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.

Content last modified 6/05/2009.

CONFIDENTIAL (FR)

May 1, 1970

MONETARY AGGREGATES AND
MONEY MARKET CONDITIONS

Recent Developments

(1) Both the money supply and the adjusted bank credit proxy have grown at a faster pace from March to April on average than was indicated as consistent with the target path adopted at the last FOMC meeting. At present, the money supply is estimated to have increased in April at a 12.5 per cent annual rate, compared with a 4.0 per cent rate specified earlier. And the average annual rate of growth of the adjusted proxy for the month is estimated at about 14 per cent, compared with a rate of 8 per cent indicated earlier.

(2) The greater strength in the money supply resulted mainly from a private demand deposit bulge at the end of March--partly reflecting statistical aberrations--that turned out to be larger than estimated on the basis of preliminary data available at the previous FOMC meeting. Subsequently, more than two-thirds of the bulge eroded, but this was not quite as rapid a pace as earlier anticipated. The higher average level of the money supply also appeared to be related to a larger than expected demand for cash balances (for more detail see paragraph (7)). Time deposits appeared to be growing more than expected in early April, but around mid-month time deposit growth showed a pronounced slowing reflecting in part the recent rise in short-term interest rates. Treasury

bill rates (on an investment yield basis) generally moved back above ceiling rates on large CD's in the latter part of the month. Growth in deposits was associated, on the asset side of bank balance sheets, with bank financing of an advanced level of Government securities dealers' Treasury bill positions in late March and early April and in bank acquisitions of municipal securities.

Weekly Path of Monetary Aggregates
Compared with Estimated Results

	Adj. Cred. Proxy		Money Supply	
	Apr. 7 Target	Current Estimate	Apr. 7 Target	Current Estimate
Weekly				
April 1	308.8	310.1	204.9	206.8
8	307.9	311.0	202.2	204.7
15	307.6	309.4 p/	202.3	203.8 p/
22	309.2	309.9 p/	201.1	202.5 p/
29	307.9	308.6 e/	202.0	203.0 e/
Monthly averages				
March	306.0	306.2	201.2	201.5
April	308.1	309.8	201.9	203.6
Annual rates of change:				
March to April	8.2%	14.1%	4.2%	12.5%

p/ Preliminary.
e/ Estimated.

(3) Soon after the April 7 meeting it became clear that the money supply and adjusted bank credit proxy paths were running ahead

of the desired patterns for April and also, though to a lesser extent, for the second quarter as a whole (which was taken to be midway between the paths of alternatives A and B in the previous blue book). Consequently, the Desk moved toward achieving a somewhat firmer atmosphere in the money market. Over the 4 statement weeks ending April 29, the Federal funds rate averaged about 8-1/8 per cent, compared with an average of 7-3/4 per cent in the preceding 4-week period. Dealer loan rates rose commensurately to 9 per cent or above. Over the same period weekly average net borrowed reserves fluctuated in a wide $300-$950 million range, while average member bank borrowings ranged between about $500 million and $1 billion--but toward the upper end of these ranges in the later weeks of the period. As money market conditions tightened, both the adjusted credit proxy and the money supply moved back toward the April 7 target path, as can be seen (in the table above) from the narrowing differences as the month progressed between current estimates and target levels.

(4) The increase in the cost of day-to-day funds came at a time when dealer bill inventories were very large and when market demands for bills were not strengthening as much as expected. Moreover, the market interpreted the rise in day-to-day financing rates as indicating that the System's concern with monetary aggregates might lead to tighter credit conditions than had been earlier anticipated. Under these circumstances, and with the outlook for the economy also appearing a little stronger and fiscal policy seeming to shift toward less restraint, dealers sought aggressively to lighten their positions.

Treasury bill rates adjusted sharply higher; the 3-month Treasury bill, for example, was most recently bid around 6.85 per cent, some 40 basis points higher than its April 7 level, while the 6-month and 1-year bills were about 7.20 per cent, representing a rise of around 80-90 basis points.

(5) Long-term market interest rates since early April have risen under the influences noted above combined with a continuing record volume of new issues. Yields on corporate, municipal and long-term U.S. Government securities are now close to their 1969 highs. The upward adjustment in yields in the Treasury coupon market also reflected anticipation of the Treasury refunding of about $5 billion of publicly-held mid-May maturing issues at a time when the market was somewhat uncertain as to the meaning of "even keel". The Treasury announced a "rights" exchange into two outstanding intermediate-term issues--one maturing in three years (and priced to yield 7.98 per cent) and the other in just under seven years (yielding 8 per cent)--plus a simultaneous cash offering of $3-1/2 billion of a 7-3/4 per cent 18-month note, priced to yield almost 7.80 per cent. The short note is being offered with 50 per cent tax and loan credit.

(6) The following table summarizes recent seasonally adjusted annual rates of change in major reserve, deposit and credit aggregates in comparison with selected earlier periods:

	Past Year (April over April) p/	Past 6 months (April over October) p/	Past 3 months (April over January) p/	April p/
Total Reserves	-0.1	4.4	2.3	19.0
Nonborrowed Reserves	0.4	6.6	4.9	22.9
Money Supply	2.8	4.5	5.0	12.5
Time and savings deposits	-2.2	4.4	11.9	21.6
Savings accounts at nonbank thrift institutions	2.1 1/	2.1 1/	5.4 1/	n.a.
Member bank deposits and related sources of funds				
Total member bank deposits (bank credit proxy)	-1.7	4.9	10.7	17.6
Proxy plus Euro-dollars	-1.0	3.1	5.4	14.9
Proxy plus Euro-dollars and other nondeposit sources	n.a.	4.4	6.6	14.1
Commercial bank credit (month end)				
Total loans and investments of all commercial banks	1.1	1.5	3.7	4.5
L&I plus loans sold outright to affiliates and foreign branches	n.a.	2.5	4.6	4.4

NOTE: All items are average of daily figures (with "other nondeposit sources" based on an average for the month of Wednesday data), except the commercial bank credit series which are based on total outstanding on last Wednesday of month. All additions to the total member bank deposit series are seasonally unadjusted numbers, since data have not been available for a long enough time to make seasonal adjustments.

1/ Through March 1970 only.

p/ Preliminary.

n.a. Not available.

Prospective Developments

(7) If the Committee wishes to continue on the policy course adopted at the previous meeting, it may wish to renew the second paragraph of the directive issued then, with certain modifications, as follows:

> To implement this policy, the Committee desires to see moderate growth in money and bank credit over the months ahead. System open market operations until the next meeting of the Committee shall be conducted with a view to maintaining BANK RESERVES AND money market conditions consistent with that objective, taking account of the CURRENT ~~forthcoming~~ Treasury financing.

Moderate growth in money and bank credit at the last meeting of the Committee appeared to encompass an annual rate of increase for the money stock of around 3 per cent over the second quarter and a 5-1/2 per cent annual rate of growth for the adjusted bank credit proxy--although comments at the Committee meeting indicated that a reasonable range of variation around such a growth path was tolerable. Developments since the last meeting of the Committee suggest that the demand for money in the second quarter, at the given prospective growth in GNP, may have been underestimated. If so, the interrelationships among money growth, interest rates, and bank credit expansion contemplated at the time of the previous meeting may not be mutually consistent--but, in view of short-run instabilities in financial flows, it is extremely difficult to evaluate how permanent emerging relationships may prove to be. Money demand may be larger than assumed partly because of greater demands for precautionary balances on the part of the public in an uncertain financial market atmosphere, particularly as reflected in the stock market, and perhaps, as the quarter progresses, because of greater transitory holdings of cash balances as a result of the Government pay raise and retroactive social security payments to the public.

(8) If in fact the demand for money is stronger than previously assumed, maintenance of the April 7 target path for money for the second quarter would imply higher interest rates and, therefore, smaller bank credit expansion than targeted on April 7. Conversely, maintenance of the April 7 target path for bank credit would imply more rapid growth in money and lower levels of interest rates. Given below for Committee consideration is an adjusted set of target paths which compromises between these alternatives by allowing for somewhat greater growth in money and somewhat slower growth in bank credit than called for at the April 7 meeting.

	Adjusted Bank Credit Proxy		Money Supply		Total Reserves	
	As of April 7	Adjusted Path	As of April 7	Adjusted Path	As of April 7	Adjusted Path
			Levels in billions of dollars			
March	306.0	306.2	201.2	201.5	27.7	27.7
April	308.1	309.8	201.9	203.6	28.1	28.2
May	307.3	307.8	203.1	204.2	28.1	27.9
June	310.2	309.2	202.7	203.5	27.8	27.8
	Annual percentage rates of change (rounded to nearest half per cent					
March	10	10.5	11.5	13	- 1	--
April	8	14	4	12.5	18	- 19
May	- 3	- 7.5	7	3.5	- 2.5	- 11
June	11.5	5.5	- 2.5	- 4	-10.5	-6.5
Second Quarter	5.5	4	3[1/]	4[1/]	1.5	0.5

1/ March includes 4 days in which transactions through foreign agencies and Edge corporations reduced cash items and thus raised the reported money supply. June will not include such a period. An adjustment to remove the resulting bias in the rate of change over the second quarter would add about 1 percentage point to the quarterly rates shown in table.

(9) The adjusted pattern shown in the paragraph above allows for greater money stock growth over the quarter as a whole than earlier. But in May and June money stock growth drops off sharply, partly in reflection of the reduction in outstanding money stock that has been occurring over the course of April as the late March bulge has been worked off and, in June, partly because of a rise in U.S. Government deposits. In contrast to somewhat greater growth in the money stock over the quarter, the adjusted bank credit proxy rises 1-1/2 percentage points less than specified earlier. This growth rate for the proxy assumes that Treasury bill rates decline from current advanced levels

into a range of about 6-1/2 -- 6-3/4 per cent for the 3-month bill between now and mid-year. It is conceivable that the 3-month bill rate might drop temporarily lower in this interval because of transitory supply scarcities, but it is likely that longer bill rates would not decline as much as short rates over the period ahead since that area of the market will be influenced by the $3-1/2 billion of 18 month notes being offered for cash by the Treasury.

(10) A weekly path for the May monetary aggregates consistent with the monthly "adjusted path" shown in paragraph (8) would be as follows:

Week Ending	Adjusted Bank Credit Proxy	Money Supply	Time Deposits	Total Reserves
April 29 e/	308.6	203.0	198.4	28.1
May 6	308.3	203.0	198.7	28.2
13	307.6	203.9	198.8	28.0
20	307.5	204.6	198.9	27.9
27	307.9	205.0	199.2	27.7

e/ Estimated from partial data.

(11) The weekly pattern shown above assumes that "even Keel" considerations will be important until the mid-May settlement date for the Treasury financing. Thus, the Federal funds rate is expected to remain in the 8 to 8-1/2 per cent range that has prevailed recently. After the even keel period, somewhat more fluctuation in the Federal funds rate may be expected, perhaps in a 7 to 9 per cent range, as the Desk reacts to possible off-target developments in the monetary aggregates. Net borrowed reserves may fluctuate widely in an $0.5 to $1.0 billion range, with member bank borrowing in a $0.6 to $1.1 billion range.

(12) The weekly behavior of the monetary aggregates and money market conditions subsequent to the even keel period will depend heavily on the results of the Treasury financing. The weekly path of aggregates shown in paragraph (10) assumes an attrition of $2.5 billion (or a shade above 50 per cent); net new cash borrowing by the Treasury, therefore, would amount to $1.0 billion. If the attrition is larger and the Treasury obtains less new cash than estimated, a different weekly pattern in the path of the aggregates would be likely, with money supply perhaps strengthening as Government deposits increase less than expected.

(13) Time deposit growth over the quarter is likely to be significantly slower than contemplated four weeks ago. The rate of increase in such deposits would be expected to diminish sharply to about a 5-1/2 per cent annual rate in May and June from the rapid 18 per cent March-April rate. Banks would not be able to attract much in the way of additional domestic CD money at the interest rate levels noted above. Consumer-type time deposits are still likely to be a source of funds, but growth is estimated to be modest in light of the need to pay for the AT&T issue and in view of the competition from the new 18-month Treasury cash issue (which is sold in minimum denominations of $1,000). The time deposit pattern implicit in the target path for bank credit suggested in paragraph (8) is shown below:

Time and Savings Deposits

	Levels ($ billion)	Annual rate of change
March	194.3	14.4
April	197.8	21.5
May	198.9	6.5
June	199.6	4
Second Quarter		11

(14) With time deposit growth more constrained, banks once again will probably be adding to nondeposit sources of funds--perhaps at around a $100 million per week rate for Euro-dollar and commercial paper taken together. Since these are relatively costly funds, however, the extent to which they will in fact add to such borrowings would appear to depend heavily on loan demands. Loan growth is assumed to strengthen from the relatively weak pattern indicated for March and April partly because the 8 per cent prime rate has become relatively more attractive to borrowers.

(15) Given the adjusted pattern of monetary aggregates, it is likely that the pressure of credit demand in long-term markets will keep bond yields at relatively advanced levels through mid-year. Reception of the Treasury financing will be an important factor affecting credit markets; for instance, an unusually strong aversion to the longer options in the exchange would suggest that even current market rates are not sustainable. On the other hand, once the AT&T offering is settled and the Treasury financing is digested, there may be room for longer-term rates to edge down, particularly if some of the recent pressures in short-term markets abate and banks are not inhibited from active participation in the municipal securities markets.

Table 1

MARGINAL RESERVE MEASURES
(Dollar amounts in millions, based on period averages of daily figures)

Period	Free reserves	Excess reserves	Member Banks Borrowings: Total	Reserve City: Major banks: 8 N.Y.	Reserve City: Major banks: Outside N.Y.	Reserve City: Other	Country
Monthly (reserves weeks ending in):							
1969--January	- 477	359	836	131	302	149	253
February	- 580	256	836	62	255	215	304
March	- 635	202	837	58	233	254	293
April	- 844	187	1,031	85	411	260	275
May	-1,116	243	1,359	123	346	397	493
June	-1,078	277	1,355	57	459	288	550
July	-1,045	266	1,311	89	250	364	608
August	- 997	214	1,211	81	253	256	621
September	- 744	282	1,026	83	236	222	485
October	- 995	195	1,190	106	327	293	464
November	- 975	238	1,213	120	387	250	456
December	- 849	278	1,127	268	310	220	329
1970--January	- 759	169	928	148	287	232	261
February	- 916	210	1,126	106	317	289	414
March	- 751	129	880	90	225	287	278
April p	- 726	140	866	227	331	120	188
Weekly:							
1969--Sept. 3	- 838	402	1,240	57	286	233	664
10	- 349	391	740	64	39	172	465
17	- 886	132	1,018	128	331	136	423
24	- 901	204	1,105	83	306	328	388
Oct. 1	-1,116	320	1,436	95	531	257	553
8	- 828	139	967	170	112	267	418
15	-1,129	218	1,347	210	396	302	439
22	- 857	158	1,015	--	275	344	396
29	-1,099	80	1,179	53	322	293	511
Nov. 5	-1,032	296	1,328	121	422	295	490
12	- 873	371	1,244	350	296	189	409
19	- 925	146	1,071	--	390	260	421
26	-1,072	138	1,210	8	438	260	504
Dec. 3	- 988	203	1,191	266	307	241	379
10	- 903	297	1,200	293	264	264	379
17	- 946	98	1,044	164	296	301	296
24	- 832	264	1,096	296	356	150	292
31	- 576	528	1,104	319	334	153	29[illegible]
1970--Jan 7	- 567	285	852	196	327	87	24[illegible]
14	- 788	77	865	234	281	188	162
21	- 760	203	963	75	340	296	252
28	- 918	112	1,030	86	200	358	386
Feb. 4	-1,047	211	1,258	75	383	317	483
11	- 862	207	1,069	130	351	267	321
18	- 861	249	1,110	218	261	246	385
25	- 893	172	1,065	--	271	329	465
Mar. 4	- 638	198	836	32	46	419	339
11	- 861	71	932	169	349	190	224
18	- 667	150	817	146	216	185	270
25	- 840	96	936	11	289	357	279
Apr. 1	- 610	339	949	232	264	161	292
8	- 317	179	496	--	269	49	178
15 p	- 946	74	1,020	322	509	48	141
22 p	- 833	138	971	517	252	83	119
29 p	- 925	-32	893	63	361	260	209

p - Preliminary.

AGGREGATE RESERVES AND MONETARY VARIABLES
Retrospective Changes, Seasonally Adjusted
(In per cent, annual rates based on monthly averages of daily figures)

Period	Reserve Aggregates			Monetary Variables					
					Money Supply				
	Total Reserves	Nonborrowed Reserves	Required Reserves	Total Member Bank Deposits	Total	Currency	Private Demand Deposits	Commercial bank time deposits adjusted	Credit Proxy + Euro-dollars + other nondep sources of funds
Annually									
1968	+ 7.8	+ 6.0	+ 7.9	+ 9.0	+ 7.2	+ 7.4	+ 7.1	+11.5	n.a
1969	- 1.6	- 3.0	- 1.2	- 4.0	+ 2.5	+ 5.8	+ 1.5	- 5.3	n.a.
Semi-annually									
1st Half 1969	+ 0.7	- 3.7	+ 1.0	- 3.5	+ 4.3	+ 6.5	+ 3.7	- 4.0	n.a.
2nd Half 1969	- 3.9	- 2.4	- 3.3	- 4.6	+ 0.6	+ 4.9	- 0.6	- 6.7	- 1.2
Quarterly									
1st Quarter 1968	+ 7.9	+ 1.1	+ 7.5	+ 7.3	+ 5.5	+ 6.9	+ 5.4	+ 7.6	
2nd Quarter 1968	+ 1.5	+ 2.1	+ 1.8	+ 1.4	+ 8.7	+ 7.8	+ 8.7	+ 3.0	
3rd Quarter 1968	+11.5	+15.0	+11.5	+13.6	+ 6.8	+ 7.6	+ 6.8	+16.5	
4th Quarter 1968	+ 9.6	+ 5.3	+ 9.8	+12.7	+ 7.1	+ 6.6	+ 7.0	+17.3	
1st Quarter 1969	+ 0.1	- 2.8	+ 1.7	- 4.8	+ 4.1	+ 6.5	+ 3.2	- 5.1	
2nd Quarter 1969	+ 1.2	- 4.7	+ 0.2	- 2.2	+ 4.5	+ 6.3	+ 4.2	- 3.0	n.a.
3rd Quarter 1969	- 9.3	- 4.8	- 8.6	- 9.4	--	+ 3.6	- 1.3	-13.3	- 4.0
4th Quarter 1969	+ 1.4	- 0.1	+ 2.0	+ 0.1	+ 1.2	+ 6.2	--	--	+ 2.0
1st Quarter 1970 p	- 2.9	- 0.4	- 2.5	+ 0.5	+ 3.8	+ 7.0	+ 2.9	+ 0.4	+ 0.7
Monthly									
1968--April	- 6.9	- 6.9	- 5.2	- 5.2	+ 5.9	+ 5.8	+ 5.0	+ 3.2	
May	+ 2.5	+ 0.9	- 0.6	+ 2.2	+11.0	+ 8.7	+12.3	+ 3.2	
June	+ 8.8	+12.3	+11.3	+ 7.3	+ 9.0	+ 8.7	+ 8.3	+ 2.6	
July	+ 7.6	+13.8	+ 9.4	+ 9.4	+ 8.9	+ 5.7	+ 9.8	+15.9	
August	+22.4	+22.4	+22.3	+22.2	+ 8.9	+ 8.6	+ 8.9	+17.0	
September	+ 4.3	+ 8.3	+ 2.6	+ 8.8	+ 2.5	+ 8.5	+ 1.6	+16.1	
October	+ 8.5	+ 9.2	+10.4	+13.3	+ 2.5	+ 2.8	+ 2.4	+18.3	
November	+ 7.9	+ 1.3	+ 8.4	+11.5	+11.3	+11.2	+11.3	+16.2	
December	+12.1	+ 5.3	+10.2	+13.0	+ 7.4	+ 5.6	+ 7.2	+16.6	
1969--January	+ 7.5	+ 4.5	+12.7	- 3.2	+ 6.2	+ 2.8	+ 7.1	-10.0	
February	- 3.4	- 4.9	- 3.0	- 1.2	+ 3.1	+ 8.3	+ 1.6	- 4.7	
March	- 3.8	- 8.0	- 4.4	-10.1	+ 3.1	+ 8.2	+ 1.6	- 0.6	
April	- 8.5	-12.0	- 5.0	+ 4.9	+ 7.9	+ 2.7	+10.2	--	
May	+19.9	+ 6.0	+14.3	- 1.2	+ 1.2	+ 8.1	- 1.6	- 3.6	
June	- 7.6	- 8.2	- 8.6	-10.2	+ 4.2	+ 8.1	+ 3.1	- 5.4	
July	-22.5	-19.3	-17.6	-18.9	+ 1.8	+ 5.4	+ 1.6	-18.5	- 7.0
August	- 5.6	- 2.8	- 7.6	-11.3	- 1.8	+ 8.0	- 4.7	-19.4	- 7.5
September	--	+ 7.7	- 0.8	+ 1.7	--	- 2.6	- 0.8	- 2.5	+ 1.6
October	-11.7	-17.9	-10.4	- 9.2	+ 0.6	+10.6	- 0.8	- 3.7	- 7.9
November	+ 9.7	+ 5.5	+ 9.3	+ 9.7	+ 1.2	+ 7.9	- 1.6	- 0.6	+12.7
December	+ 6.3	+12.1	+ 6.9	--	+ 1.8	--	+ 2.3	+ 4.3	+ 1.6
1970--January	+ 3.1	+ 7.2	+ 5.0	- 4.2	+ 9.0	+ 5.2	+10.1	-12.4	- 3.5
February	-12.0	-15.6	-12.9	- 8.0	-10.7	+ 7.8	-15.5	- 0.6	- 5.1
March	--	+ 7.5	+ 0.6	+14.0	+13.2	+ 7.8	+14.1	+14.4	+10.7
April p	+19.0	+22.9	+22.2	+17.6	+12.5	+10.3	+12.4	+21.6	+14.1

p - Preliminary.

Table 3

AGGREGATE RESERVES AND MONETARY VARIABLES
Seasonally Adjusted

(Based on monthly averages of daily figures)

Period	Reserve Aggregates 5/			Member Bank Deposits Supported by Required Reserves				Money Supply			Commercial bank time deposits adjusted 4/	Credit Proxy + Euro-dollars + other nondep. sources of funds
	Total reserves	Nonborrowed reserves	Required reserves	Total member bank deposits	Time deposits	Private demand deposits 1/	U.S. Gov't. demand deposits	Total	Currency 2/	Private demand deposits 3/		
	(In millions of dollars)			(In billions of dollars)								
Monthly:												
1968--January	26,134	25,818	25,774	275.1	149.9	119.7	5.4	182.6	40.6	142.0	184.1	
February	26,352	25,961	25,989	277.4	150.2	120.1	7.1	183.3	40.7	142.6	185.8	
March	26,451	25,755	26,078	278.5	151.2	120.6	6.7	184.2	41.1	143.2	187.2	
April	26,298	25,606	25,964	277.3	151.3	120.8	5.2	185.1	41.3	143.8	187.7	
May	26,353	25,626	25,952	277.8	151.5	122.7	3.7	186.8	41.6	145.3	188.2	
June	26,547	25,889	26,196	279.5	151.8	123.8	3.9	188.2	41.9	146.3	188.6	
July	26,715	26,186	26,402	281.7	153.8	125.2	2.7	189.6	42.1	147.5	191.1	
August	27,213	26,675	26,893	286.9	156.5	125.6	4.8	191.0	42.4	148.6	193.8	
September	27,311	26,860	26,951	289.0	158.9	124.8	5.3	191.4	42.7	148.8	196.4	
October	27,504	27,066	27,185	292.2	161.5	125.7	5.0	191.8	42.8	149.1	199.4	
November	27,685	27,095	27,376	295.0	163.5	126.8	4.7	193.6	43.2	150.5	202.1	
December	27,964	27,215	27,609	298.2	165.8	128.2	4.2	194.8	43.4	151.4	204.9	
1969--January	28,139	27,318	27,902	297.0	163.2	128.4	5.4	195.8	43.5	152.3	203.2	
February	28,060	27,206	27,832	296.7	161.0	129.1	6.7	196.3	43.8	152.5	202.4	
March	27,972	27,024	27,729	294.2	160.5	128.9	4.8	196.8	44.1	152.6	202.3	
April	27,775	26,754	27,614	295.4	160.1	129.4	5.9	198.1	44.2	154.0	202.3	
May	28,235	26,888	27,942	295.1	159.3	130.0	5.9	198.3	44.5	153.8	201.7	
June	28,056	26,705	27,742	292.6	158.1	130.5	4.0	199.0	44.8	154.2	200.8	307.5
July	27,530	26,275	27,334	288.0	155.1	130.5	2.4	199.3	45.0	154.4	197.7	305.7
August	27,401	26,214	27,161	285.3	152.5	129.9	2.9	199.0	45.3	153.8	194.5	303.8
September	27,402	26,383	27,144	285.7	152.1	129.2	4.4	199.0	45.2	153.7	194.1	304.2
October	27,354	26,210	27,129	283.5	151.5	128.9	3.1	199.1	45.6	153.6	193.5	302.2
November	27,783	26,538	27,548	285.8	151.1	129.1	[illegible]	199.3	[illegible]	[illegible]	[illegible]	305.5
December	27,928	26,806	27,707	285.8	151.5	129.4	4.9	199.6	45.9	153.7	194.1	305.7
1970--January	28,001	26,966	27,823	284.8	149.4	130.1	5.1	201.1	46.1	155.0	192.1	304.8
February	27,722	26,615	27,523	282.9	148.8	128.5	5.6	199.3	46.4	153.0	192.0	303.5
March	27,723	26,782	27,336	286.2	150.6	129.8	5.9	201.5	46.7	154.8	194.3	306.2
April p	28,163	27,293	28,046	290.4	153.4	131.7	5.3	203.6	47.1	156.4	197.8	309.8

1/ Private demand deposits include demand deposits of individuals, partnerships, and corporations and net interbank deposits

2/ Includes currency outside the Treasury, the Federal Reserve, and the vaults of all commercial banks

3/ Includes (1) demand deposits at all commercial banks, other than those due to domestic commercial banks and the U S Government, less cash items in process of collection and Federal Reserve float; and (2) foreign demand balances at Federal Reserve Banks.

4/ Excludes interbank and U.S. Government time deposits.

5/ Includes increases in required reserves due to changes in Regulations M and D of approximately $400 million since October 16, 1969.

Table 4
AGGREGATE RESERVES AND MONETARY VARIABLES
Seasonally Adjusted

Period	Reserve aggregates: Total reserves	Reserve aggregates: Nonborrowed reserves	Reserve aggregates: Required reserves	Member Bank Deposits Supported by Required Reserves: Total member bank deposits	Member Bank Deposits Supported by Required Reserves: Time deposits	Member Bank Deposits Supported by Required Reserves: Private demand deposits 1/	Member Bank Deposits Supported by Required Reserves: U.S. Gov't demand deposits	Money Supply: Total	Money Supply: Currency 2/	Money Supply: Private demand deposits 3/	Commercial bank time deposits adjusted 4/	Credit Proxy + Euro-dollars + other nondep. sources of funds
	(In millions of dollars)			(In billions of dollars)								
1969--Sept. 3	27,409	26,194	26,957	285.8	151.9	130.7	3.2	199.5	45.5	154.0	194.0	304.3
10	27,325	26,687	27,059	283.7	151.9	129.7	2.2	199.3	45.1	154.2	193.9	302.3
17	27,370	26,364	27,238	287.1	152.0	129.8	5.2	199.6	45.3	154.3	194.2	305.7
24	27,236	26,199	26,982	285.0	152.2	128.6	4.1	198.3	45.3	153.0	194.0	303.4
Oct. 1	27,717	26,362	27,417	284.2	152.3	128.1	3.8	198.3	45.2	153.1	194.3	302.4
8	27,233	26,291	27,044	283.7	151.9	128.8	3.0	199.6	45.4	154.3	193.9	301.9
15	27,260	25,975	27,059	281.9	151.4	127.8	2.7	198.7	45.6	153.0	193.6	300.7
22	27,547	26,520	27,263	284.1	151.3	129.7	3.1	199.9	45.7	154.3	193.3	303.2
29	27,238	25,989	27,041	283.4	151.2	129.1	3.2	198.5	45.7	152.8	193.4	302.1
Nov. 5	27,655	26,359	27,360	286.0	151.3	129.3	5.5	198.7	45.7	153.0	193.3	304.7
12	27,565	26,339	27,354	285.9	151.0	129.0	5.9	199.7	45.8	153.9	193.1	305.2
19	27,951	26,829	27,732	285.7	151.0	129.2	5.5	200.1	45.9	154.2	193.2	305.3
26	27,897	26,547	27,637	285.5	151.1	129.1	5.3	199.2	45.9	153.2	193.5	305.8
Dec. 3	27,839	26,588	27,646	287.2	151.3	129.8	6.1	199.3	45.9	153.3	193.8	307.3
10	28,041	26,641	27,619	285.7	151.4	128.7	3.5	198.4	46.0	152.4	193.8	305.9
17	28,020	26,861	27,946	285.5	151.7	128.5	5.2	198.7	46.1	152.7	194.1	305.4
24	27,790	26,718	27,576	284.3	151.8	127.6	5.0	197.8	46.2	151.6	194.3	304.5
31	27,898	27,099	27,713	286.2	151.3	131.3	3.7	203.0	45.8	157.2	193.9	306.1
1970--Jan. 7	28,115	27,148	27,791	286.2	150.6	131.6	4.0	202.5	45.7	156.8	193.2	305.4
14	28,009	27,137	27,939	285.0	149.7	130.6	4.7	202.1	46.0	156.1	192.3	305.0
21	28,061	27,048	27,918	284.8	149.2	130.3	5.3	201.6	46.1	155.5	191.9	305.3
28	27,837	26,682	27,685	284.0	148.6	128.7	6.8	199.1	46.3	152.8	191.4	304.4
Feb. 4	27,959	26,614	27,724	282.8	148.4	128.6	5.8	199.0	46.3	152.7	191.1	303.3
11	27,739	26,720	27,549	282.7	148.4	127.9	6.4	198.5	46.3	152.2	191.4	303.2
18	27,705	26,545	27,512	282.7	148.8	128.6	5.3	199.5	46.4	153.1	192.0	303.3
25	27,597	26,538	27,449	283.2	149.1	128.8	5.4	199.9	46.4	153.4	192.6	303.8
Mar. 4	27,697	26,711	27,394	283.8	149.6	129.3	4.9	200.6	46.5	154.2	193.0	304.1
11	27,518	26,536	27,404	285.4	150.0	129.0	6.4	200.0	46.6	153.4	193.3	305.2
18	27,712	26,869	27,537	284.8	150.3	128.6	5.8	199.9	46.7	153.2	194.1	304.8
25	27,754	26,790	27,690	286.3	151.0	129.6	5.7	200.2	46.8	153.5	194.8	306.3
Apr. 1	27,954	27,005	27,605	290.5	152.0	132.6	5.9	206.8	46.9	159.9	196.0	310.1
8	27,745	27,229	27,566	291.6	152.9	132.8	5.9	204.7	46.9	157.8	197.2	311.0
15 p	28,362	27,332	28,290	289.9	153.8	132.1	4.6	203.8	47.2	156.6	197.5	309.4
22 p	28,428	27,494	28,330	290.7	153.8	130.3	6.6	202.5	47.1	155.4	198.2	309.9
29 p	28,071	27,078	27,983	289.1	153.9	131.0	4.2	203.0	47.3	155.8	198.4	308.6

1/ Private demand deposits include demand deposits of individuals, partnerships, and corporations and net interbank deposits.
2/ Includes currency outside the Treasury, the Federal Reserve, and the vaults of all commercial banks.
3/ Includes (1) demand deposits at all commercial banks, other than those due to domestic commercial banks and the U.S. Government, less cash items in process of collection and Federal Reserve float; and (2) foreign demand balances at Federal Reserve Banks.
4/ Excludes interbank and U.S. Government time deposits.
5/ Includes increases in required reserves due to changes in Regulations M and D of approximately $400 million since October 16, 1969.
p - Preliminary.