cutback in publicly offered corporate bonds--though both private placements of corporate issues and bonds issued by municipalities have remained relatively large. In addition, the Treasury paid down debt of around \$400 million in its mid-May refunding and has announced an additional run-off of \$500 million in the 2-year notes scheduled to be refinanced right after the May FOMC meeting.

(5) In its May refunding the Treasury reopened securities first issued in last February's refunding, auctioning \$2.85 billion of $7\frac{1}{2}$ per cent $6\frac{3}{4}$ year notes and \$1.0 billion of $7\text{-}5/8$ per cent $29\frac{1}{2}$ year bonds. Bidding in the auctions for both issues was relatively aggressive and average auction rates were set within a few basis points of levels on outstanding issues. Dealers have distributed essentially all of their awards, and both new offerings are currently quoted at close to issue price.

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

	1975 & 1976 Average	Past Twelve Months Apr. '77 over Apr. '76	Past Six Months Apr. '77 over Oct. '76	Past Three Months Apr. '77 over Jan. '77	Past Month Apr. '77 over Mar. '77
Nonborrowed reserves	1.4	3.3	4.2	-1.1	14.3
Total reserves	0.4	3.4	4.1	-1.1	13.2
Monetary Base	6.5	7.1	7.4	5.5	11.8
<u>Concepts of Money</u>					
M ₁ (currency plus demand deposits) <u>1/</u>	5.2	6.5	7.0	8.9	19.7
M ₂ (M ₁ plus time deposits at commercial banks other than large CD's)	10.4	10.4	10.1	9.3	13.0
M ₃ (M ₂ plus deposits at thrift institutions)	13.0	12.2	11.4	10.2	12.4
M ₄ (M ₂ plus CD's)	7.2	8.2	9.1	7.9	11.3
M ₅ (M ₃ plus CD's)	10.7	10.7	10.7	9.2	11.3
<u>Bank Credit</u>					
Total member bank deposits (bank credit proxy adj.)	4.5	5.6	6.5	4.1	7.5
Loans and investments of commercial banks <u>2/</u>	6.0	8.9	10.1	13.2	13.9
<u>Short-term Market Paper</u> (Monthly average change in billions)					
Large CD's	-1.1	-0.8	-0.1	-0.5	-0.6
Nonbank commercial paper	0.0	0.2	0.4	0.6	1.2

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) Summarized below for Committee consideration are alternative short-run operating specifications for the monetary aggregates and the Federal funds rate. (Detailed data are shown in the tables on pp. 6 and 7).

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Ranges for May-June			
M ₁	1½-5½	1-5	½-4½
M ₂	4-8	3½-7½	2¾-6¾
Federal funds rate (intermeeting period)	4¾-5¾	4¾-5¾	5¾-6¾

(8) Under all alternatives, we expect M₁ growth to slow markedly over the next several weeks from the April pace. The extremely large M₁ expansion last month appears to have provided the public with sufficient cash to accommodate much of their increased transactions needs in the second quarter, when nominal GNP is projected to expand at about a 14 per cent annual rate. A growth range of 1 to 5 per cent for the May-June period is projected under alternative B, assuming the Federal funds rate remains around 5½ per cent--the midpoint of a 4¾-5¾ per cent range. For the second quarter as a whole, M₁ growth would be around a 9¾ per cent annual rate, well above the 4.8 per cent rate of the first quarter.

(9) Under alternative B, we would expect M₂ to expand in a 3½-7½ per cent annual rate range in the May-June period. The time and savings deposit component of M₂ is expected to expand somewhat

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>
1977	April	321.3	321.3	321.3	762.4	762.4	762.4	1279.3	1279.3	1279.3
	May	322.6	322.6	322.6	765.6	765.6	765.6	1287.4	1287.4	1287.4
	June	323.1	322.9	322.6	770.0	769.4	768.4	1296.5	1295.8	1294.6
1977	QI	315.0	315.0	315.0	749.4	749.4	749.4	1256.8	1256.8	1256.8
	QII	322.3	322.3	322.2	766.0	765.8	765.5	1287.7	1287.5	1287.1
	QIII	326.2	325.4	324.6	781.0	779.2	776.7	1316.7	1314.1	1310.7
	QIV	329.9	329.1	328.4	794.5	792.8	790.5	1341.6	1339.2	1336.5
1978	QI	332.3	332.3	332.3	805.2	805.4	805.1	1362.2	1362.6	1362.4
<u>Growth Rates</u>										
Monthly:										
1977	May	4.9	4.9	4.9	5.0	5.0	5.0	7.6	7.6	7.6
	June	1.9	1.1	0.0	6.9	6.0	4.4	8.5	7.8	6.7
Quarterly Average:										
1977	QI	4.8	4.8	4.8	9.4	9.4	9.4	11.0	11.0	11.0
	QII	9.3	9.3	9.1	8.9	8.8	8.6	9.8	9.8	9.6
	QIII	4.8	3.8	3.0	7.8	7.0	5.9	9.0	8.3	7.3
	QIV	4.5	4.5	4.7	6.9	7.0	7.1	7.6	7.6	7.9
1978	QI	2.9	3.9	4.8	5.4	6.4	7.4	6.1	7.0	7.8
<u>Semi-annual</u>										
	QI '77-QIII '77	7.1	6.6	6.1	8.4	8.0	7.3	9.5	9.1	8.6
	QIII '77-QI '78	3.7	4.2	4.7	6.2	6.7	7.3	6.9	7.4	7.9
<u>Annual</u>										
	QI '77-QI '78	5.5	5.5	5.5	7.4	7.5	7.4	8.4	8.4	8.4

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>
1977	April	824.0	824.0	824.0	1340.9	1340.9	1340.9	546.3	546.3	546.3
	May	826.6	826.6	826.6	1348.3	1348.3	1348.3	544.8	544.8	544.8
	June	830.9	830.5	830.0	1357.4	1356.8	1356.1	548.2	547.9	547.7
1977	QI	812.2	812.2	812.2	1319.7	1319.7	1319.7	541.1	541.1	541.1
	QII	827.2	827.0	826.9	1348.9	1348.7	1348.4	546.4	546.3	546.3
	QIII	842.6	841.3	839.7	1378.3	1376.2	1373.8	556.5	555.7	555.0
	QIV	861.5	860.6	859.1	1408.6	1407.0	1405.1	570.8	570.4	569.7
1978	QI	882.0	882.5	882.5	1439.0	1439.7	1439.8	588.8	589.2	589.3
<u>Growth Rates</u>										
Monthly:										
1977	May	3.8	3.8	3.8	6.6	6.6	6.6	-3.3	-3.3	-3.3
	June	6.2	5.7	4.9	8.1	7.6	6.9	7.5	6.8	6.4
Quarterly Averages:										
1977	QI	8.7	8.7	8.7	10.6	10.6	10.6	5.4	5.4	5.4
	QII	7.4	7.3	7.2	8.9	8.8	8.7	3.9	3.8	3.8
	QIII	7.4	6.9	6.2	8.7	8.2	7.5	7.4	6.9	6.4
	QIV	9.0	9.2	9.2	8.8	9.0	9.1	10.3	10.6	10.6
1978	QI	9.5	10.2	10.9	8.6	9.3	9.9	12.6	13.2	13.8
<u>Semi-annual</u>										
	QI '77-QIII '77	7.5	7.2	6.8	8.9	8.6	8.2	5.7	5.4	5.1
	QIII '77-QI '78	9.4	9.8	10.2	8.8	9.2	9.6	11.6	12.1	12.4
<u>Annual</u>										
	QI '77-QI '78	9.1	8.6	8.0	10.5	9.7	8.9	7.9	7.5	6.9
<u>FOMC longer-run range</u>										
	QI '77-QI '78	8.6	8.7	8.7	9.0	9.1	9.1	8.8	8.9	8.9

more rapidly over the weeks ahead than during the recent past.

In the course of April, growth in consumer-type time and savings deposits appears to have been restrained by relatively large nonwithheld tax payments by individuals. Still, growth in the weeks ahead is likely to be slower than the pace during the first quarter in view of the higher level of short- and intermediate-term market rates now prevailing.

(10) It appears that market rates have largely adjusted to a Federal funds rate of around $5\frac{1}{2}$ per cent. However, some further minor upward adjustments in market rates could develop between now and the next Committee meeting even if the funds rate remains unchanged. The Treasury may not be in a position to continue paying off bills in the weekly and monthly auctions after the end of May, and private short-term credit demands are expected to remain generally strong. If the upward adjustments that have already occurred in the commercial paper rate are sustained, a further rise in the bank prime rate is possible within the next few weeks.

(11) We would expect the funds rate and other interest rates, particularly short-term rates, to rise substantially after mid-year, as the demands for money and credit continue to be generally strong and the Treasury once again becomes a sizable net borrower. By the first quarter of 1978, the staff anticipates a funds rate of around 7 per cent under alternative B, if M_1 growth is to be near the mid-point of the Committee's $4\frac{1}{2}$ - $6\frac{1}{2}$ per cent range for the QI'77-QI'78

period. This is a somewhat higher funds rate than the funds rate projected for the first quarter of 1976 in the previous bluebook. This upward revision reflects the need for greater restraint in M_1 growth over the last three quarters of the target period in view of the $9\frac{1}{2}$ per cent annual growth rate in M_1 now expected for the second quarter. With the somewhat higher interest rates anticipated, inflows of interest-bearing deposits in M_2 and M_3 would probably slow, and growth in these aggregates over the QI '77-QI '78 period may be around the lower ends of their longer run ranges.

(12) Alternative C contemplates a tightening in money market conditions over the next few weeks while alternative A involves an easing. Under alternative C the Federal funds rate would be expected to rise to the mid-point of a $5\frac{1}{2}$ - $6\frac{1}{2}$ per cent range. This may be accompanied by growth in M_1 in the May-June period at an annual rate in a range of $\frac{1}{2}$ - $4\frac{1}{2}$ per cent--about $\frac{1}{2}$ point slower than under alternative B. The immediate retarding effect on M_2 is expected to be somewhat greater under alternative C. With the funds rate rising to around $5\frac{3}{4}$ per cent, the 3-month bill rate may adjust up to the $5\frac{1}{2}$ - $5\frac{3}{4}$ per cent area. Such a substantial further rise in short-term rates to a level well above the ceiling rate on savings deposits is likely to trigger a sizable outflow of savings funds to market instruments.

(13) The increases in short-term rates under alternative C would probably also be accompanied by a fairly prompt return to ceiling rates on time deposits at those banks and thrift institutions that

had lowered offering rates previously. Banks may also begin to press CD offerings more consistently on the market, partly to lock in funds at current interest costs. Depository institutions are likely to raise their lending rates on business loans and mortgages. Moreover--with outstanding mortgage commitments at record levels--thrifts are likely to become considerably more cautious in making new commitments. In bond markets, rates may show some increase, but these increases may be limited by the continued large volume of institutional funds seeking long-term outlets and by any effect that a tightening of the money market may have in dampening inflationary expectations.

(14) An immediate tightening of the money market, such as is called for under alternative C, would probably reduce somewhat the level to which the funds rate would have to rise ultimately to restrain monetary growth to within the FOMC's longer-run ranges. We would expect the funds rate to peak at around $6\frac{3}{4}$ per cent in the winter of this year.

(15) The near-term easing of the money market under alternative A would probably stimulate a substantial rally in debt markets, particularly in light of the sizable short position of U.S. Government security dealers in coupon issues. The staff would not expect any decline in the funds rate to be sustainable, given the strong growth in nominal GNP that is projected. A subsequent rather sharp rise in the funds rate would seem to be required under the circumstances to keep monetary growth rates within their longer-run ranges.

Directive language

(16) Given below are alternatives for the operational paragraphs of the directive. The first formulation, like the directive adopted at the last meeting, places main emphasis on near-term rates of growth in monetary aggregates; it shows--in strike-through form--the specifications adopted at the last meeting (except that the upper limit shown for the funds rate range--5-1/2 per cent--reflects the modification agreed upon on May 6). The second formulation places main emphasis on money market conditions. As suggested below, the particular language needed in the opening lines of the money market formulation would depend on the specific conditions sought; the three alternatives shown--calling, respectively, for somewhat easier, prevailing, and somewhat firmer money market conditions--are intended to be associated with the specifications discussed in the preceding section under alternatives A, B, and C.

"Monetary Aggregates" Formulation

The Committee seeks to encourage near-term rates of growth in M-1 and M-2 on a path believed to be reasonably consistent with the longer-run ranges for monetary aggregates cited in the preceding paragraph. Specifically, at present, it expects the annual growth rates over the ~~April-May~~ MAY-JUNE period to be within the ranges of ~~6-10-10~~ _____ to _____ per cent for M-1 and ~~8-10-12~~ _____ to _____ per cent for M-2. In the judgment of the Committee such growth rates are likely to be associated with a weekly average Federal funds rate of about 4-3/4 _____ per cent. If,

giving approximately equal weight to M-1 and M-2, it appears that growth rates over the 2-month period will deviate significantly from the midpoints of the indicated ranges, the operational objective for the Federal funds rate shall be modified in an orderly fashion within a range of ~~4-1/2 to 5-1/2~~ _____ to _____ per cent.

If it appears during the period before the next meeting that the operating constraints specified above are proving to be significantly inconsistent, the Manager is promptly to notify the Chairman who will then decide whether the situation calls for supplementary instructions from the Committee.

"Money Market" Formulation

At this time, the Committee seeks to maintain about the prevailing money market conditions (or to achieve somewhat easier or somewhat firmer money market conditions) during the period immediately ahead, provided that monetary aggregates appear to be growing at approximately the rates currently expected, which are believed to be on a path reasonably consistent with the longer-run ranges for monetary aggregates cited in the preceding paragraph. Specifically, the Committee seeks to maintain the weekly average Federal funds rate at about _____ per cent, so long as M-1 and M-2 appear to be growing over the May-June period period at annual rates within ranges of _____ to _____ per cent and _____ to _____ per cent, respectively. If, giving

approximately equal weight to M-1 and M-2, it appears that growth rates over the 2-month period are approaching or moving beyond the limits of the indicated ranges, the operational objective for the weekly average Federal funds rate shall be modified in an orderly fashion within a range of _____ to _____ per cent.

If it appears during the period before the next meeting that the operating constraints specified above are proving to be significantly inconsistent, the Manager is promptly to notify the Chairman who will then decide whether the situation calls for supplementary instructions from the Committee.

Appendix I

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

	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
Nonborrowed Reserves	0.5	1.2	0.0
Total Reserves	5.0	4.7	4.4
Monetary Base	7.7	7.6	7.5

On average, thus far in the second quarter nonborrowed reserves have grown at a 3.4 per cent annual rate from the first quarter of 1977 and total reserves have increased at a 3.7 per cent annual rate. The growth in nonborrowed reserves is above, and the growth in total reserves below, longer-run growth rates shown for these reserve aggregate measures in the table above. Growth of nonborrowed reserves is expected to moderate in the months ahead as the System provides less reserves through Desk operations and banks borrow more through the discount window. Demand for borrowings is expected to be greater over the months ahead, given the present discount rate and expectations of a rising Federal funds rate, and growth in total reserves may be accelerating somewhat. Growth in the monetary base has averaged 7.0 per cent thus far in the second quarter, near the longer-run growth rate shown for this aggregate.

Appendix II

Projected Federal Funds Rate

		<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1977	QII	4-7/8	5-1/8	5-3/8
	QIII	6	6	6½
	QIV	7	6½	6½
1978	QI	7½	7	6½

Appendix III

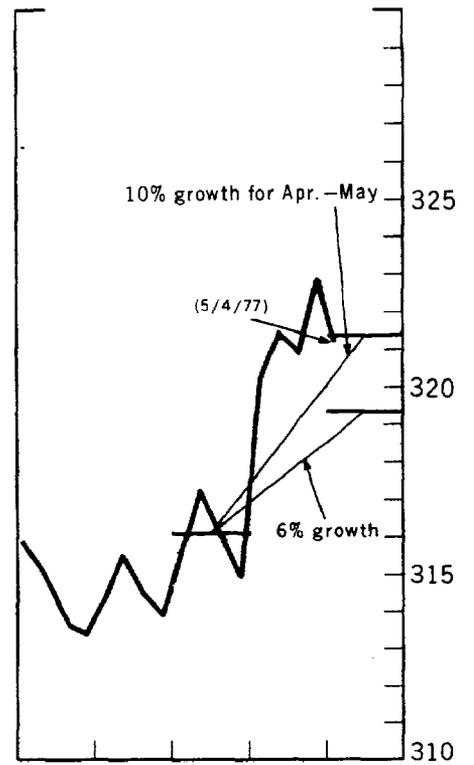
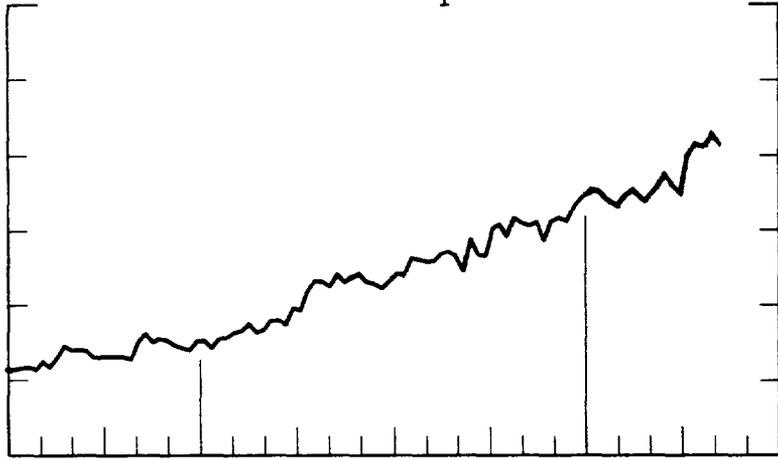
Implied Velocity Growth Rates

$\underline{V_1} \text{ (GNP/M}_1\text{)}$	<u>Alt. A</u>	<u>Alt. B</u>	<u>Alt. C</u>
1977 II	4.0	4.0	4.0
III	6.5	7.5	8.3
IV	7.6	7.5	7.2
1978 I	8.9	8.0	7.1
$\underline{V_2} \text{ (GNP/M}_2\text{)}$			
1977 II	4.3	4.5	4.6
III	3.5	4.3	5.4
IV	5.2	5.1	5.0
1978 I	6.4	5.5	4.4

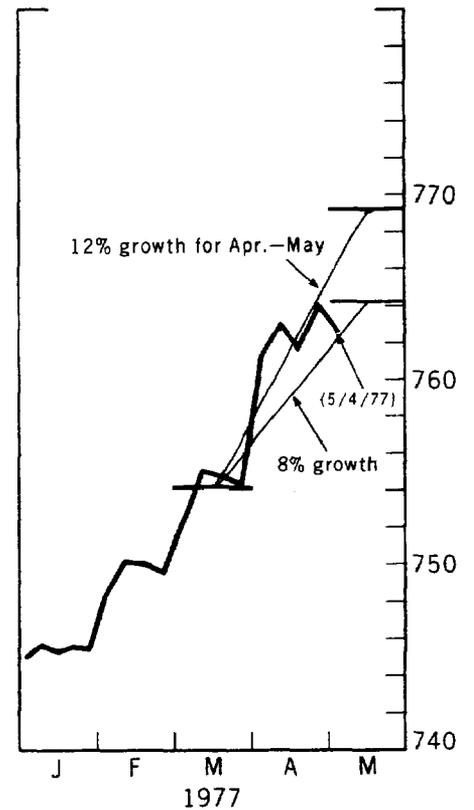
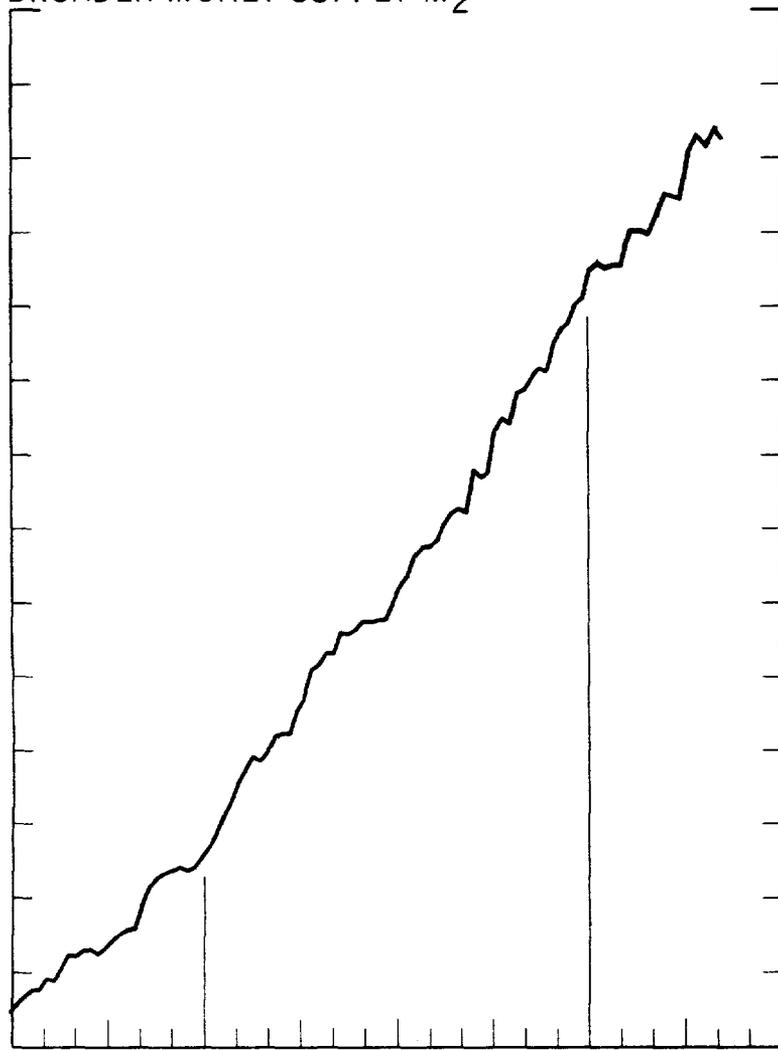
MONETARY AGGREGATES

NARROW MONEY SUPPLY M_1

BILLIONS OF DOLLARS



BROADER MONEY SUPPLY M_2



1975

1976

1977

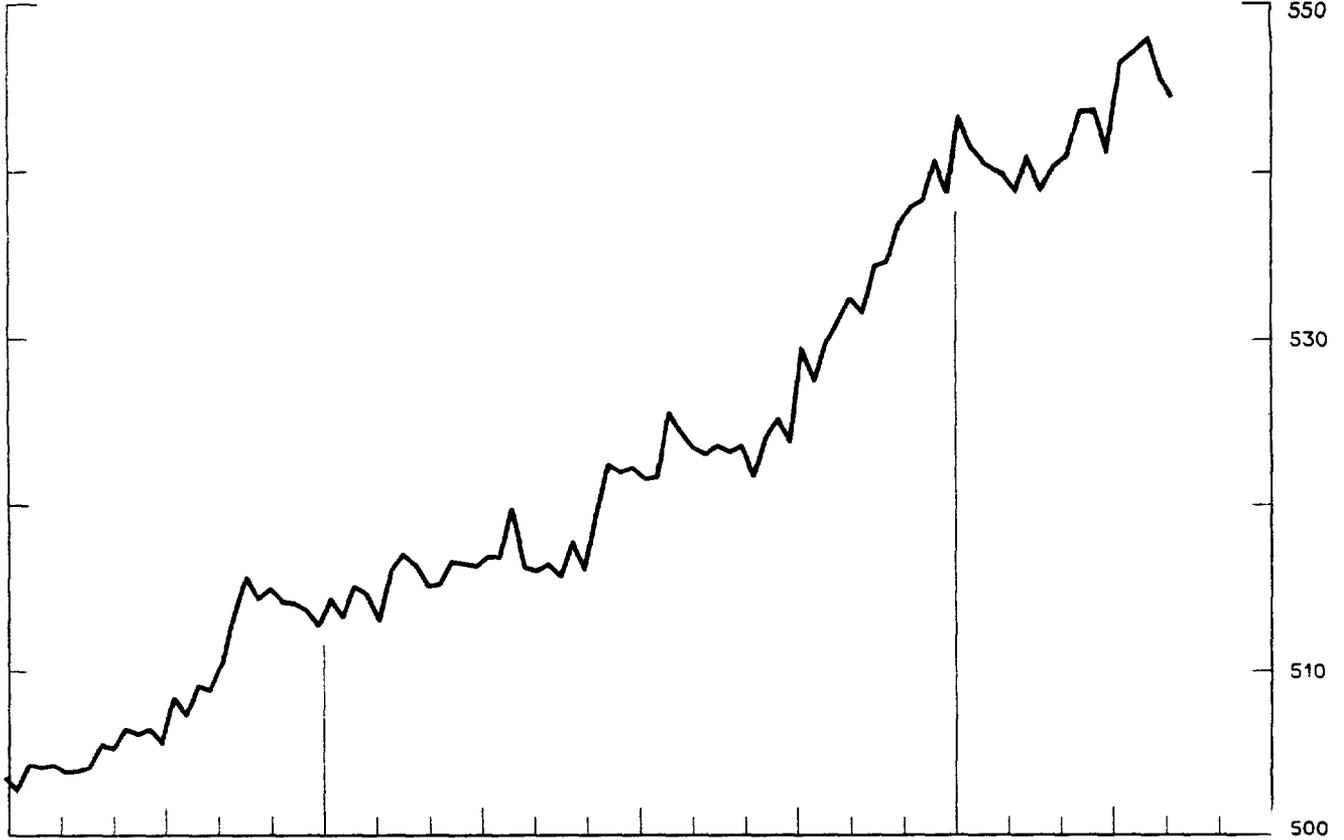
J F M A M

1977

MONETARY AGGREGATES

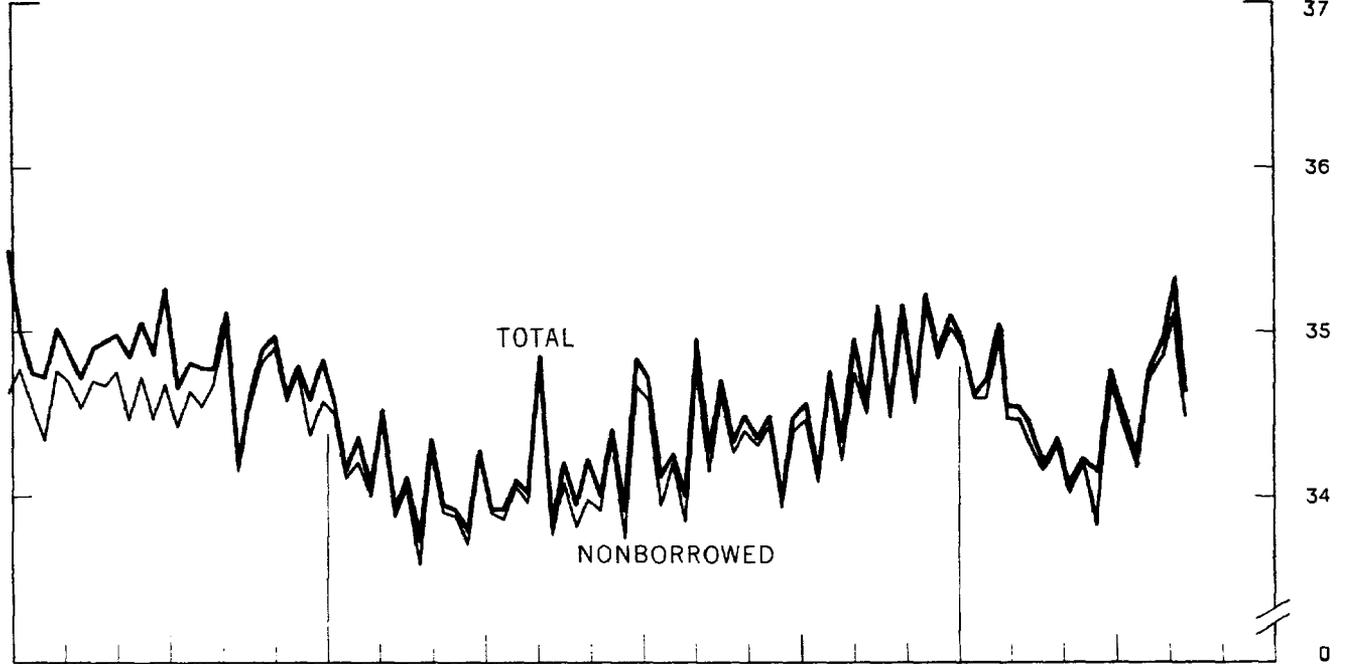
ADJUSTED CREDIT PROXY

BILLIONS OF DOLLARS
550



RESERVES

BILLIONS OF DOLLARS
37



1975

1976

1977

MONEY MARKET CONDITIONS AND INTEREST RATES

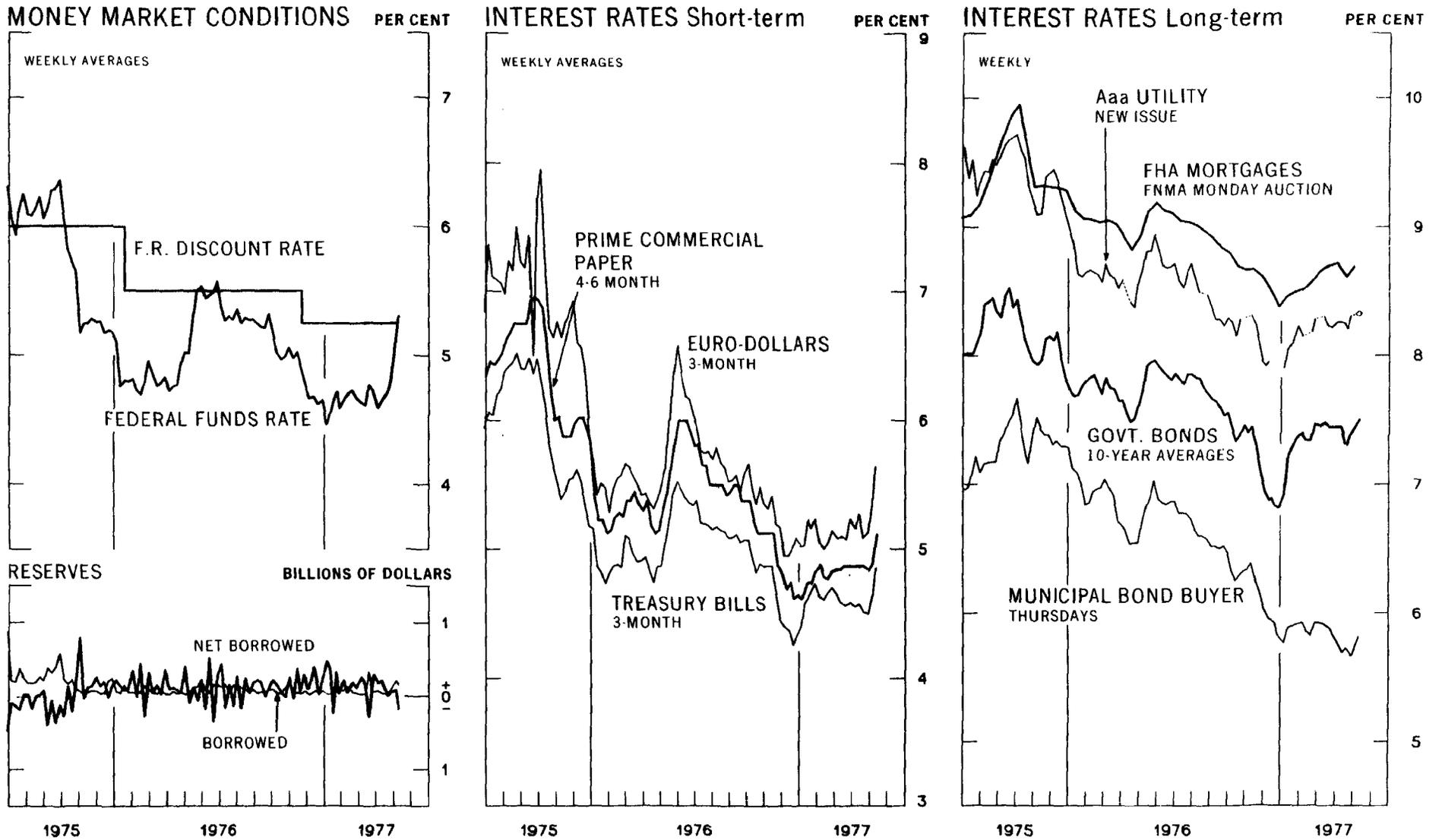


Table 1

CONFIDENTIAL (FR)
CLASS II-FOMC

MAY 13, 1977

MONETARY AGGREGATES

ACTUAL AND CURRENT PROJECTIONS, SEASONALLY ADJUSTED

Period	Money Supply		Adjusted Credit Proxy	Total U.S. Govt. Deposits 1/	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											
1977—FEB.	314.5	749.1	539.5	11.7	497.8	434.5	207.1	227.4	63.3	7.5	2.5
MAR.	316.1	754.2	542.9	11.2	500.2	438.0	208.8	229.2	62.2	7.7	2.8
APR.	321.3	762.4	546.3	10.8	502.7	441.1	210.2	230.9	61.6	7.7	3.6
MAY	(322.6)	(765.6)	(544.8)	(10.5)	(504.0)	(443.1)	(211.5)	(231.6)	(61.0)	(7.6)	(2.5)
% ANNUAL GROWTH											
QUARTERLY											
1976—3RD QTR.	4.9	10.4	1.8		6.2	14.5	19.0	10.8	-40.5		
4TH QTR.	7.7	12.8	11.5		14.6	16.7	28.7	6.5	1.3		
1977—1ST QTR.	4.2	8.1	3.0		8.5	10.8	14.7	7.3	-7.0		
QUARTERLY-AV											
1976—3RD QTR.	4.4	9.1	3.9		7.0	12.8	13.4	12.0	-24.6		
4TH QTR.	6.8	12.2	8.2		11.5	16.3	26.9	7.3	-18.9		
1977—1ST QTR.	4.8	9.4	5.4		11.3	12.7	20.5	6.1	1.9		
MONTHLY											
1977—FEB.	0.8	6.6	-2.9		9.7	10.6	12.3	9.0	3.8		
MAR.	6.1	8.2	7.6		5.8	9.7	9.9	9.5	-20.9		
APR.	19.7	13.0	7.5		6.0	8.5	8.0	8.9	-11.6		
MAY	(4.9)	(5.0)	(-3.3)		(3.1)	(5.4)	(7.4)	(3.6)	(-11.7)		
APR.—MAY	(12.3)	(9.1)	(2.1)		(4.6)	(7.0)	(7.8)	(6.3)	(-11.6)		
WEEKLY LEVELS-\$BIL											
1977—APR. 6	320.3	761.3	546.7	8.7	503.5	441.1	209.8	231.3	62.4	7.4	2.6
13	321.4	763.0	547.1	10.6	503.2	441.6	210.4	231.2	61.6	7.8	2.8
20	321.0	761.7	547.9	13.4	502.0	440.7	210.0	230.7	61.3	7.9	6.4
27	322.8	764.0	545.6	10.6	502.5	441.3	210.3	230.9	61.2	7.9	2.9
MAY 4	321.2	762.6	544.5	11.6	502.7	441.4	210.7	230.7	61.3	7.3	2.8

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
MONTHLY LEVELS--\$MILLIONS							
1977--FEB.	34,397	34,326	119,079	34,199	20,416	12,059	1,724
MAR.	34,308	34,204	119,573	34,093	20,403	12,123	1,567
APR.	34,685	34,612	120,750	34,494	20,608	12,162	1,724
MAY	(34,740)	(34,581)	(121,409)	(34,580)	(20,761)	(12,097)	(1,722)
PERCENT ANNUAL GROWTH							
QUARTERLY							
1976--3RD QTR.	0.6	1.3	6.1	0.7	3.8	-5.2	
4TH QTR.	7.6	7.7	8.0	6.8	1.6	8.0	
1977--1ST QTR.	-1.8	-2.4	5.2	-1.1	3.7	6.9	
QUARTERLY-AV							
1976--3RD QTR.	2.7	2.6	6.3	2.4	3.0	-0.7	
4TH QTR.	4.4	4.8	7.1	4.0	3.2	-0.7	
1977--1ST QTR.	2.7	2.6	6.8	3.0	5.0	9.5	
MONTHLY							
1977--FEB.	-13.1	-13.3	-0.2	-10.9	-12.7	1.5	
MAR.	-3.1	-4.3	5.0	-3.7	-0.8	6.4	
APR.	13.2	14.3	11.8	14.1	12.1	3.9	
MAY	(1.9)	(-1.1)	(6.5)	(3.0)	(8.9)	(-6.4)	
APR.--MAY	(7.6)	(6.6)	(9.2)	(8.6)	(10.5)	(-1.3)	
WEEKLY LEVELS--\$MILLIONS							
1977--APR.							
6	34,512	34,447	120,273	34,256	20,495	12,148	1,612
13	34,229	34,191	119,862	33,955	20,180	12,180	1,594
20	34,755	34,726	120,890	34,721	20,744	12,211	1,766
27	34,947	34,848	121,543	34,782	20,923	12,146	1,713
MAY							
4	35,324	35,110	121,592	35,029	20,783	12,072	2,174
11	34,635	34,479	120,812	34,653	20,886	12,056	1,711

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)

STRICTLY CONFIDENTIAL (FR)
CLASS II - FOMC
MAY 13, 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	1,272
1976	863	472	3,025	1,048	642	5,187	105	469	203	114	891	6,227	3,607
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
1977--Qtr. I	1,164	192	997	325	165	1,680	--	--	--	--	--	2,738	-4,771
1976--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
Feb.	-691	107	348	151	81	687	--	--	--	--	--	-45	1,931
Mar.	-368	41	174	46	37	298	--	--	--	--	--	-125	175
Apr.	1,392	20	327	104	38	489	--	173	138	35	346	2,176	2,822
1977--Mar. 2	-253	--	--	--	--	--	--	--	--	--	--	-278	-3,071
9	-368	--	--	--	--	--	--	--	--	--	--	-371	-3,576
16	--	--	--	--	--	--	--	--	--	--	--	-25	-2,310
23	--	41	174	46	37	298	--	--	--	--	--	288	9,665
30	--	--	--	--	--	--	--	--	--	--	--	-6	-4,210
Apr. 6	-151	--	--	--	--	--	--	--	--	--	--	-177	-9,141
13	-109	--	--	--	--	--	--	--	--	--	--	-117	7,954
20	585	--	--	--	--	--	--	--	--	--	--	572	3,549
27	784	20	327	104	38	489	--	--	--	--	--	1,258	822
May 4	533	--	--	--	--	--	--	--	--	--	--	866	2,779
11	245	--	--	--	--	--	--	--	--	--	--	227	-2,892
18													
25													
LEVEL May 11 (in billions)	41.6	10.5	30.9	10.0	5.5	56.9	1.4	3.5	1.4	.8	7.1	105.6	3.1

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

2/ Outright transactions in market and with foreign accounts, and redemption (-) 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)

STRICTLY CONFIDENTIAL (FR)
CLASS II - FOMC
MAY 13, 1977

	U.S. Govt. Security Dealer Positions		Underwriting Syndicate Positions		Excess** Reserves (5)	Member Bank Reserve Positions			
	Bills (1)	Coupon Issues (2)	Corporate Bonds (3)	Municipal Bonds (4)		Borrowing at FRB**		Basic Reserve Deficit	
						Total (6)	Seasonal (7)	8 New York	38 Others
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
1977--High	7,234	3,017	163	350	513	339	18	-8,742	-13,975
Low	*1,729	*199	17	125	-111	20	8	-4,293	- 9,010
1976--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	274	53	13	-7,168	-11,449
1977--Jan.	6,406	2,320	82	202	265	68	10	-6,421	-11,504
Feb.	4,450	1,605	72	226	198	72	12	-5,604	-11,503
Mar.	4,906	972	103	162	214	103	13	-5,661	-10,912
Apr.	*4,567	*696	101	173	192p	73p	14p	-6,586	-11,409
1977--Mar. 2	4,232	913	63	155	150	30	12	-4,716	-10,869
9	5,174	354	111	137	273	20	12	-6,353	-11,550
16	5,342	303	163	163	168	24	12	-6,912	-11,527
23	4,814	275	51	180	77	338	13	-5,079	-11,539
30	3,140	453	125	175	354	58	14	-4,933	- 9,318
Apr. 6	6,208	761	39	232	256	65	14	-5,652	-11,318
13	6,670	453	0	144	274	38	13	-7,445	-13,727
20	*6,025	*1,103	231	125	34	29	14	-7,119	-11,568
27	*1,729	*582	34	192	165p	99p	15p	-5,518	- 9,122
May 4	*2,474	*421	33	350	295p	214p	18p	-5,581p	- 9,299p
11	*2,778	*199	35p	175p	-26p	155p	22p	-7,410p	-10,790p
18									
25									

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)

STRICTLY CONFIDENTIAL (FR)
CLASS II - FOMC
MAY 13, 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 FNMA Auc. GNMA Sec.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
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
1977--High	5.31	4.87	5.41	5.05	5.00	5.13	6.59	7.33	7.79	8.33	8.35	5.93	8.78	8.72	8.08
Low	4.47	4.41	4.67	4.63	4.48	4.63	5.83	6.59	7.26	7.90	7.95	5.68	8.65	8.46	7.56
1976--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
Feb.	4.68	4.67	5.16	4.76	4.58	4.70	6.44	7.16	7.64	8.22	8.19	5.89	8.67	8.55	7.98
Mar.	4.69	4.60	5.19	4.75	4.58	4.72	6.47	7.20	7.73	8.25	8.29	5.89	8.69	8.68	8.06
Apr.	4.73	4.54	5.10	4.75	4.57	4.67	6.32	7.11	7.67	8.26	8.22	5.73	8.75	8.67	7.96
1977--Mar. 2	4.68	4.70	5.25	4.75	4.63	4.77	6.49	7.22	7.75	--	8.27	5.92	8.65	--	8.06
9	4.63	4.64	5.23	4.75	4.63	4.77	6.50	7.23	7.76	8.30	8.32	5.92	8.70	8.66	8.08
16	4.62	4.59	5.17	4.75	4.63	4.75	6.46	7.17	7.72	8.23	8.27	5.90	8.70	--	8.08
23	4.77	4.57	5.16	4.75	4.50	4.63	6.44	7.18	7.71	8.22	8.28	5.88	8.70	8.70	8.02
30	4.74	4.59	5.18	4.75	4.50	4.70	6.45	7.22	7.74	8.26	8.28	5.85	8.70	--	8.06
Apr. 6	4.60	4.56	5.14	4.75	4.58	4.63	6.45	7.22	7.72	8.26	8.25	5.79	8.75	8.72	8.01
13	4.65	4.58	5.10	4.75	4.58	4.70	6.22	7.06	7.65	8.25	8.16	5.70	8.75	--	7.99
20	4.71	4.51	4.99	4.75	4.50	4.67	6.23	7.04	7.62	8.21	8.21	5.73	8.78	8.62	7.89
27	4.82	4.50	5.13	4.75	4.63	4.70	6.38	7.14	7.69	8.31	8.25	5.68	8.78	--	7.96
May 4	5.15	4.65	5.24	4.83	4.65	4.80	6.49	7.27	7.74	--	8.33	5.76	8.78	8.70	8.06
11	5.31	4.87	5.41	5.05	5.00	5.13	6.59p	7.33p	7.79p	8.33p	8.35p	5.82	n.a.	--	8.08
18															
25															
Daily--May 5	5.21	4.74	5.29	4.88	--	--	6.50	7.27	7.74	--	--	--	--	--	--
12	5.33p	5.00	5.49	5.25	--	--	6.60p	7.33p	7.78p	--	--	--	--	--	--

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

MAY 13, 1977

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:												
1974	7.2	9.4	9.3	10.2	9.2	4.7	7.2	6.7	10.6	9.0	8.8	9.0
1975	-0.5	1.3	5.8	3.9	4.4	4.1	8.5	11.3	6.4	9.7	10.8	10.6
1976	1.3	1.6	6.9	4.9	7.3	6.1	11.3	13.1	7.5	10.6	10.0	10.4
SEMI-ANNUALLY:												
2ND HALF 1975	0.3	0.9	5.8	3.5	4.5	2.8	6.9	10.2	5.7	9.1	10.8	10.6
1ST HALF 1976	-1.4	-1.4	6.5	3.0	7.7	5.7	10.2	11.7	5.9	8.9	8.9	9.2
2ND HALF 1976	4.1	4.5	7.1	6.7	6.7	6.3	11.8	13.8	8.9	11.8	10.7	11.0
QUARTERLY:												
2ND QTR. 1976	3.1	2.2	8.2	4.0	8.5	6.8	9.1	10.7	6.6	9.0	9.0	9.7
3RD QTR. 1976	0.6	1.3	6.1	1.8	5.5	4.9	10.4	12.9	5.7	9.9	9.2	9.4
4TH QTR. 1976	7.6	7.7	8.0	11.5	7.9	7.7	12.8	14.1	11.9	13.5	11.9	12.3
1ST QTR. 1977	-1.8	-2.4	5.2	3.0	11.5	4.2	8.1	9.7	6.8	9.0	9.1	8.9
QUARTERLY-AV:												
2ND QTR. 1976	0.6	0.4	8.2	2.2	8.7	8.2	10.5	11.8	6.4	9.1	9.1	9.5
3RD QTR. 1976	2.7	2.6	6.3	3.9	5.8	4.4	9.1	11.4	6.0	9.3	9.2	9.7
4TH QTR. 1976	4.4	4.8	7.1	8.2	8.6	6.8	12.2	14.2	9.6	12.5	11.1	11.4
1ST QTR. 1977	2.7	2.6	6.8	5.4	8.9	4.8	9.4	11.0	8.7	10.6	10.1	10.1
MONTHLY:												
1976--APR.	0.9	1.3	11.2	2.1	11.1	14.9	14.1	14.1	9.4	11.1	10.9	11.2
MAY	4.1	1.6	8.0	-3.7	6.3	6.8	8.9	10.5	3.9	7.3	7.4	8.2
JUNE	4.1	3.7	5.4	13.5	7.9	-1.2	4.3	7.1	6.4	8.3	8.6	9.3
JULY	2.0	1.8	6.5	3.2	2.2	7.1	12.0	12.8	8.9	10.8	11.7	12.1
AUG.	5.9	7.0	6.6	0.7	8.4	5.9	8.8	12.3	2.0	7.9	7.0	7.2
SEPT.	-6.2	-4.8	5.1	1.6	5.8	1.6	10.0	13.3	6.2	10.8	8.6	8.7
OCT.	6.0	4.9	7.1	11.9	12.1	14.1	15.7	16.7	13.2	15.1	14.5	14.6
NOV.	11.8	12.6	9.1	11.3	9.6	0.4	9.9	12.2	9.1	11.5	10.5	11.0
DEC.	4.9	5.6	7.7	10.8	1.7	8.5	12.5	13.1	13.0	13.4	10.4	10.9
1977--JAN.	10.9	10.4	10.7	4.5	8.9	5.8	9.3	11.2	8.1	10.5	10.8	10.8
FEB.	-13.1	-13.3	-0.2	-2.9	14.5	0.8	6.6	8.7	6.4	8.4	9.7	9.3
MAR.	-3.1	-4.3	5.0	7.6	10.7	6.1	8.2	9.2	5.9	7.7	6.6	6.4
APR. P	13.2	14.3	11.8	7.5	13.9	19.7	13.0	12.4	11.3	11.3	10.7	10.5

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

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:												
1974	34,174	33,447	104,380	494.6	695.2	283.1	612.4	981.5	701.4	1070.5	1181.2	1221.6
1975	34,015	33,885	110,394	513.8	725.5	294.8	664.3	1092.6	746.5	1174.7	1308.4	1351.0
1976	34,465	34,412	118,051	538.8	778.7	312.8	739.3	1236.1	802.6	1299.3	1439.7	1491.1
MONTHLY:												
1976--APR.	33,545	33,501	112,747	517.2	744.5	301.8	690.6	1139.7	761.8	1210.9	1348.7	1393.0
MAY	33,661	33,546	113,498	515.6	748.4	303.5	695.7	1149.7	764.3	1218.3	1357.0	1402.5
JUNE	33,776	33,650	114,009	521.4	753.3	303.2	698.2	1156.5	768.4	1226.7	1366.7	1413.4
JULY	33,833	33,701	114,625	522.8	754.7	305.0	705.2	1168.8	774.1	1237.7	1380.0	1427.7
AUG.	33,998	33,897	115,252	523.1	760.0	306.5	710.4	1180.8	775.4	1245.8	1388.1	1436.3
SEPT.	33,823	33,761	115,739	523.8	763.7	306.9	716.3	1193.9	779.4	1257.0	1398.0	1446.7
OCT.	33,992	33,898	116,424	529.0	771.4	310.5	725.7	1210.5	788.0	1272.8	1414.9	1464.3
NOV.	34,325	34,253	117,303	534.0	777.6	310.6	731.7	1222.8	794.0	1285.0	1427.3	1477.7
DEC.	34,465	34,412	118,051	538.8	778.7	312.8	739.3	1236.1	802.6	1299.3	1439.7	1491.1
1977--JAN.	34,778	34,710	119,101	540.8	784.5	314.3	745.0	1247.6	808.0	1310.7	1452.7	1504.5
FEB.	34,397	34,326	119,079	539.5	794.0	314.5	749.1	1256.6	812.3	1319.9	1464.5	1516.1
MAR.	34,308	34,204	119,573	542.9	801.1	316.1	754.2	1266.2	816.3	1328.4	1472.6	1524.2
APR. P	34,685	34,612	120,750	546.3	810.4	321.3	762.4	1279.3	824.0	1340.9	1485.7	1537.5
WEEKLY:												
1977--MAR.	9	34,048	34,028	118,837	541.0	315.6	752.4		814.8			
	16	34,242	34,218	119,355	543.6	317.2	755.0		817.0			
	23	34,139	33,801	119,524	543.6	316.0	754.7		816.5			
	30	34,761	34,703	120,569	541.1	315.0	754.2		816.7			
APR.	6	34,512	34,447	120,273	546.7	320.3	761.3		823.8			
	13	34,229	34,191	119,862	547.1	321.4	763.0		824.6			
	20	34,755	34,726	120,890	547.9	321.0	761.7		823.0			
	27P	34,947	34,848	121,543	545.6	322.8	764.0		825.2			
MAY	4P	35,324	35,110	121,592	544.5	321.2	762.6		823.9			

NOTES: ADJUSTED CREDIT PROXY INCLUDES MAINLY TOTAL MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS, LOANS SOLD TO BANK-RELATED INSTITUTIONS, AND EURO-DOLLAR 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.

COMPONENTS OF MONEY STOCK AND RELATED MEASURES

Period	Currency	Demand Deposits	Time and Savings Deposits					Mutual Savings Bank & S&L Shares ^{1/}	Credit Union Shares ^{1/}	Savings Bonds ^{1/}	Short Term U.S. Gov't Securities ^{1/}	Commercial Paper ^{1/}
			Total	Other Than CD's			CD's					
				Total	Savings	Other						
	1	2	3	4	5	6	7	8	9	10	11	12
(Per cent annual rates of growth)												
ANNUALLY:												
1974	10.2	3.0	14.9	9.4	7.0	11.2	41.3	5.5	12.2	4.8	9.7	17.1
1975	8.7	2.6	8.0	12.2	17.8	8.2	-7.8	15.7	19.6	6.3	40.1	5.4
1976	9.4	5.0	8.4	15.4	25.5	7.7	-22.9	15.8	18.2	6.8	3.2	20.7
SEMI-ANNUALLY:												
2ND HALF 1975	7.9	1.0	7.7	10.4	16.0	6.1	-3.6	15.2	17.8	6.4	52.0	5.3
1ST HALF 1976	10.3	4.2	6.0	13.8	23.6	6.4	-29.0	13.8	16.4	6.2	12.7	19.2
2ND HALF 1976	8.0	5.8	10.5	15.9	24.5	8.7	-19.7	16.7	18.5	7.2	-5.9	20.1
QUARTERLY:												
2ND QTR. 1976	9.5	5.8	6.6	11.1	13.6	8.9	-17.4	12.7	15.1	6.4	12.9	28.4
3RD QTR. 1976	8.8	3.7	6.2	14.5	19.0	10.8	-40.5	16.9	17.9	8.1	-1.7	17.1
4TH QTR. 1976	7.1	7.7	14.6	16.7	28.7	6.5	1.3	15.9	18.2	6.2	-10.2	22.2
1ST QTR. 1977	8.9	2.8	8.5	10.8	14.7	7.3	-7.0	12.0	16.4	6.1	15.8	1.6
QUARTERLY-AV:												
2ND QTR. 1976	11.2	7.0	5.4	12.4	21.7	4.9	-30.1	13.5	16.5	5.9	11.8	19.4
3RD QTR. 1976	7.8	3.2	7.0	12.8	13.4	12.0	-24.6	14.6	15.9	7.5	10.3	23.7
4TH QTR. 1976	8.1	6.2	11.5	16.3	26.9	7.3	-18.9	17.2	18.5	6.8	-8.9	18.3
1ST QTR. 1977	8.5	3.6	11.3	12.7	20.5	6.1	1.9	13.3	16.7	6.7	5.7	9.5
MONTHLY:												
1976--APR.	14.3	15.1	5.8	14.0	22.1	6.8	-36.0	13.8	17.4	7.0	12.3	19.3
MAY	11.0	5.3	1.8	9.9	18.3	3.4	-43.8	13.0	13.8	5.2	12.2	32.5
JUNE	3.1	-3.2	12.0	9.2	0.0	16.4	28.0	10.9	13.6	7.0	13.8	31.6
JULY	9.3	6.9	9.5	15.2	11.4	18.4	-22.2	13.9	16.8	6.9	34.0	23.1
AUG.	7.7	5.3	-0.3	11.4	21.9	2.7	-67.9	18.0	16.6	8.6	-11.6	15.1
SEPT.	9.2	-1.1	9.2	16.3	22.8	10.9	-35.1	18.0	19.6	8.5	-26.7	12.4
OCT.	9.1	15.8	12.7	17.0	30.0	6.0	-15.2	18.0	19.3	5.1	10.2	17.2
NOV.	7.5	-2.1	14.8	17.3	26.2	9.7	-1.9	15.3	15.8	6.8	-3.4	24.3
DEC.	4.5	9.4	15.9	15.1	28.0	3.7	21.2	13.8	18.8	6.7	-37.3	23.8
1977--JAN.	10.4	4.7	9.8	11.8	21.5	3.2	-3.8	14.2	15.4	6.7	22.8	7.0
FEB.	10.3	-2.6	9.7	10.6	12.3	9.0	3.8	11.4	15.2	6.6	37.8	-2.3
MAR.	5.9	6.2	5.8	9.7	9.9	9.5	-20.9	10.0	18.0	5.0	-13.3	0.0
APR. P	13.1	22.1	6.0	8.5	8.0	8.9	-11.6	10.7	17.7	6.6	3.4	4.7

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	Time and Savings Deposits					Mutual Savings Bank & S&L Shares ^{1/}	Credit Union Shares ^{1/}	Savings Bonds ^{1/}	Short-Term U.S. Gov't Sec ^{1/}	Com-mercial Paper ^{1/}	Non-Deposit Funds	Total Gov't Demand Deposits ^{2/}
			Total	Other Than CD's			CD's							
				Total	Savings	Other								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
ANNUALLY:														
1974	67.8	215.3	418.3	329.3	136.2	193.1	89.0	341.5	27.6	63.3	47.4	40.4	8.4	6.0
1975	73.7	221.0	451.7	369.6	160.5	209.0	82.1	395.2	33.0	67.3	66.4	42.6	8.4	8.3
1976	80.6	232.1	489.8	426.5	201.4	225.1	63.3	457.8	39.0	71.9	68.5	51.4	9.2	11.2
MONTHLY:														
1976--APR.	76.6	225.2	460.0	388.9	176.7	212.2	71.2	414.2	34.9	68.7	69.1	44.3	7.5	7.6
MAY	77.3	226.2	460.7	392.1	179.4	212.8	68.6	418.7	35.3	69.0	69.8	45.5	7.6	7.9
JUNE	77.5	225.6	465.3	395.1	179.4	215.7	70.2	422.5	35.7	69.4	70.6	46.7	8.4	7.8
JULY	78.1	226.9	469.0	400.1	181.1	219.0	68.9	427.4	36.2	69.8	72.6	47.6	8.8	10.1
AUG.	78.6	227.9	468.9	403.9	184.4	219.5	65.0	433.8	36.7	70.3	71.9	48.2	8.9	10.6
SEPT.	79.2	227.7	472.5	409.4	187.9	221.5	63.1	440.3	37.3	70.8	70.3	48.7	8.2	12.0
OCT.	79.8	230.7	477.5	415.2	192.6	222.6	62.3	446.9	37.9	71.1	70.9	49.4	9.0	13.2
NOV.	80.3	230.3	483.4	421.2	196.8	224.4	62.2	452.6	38.4	71.5	70.7	50.4	9.1	13.0
DEC.	80.6	232.1	489.8	426.5	201.4	225.1	63.3	457.8	39.0	71.9	68.5	51.4	9.2	11.2
1977--JAN.	81.3	233.0	493.8	430.7	205.0	225.7	63.1	463.2	39.5	72.3	69.8	51.7	8.3	10.0
FEB.	82.0	232.5	497.8	434.5	207.1	227.4	63.3	467.6	40.0	72.7	72.0	51.6	7.5	11.7
MAR.	82.4	233.7	500.2	438.0	208.8	229.2	62.2	471.5	40.6	73.0	71.2	51.6	7.7	11.2
APR. P	83.3	238.0	502.7	441.1	210.2	230.9	61.6	475.7	41.2	73.4	71.4	51.8	7.7	10.8
WEEKLY:														
1977--MAR.	9	82.3	233.3	499.2	436.9	208.5	228.4	62.4					7.7	11.5
16	82.3	234.9	499.7	437.8	208.7	229.1	62.0						7.5	12.1
23	82.5	233.5	500.5	438.7	208.9	229.8	61.8						8.3	11.2
30	82.9	232.1	501.7	439.1	209.2	229.9	62.5						7.4	9.7
APR.	6	83.2	237.1	503.5	441.1	209.8	231.3	62.4					7.4	8.7
13	82.8	238.6	503.2	441.6	210.4	231.2	61.6						7.8	10.6
20	83.2	237.8	502.0	440.7	210.0	230.7	61.3						7.9	13.4
27P	83.6	239.2	502.5	441.3	210.3	230.9	61.2						7.9	10.6
MAY	4P	83.4	237.8	502.7	441.4	210.7	230.7	61.3					7.3	11.6

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