INTEREST RATES (Pages 10 and 11)

The market yield on three-month Treasury bills averaged 4.63 per cent in the three days ended November 15, over a full percentage point higher than the rate in early June. Interest rates on bankers' acceptances, prime commercial paper, and negotiable certificates of deposit have also risen similarly. Short-term interest rates have increased rapidly since mid-year, but have remained below the highs of 1966.

In contrast to short-term securities, the yields on longer-term bonds are well above their 1966 highs and have been moving higher almost steadily since early this year. Interest rates on long-term Government bonds averaged 5.53 per cent for the three days ended November 15, while the rates on outstanding highest grade corporate bonds averaged 6.09 per cent.

Yields on intermediate-term securities have been higher since mid-June than on either short or long-term obligations. This same relationship existed throughout the period of rising interest rates in the spring and summer of 1966. The implications of this condition may be that the market expects short-term yields to rise in the near future, but to subsequently return to a lower level.

DEMAND DEPOSITS AND MONEY STOCK (Pages 4 and 5)

Private demand deposits, the major component of the money stock, averaged $140.5 billion in the four weeks ended November 8, up at a 9 per cent annual rate in the nine months since late January. By comparison, these deposits rose at a 2.2 per cent trend rate from 1957 to 1966.

The money stock, measured by demand deposits plus currency in the hands of the public, averaged $180.4 billion in the four weeks ended November 8. This measure of money has risen at a 9 per cent annual rate in the most recent six months after declining at a 0.7 per cent rate in the corresponding six month period a year ago. From 1957 through 1966 money rose at an average 2.4 per cent per year.

Money has grown at a rapid rate since early this year, but the growth rate has not been steady. From January to April, money rose at a 5.8 per cent annual rate, then accelerated to a 12.6 per cent rate from April to July, and has slowed to a 5.3 per cent rate since July. Insights into the causes underlying fluctuations in the growth of money may be gained by analyzing the "proximate" determinants of the money stock, as summarized and described in the November 15 issue of this Bank's "Monetary Trends". The faster rate of increase during the summer reflected almost entirely a temporary reduction in Treasury balances (not counted as money) during the summer.

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: November 17, 1967

Because of the Thanksgiving holiday, November 23, 1967 the U.S. Financial Data Release will be published one day late.
Annual rates of change Federal Reserve Credit, adjusted for reserve requirements changes, averages of four weeks ending Nov. 15, 1967:

- Aug. 16, 1967: +7.0
- May 17, 1967: +7.0
- Feb. 15, 1967: +11.8
- Nov. 16, 1966: +10.8

1957-1966: +7.4

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.

DEMAND DEPOSIT COMPONENT OF U.S. MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

Annual rates of change, average of
four weeks ending Nov. 8, 1967
from four weeks ending:

Aug. 9, 1967  + 4.9
May 10, 1967  + 0.5
Feb. 8, 1967  + 8.7
Nov. 9, 1966  + 4.4

1957-1966  + 2.2

Current data appear in the Board's H.6 release. Back
For trend of demand 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

Annual rates of change, average of four weeks ending Nov. 8, 1967:
- Aug. 9, 1967: +4.9
- May 10, 1967: +9.0
- Feb. 8, 1967: +7.8
- Nov. 9, 1966: +6.2

1957-1966: +2.4

Latest data preliminary
Latest data plotted week ending: Nov. 8, 1967

13-week centered moving average

Weekly


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 Nov. 8, 1967 from four weeks ending:

- Aug. 9, 1967: + 5.6
- May 10, 1967: + 22.0
- Feb. 8, 1967: + 22.0
- Nov. 9, 1966: + 21.0
- 1964 - 1966: + 20.3

Millions of Dollars

Current and year ago data appear in the Board's M.4.2. release.

1/ Negotiable time certificates of deposit in denominations of $100,000 or more.

Prepared by Federal Reserve Bank of St. Louis
TIME DEPOSITS*
All Commercial Banks
Weekly Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

Annual rates of change, average of
four weeks ending Nov. 8, 1967
from four weeks ending:
Aug. 9, 1967 +13.2
May 10, 1967 +14.9
Feb. 8, 1967 +16.2
Nov. 9, 1966 +15.1

1957-1966 +12.1

Latest data plotted week ending: Nov. 8, 1967
Latest data preliminary

* 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

**BIWEEKLY DATA**

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<tr>
<th>Date</th>
<th>Excess Reserves</th>
<th>Borrowings</th>
<th>Free Reserves</th>
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<tr>
<td>Apr 25</td>
<td>3,679</td>
<td>25</td>
<td>1,248</td>
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<tr>
<td>May 27</td>
<td>3,611</td>
<td>165</td>
<td>1,266</td>
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<tr>
<td>Nov 8</td>
<td>3,177</td>
<td>106</td>
<td>1,211</td>
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**WEEKLY DATA**

<table>
<thead>
<tr>
<th>Date</th>
<th>Excess Reserves</th>
<th>Borrowings</th>
<th>Free Reserves</th>
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</thead>
<tbody>
<tr>
<td>Apr 25</td>
<td>8,587</td>
<td>216</td>
<td>1,341</td>
</tr>
<tr>
<td>May 27</td>
<td>1,923</td>
<td>50</td>
<td>1,343</td>
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<tr>
<td>Nov 8</td>
<td>356</td>
<td>32</td>
<td>1,347</td>
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Latest data preliminary
Latest data plotted: one week ending Nov. 15, 1967

Prepared by Federal Reserve Bank of St. Louis

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http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending Nov. 8, 1967
from four weeks ending:

<table>
<thead>
<tr>
<th>Week Ended</th>
<th>Change</th>
</tr>
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<tbody>
<tr>
<td>Aug. 9, 1967</td>
<td>-1.5%</td>
</tr>
<tr>
<td>May 10, 1967</td>
<td>+4.6%</td>
</tr>
<tr>
<td>Feb. 8, 1967</td>
<td>+4.7%</td>
</tr>
<tr>
<td>Nov. 9, 1966</td>
<td>+6.1%</td>
</tr>
</tbody>
</table>

1960 - 1966: +9.7%

Current and year ago unadjusted data appear in the Board's H.4.2. release. Seasonal adjustment computed by this bank using 1962 through 1966 data.