

AUG 27 1968

Week ending August 7, 1968

MONEY STOCK (Page 5)

The nation's money stock, consisting of private demand deposits and currency in the hands of the public, has risen \$4.7 billion since April, or at a 10 per cent annual rate. From January 1967 to April of this year, money grew at a 6.5 per cent rate, and from 1957 to 1967 at an average rate of 2.6 per cent.

TIME DEPOSITS (Page 7)

Recent declines in market interest rates have permitted yields on time deposits, which are restricted by Regulation Q, to become relatively more attractive. Time deposits at all commercial banks have increased sharply since the end of June. For the one month of July they increased at a 20 per cent annual rate. In comparison, they grew at a 3 per cent rate in the previous three months, and from 1957 to 1967 rose at a trend rate of 12.1 per cent. Large certificates of deposit of \$100,000 or more at weekly reporting large commercial banks represented about half of the spurt since the end of June. (Page 6).

MONEY PLUS TIME

The recent sharp increase in time deposits along with the continuing rapid growth in the money stock has caused the money stock broadly defined to include time deposits to accelerate. During July it rose at a 10 per cent rate, while in the previous three months it grew at a 5.9 per cent rate. From 1957 to 1967 money plus time grew at an average rate of 6.2 per cent.

BANK CREDIT (Page 4)

Reflecting the recent increase in time deposits, total credit at weekly reporting banks went up at a 13 per cent annual rate during July, whereas in the previous three months it increased at a 6.5 per cent rate. By comparison, bank credit grew at an average 8 per cent rate from 1960 to 1967.

MEMBER BANK RESERVES (Page 3)

Total member bank reserves (which include reserves to support Treasury, interbank and time deposits) have increased at a 7.2 per cent annual rate since late April. In the preceding fifteen months these reserves grew at an 8.2 per cent rate after adjustments for reserve requirement changes, and during the years from 1957 to 1967 rose at a trend rate of 3.4 per cent.

Reserves available for private demand deposits have risen at a faster rate relative to their past growth than total reserves, rising at a 10.7 per cent rate since late April. In the prior fifteen months they grew at an annual rate of 5.5 per cent, and in the period from 1957 to 1967 they advanced at an average rate of 1.7 per cent.

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

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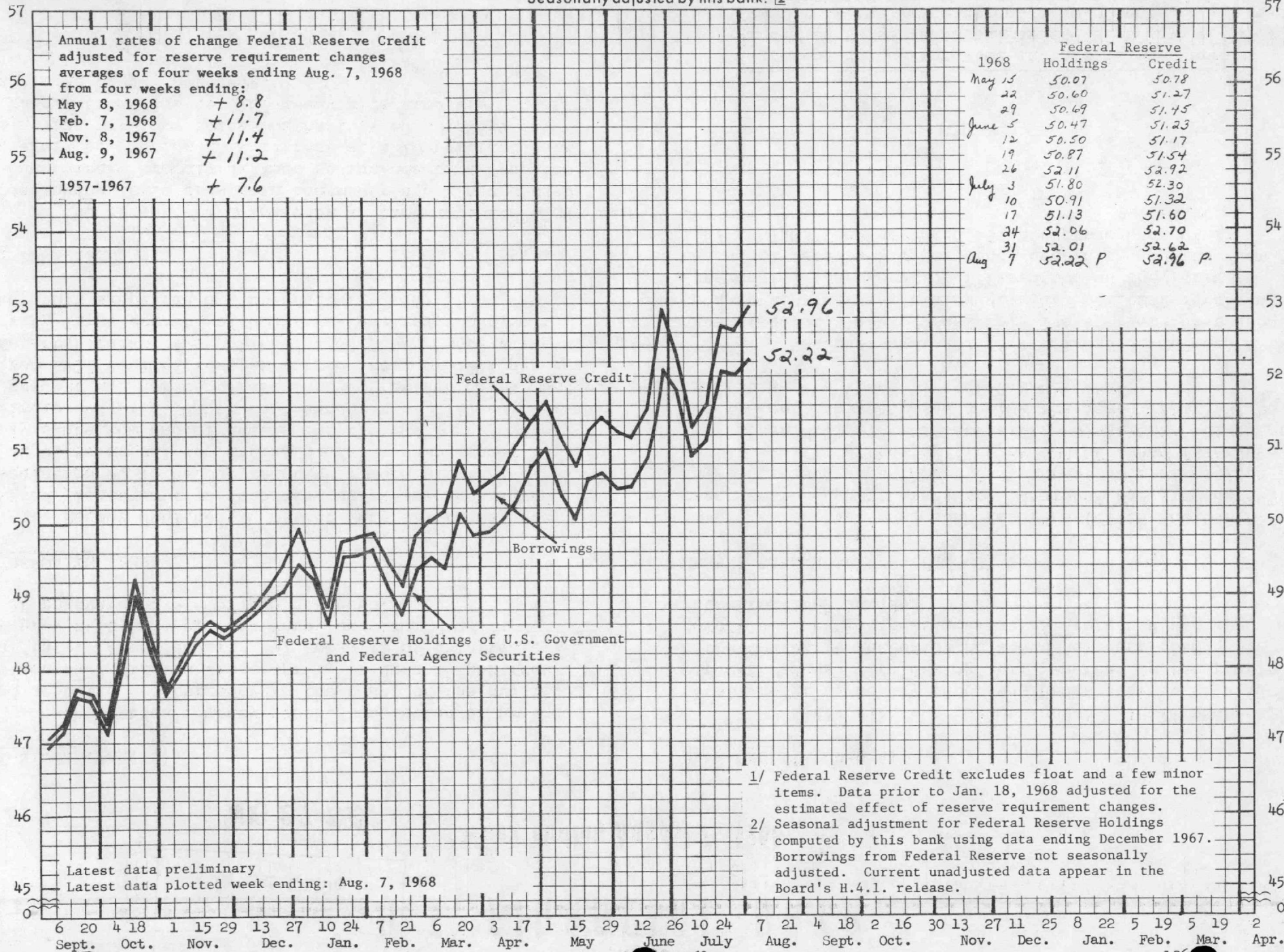
FEDERAL RESERVE CREDIT ¹

Averages of Daily Figures

Billions of Dollars

Billions of Dollars

Seasonally adjusted by this bank. ²



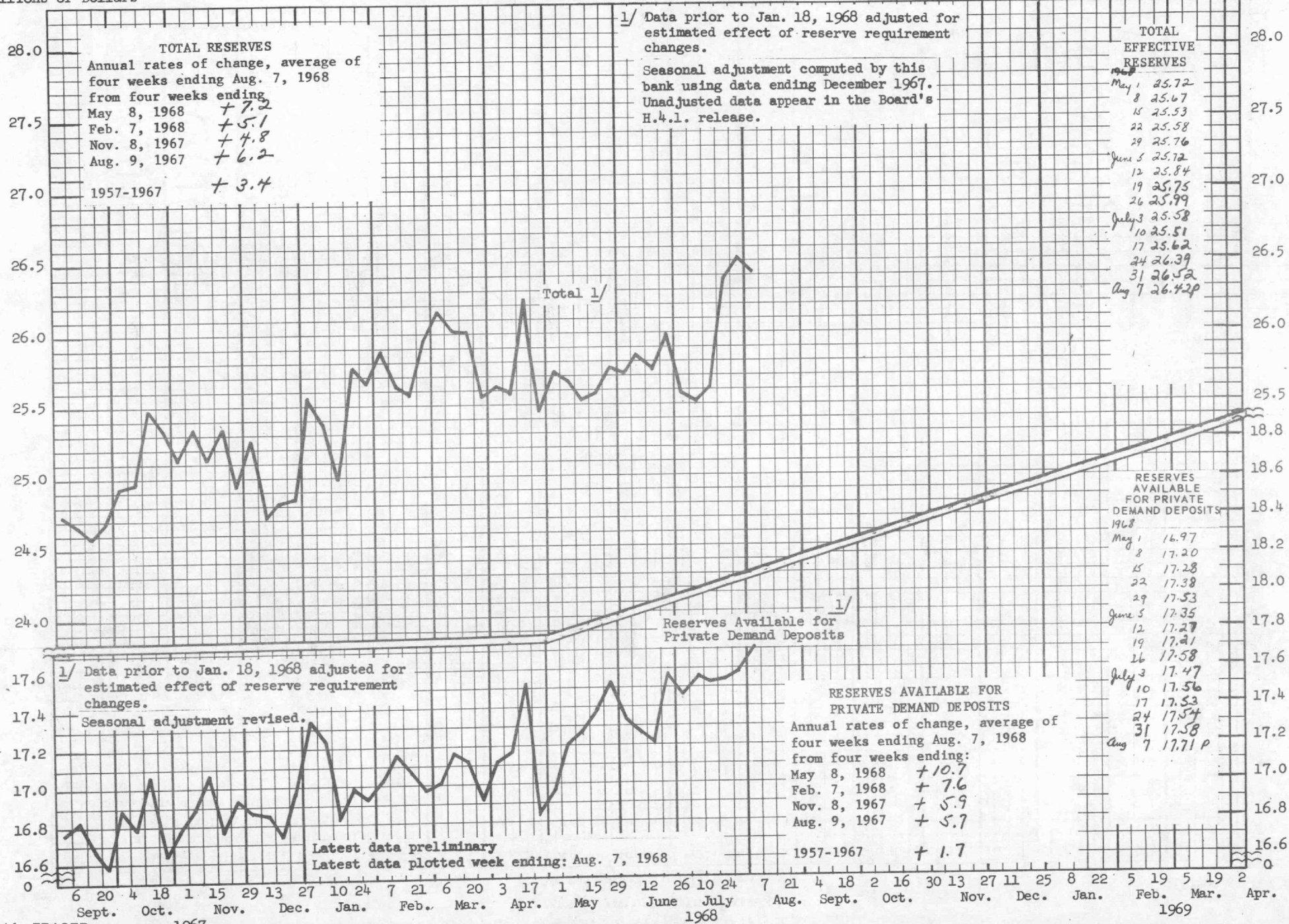
RESERVES

All Member Banks in the Nation

Averages of Daily Figures

Billions of Dollars

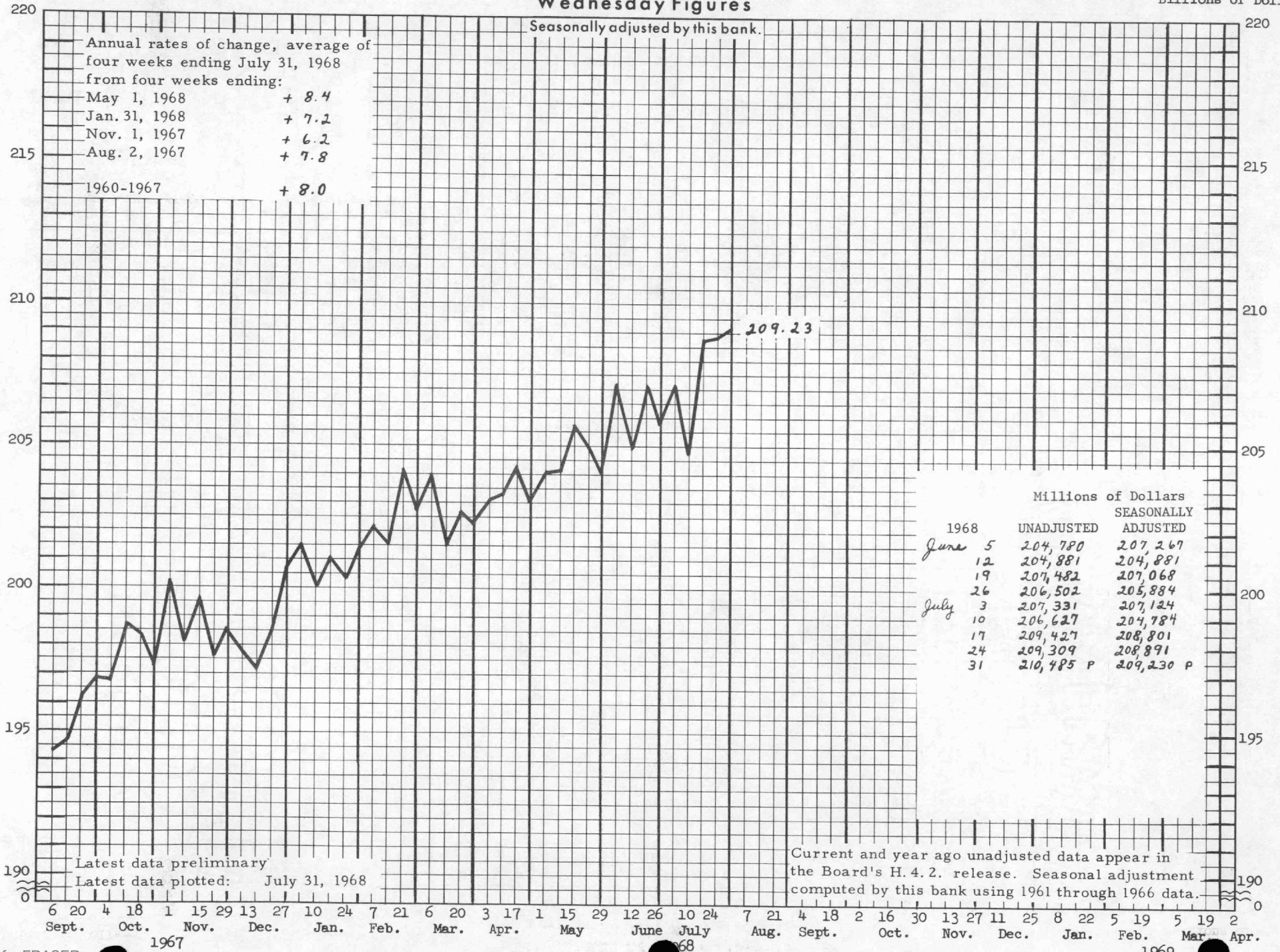
Billions of Dollars



Billions of Dollars

TOTAL BANK CREDIT Large Commercial Banks Wednesday Figures

Billions of Dollars



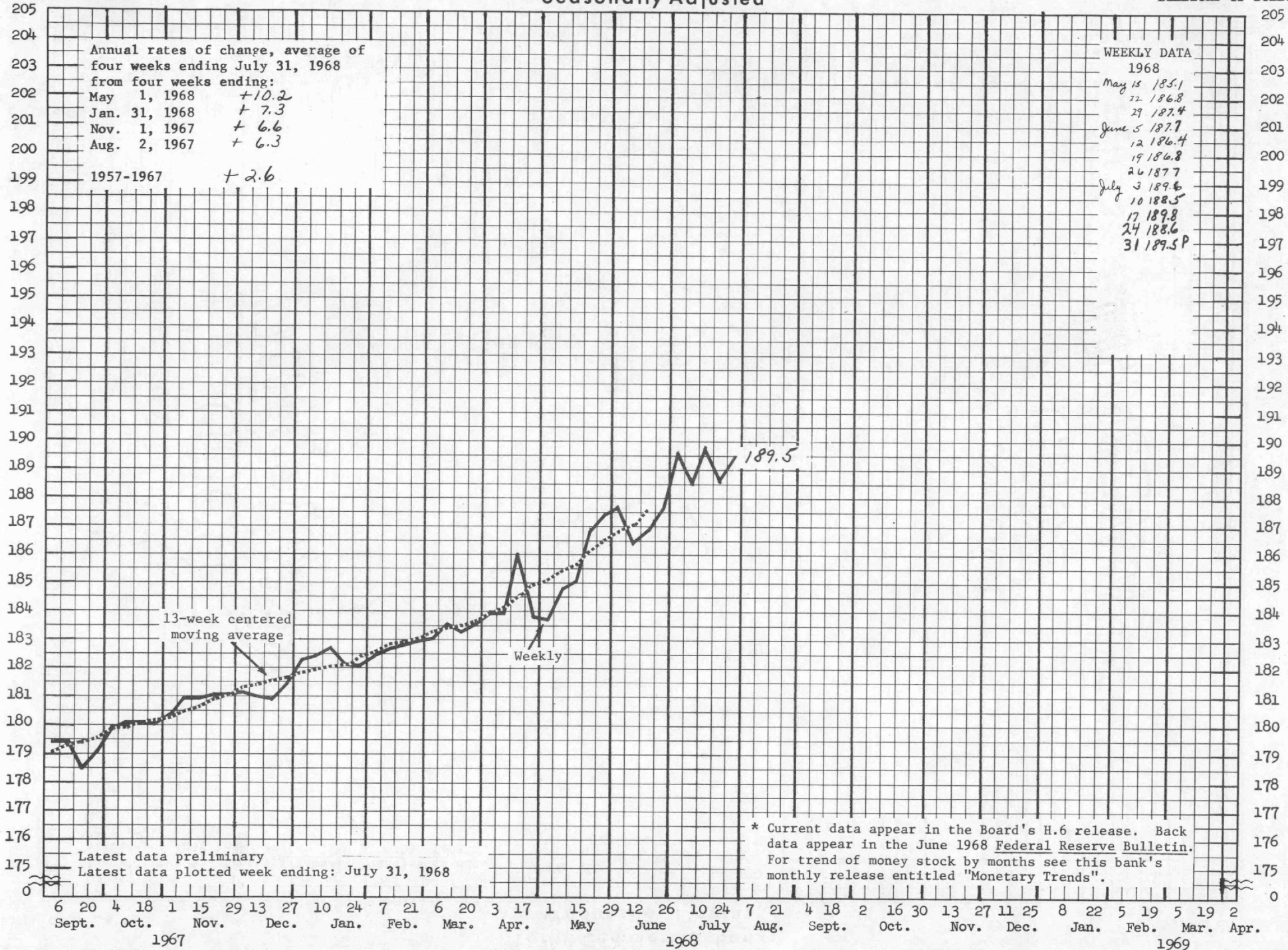
MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

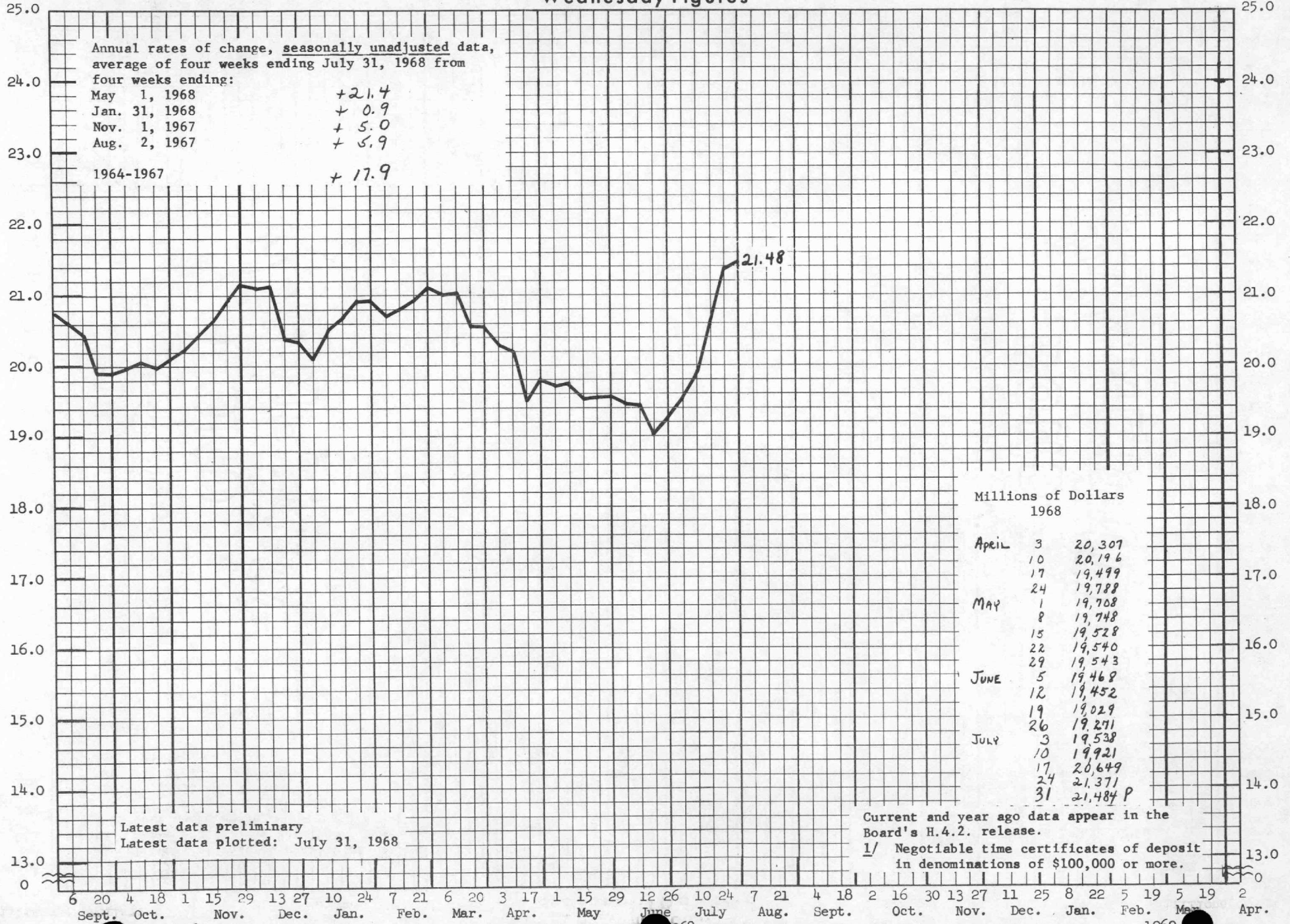
Billions of Dollars



CERTIFICATES OF DEPOSIT ¹
Large Commercial Banks
Wednesday Figures

Billions of Dollars

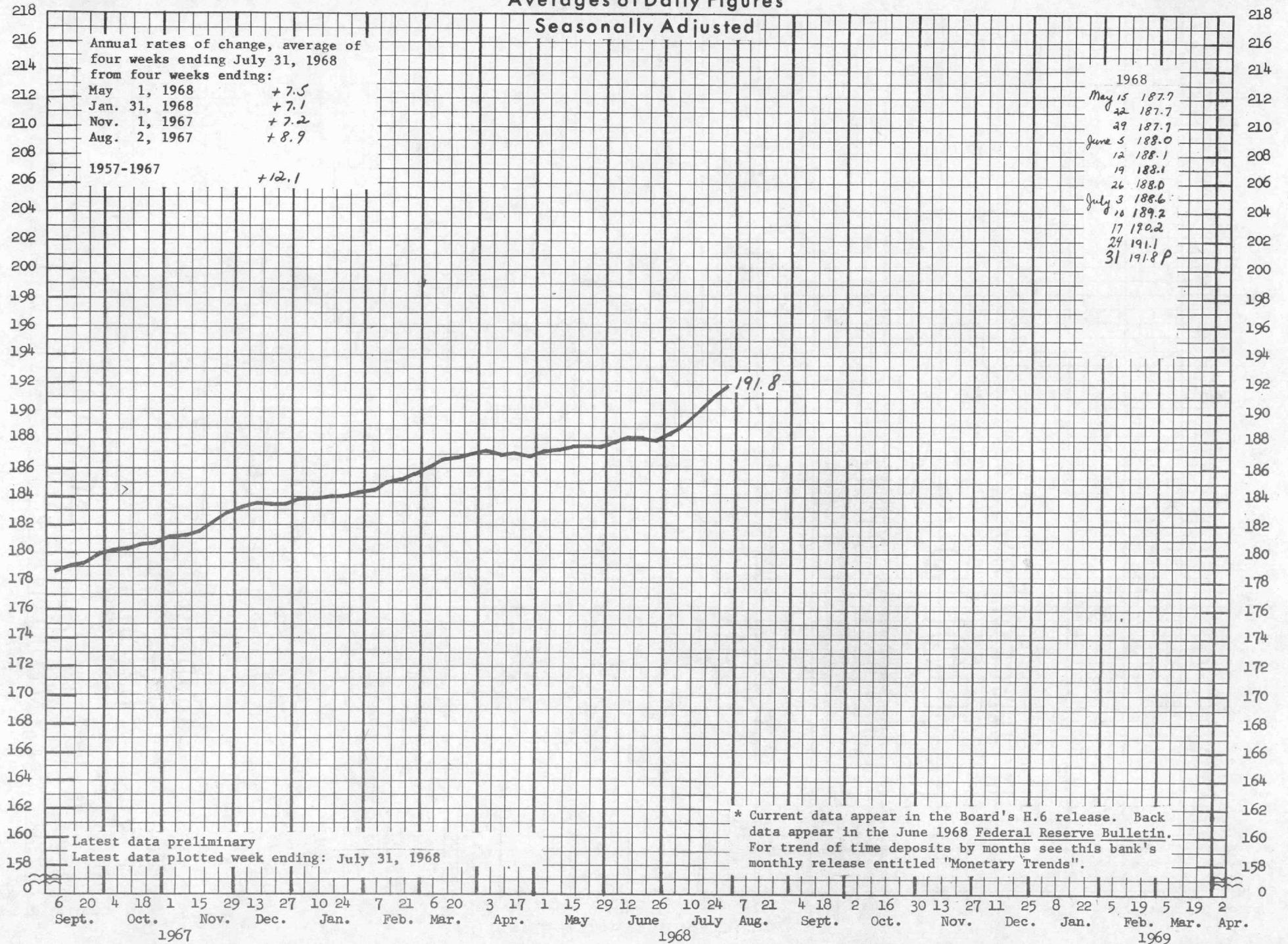
Billions of Dollars



TIME DEPOSITS*
All Commercial Banks
Averages of Daily Figures

Billions of Dollars

Billions of Dollars



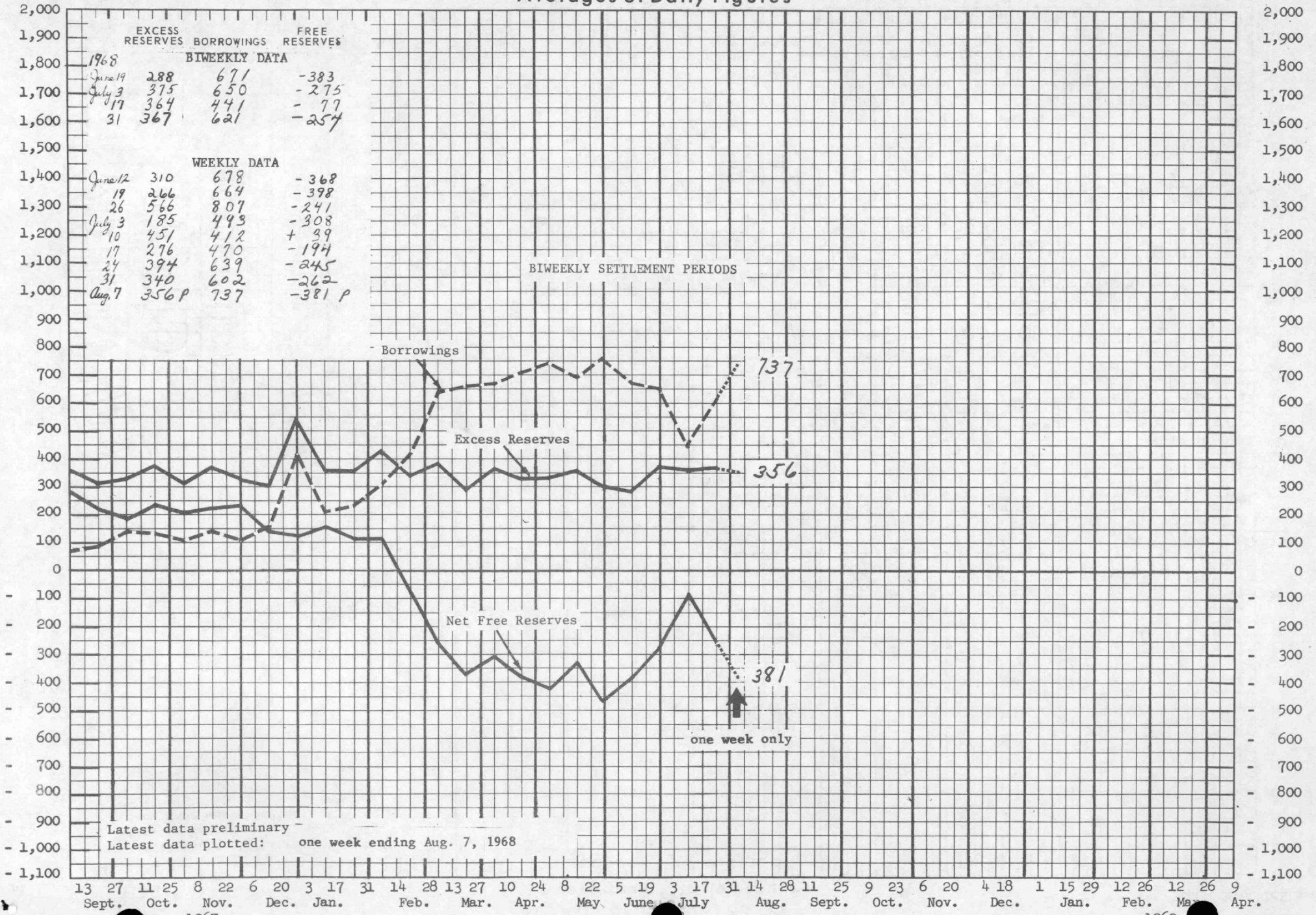
BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures

Millions of Dollars

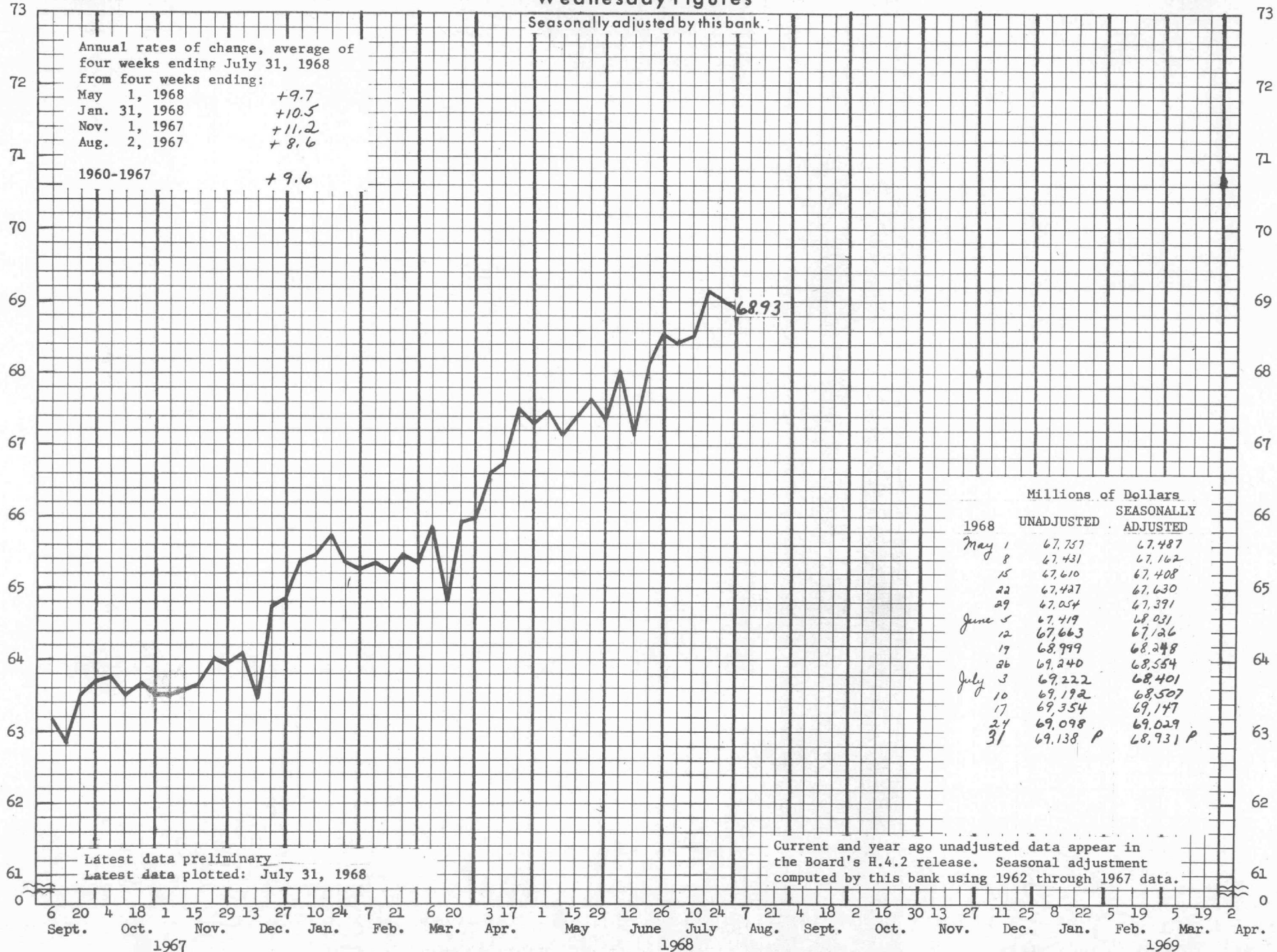
Millions of Dollars



BUSINESS LOANS Large Commercial Banks Wednesday Figures

Billions of Dollars

Billions of Dollars



YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday

Per Cent

Per Cent

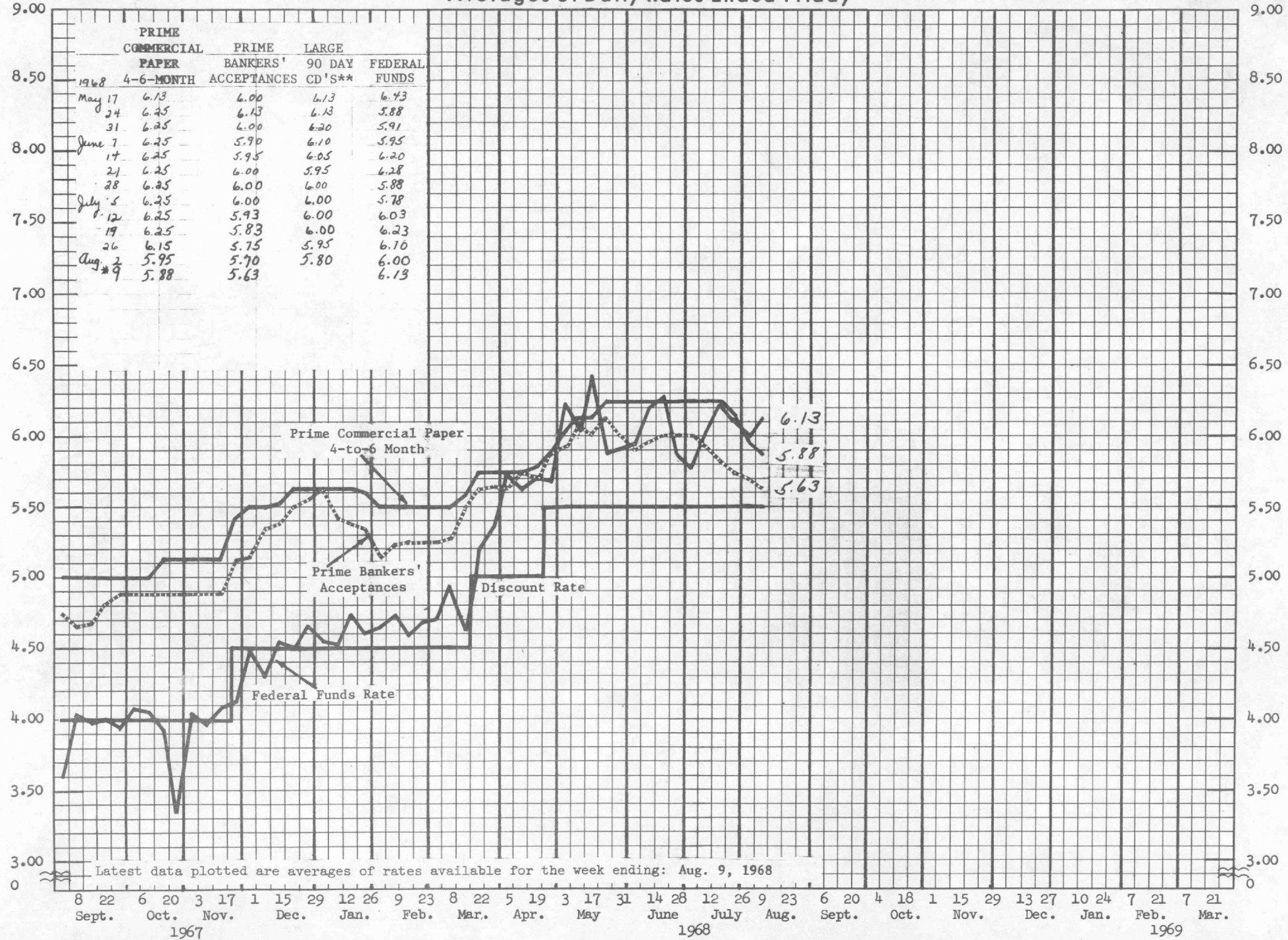


3-MONTH				
1968	TREAS. BILL	3-5 YEAR	LONG-TERM TERM	CORPORATE Aaa
May 17	5.67	5.95	5.38	6.27
24	5.82	6.09	5.52	6.28
31	5.70	5.91	5.43	6.29
June 7	5.66	5.80	5.30	6.29
14	5.68	5.75	5.27	6.28
21	5.45	5.61	5.18	6.29
28	5.30	5.67	5.15	6.27
July 5	5.35	5.58	5.12	6.27
12	5.37	5.51	5.10	6.27
19	5.38	5.51	5.14	6.26
26	5.24	5.27	5.03	6.22
Aug 2	5.08	5.28	4.99	6.14
9	4.93	5.27	4.98	6.10

Latest data plotted are averages of rates available for the week ending: Aug. 9, 1968

SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday



Latest data plotted are averages of rates available for the week ending: Aug. 9, 1968