

# FEDERAL RESERVE SYSTEM ACTIONS DURING 1970

## Selected Monetary Aggregates

	Per Cent Change	
	11/69 to 11/70	12/68 to 12/69
Federal Reserve Holdings of Government Securities .....	6.9%	9.5%
Federal Reserve Credit .....	4.6	5.2
Total Reserves of Member Banks .....	6.1	-0.1
Monetary Base .....	5.7	3.1
Money Stock .....	5.1	3.1

## Discount Rate

In effect January 1, 1970 .....	6 %
November 11, 1970* .....	5¾
December 1, 1970* .....	5½
In effect December 15, 1970 .....	5½

## Reserve Requirements\*\*

	Percentage Required					
	Net Demand Deposits up to \$5 Million		Net Demand Deposits in Excess of \$5 Million		Time Deposits up to \$5 Million & Savings Deps.	Time Deposits in Excess of \$5 Million
	Reserve City Banks	Other Mem- ber Banks	Reserve City Banks	Other Mem- ber Banks		
In effect Jan. 1, 1970 .....	17	12½	17½	13	3	6
Oct. 1, 1970 .....			17½†	13†		5†
In effect Dec. 15, 1970 .....	17	12½	17½	13	3	5

## Margin Requirements on Listed Stocks

In effect January 1, 1970 .....	80%
May 6, 1970 .....	65%
In effect December 15, 1970 .....	65%

## Maximum Interest Rates Payable on Time & Savings Deposits

Type of Deposit	In Effect Jan. 1, 1970	Jan. 21, 1970	In Effect Dec. 15, 1970
Savings Deposits .....	4 %	4½%	4½%
Other Time Deposits:			
Multiple maturity:			
30-89 days .....	4	4½	4½
90 days to 1 year .....	5	5	5
1 year to 2 years .....	5	5½	5½
2 years and over .....	5	5¾	5¾
Single maturity:			
Less than \$100,000			
30 days to 1 year .....	5	5	5
1 year to 2 years .....	5	5½	5½
2 years and over .....	5	5¾	5¾
\$100,000 and over:			
30-59 days .....	5½	††	††
60-89 days .....	5¾	††	††
90-179 days .....	6	6¾	6¾
180 days to 1 year .....	6¼	7	7
1 year or more .....	6¼	7½	7½

\*Signifies date that first Federal Reserve Bank adjusted discount rate.

\*\*Beginning October 16, 1969, a member bank is required under Regulation M to maintain, against its foreign branch deposits, a reserve equal to 10 per cent of the amount by which (1) net balances due to, and certain assets purchased by, such branches from the bank's domestic offices, and (2) credit extended by such branches to U.S. residents exceed certain specified base amounts. Regulation D imposes a similar 10 per cent reserve requirement on borrowings by domestic offices of a member bank from foreign banks, except that only a 3 per cent reserve is required against such borrowings that do not exceed a specified base amount.

†Beginning October 1, 1970, a member bank is required to maintain reserves against funds received as the result of issuance of obligations by affiliates of the bank, including obligations commonly described as commercial paper; the requirement on such funds with a maturity of (1) less than 30 days is either 17½% or 13%, the same as the requirement on net demand deposits in excess of \$5 million and (2) over 30 days is 5%, the same as the requirement on time deposits in excess of \$5 million. See F. R. Bulletin, September 1970, pp. 721, 722.

††The rates in effect beginning January 21, 1970 through June 23, 1970, were 6¼ per cent on maturities of 30-59 days and 6½ per cent on maturities of 60-89 days. Effective June 24, 1970, maximum interest rates on these maturities were suspended until further notice.

Note: A member bank may not pay a rate in excess of the maximum rate payable by state banks or trust companies on like deposits under the laws of the state in which the member bank is located.