



U.S. FINANCIAL DATA

Week ending September 20, 1967

LIBRARY

MONEY STOCK AND TIME DEPOSITS (Pages 5, 7 and 12)

Both the money stock and time deposits in commercial banks have recently grown at rates substantially above their trends. Over the last nine months the money stock, private demand deposits and currency in the hands of the public, has risen at an annual rate of 7 per cent, double the 3.2 per cent rate from 1960 to 1966. Time deposits at all commercial banks increased at a 17 per cent annual rate, up from the already high 14 per cent rate from 1960 to 1966.

VELOCITY OF MONEY (Page 4)

The income velocity of money, the ratio of GNP to the money stock, has declined from 4.48 in the fourth quarter of 1966 to 4.44 in the second quarter of 1967. Available data indicate a further small decline in the third quarter this year. From 1947 to 1966 this ratio rose at an average annual rate of 4 per cent. The recent decline is similar to those registered from late 1957 to early 1958 and from mid-1960 to early 1961. Late in both of these earlier periods there were marked and sustained increases in money, but after a brief lag spending rose at an even faster rate than money, and income velocity began rising.

INTEREST RATES (Pages 10, 11 and 14)

Reflecting the effects of both Treasury financing and large current and anticipated corporate borrowing, most interest rates have risen in recent months. Short-term yields moved up sharply in June and July from their 1967 lows and since then have held steady or increased slightly. These short-term rates, which are most directly affected by bank

INTEREST RATES (Continued)

credit expansion, are still substantially lower than they were a year ago. Yields on three-month Treasury bills averaged 4.41 per cent in the four weeks ending September 22, down from 5.29 per cent in a similar period last year.

On the other hand, interest rates on most long-term obligations, which are thought to be heavily influenced by market expectations of future rates, are now above year-ago levels. Rates on highest grade corporate bonds averaged 5.66 per cent in the four weeks ending September 22, compared with the high 5.49 per cent of a year ago.

CERTIFICATES OF DEPOSIT (Pages 6 and 13)

A particularly volatile component of time deposits is the large negotiable certificates of deposit. During the first quarter when short-term interest rates were falling, these CD's rose rapidly from their depressed levels of late 1966. During the second quarter the volume of CD's held steady as banks did not actively seek additional funds. Over the last three months CD's at major banks have increased at a rapid 30 per cent annual rate despite a rise in short-term market rates. Banks were able to attract these funds by offering higher interest rates, but now some banks are offering the 5-1/2 per cent maximum rate permitted on CD's of six months and longer.

Rates of change reported in this release are intended to serve as summaries which may be useful in analyzing recent developments.

Prepared by Federal Reserve Bank of St. Louis
Released: September 22, 1967

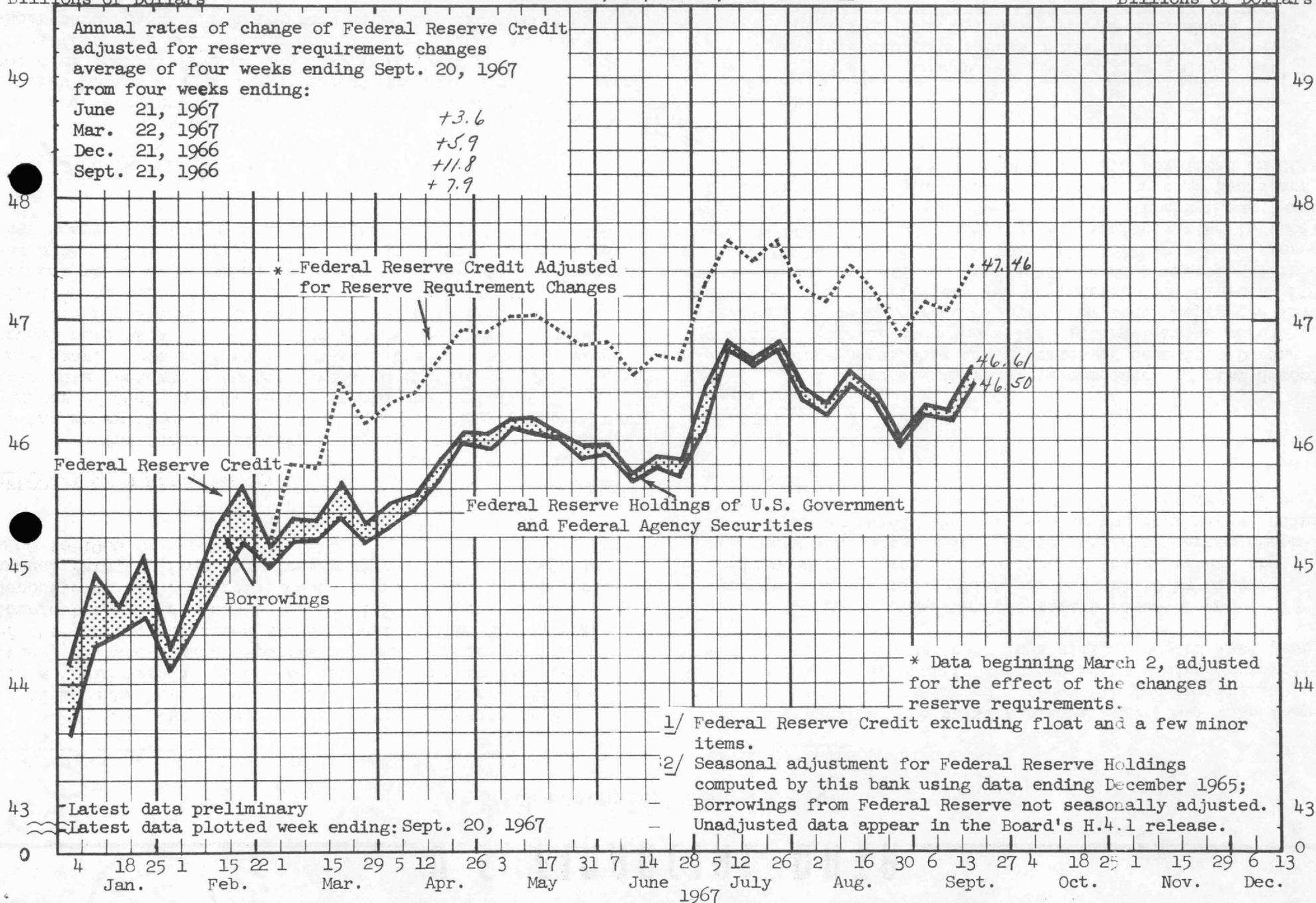
FEDERAL RESERVE CREDIT ¹

Weekly Averages of Daily Figures

Billions of Dollars

Seasonally Adjusted by this Bank ²

Billions of Dollars



RESERVES

All Member Banks in the Nation

Weekly Averages of Daily Figures

Billions of Dollars

Billions of Dollars

24.5

TOTAL RESERVES

Annual rates of change, average of four weeks ending Sept. 20, 1967

from four weeks ending:

June 21, 1967	+8.8
Mar. 22, 1967	+6.4
Dec. 21, 1966	+10.9
Sept. 21, 1966	+6.6

24.0

23.5

23.0

22.5

16.0

15.9

15.8

15.7

15.6

15.5

15.4

15.3

0

Seasonal adjustment computed by this bank using data ending December 1965. Unadjusted data appear in the Board's H.4.1 release.

Reserves Available for Private Demand Deposits

RESERVES AVAILABLE FOR PRIVATE DEMAND DEPOSITS
Annual rates of change, average of four weeks ending Sept. 20, 1967 from four weeks ending:

June 21, 1967	+6.7
Mar. 22, 1967	+6.8
Dec. 21, 1966	+6.6
Sept. 21, 1966	+3.6

Seasonal adjustment factors have been revised to incorporate data through early 1967.

Latest data preliminary
Latest data plotted week ending: Sept. 20, 1967

24.14

16.30

Total

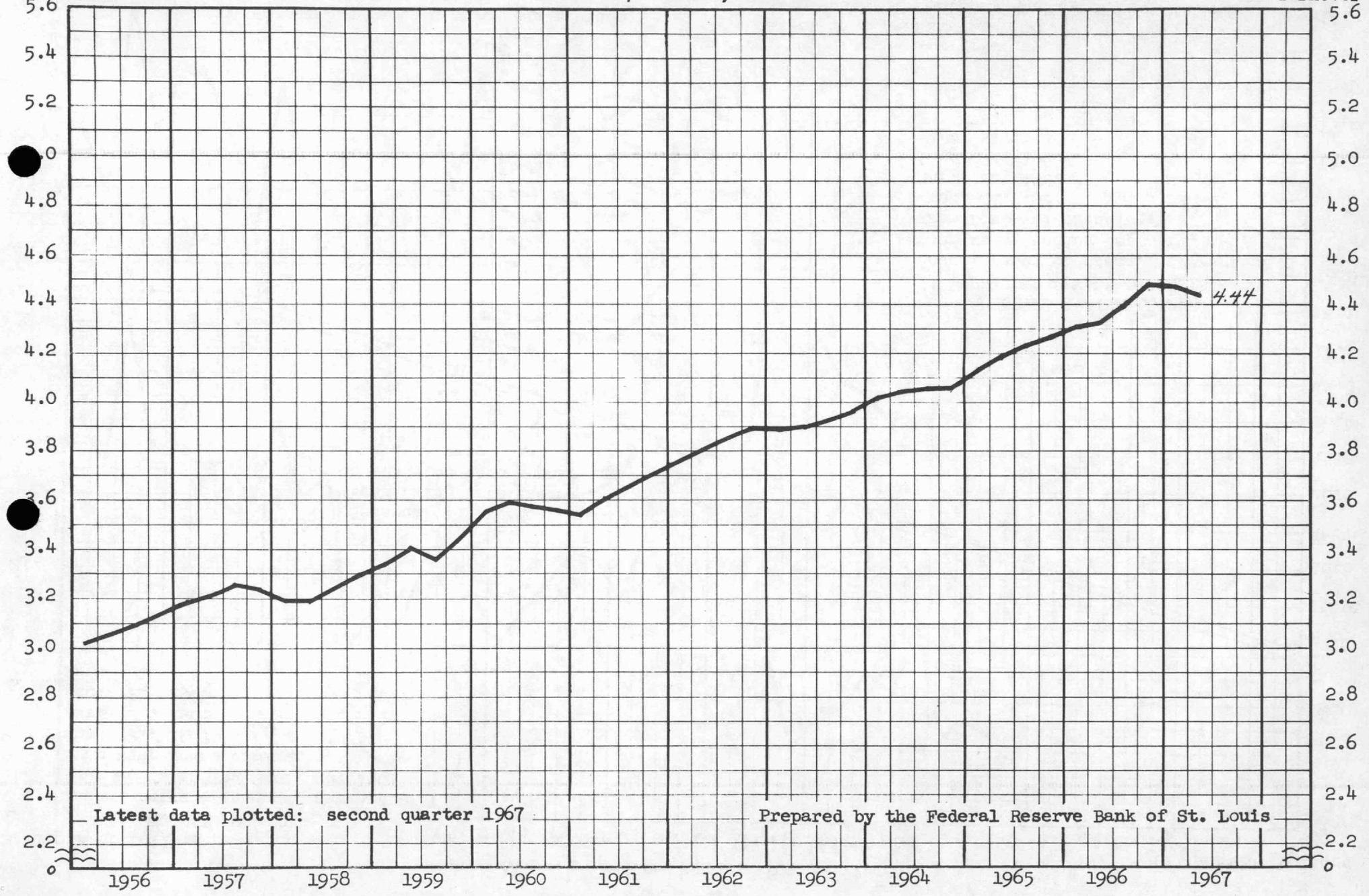
4 18 25 1 15 22 15 29 5 12 26 3 17 31 7 14 28 5 12 26 2 16 30 6 13 27 4 18 25 1 15 29 6 13

1967

Annual Rates
of Turnover
5.6

INCOME VELOCITY OF MONEY GNP/Money Stock

Annual Rates
of Turnover
5.6



Latest data plotted: second quarter 1967

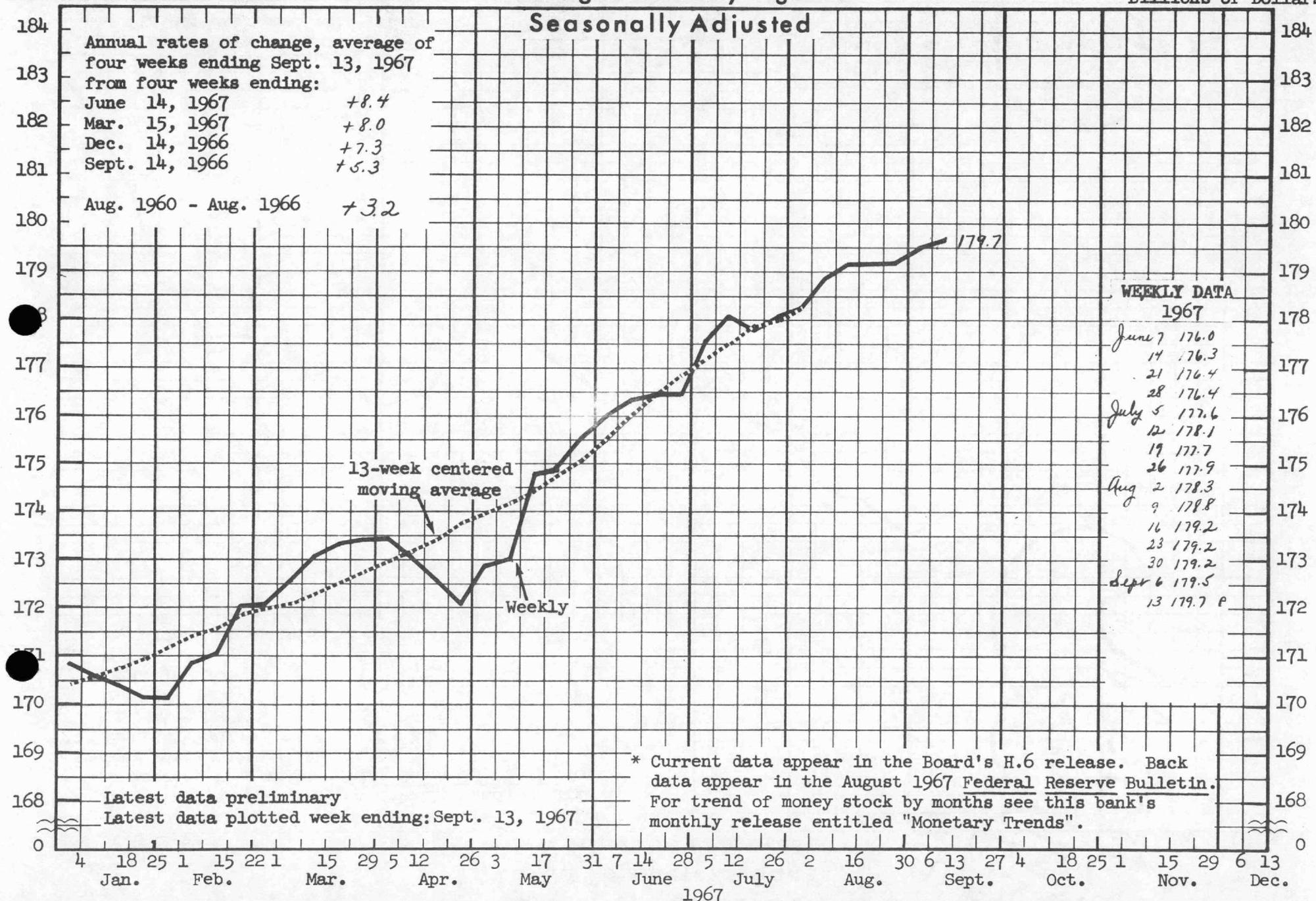
Prepared by the Federal Reserve Bank of St. Louis

MONEY STOCK*

Averages of Daily Figures

Billions of Dollars

Billions of Dollars



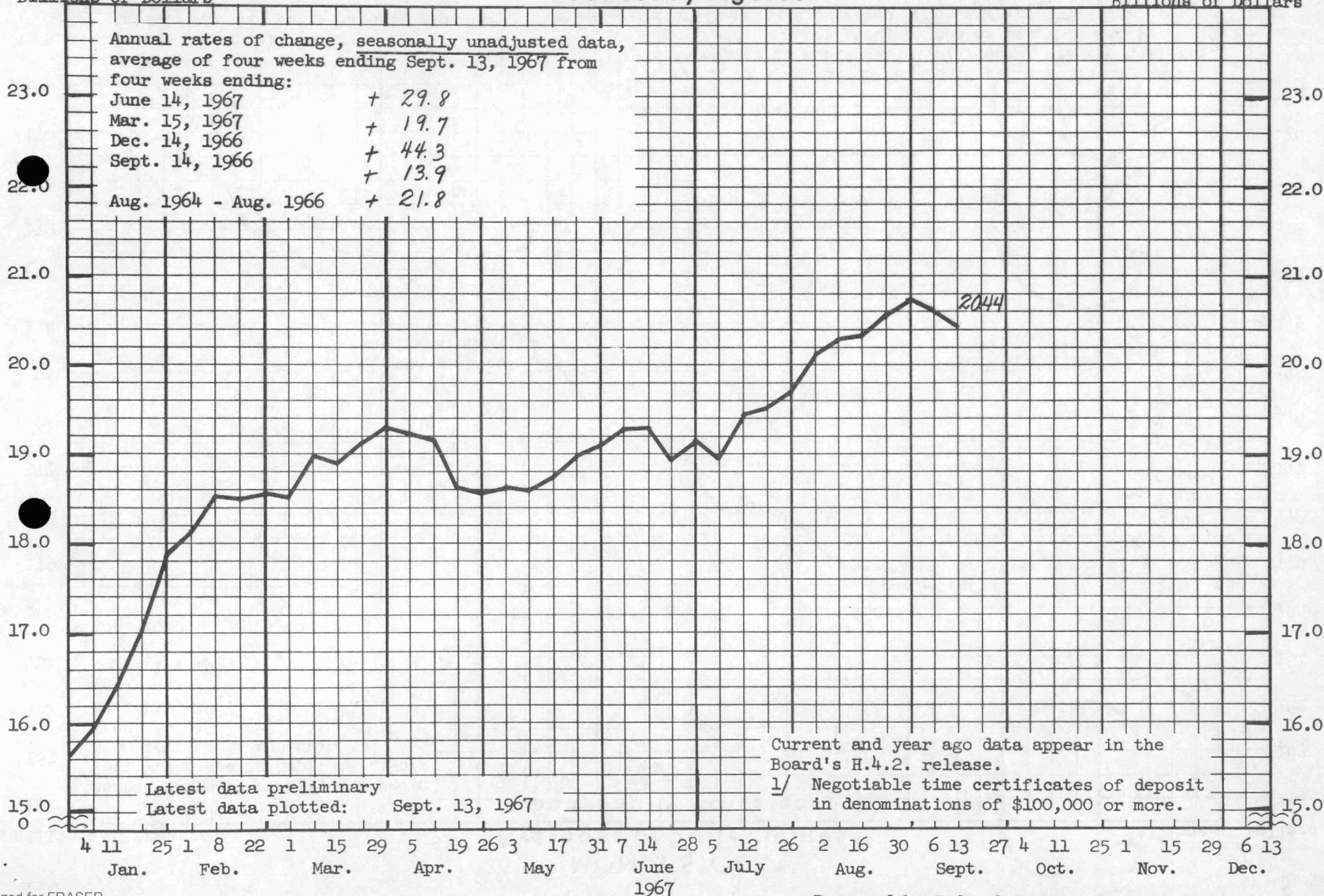
CERTIFICATES OF DEPOSIT ¹

Large Commercial Banks

Wednesday Figures

Billions of Dollars

Billions of Dollars



Latest data preliminary
 Latest data plotted: Sept. 13, 1967

Current and year ago data appear in the Board's H.4.2. release.
^{1/} Negotiable time certificates of deposit in denominations of \$100,000 or more.

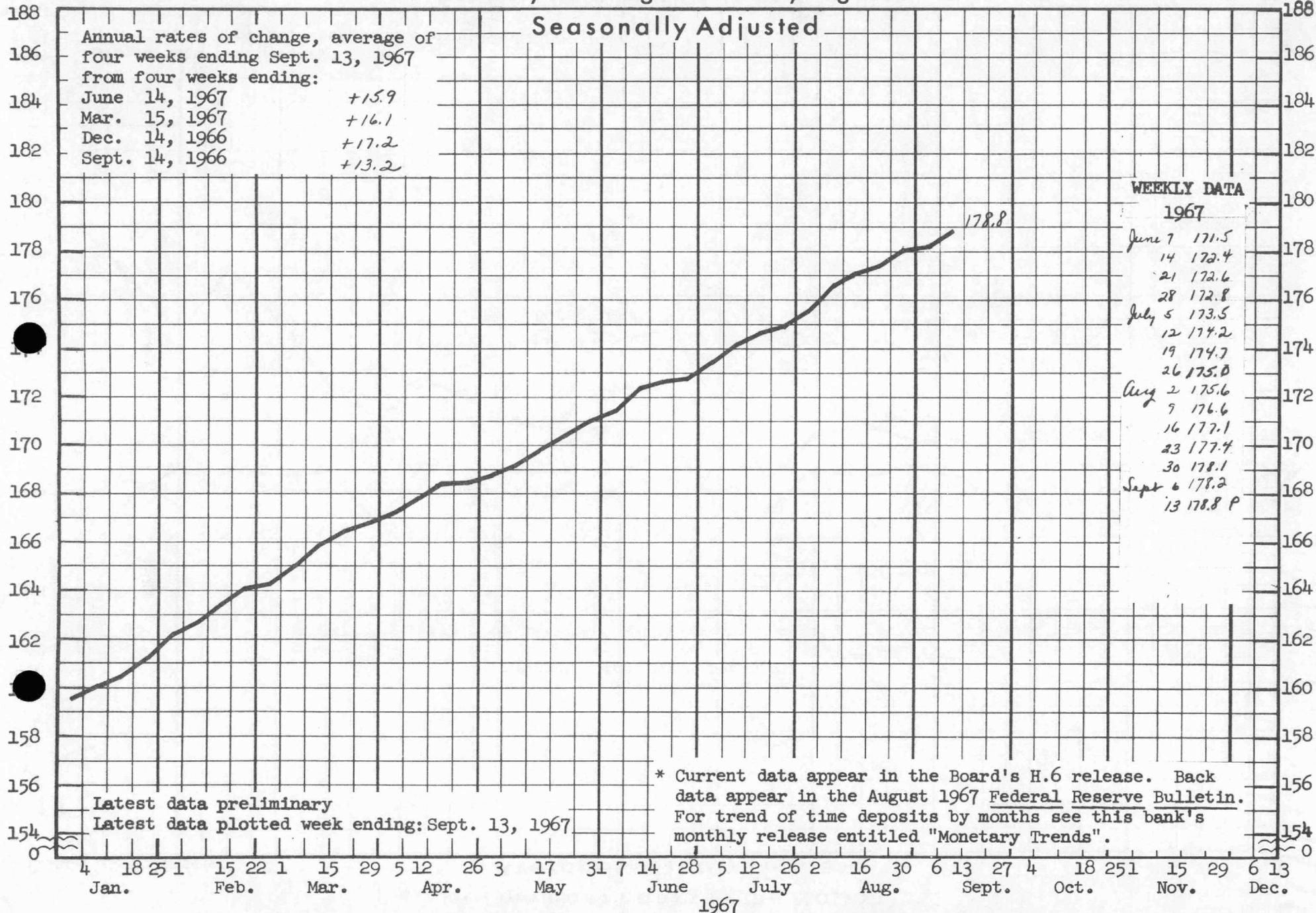
TIME DEPOSITS*

All Commercial Banks

Billions of Dollars

Weekly Averages of Daily Figures

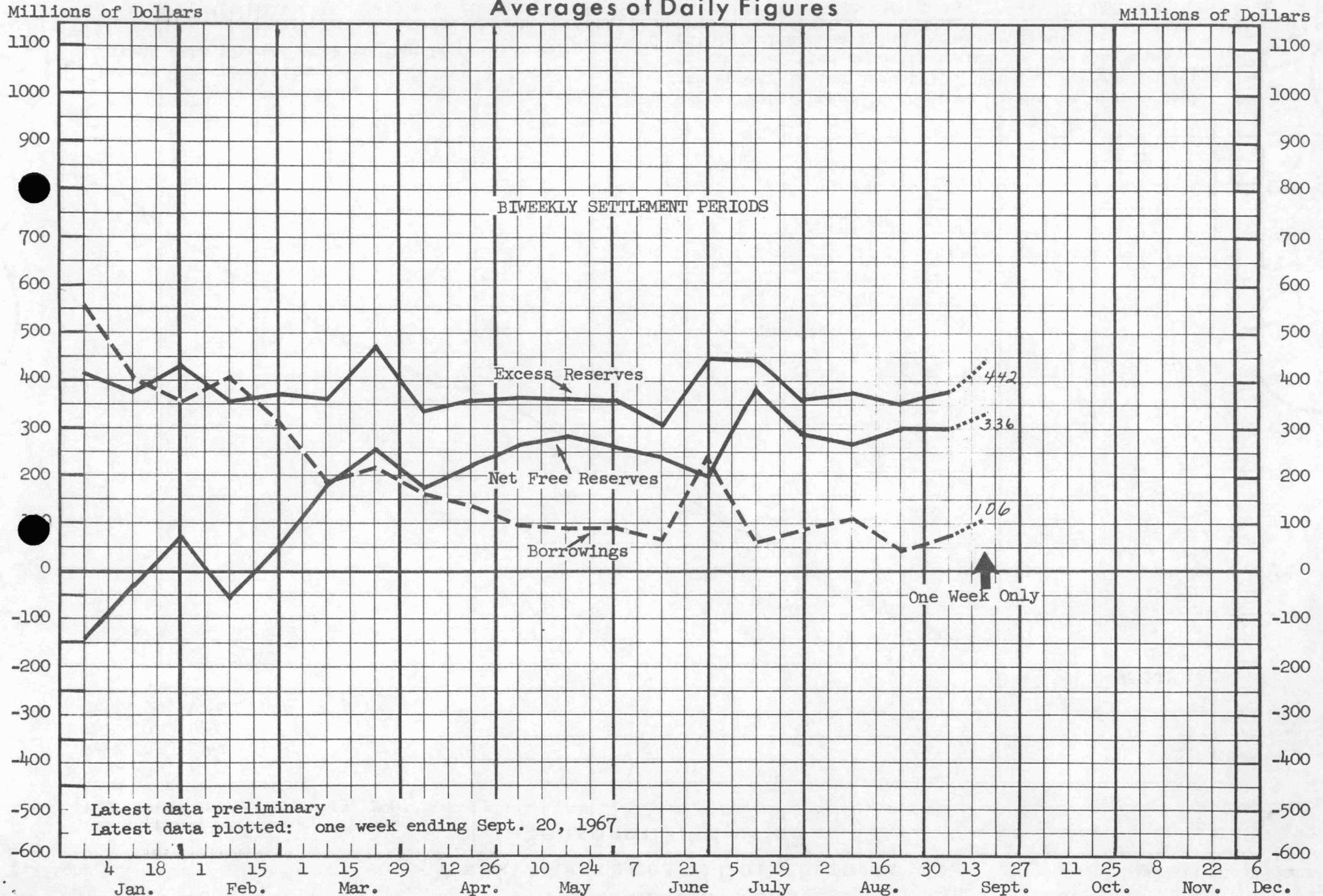
Billions of Dollars



BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures



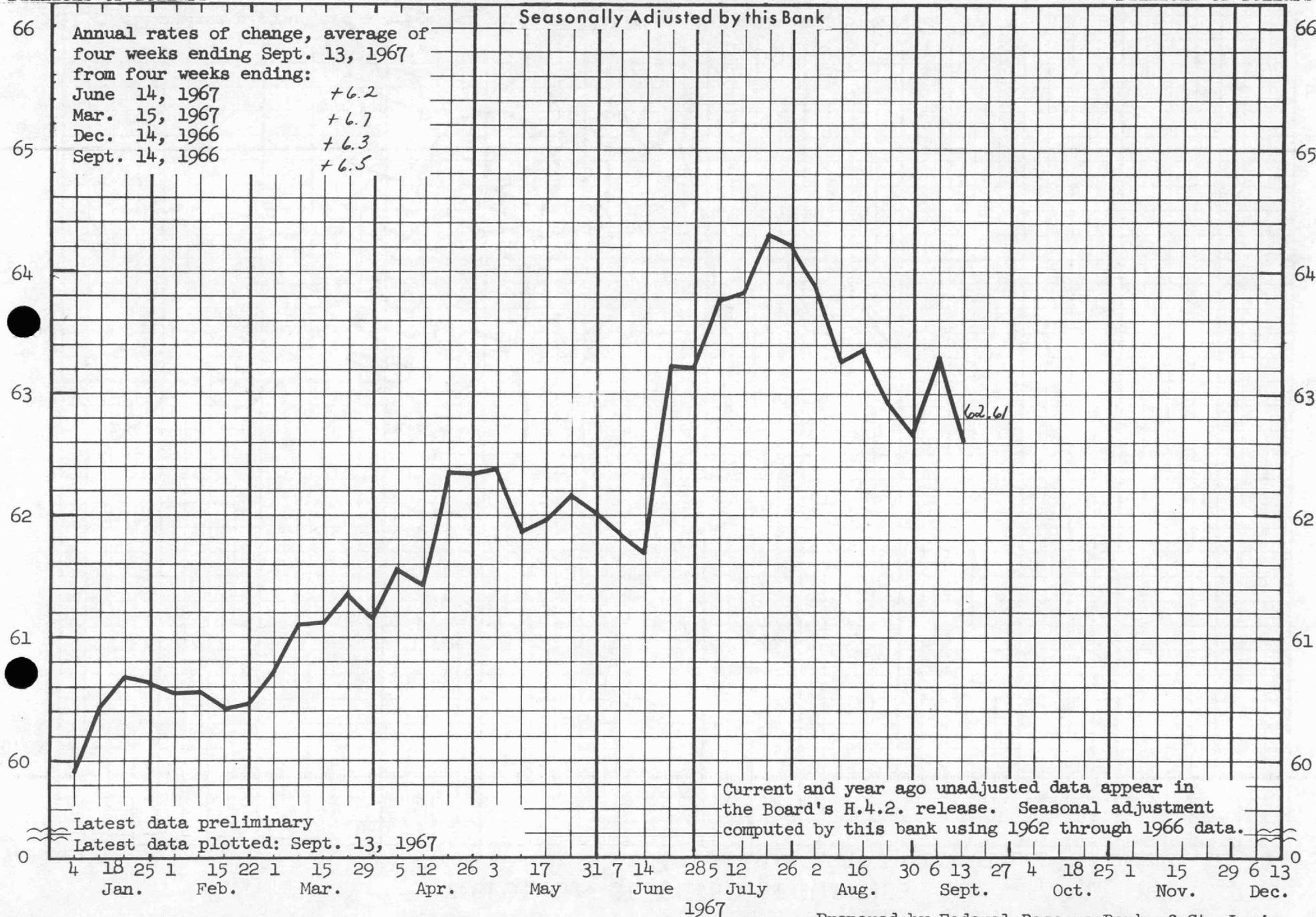
BUSINESS LOANS

Large Commercial Banks

Wednesday Figures

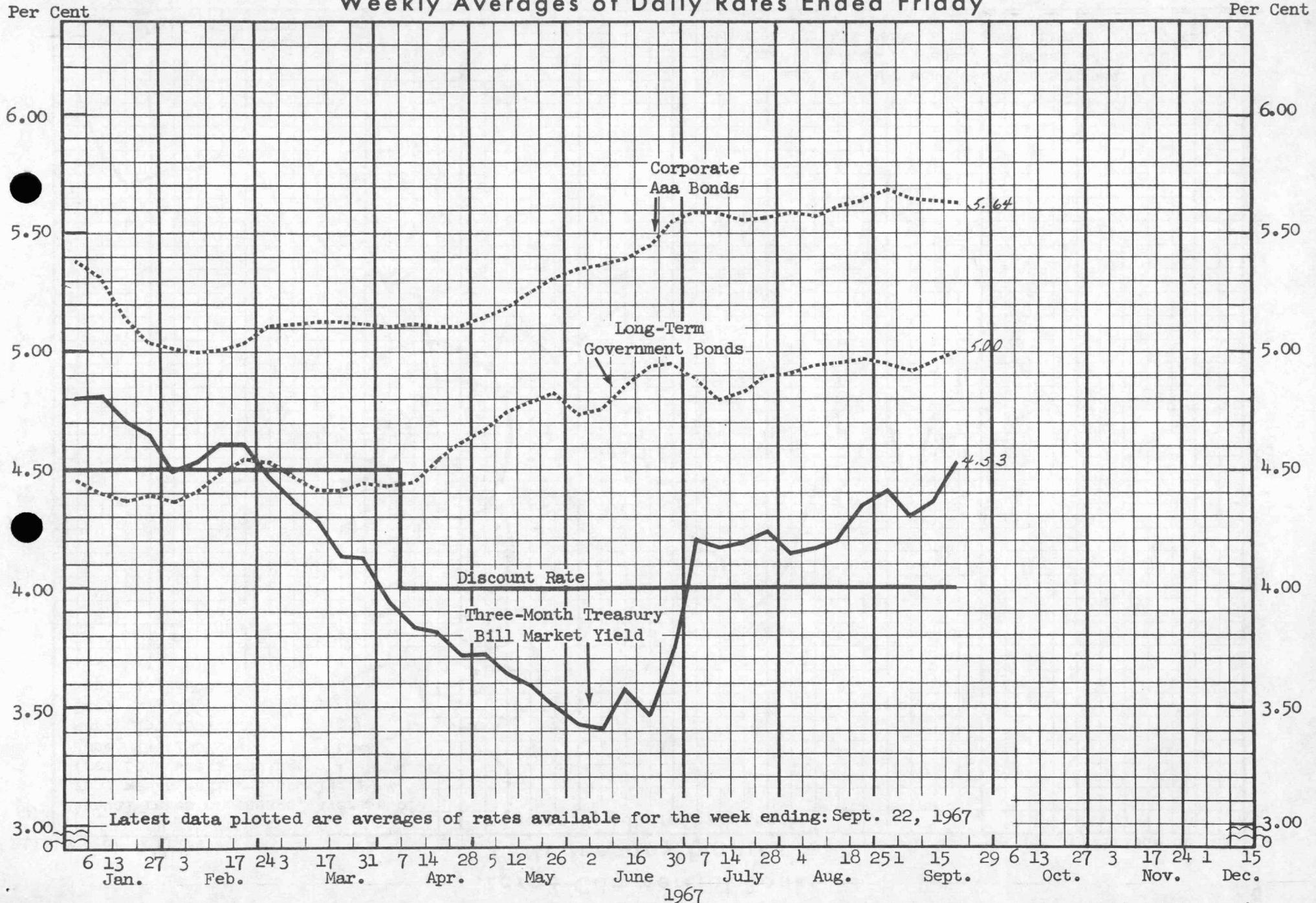
Billions of Dollars

Billions of Dollars



YIELDS ON SELECTED SECURITIES

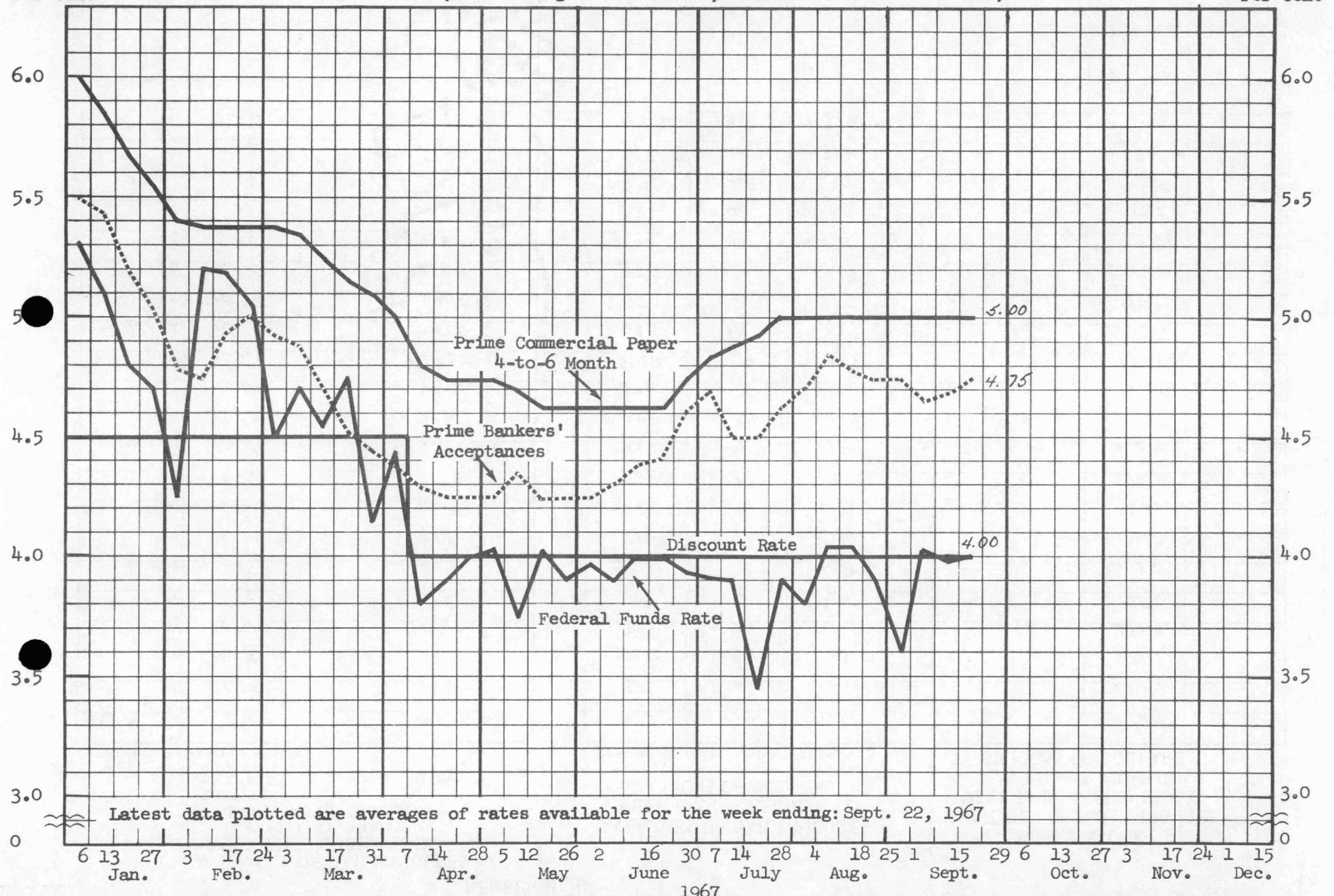
Weekly Averages of Daily Rates Ended Friday



Latest data plotted are averages of rates available for the week ending: Sept. 22, 1967

SELECTED SHORT-TERM INTEREST RATES Weekly Averages of Daily Rates Ended Friday

Per Cent



Latest data plotted are averages of rates available for the week ending: Sept. 22, 1967

MEMBER BANK

12

AVERAGES OF DAILY FIGURES
WEEK ENDING WEDNESDAY
SEASONALLY ADJUSTED
BILLIONS OF DOLLARS

AVERAGES OF DAILY FIGURES
WEEK ENDING WEDNESDAY
MILLIONS OF DOLLARS

MONEY STOCK
AVERAGES OF DAILY FIGURES
WEEK ENDING WEDNESDAY
SEASONALLY ADJUSTED
BILLIONS OF DOLLARS

WEEK ENDING	RESERVES AVAILABLE FOR PRIVATE DEMAND DEPOSITS		TOTAL RESERVES	EXCESS RESERVES BORROWINGS FREE RESERVES					
1967 May 3	15.76		23.79	405	134	+271			172.8
10	15.72		23.66	329	63	+266			173.0
17	16.04		23.58	404	123	+281			174.7
24	15.96		23.42	327	50	+277			174.9
31	16.08		23.46	381	102	+279			175.6
June 7	16.05		23.61	331	77	+254			176.0
14	16.10		23.34	355	43	+312			176.3
21	16.01		23.58	261	91	+170			176.4
28	16.16		23.45	431	141	+290			176.4
July 5	16.31		23.81	462	353	+109			177.6
12	16.54		23.98	643	69	+574			178.1
19	16.06		23.85	236	51	+185			177.7
26	16.26		24.21	432	54	+378			177.8
Aug 2	16.20		24.05	295	116	+179			178.3
9	16.32		24.05	371	91	+280			178.8
16	16.35		23.89	382	129	+253			179.2
23	16.44		23.97	458	47	+411			179.2
30	16.21		23.67	241	46	+195			179.2
Sept 6	16.39		24.15	366	79	+287			179.5
13	16.42		24.09	386	70	+316			179.7 P
20	16.30 P		24.14 P	442 P	106	+336 P			

P - PRELIMINARY

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**BUSINESS LOANS
LARGE COMMERCIAL BANKS**
WEDNESDAY FIGURES
MILLIONS OF DOLLARS

**LARGE CERTIFICATES OF DEPOSIT
LARGE COMMERCIAL BANKS**
WEDNESDAY FIGURES
MILLIONS OF DOLLARS

DATE	UNADJUSTED	SEASONALLY ADJUSTED	DATE	UNADJUSTED	SEASONALLY ADJUSTED	DATE	UNADJUSTED	DATE	UNADJUSTED
1967 Jan 4	60,879	59,920	July 5	64,052	63,797	1967 Jan 4	15,980	July 5	18,953
11	60,912	60,429	12	63,844	63,844	11	16,426	12	19,447
18	60,695	60,695	19	63,857	64,309	18	17,034	19	19,524
25	60,329	60,632	26	63,708	64,222	25	17,856	26	19,696
Feb 1	60,258	60,561	Aug 2	63,445	63,892	Feb 1	18,128	Aug 2	20,118
8	60,213	60,576	9	62,894	63,274	8	18,507	9	20,314
15	60,404	60,404	16	63,056	63,373	15	18,491	16	20,328
22	60,404	60,464	23	62,566	62,944	22	18,551	23	20,570
Mar 1	60,730	60,730	30	62,189	62,691	Mar 1	18,517	30	20,742
8	60,865	61,109	Sept 6	62,238	63,314	8	18,994	Sept. 6	20,610
15	61,966	61,110	13	62,296 P	62,609 P	15	18,901	13	20,438 P
22	62,126	61,389				22	19,119		
29	61,962	61,167				29	19,299		
Apr 5	61,897	61,589				Apr. 5	19,216		
12	61,795	61,426				12	19,146		
19	62,441	62,379				19	18,619		
26	62,345	62,345				26	18,583		
May 3	62,643	62,393				May 3	18,608		
10	62,185	61,876				10	18,604		
17	62,261	61,951				17	18,735		
24	62,042	62,166				24	18,985		
31	61,836	62,022				31	19,077		
June 7	61,478	61,849				June 7	19,289		
14	62,383	61,704				14	19,296		
21	63,860	63,228				21	18,954		
28	63,784	63,215				28	19,153		

P - PRELIMINARY

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON U. S. GOVT. SECURITIES				SELECTED YIELDS					FEDERAL FUNDS	
WEEK ENDING	LONG-TERM	3-5 YEAR	3-MONTH TREAS. BILL	CORPORATE	PRIME COMMERCIAL PAPER	PRIME BANKERS	LARGE 90 DAY CD'S**			
	PER CENT PER ANNUM AVERAGES OF DAILY FIGURES WEEK ENDING FRIDAY			PER CENT PER ANNUM AVERAGES OF DAILY FIGURES WEEK ENDING FRIDAY			FRIDAY FIGURES	PER CENT PER ANNUM AVERAGES OF DAILY FIGURES WEEK ENDING FRIDAY		
1967 Apr 7	4.44	4.36	3.95	5.11	5.00	4.38	4.25		4.43	
14	4.45	4.39	3.84	5.12	4.80	4.28	4.30		3.80	
21	4.54	4.48	3.82	5.11	4.75	4.25	4.30		3.90	
28	4.62	4.58	3.72	5.11	4.75	4.25	4.35		4.00	
May 5	4.67	4.62	3.72	5.16	4.75	4.25	4.50		4.03	
12	4.75	4.67	3.65	5.19	4.70	4.35	4.45		3.75	
19	4.79	4.69	3.59	5.26	4.63	4.25	4.45		4.03	
26	4.83	4.76	3.50	5.31	4.63	4.25	4.50		3.90	
June 2	4.74	4.66	3.43	5.36	4.63	4.25	4.40		3.97	
9	4.76	4.74	3.41	5.37	4.63	4.30	4.63		3.90	
16	4.86	4.96	3.57	5.39	4.63	4.38	4.63		4.00	
23	4.93	5.08	3.47	5.45	4.63	4.40	4.80		4.00	
30	4.95	5.19	3.74	5.56	4.75	4.60	4.80		3.93	
July 7	4.89	5.22	4.20	5.59	4.84	4.69	4.90		3.91	
14	4.80	5.14	4.17	5.59	4.88	4.50	5.00		3.90	
21	4.84	5.16	4.19	5.56	4.93	4.50	5.00		3.45	
28	4.90	5.18	4.24	5.57	5.00	4.63	5.00		3.90	
Aug 4	4.91	5.16	4.15	5.59	5.00	4.70	5.00		3.80	
11	4.95	5.25	4.17	5.58	5.00	4.85	5.00		4.05	
18	4.96	5.28	4.20	5.62	5.00	4.78	4.80		4.05	
25	4.97	5.35	4.35	5.65	5.00	4.75	4.80		3.90	
Sept 1	4.96	5.33	4.41	5.68	5.00	4.75	4.65		3.60	
8	4.93	5.32	4.31	5.66	5.00	4.66	4.70		4.03	
15	4.96	5.39	4.37	5.65	5.00	4.68	4.88		3.98	
* 22	5.00	5.35	4.53	5.64	5.00	4.75			4.00	

*AVERAGES OF RATES AVAILABLE

**SOURCE: SALOMON BROTHERS AND HUTZLER
SECONDARY MARKET RATE ON 90-DAY PRIME CD'S.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS