U.S. FINANCIAL DATA

Week ending September 4, 1968

Monetary expansion has been at a rapid rate in recent weeks and months continuing the growth of the first half of the year. Federal Reserve credit (page 2) has grown at a 17 per cent annual rate in the last three months and at an 11 per cent rate in the previous six months. The money supply (page 5) has grown at a 9 per cent annual rate for the last three months and at a 6.7 per cent rate in the previous six months. The monetary base (page 3) has risen at a 7.1 per cent rate for 3 months and at 6.6 per cent rate in the previous six months.

Although these particular monetary measures are growing rapidly relative to their long-term trends, rapid growth did not start in the last few months. For instance, from 1964 to 1967 Federal Reserve credit grew at an average 10 per cent rate, much faster than the 1957-1964 average growth of 6.7 per cent. Money grew at a 4 per cent annual rate from 1964 to 1967 compared to the 1.9 per cent average rate for the 1957-1964 period. The monetary base grew at close to a 5 per cent rate from 1964 to 1967, and at only a 2.7 per cent trend rate from 1957 to 1964.

The effect of Regulation Q on time deposits has been a principle reason for bank credit (page 4) and time deposits (page 7) showing patterns of growth different from the money supply, monetary base, and Federal Reserve credit. When market interest rates rise above maximums permitted under Regulation Q, as they did in the first part of this year, funds flow away from commercial bank time deposits through other channels from savers to investors. As a result time deposits and bank credit grew at relatively much slower rates in the second quarter of this year, and at more rapid rates since market rates fell below Regulation Q levels. In the last two months time deposits (page 7) have jumped at a 17 per cent annual rate whereas in the first six months they grew at a rate of 5 per cent. Likewise, bank credit (page 4) has grown at a 17 per cent rate, whereas in the first half of the year it increased at a rate of 8 per cent.

Most of the expansion in monetary variables in recent months has resulted from the Federal Reserve's purchase of Government securities. Borrowings (page 8) from the Federal Reserve have recently been down $165 million from three months ago; other Federal Reserve credit, mostly from purchases of government securities, has risen about $2.3 billion. During the past nine months the $4.7 billion expansion of Federal Reserve credit has resulted from about a net $440 million of borrowing from the Federal Reserve and $4.3 billion of Federal Reserve purchases of Government securities.

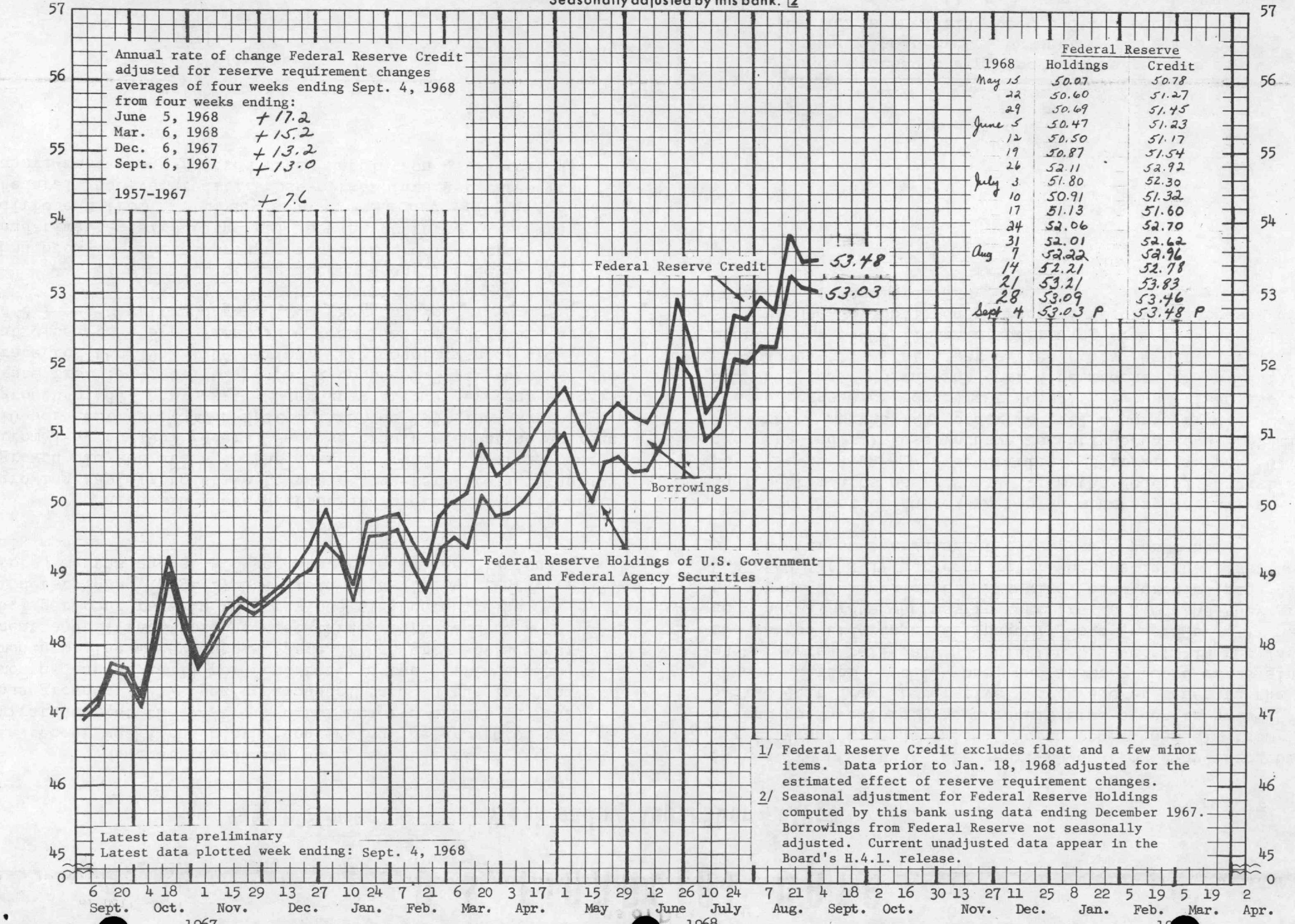
Rates of change reported in this release are intended to serve as summaries which may be useful in analyzing recent developments.

Prepared by Federal Reserve Bank of St. Louis
Released: September 6, 1968

FEDERAL RESERVE CREDIT 1/

Averages of Daily Figures

Seasonally adjusted by this bank. 2/



Annual rate of change Federal Reserve Credit adjusted for reserve requirement changes averages of four weeks ending Sept. 4, 1968 from four weeks ending:

June 5, 1968	+17.2
Mar. 6, 1968	+15.2
Dec. 6, 1967	+13.2
Sept. 6, 1967	+13.0
1957-1967	+7.6

1968	Federal Reserve Holdings	Federal Reserve Credit
May 15	50.07	50.78
22	50.60	51.27
29	50.69	51.45
June 5	50.47	51.23
12	50.50	51.17
19	50.87	51.54
26	52.11	52.92
July 3	51.80	52.30
10	50.91	51.32
17	51.13	51.60
24	52.06	52.70
31	52.01	52.62
Aug 7	52.22	52.96
14	52.21	52.78
21	53.21	53.83
28	53.09	53.46
Sept 4	53.03 P	53.48 P

Latest data preliminary
Latest data plotted week ending: Sept. 4, 1968

1/ Federal Reserve Credit excludes float and a few minor items. Data prior to Jan. 18, 1968 adjusted for the estimated effect of reserve requirement changes.

2/ Seasonal adjustment for Federal Reserve Holdings computed by this bank using data ending December 1967. Borrowings from Federal Reserve not seasonally adjusted. Current unadjusted data appear in the Board's H.4.1. release.

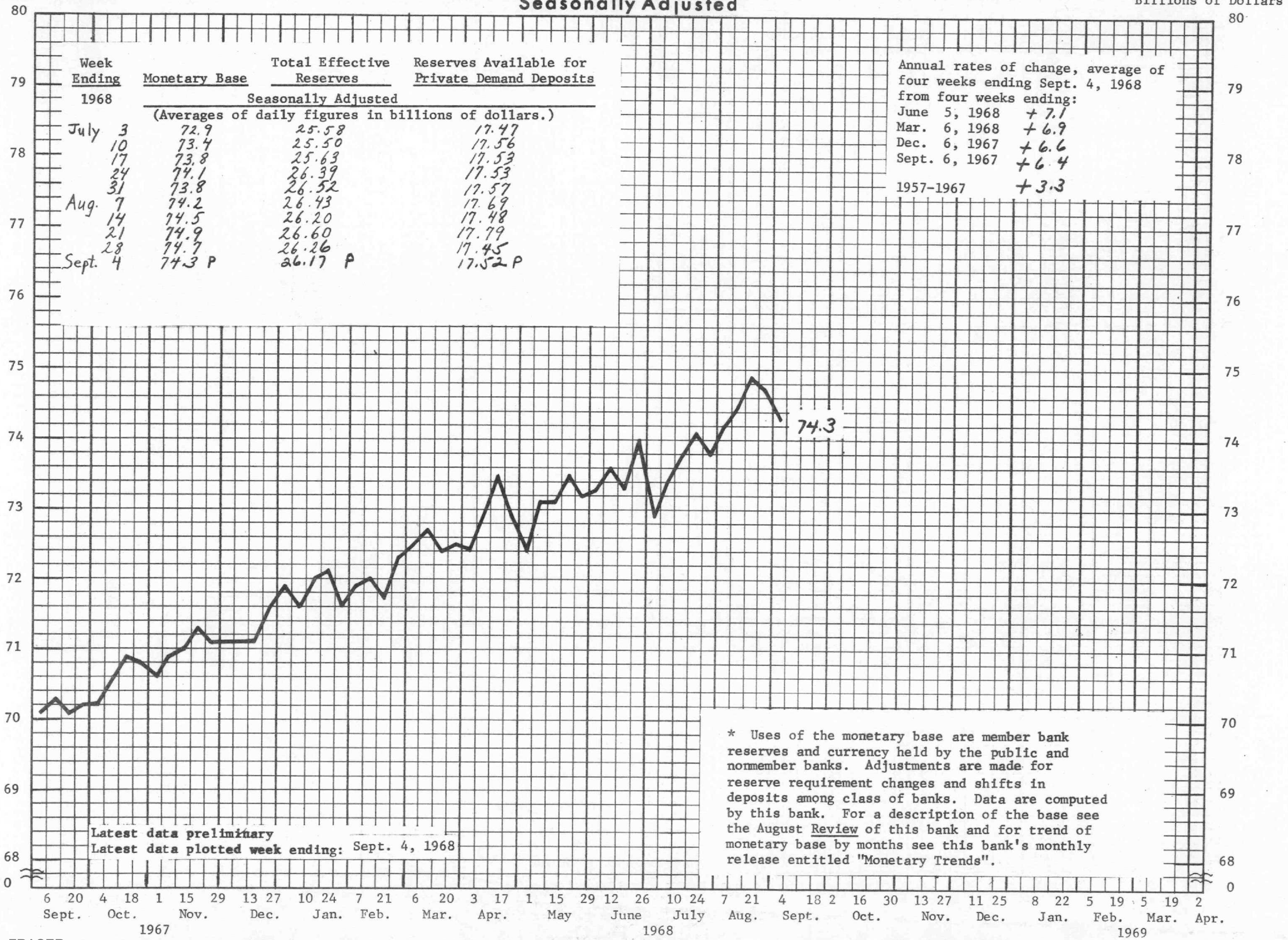
Prepared by Federal Reserve Bank of St. Louis

MONETARY BASE*
Averages of Daily Figures
Seasonally Adjusted

Week Ending 1968	Monetary Base	Total Effective Reserves	Reserves Available for Private Demand Deposits
	Seasonally Adjusted (Averages of daily figures in billions of dollars.)		
July 3	72.9	25.58	17.47
10	73.4	25.50	17.56
17	73.8	25.63	17.53
24	74.1	26.39	17.53
31	73.8	26.52	17.57
Aug. 7	74.2	26.43	17.69
14	74.5	26.20	17.48
21	74.9	26.60	17.79
28	74.7	26.26	17.45
Sept. 4	74.3 P	26.17 P	17.52 P

Annual rates of change, average of four weeks ending Sept. 4, 1968 from four weeks ending:

June 5, 1968	+7.1
Mar. 6, 1968	+6.9
Dec. 6, 1967	+6.6
Sept. 6, 1967	+6.4
1957-1967	+3.3



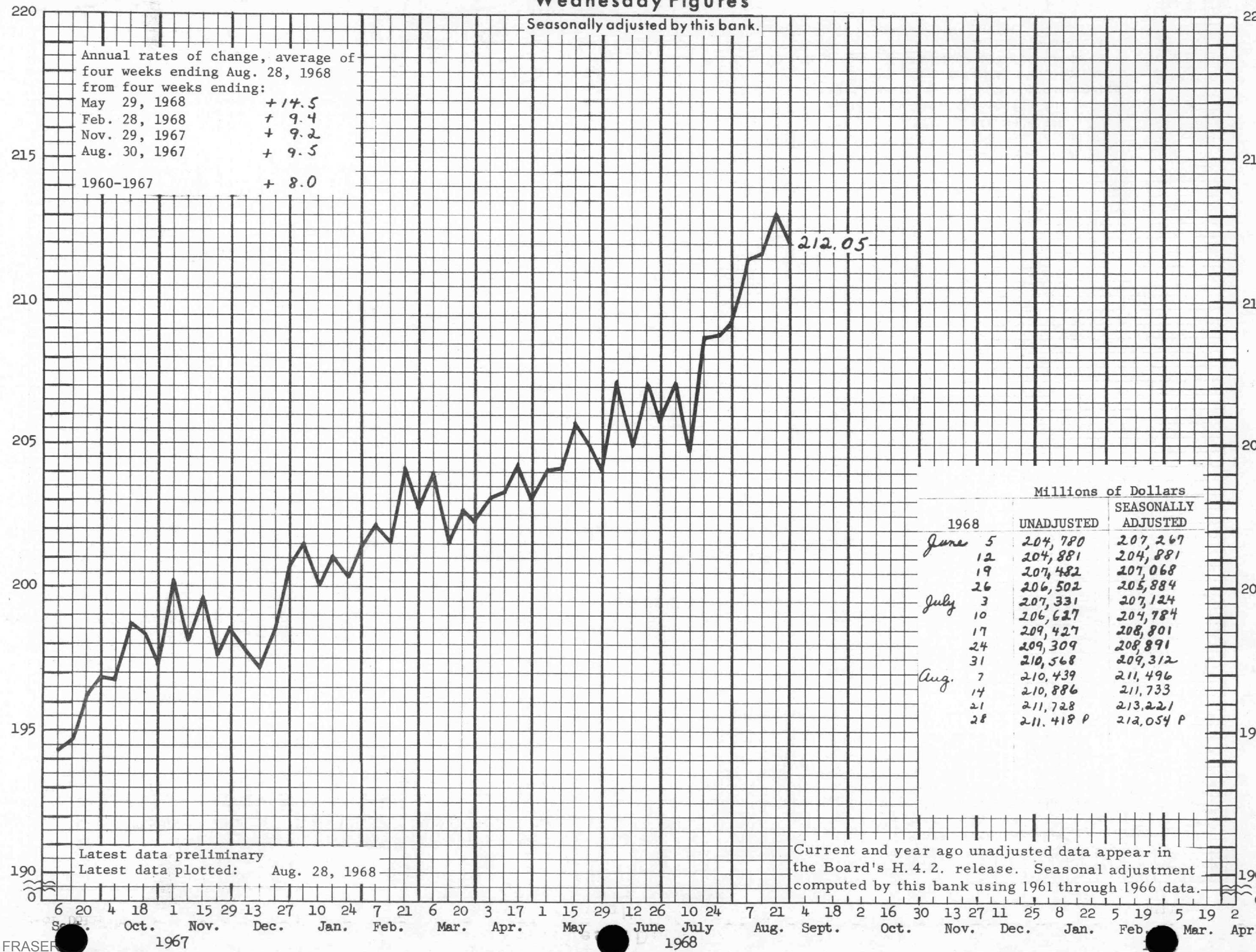
Latest data preliminary
Latest data plotted week ending: Sept. 4, 1968

* Uses of the monetary base are member bank reserves and currency held by the public and nonmember banks. Adjustments are made for reserve requirement changes and shifts in deposits among class of banks. Data are computed by this bank. For a description of the base see the August Review of this bank and for trend of monetary base by months see this bank's monthly release entitled "Monetary Trends".

Prepared by Federal Reserve Bank of St. Louis

TOTAL CREDIT
Large Commercial Banks
Wednesday Figures

Seasonally adjusted by this bank.



Annual rates of change, average of four weeks ending Aug. 28, 1968 from four weeks ending:

May 29, 1968	+14.5
Feb. 28, 1968	+ 9.4
Nov. 29, 1967	+ 9.2
Aug. 30, 1967	+ 9.5
1960-1967	+ 8.0

Millions of Dollars

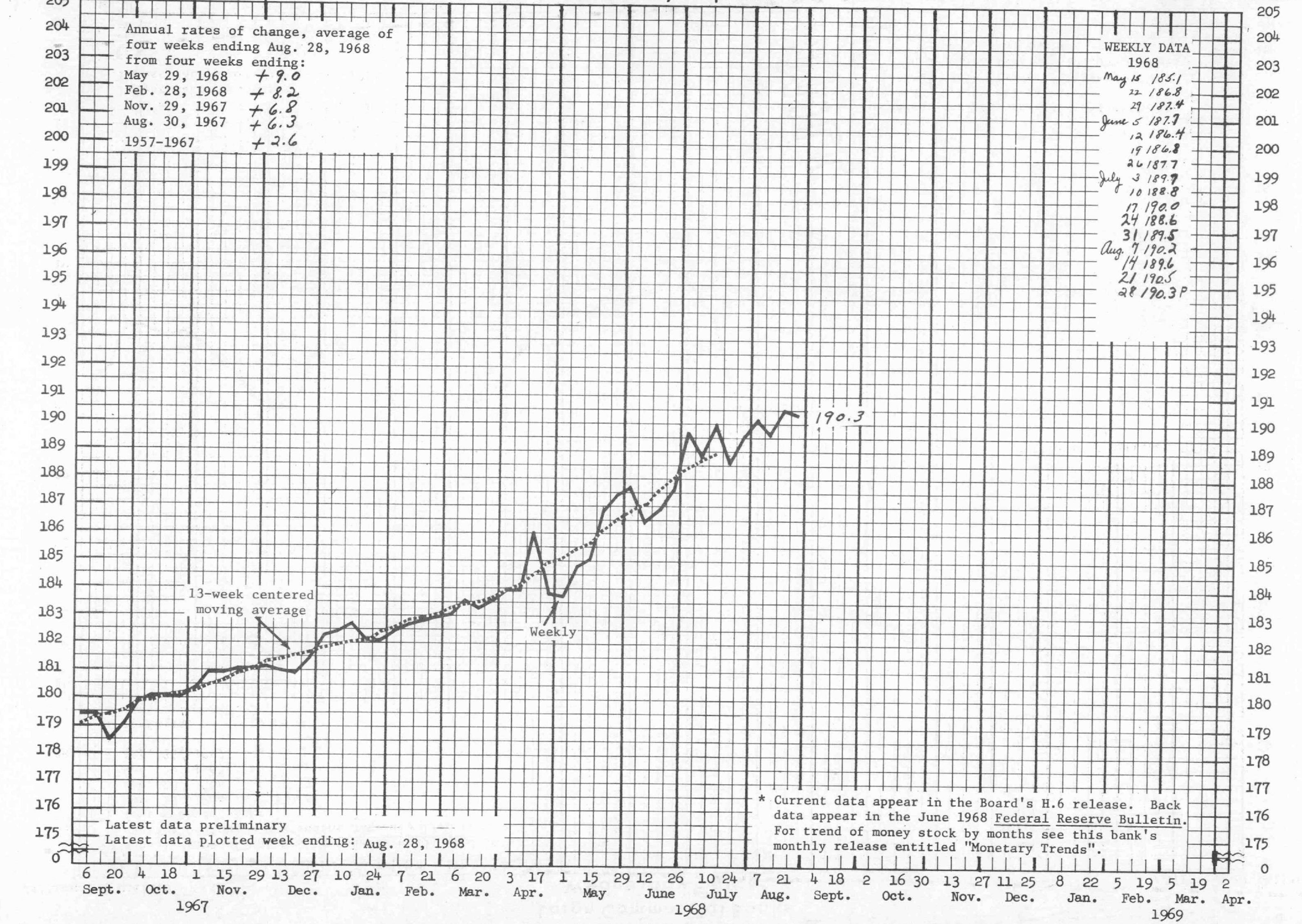
1968		UNADJUSTED	SEASONALLY ADJUSTED
June	5	204,780	207,267
	12	204,881	204,881
	19	207,482	207,068
	26	206,502	205,884
July	3	207,331	207,124
	10	206,627	204,784
	17	209,427	208,801
	24	209,309	208,891
	31	210,568	209,312
Aug.	7	210,439	211,496
	14	210,886	211,733
	21	211,728	213,221
	28	211,418 P	212,054 P

Latest data preliminary
Latest data plotted: Aug. 28, 1968

Current and year ago unadjusted data appear in the Board's H.4.2. release. Seasonal adjustment computed by this bank using 1961 through 1966 data.

Prepared by Federal Reserve Bank of St. Louis

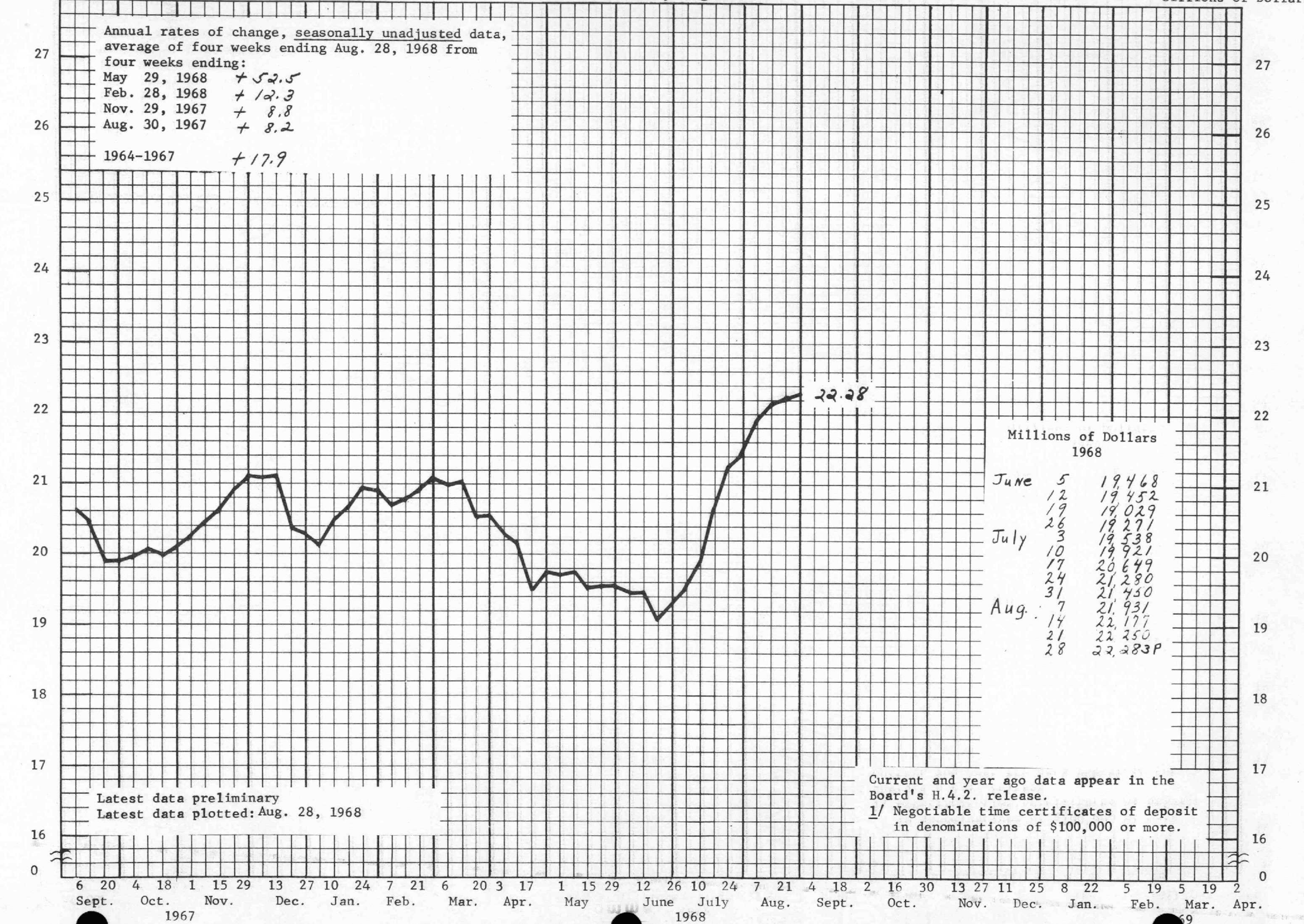
MONEY STOCK*
Averages of Daily Figures
Seasonally Adjusted



* Current data appear in the Board's H.6 release. Back data appear in the June 1968 Federal Reserve Bulletin. For trend of money stock by months see this bank's monthly release entitled "Monetary Trends".

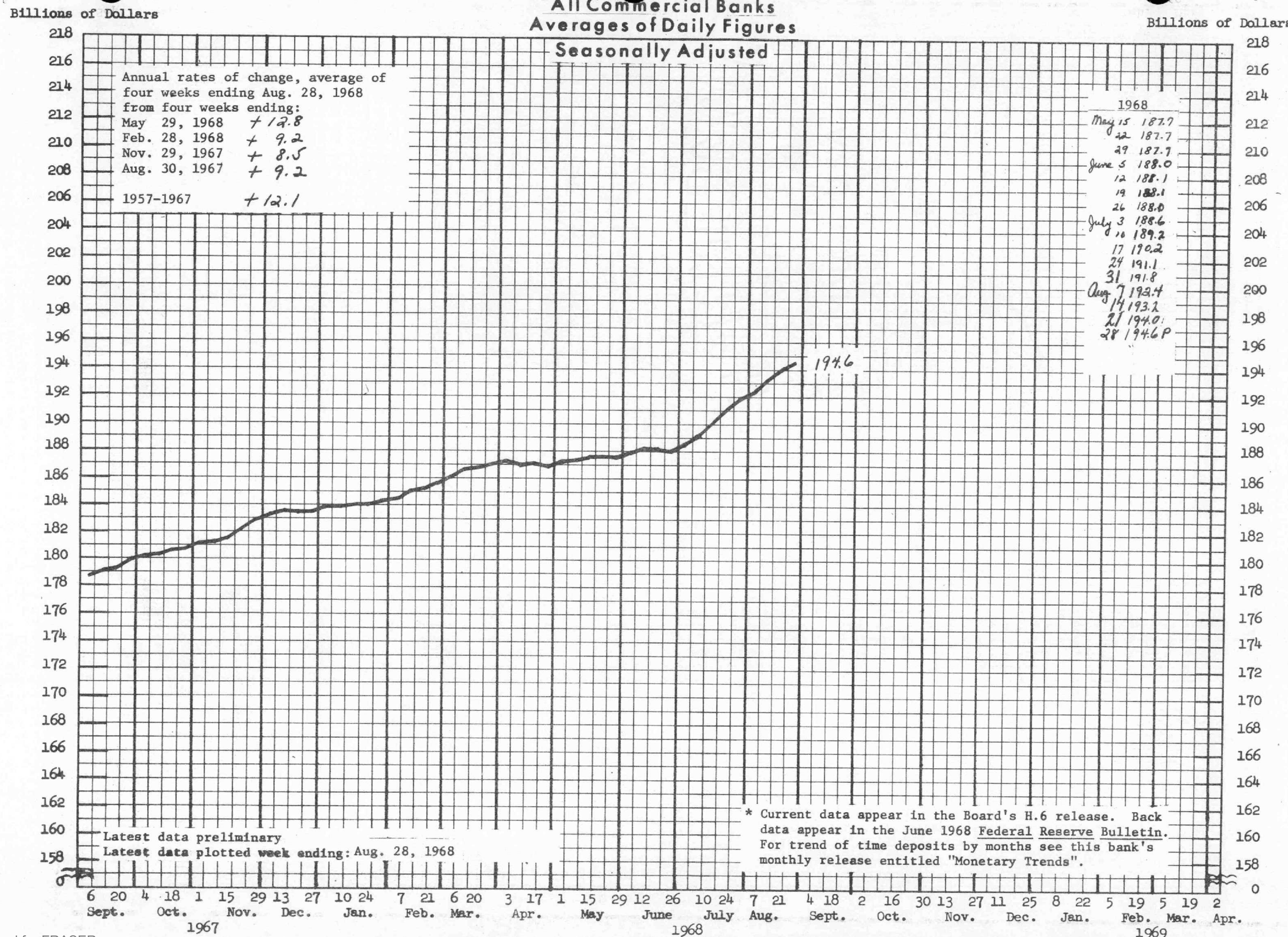
Prepared by Federal Reserve Bank of St. Louis

CERTIFICATES OF DEPOSIT 1/
Large Commercial Banks
Wednesday Figures



Prepared by Federal Reserve Bank of St. Louis

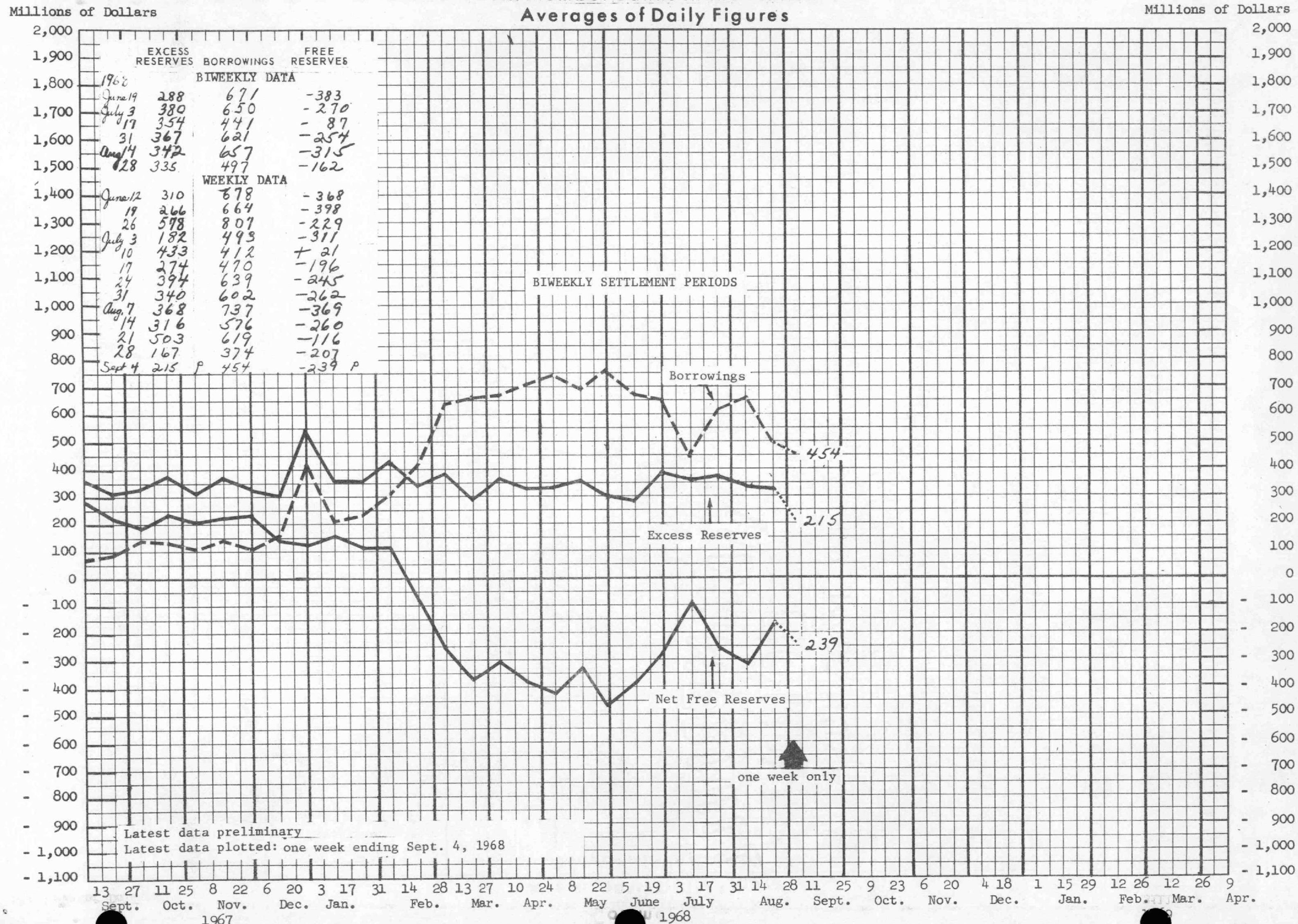
TIME DEPOSITS*
All Commercial Banks
Averages of Daily Figures
Seasonally Adjusted



* Current data appear in the Board's H.6 release. Back data appear in the June 1968 Federal Reserve Bulletin. 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

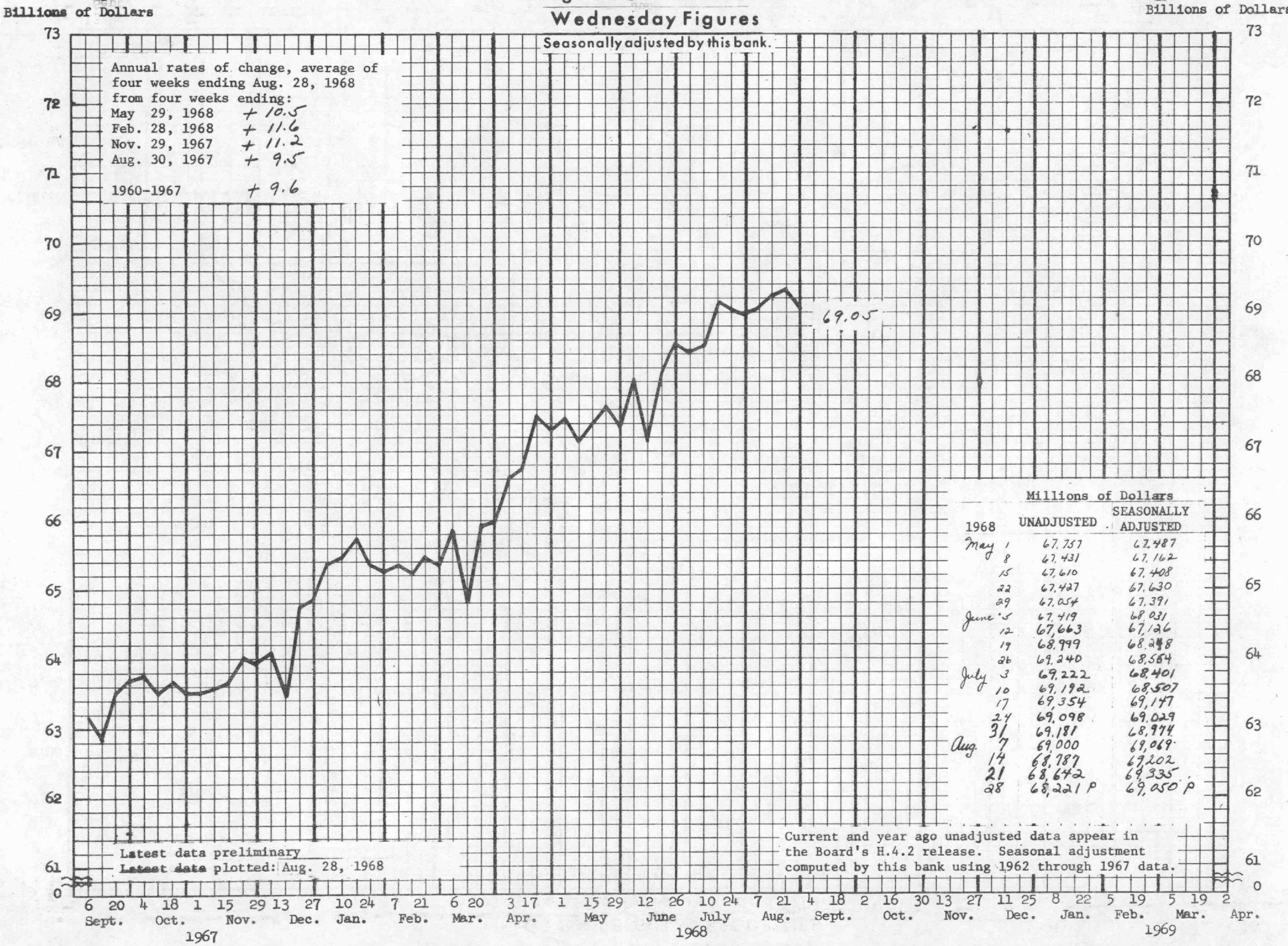


1968	EXCESS RESERVES	BORROWINGS	FREE RESERVES
BIWEEKLY DATA			
June 19	288	671	-383
July 3	380	650	-270
17	354	441	- 87
31	367	621	-254
Aug 14	342	657	-315
28	335	497	-162
WEEKLY DATA			
June 12	310	678	-368
19	266	664	-398
26	578	807	-229
July 3	182	493	-311
10	433	412	+ 21
17	274	470	-196
24	394	639	-245
31	340	602	-262
Aug. 7	368	737	-369
14	316	576	-260
21	503	619	-116
28	167	374	-207
Sept 4	215 p	454	-239 p

Prepared by Federal Reserve Bank of St. Louis

BUSINESS LOANS
Large Commercial Banks
Wednesday Figures

Seasonally adjusted by this bank.



Annual rates of change, average of four weeks ending Aug. 28, 1968 from four weeks ending:

May 29, 1968	+ 10.5
Feb. 28, 1968	+ 11.6
Nov. 29, 1967	+ 11.2
Aug. 30, 1967	+ 9.5
1960-1967	+ 9.6

Millions of Dollars

1968	UNADJUSTED	SEASONALLY ADJUSTED
May 1	67,757	67,487
8	67,431	67,162
15	67,610	67,408
22	67,427	67,630
29	67,054	67,391
June 5	67,419	68,031
12	67,663	67,126
19	68,999	68,248
26	69,240	68,554
July 3	69,222	68,401
10	69,192	68,507
17	69,354	69,147
24	69,098	69,029
31	69,181	68,974
Aug. 7	69,000	69,069
14	68,787	69,202
21	68,642	69,335
28	68,221 P	69,050 P

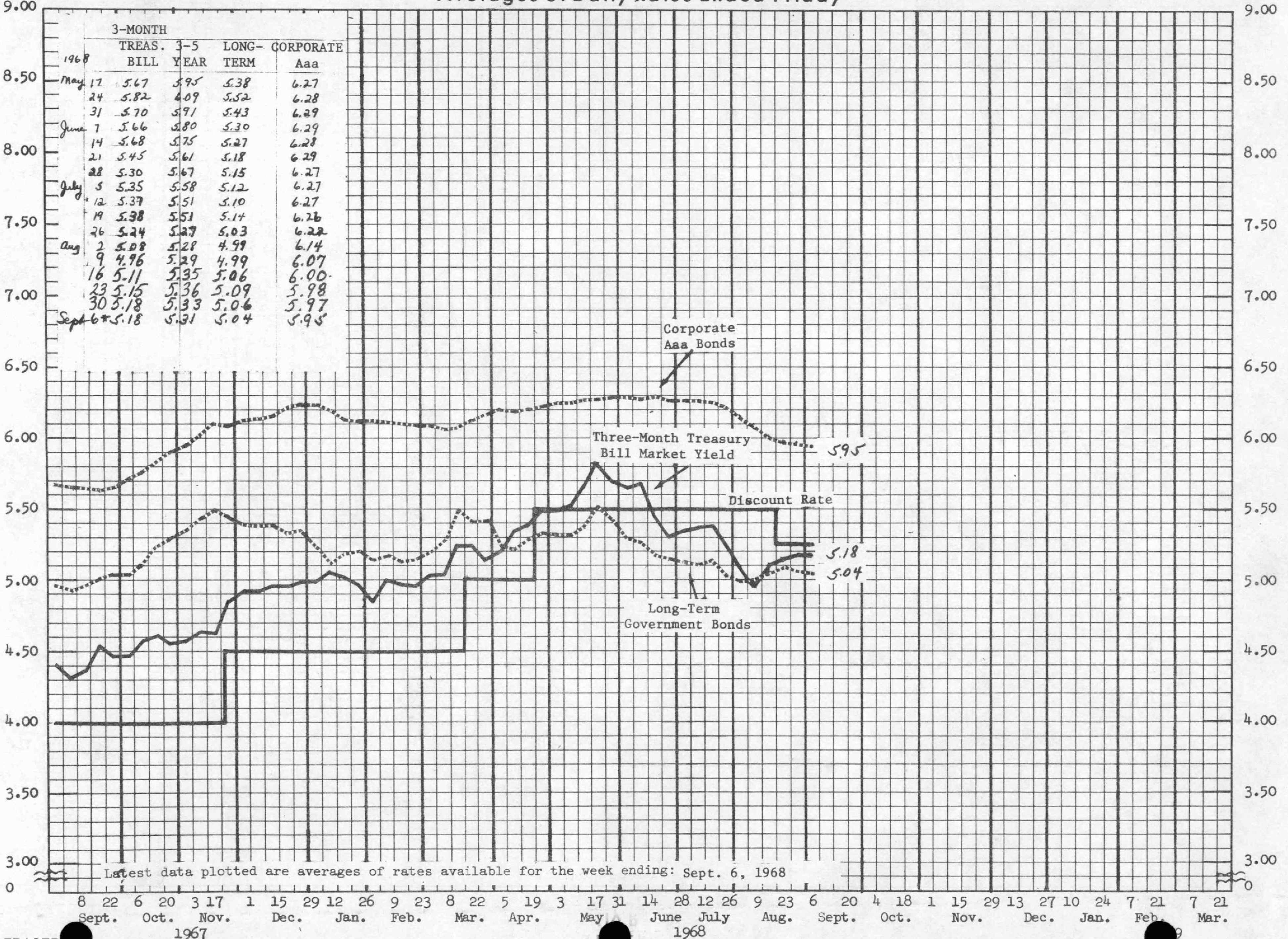
Latest data preliminary
~~Latest data~~ plotted: Aug. 28, 1968

Current and year ago unadjusted data appear in the Board's H.4.2 release. Seasonal adjustment computed by this bank using 1962 through 1967 data.

Prepared by Federal Reserve Bank of St. Louis

YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

1968	3-MONTH TREAS. BILL	3-5 YEAR	LONG-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	4.96	5.29	4.99	6.07
16	5.11	5.35	5.06	6.00
23	5.15	5.36	5.09	5.98
30	5.18	5.33	5.06	5.97
Sept 6*	5.18	5.31	5.04	5.95

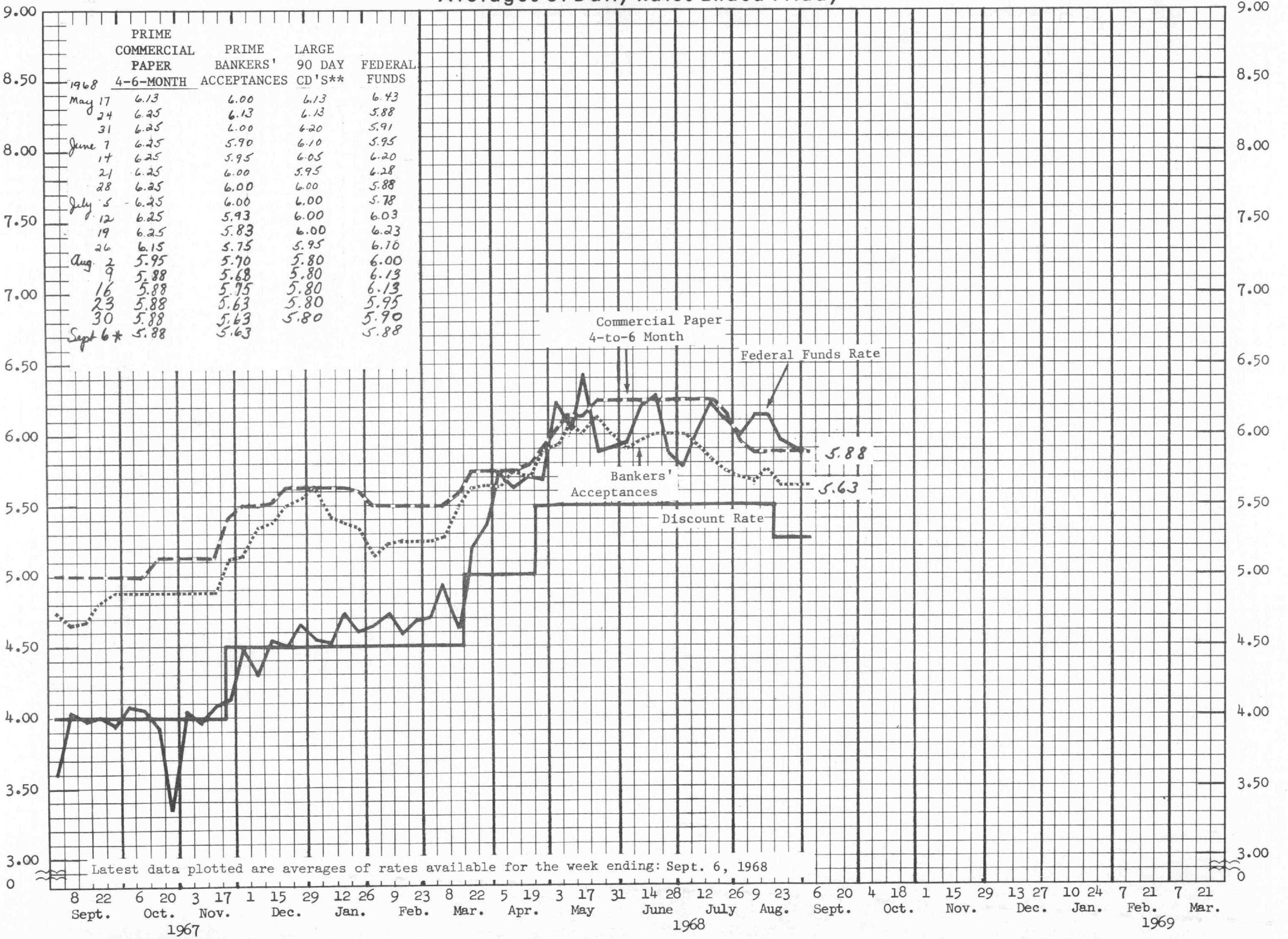


*AVERAGES OF RATES AVAILABLE

Prepared by Federal Reserve Bank of St. Louis

SELECTED SHORT TERM INTEREST RATES
Averages of Daily Rates Ended Friday

1968	PRIME COMMERCIAL PAPER 4-6-MONTH	PRIME BANKERS' ACCEPTANCES	LARGE 90 DAY CD'S**	FEDERAL FUNDS
May 17	6.13	6.00	6.13	6.43
24	6.25	6.13	6.13	5.88
31	6.25	6.00	6.20	5.91
June 7	6.25	5.90	6.10	5.95
14	6.25	5.95	6.05	6.20
21	6.25	6.00	5.95	6.28
28	6.25	6.00	6.00	5.88
July 5	6.25	6.00	6.00	5.78
12	6.25	5.93	6.00	6.03
19	6.25	5.83	6.00	6.23
26	6.15	5.75	5.95	6.10
Aug. 2	5.95	5.70	5.80	6.00
9	5.88	5.68	5.80	6.13
16	5.88	5.75	5.80	6.13
23	5.88	5.63	5.80	5.95
30	5.88	5.63	5.80	5.90
Sept 6*	5.88	5.63		5.88



*AVERAGES OF RATES AVAILABLE

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

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