Week ending October 25, 1967

FEDERAL RESERVE CREDIT

Federal Reserve credit (page 2) averaged $47.6 billion during the four weeks ending October 25, up at a 9 per cent annual rate in the three months since July, and at a 12 per cent rate since January. The principal factor in the expansion of this credit has been System open market purchases of Government securities; member bank borrowings (page 8) declined early in the year and have been negligible since about April. Federal Reserve credit rose at a 7 per cent trend rate from 1957 to 1964, and at a 10 per cent rate from 1964 to 1966.

BANK RESERVES

Total reserves of member banks (page 3) averaged $24.6 billion during the most recent four week period. These reserves, which largely determine the amount of bank credit, have risen at a 10 per cent annual rate since July, the same rate as since January. Recent rates of growth in total reserves are markedly higher than the 3 per cent trend rate from 1957 to 1964, and the 4.5 per cent rate from 1964 to 1966.

Reserves available for private demand deposits (total reserves less reserves required for Government, time and net interbank deposits) have risen at a 2.4 per cent rate since July, and at a rapid 7 per cent rate during the past nine months. The slower rate of growth in these reserves during the past three months reflects an increase in reserves used as backing for Government demand deposits. Reserves available for private demand deposits, which provide a base for monetary expansion, rose at a considerably slower 1.5 per cent rate from 1957 to 1966.

MONEY STOCK

The nation's money stock (page 5), consisting of private demand deposits plus currency in the hands of the public, averaged $180.2 billion during the four weeks ending October 18, up at a 6 per cent annual rate since early July, and at a 7.5 per cent rate since early January. By way of comparison, money rose at a 2 per cent trend rate from 1957 to 1964, and at an accelerated 4 per cent rate from 1964 to 1966.

A broader measure of money (page 4), which includes time deposits at commercial banks, has risen at a 10 per cent rate in the past three months, and at a 12 per cent rate since January. This measure, which is similar in magnitude to total bank credit, rose at a 5 per cent trend rate from 1957 to 1964, and at an 8 per cent rate from 1964 to 1966.

BUSINESS LOANS

Business loans at large commercial banks (page 9) have shown little net change during the past three months, after rising during the first half of the year. Heavy corporate borrowings in the capital market, in anticipation of higher interest rates during the latter part of the year, have probably had a dampening affect on the recent demand for business loans.

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: October 27, 1967
FEDERAL RESERVE CREDIT [1]
Weekly Averages of Daily Figures
Seasonally Adjusted by this Bank

Annual rates of change Federal Reserve Credit
adjusted for reserve requirements changes
Averages of four weeks ending Oct. 25, 1967
from four weeks ending:
July 26, 1967    + 8.7
Apr. 26, 1967    + 8.7
Jan. 25, 1967    +11.8
Oct. 26, 1966    +11.1
1957-1966        + 7.4

Federal Reserve Credit
Federal Reserve Holdings of U.S. Government
and Federal Agency Securities

Borrowings

Federal Reserve Credit excluding float and a few minor
items, and adjusted for reserve requirement changes.
Seasonal adjustment for Federal Reserve Holdings
computed by this bank using data ending December 1966.
Borrowings from Federal Reserve not seasonally adjusted.

Latest data preliminary
Latest data plotted week ending: Oct. 25, 1967

Prepared by Federal Reserve Bank of St. Louis

FEDERAL RESERVE
Holdings of CREDIT
13107
July 5  45.76  45.11
Aug. 9  44.51  44.13
Aug. 17  44.95  44.80
Aug. 26  44.67  44.72
Aug. 30  44.69  44.87
Aug. 31  44.67  44.79
Sept. 4  44.65  44.79
Sept. 13  44.50  44.81
Sept. 20  44.68  44.91
Sept. 27  44.69  44.76
Oct. 3  44.37  44.52
Oct. 11  44.33  44.47
Oct. 18  44.38  44.60
Oct. 25  44.77  44.83

Prepared by Federal Reserve Bank of St. Louis
MONEY STOCK PLUS TIME DEPOSITS*
Averages of Daily Figures
Seasonally Adjusted

Annual rates of change, average of:

Four weeks ending Oct. 18, 1967
from four weeks ending:

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate of Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 19, 1967</td>
<td>+10.1</td>
</tr>
<tr>
<td>Apr. 19, 1967</td>
<td>+11.4</td>
</tr>
<tr>
<td>Jan. 18, 1967</td>
<td>+11.9</td>
</tr>
<tr>
<td>Oct. 19, 1966</td>
<td>+9.8</td>
</tr>
<tr>
<td>1957-1966</td>
<td>+6.0</td>
</tr>
</tbody>
</table>

Latest data preliminary | Oct. 18, 1967

Latest data plotted week ending: Oct. 18, 1967

* Current data appear in the Board's H.6 release. Back data appear in the August 1967 Federal Reserve Bulletin. For trend of money stock plus time deposits by months, see this bank's monthly release entitled "Monetary Trends".

Prepared by Federal Reserve Bank of St. Louis
MONEY STOCK*  
Averages of Daily Figures  
Seasonally Adjusted  

Billions of Dollars  

Seasonal adj. based on data  
of what date? 1966  
June 30 & December 1966  

Annual rates of change, average of  
four weeks ending Oct. 18, 1967  
from four weeks ending:  
July 19, 1967 +6.3  
Apr. 19, 1967 +8.2  
Jan. 18, 1967 +7.5  
Oct. 19, 1966 +5.8  
1957-1966 +2.4  

WEEKLY DATA  
1967  
July 6  177.4  
17  177.7  
24  177.8  
Aug. 21  177.2  
28  177.1  
31  177.7  
Sept. 13  177.7  
20  177.3  
27  178.0  
Oct. 10  178.2  
18  178.7  

For trend of money stock by months see this bank's  
monthly release entitled "Monetary Trends".  

Latest data preliminary  
Latest data plotted week ending: Oct. 18, 1967  

Prepared by Federal Reserve Bank of St. Louis
CERTIFICATES OF DEPOSIT
Large Commercial Banks
Wednesday Figures

Billions of Dollars

Annual rates of change, seasonally unadjusted data, average of four weeks ending Oct. 18, 1967 from four weeks ending:

- July 19, 1967 + 14.9
- Apr. 19, 1967 + 9.4
- Jan. 18, 1967 + 30.4
- Oct. 19, 1966 + 20.5

1964-1966 + 20.3

Millions of Dollars

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>1967</td>
<td>13.9</td>
<td>20.1</td>
<td>20.1</td>
<td>19.9</td>
</tr>
</tbody>
</table>

Latest data preliminary: oct. 18, 1967

Latest data plotted: oct. 18, 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.

Prepared by Federal Reserve Bank of St. Louis
Annual rates of change, average of
four weeks ending Oct. 18, 1967
from four weeks ending:
July 19, 1967  +14.0
Apr. 19, 1967  +14.7
Jan. 18, 1967  +16.7
Oct. 19, 1966  +14.1
1957-1966  +12.1

* Current data appear in the Board's H.6 release. Back
For trend of time deposits by months see this bank's
monthly release entitled "Monetary Trends".

Prepared by Federal Reserve Bank of St. Louis
BORROWINGS AND EXCESS RESERVES
All Member Banks in the Nation

Averages of Daily Figures

<table>
<thead>
<tr>
<th>Date</th>
<th>Excess Reserves</th>
<th>Borrowings</th>
<th>Free Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>447</td>
<td>247</td>
<td>+200</td>
</tr>
<tr>
<td>Aug</td>
<td>344</td>
<td>85</td>
<td>+279</td>
</tr>
<tr>
<td>Sep</td>
<td>377</td>
<td>179</td>
<td>+320</td>
</tr>
<tr>
<td>Oct</td>
<td>310</td>
<td>90</td>
<td>+220</td>
</tr>
<tr>
<td>Nov</td>
<td>350</td>
<td>245</td>
<td>+205</td>
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<tr>
<td>Dec</td>
<td>370</td>
<td>137</td>
<td>+253</td>
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BIWEEKLY SETTLEMENT PERIODS

WEEKLY DATA

<table>
<thead>
<tr>
<th>Date</th>
<th>Excess Reserves</th>
<th>Borrowings</th>
<th>Free Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>211</td>
<td>69</td>
<td>+157</td>
</tr>
<tr>
<td>Jul</td>
<td>111</td>
<td>149</td>
<td>+127</td>
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<tr>
<td>Aug</td>
<td>135</td>
<td>145</td>
<td>+133</td>
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<tr>
<td>Sep</td>
<td>216</td>
<td>216</td>
<td>+141</td>
</tr>
<tr>
<td>Oct</td>
<td>222</td>
<td>222</td>
<td>+147</td>
</tr>
</tbody>
</table>

Latest data preliminary
Latest data plotted: two weeks ending Oct. 25, 1967

Prepared by Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending Oct. 18, 1967 from four weeks ending:

- July 19, 1967: +0.7
- Apr. 19, 1967: +1.6
- Jan. 18, 1967: +2.7
- Oct. 19, 1966: +6.5

1960-1966: +9.7

YIELDS ON SELECTED SECURITIES
Weekly Averages of Daily Rates Ended Friday

<table>
<thead>
<tr>
<th>3-MONTH</th>
<th>TREA. 3-5</th>
<th>LONG-CORPORATE</th>
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</thead>
<tbody>
<tr>
<td>BILL</td>
<td>YEAR</td>
<td>TERM</td>
</tr>
<tr>
<td>1967</td>
<td>4.11</td>
<td>4.14</td>
</tr>
<tr>
<td>July</td>
<td>4.11</td>
<td>4.14</td>
</tr>
<tr>
<td>1967</td>
<td>4.11</td>
<td>4.14</td>
</tr>
<tr>
<td>Aug.</td>
<td>4.11</td>
<td>4.14</td>
</tr>
<tr>
<td>Sept</td>
<td>4.11</td>
<td>4.14</td>
</tr>
<tr>
<td>Oct.</td>
<td>4.11</td>
<td>4.14</td>
</tr>
</tbody>
</table>

Latest data plotted are averages of rates available for the week ending: Oct. 27, 1967

Prepared by Federal Reserve Bank of St. Louis

http://fraser.stlouisfed.org

Federal Reserve Bank of St. Louis