RESEARCH LIBRARY
Federal Reserve Bank
of St. Louis
AUG 27 1998

U.S. FINANCIAL DATA

Week ending October 9, 1968

The nation's money stock (page 3), consisting of private demand deposits and currency in the hands of the public, averaged $189.5 billion during the four weeks ending October 2. This represents a 3.8 per cent annual rate of increase from the four week average three months ago, a rate much slower than the rapid 6.5 per cent annual rate for the first half of the year, and closer to the 2.6 per cent trend rate of money growth from 1957 to 1967.

Recent slowing in the growth of the monetary base (page 2) has contributed to the moderation in the growth of the money stock. In the four weeks ending October 9 the base averaged $74.3 billion, up at a 4.4 per cent rate from three months earlier, significantly slower than the 6.6 per cent rate for the previous six months and somewhat closer to its 1957 to 1967 trend rate of 3.3 per cent. Underlying the slower rate of increase of the base has been a decline in the growth rate of Federal Reserve credit (page 2). During the first half of the year such credit rose at a very rapid 13 per cent rate, and since June at a 7 per cent rate, about the same as its 7.6 per cent trend rate of growth from 1957 to 1967.

The rapid growth of time deposits of commercial banks (pages 6 and 7) since July 1 has contributed to the slower money growth. In July and August short-term market interest rates declined relative to the rates banks were permitted to pay on time deposits (see table of present ceiling rates on page 11). Consequently, banks have been able to compete more effectively for these deposits. In the last three months time deposits have risen at a rapid 19 per cent annual rate, whereas, during the previous six months they had grown at a 5.2 per cent rate, much slower than the 1957-1967 trend rate of 12 per cent. The recent acceleration in the growth of time deposits absorbed reserves and constrained the growth of reserves available for demand deposits. In the last three months the demand deposit component of money (page 4) has risen at a 3.3 per cent rate, in contrast with the 6 per cent rate for the previous six months, and more in line with the 1957 to 1967 trend growth of 2.4 per cent.

In the three days ending October 9 interest rates on three-month Treasury bills averaged 5.33 per cent. The bill rate has increased in the last two weeks, but is still well below its May peak of 5.82 per cent and has stayed within a narrow range since early August. The yield on long-term Government bonds averaged 5.23 per cent in the three days ending October 9. Interest rates on these securities have not changed significantly since mid-year.

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 11, 1968

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MONETARY BASE 1
FEDERAL RESERVE CREDIT 2
Averages of Daily Figures

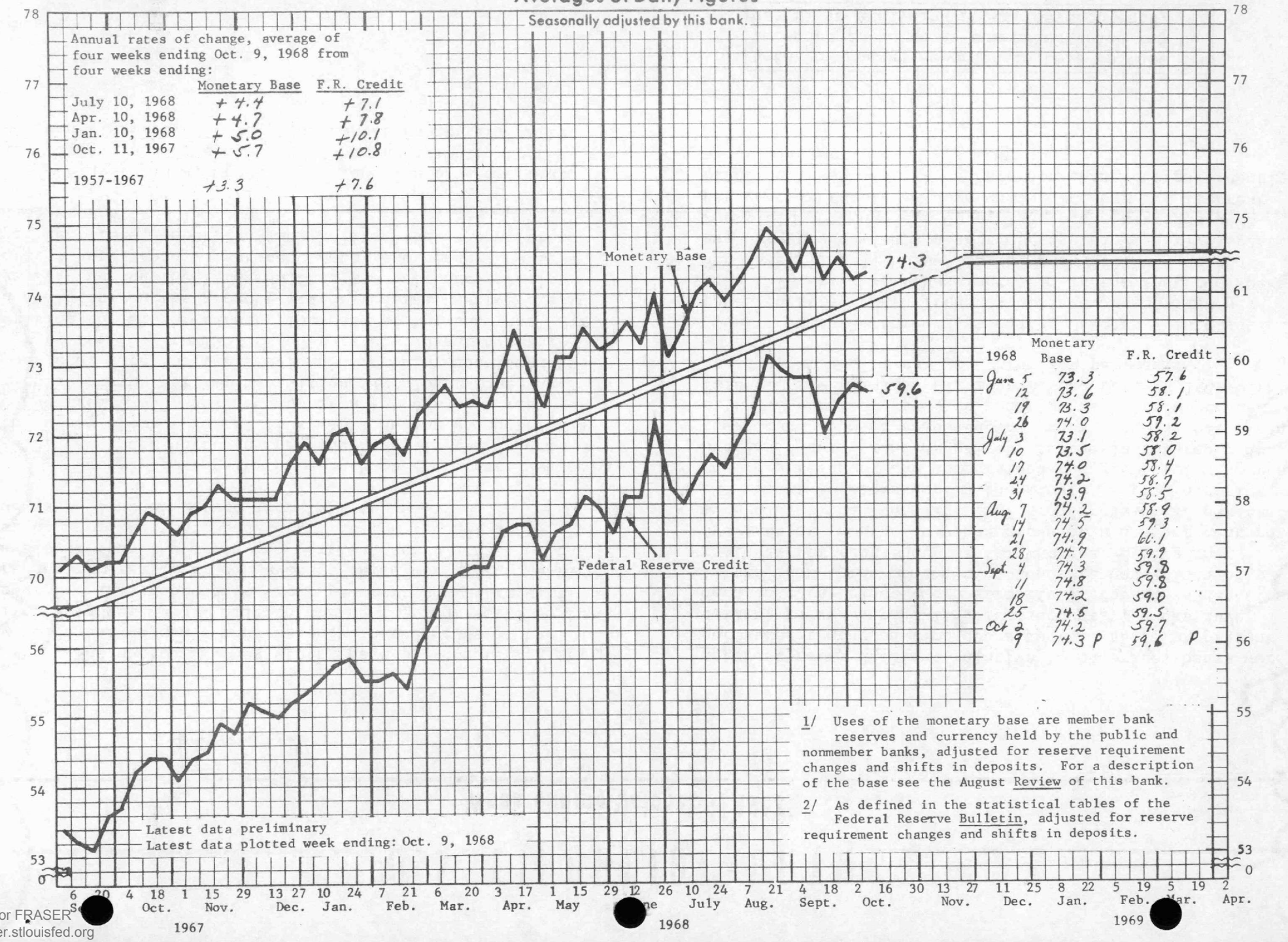
Billions of Dollars

Billions of Dollars

Seasonally adjusted by this bank.

Annual rates of change, average of four weeks ending Oct. 9, 1968 from four weeks ending:

	Monetary Base	F.R. Credit
July 10, 1968	+4.4	+7.1
Apr. 10, 1968	+4.7	+7.8
Jan. 10, 1968	+5.0	+10.1
Oct. 11, 1967	+5.7	+10.8
1957-1967	+3.3	+7.6



1968	Monetary Base	F.R. Credit
June 5	73.3	57.6
12	73.6	58.1
19	73.3	58.1
26	74.0	59.2
July 3	73.1	58.2
10	73.5	58.0
17	74.0	58.4
24	74.2	58.7
31	73.9	58.5
Aug. 7	74.2	58.9
14	74.5	59.3
21	74.9	60.1
28	74.7	59.9
Sept. 4	74.3	59.8
11	74.8	59.8
18	74.2	59.0
25	74.5	59.5
Oct 2	74.2	59.7
9	74.3 p	59.6 p

Latest data preliminary
Latest data plotted week ending: Oct. 9, 1968

1/ Uses of the monetary base are member bank reserves and currency held by the public and nonmember banks, adjusted for reserve requirement changes and shifts in deposits. For a description of the base see the August Review of this bank.

2/ As defined in the statistical tables of the Federal Reserve Bulletin, adjusted for reserve requirement changes and shifts in deposits.

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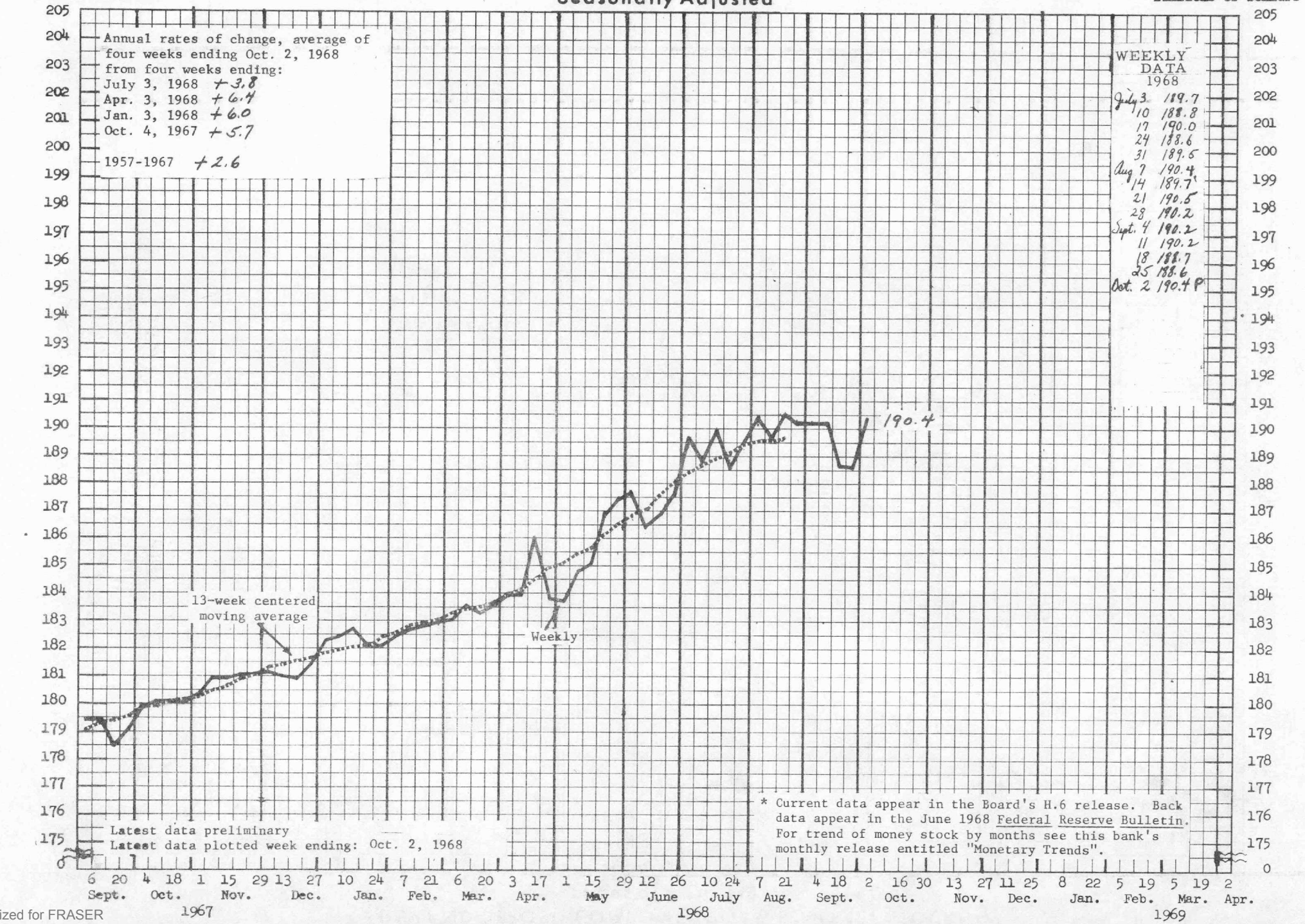
MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted



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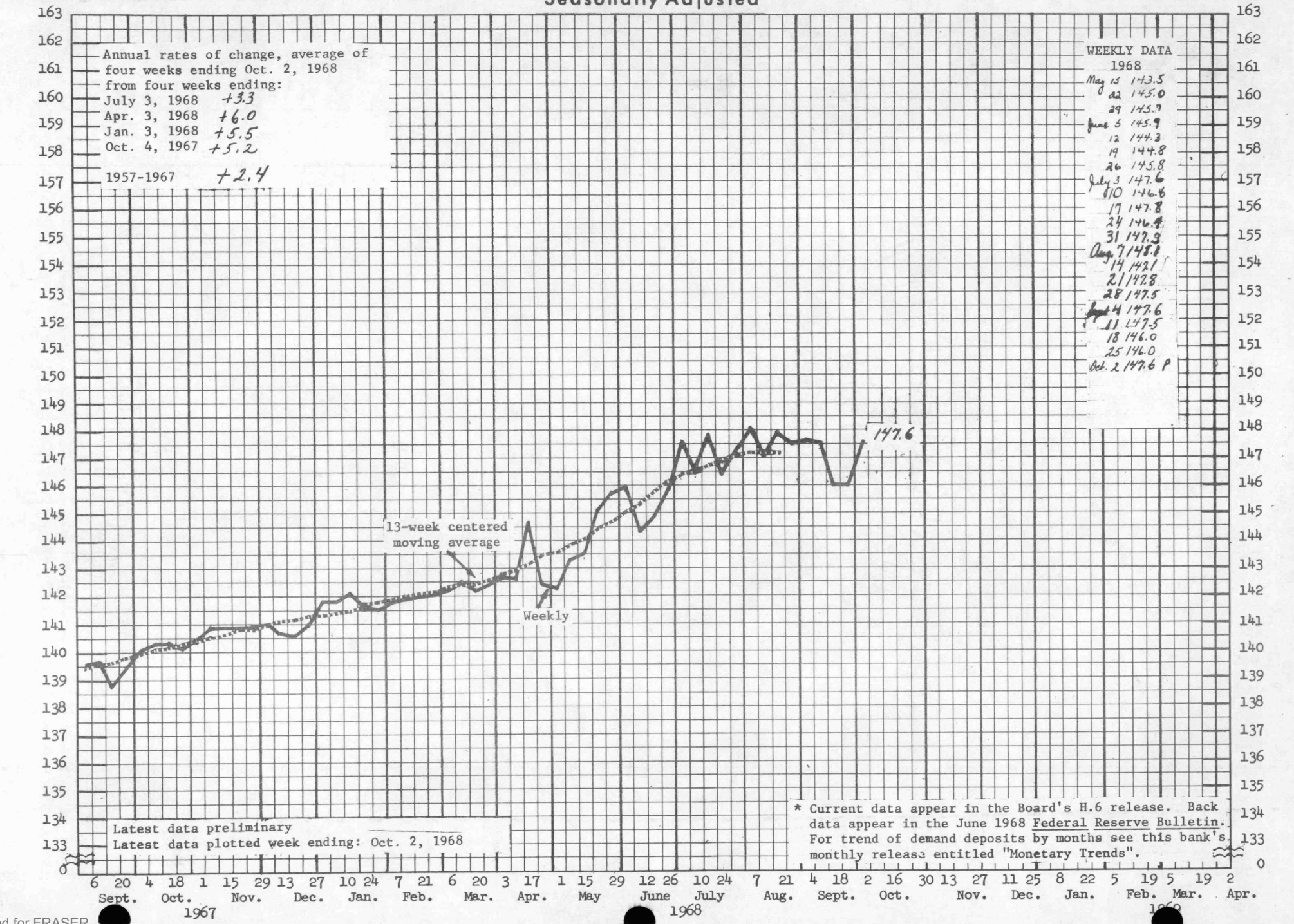
DEMAND DEPOSIT COMPONENT OF U.S. MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted



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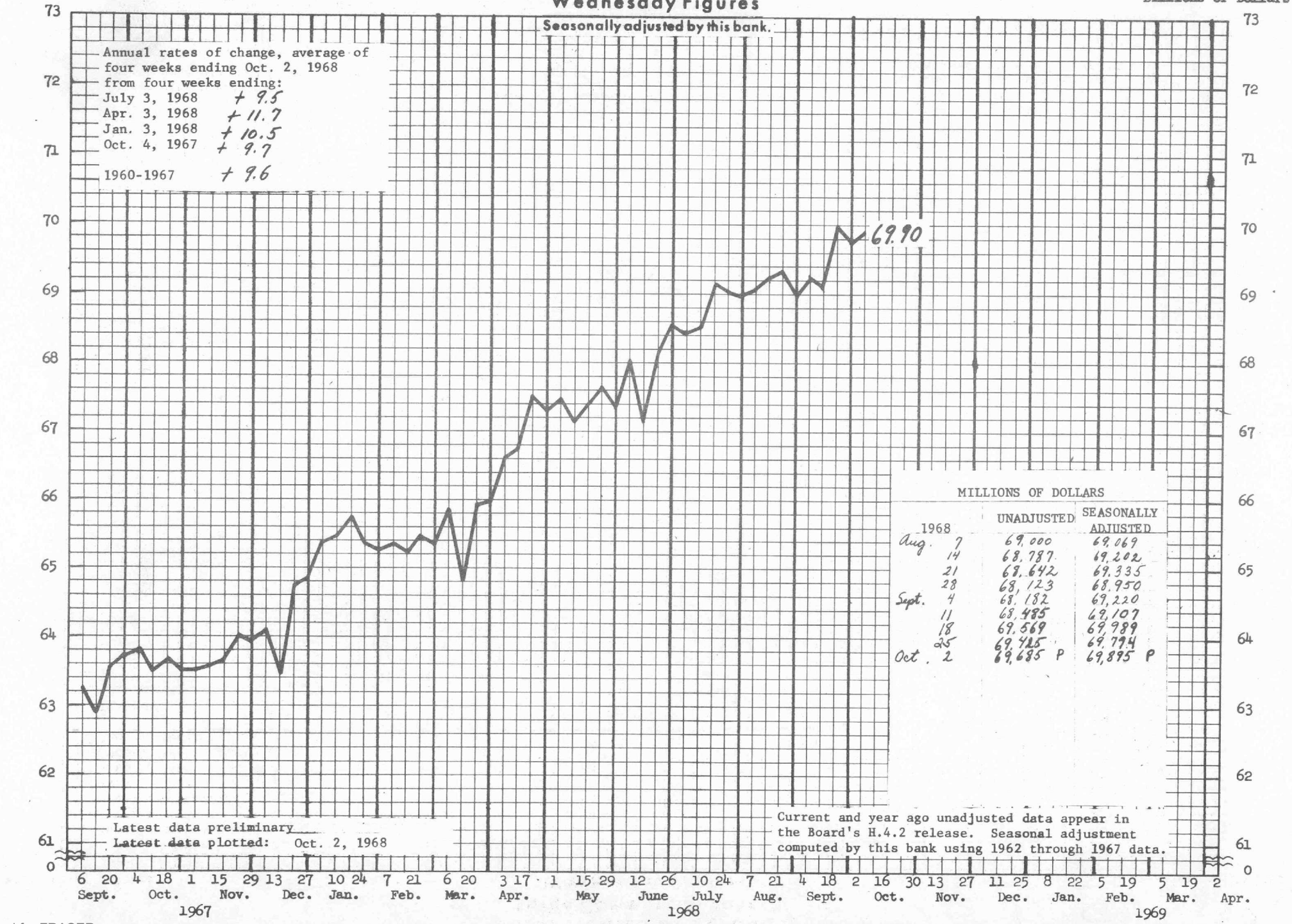
BUSINESS LOANS
Large Commercial Banks
Wednesday Figures

Seasonally adjusted by this bank.



MILLIONS OF DOLLARS

1968		UNADJUSTED	SEASONALLY ADJUSTED
Aug.	7	69,000	69,069
	14	68,787	69,202
	21	68,642	69,335
	28	68,123	68,950
Sept.	4	68,182	69,220
	11	68,485	69,107
	18	69,569	69,989
	25	69,425	69,794
Oct.	2	69,685 P	69,895 P

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.

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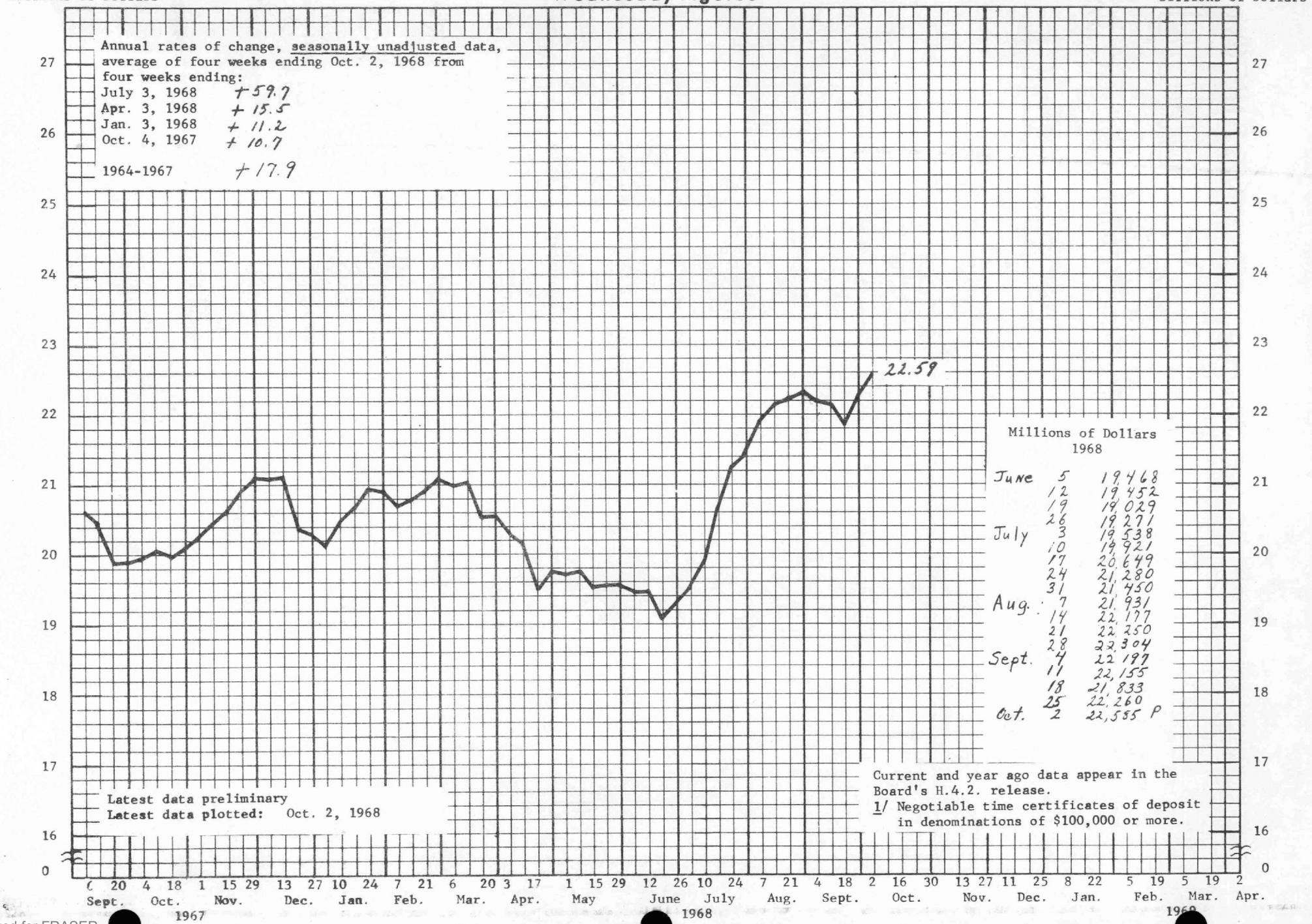
CERTIFICATES OF DEPOSIT [1]
Large Commercial Banks
Wednesday Figures



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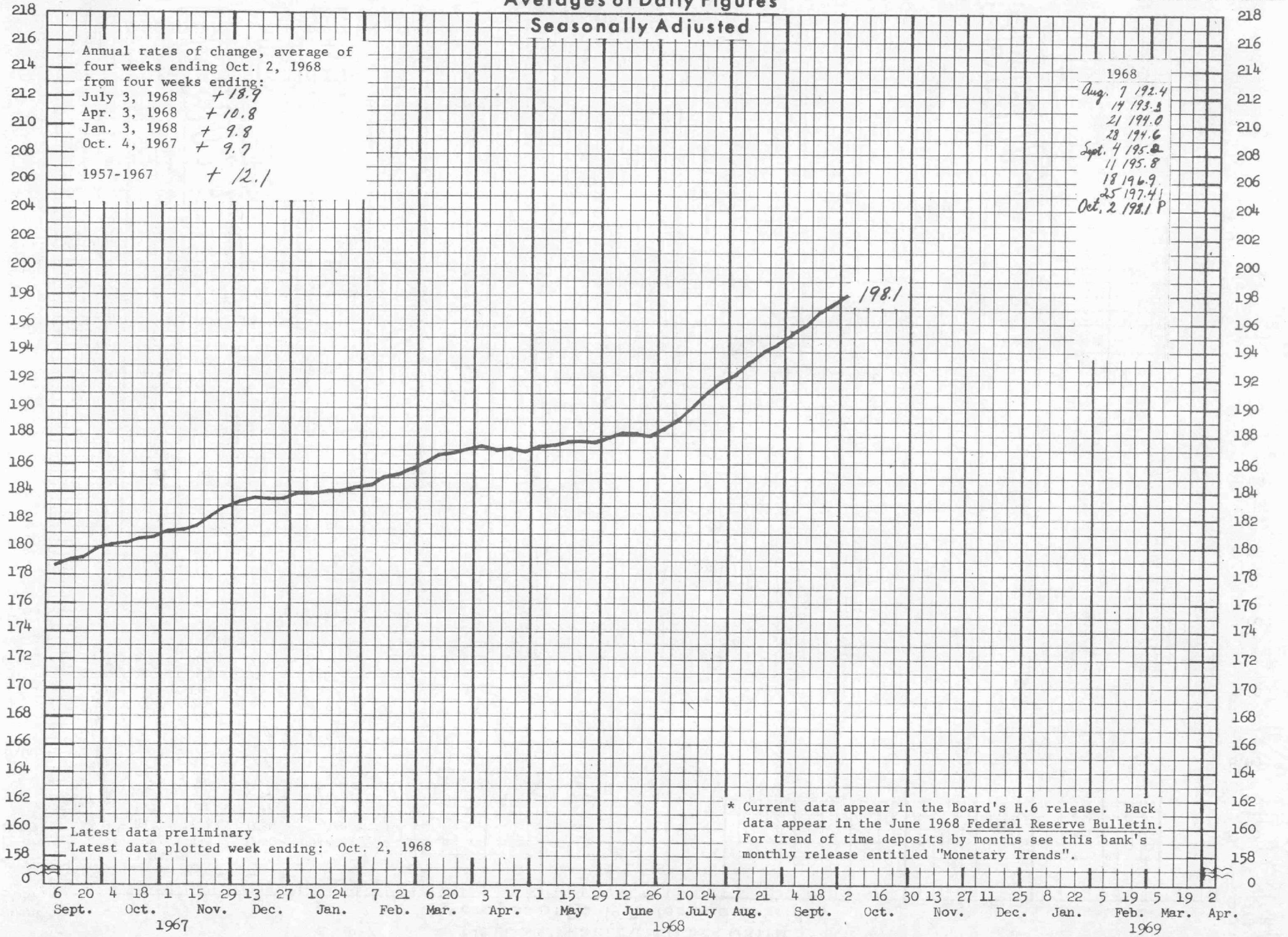
TIME DEPOSITS*
All Commercial Banks
Averages of Daily Figures
Seasonally Adjusted



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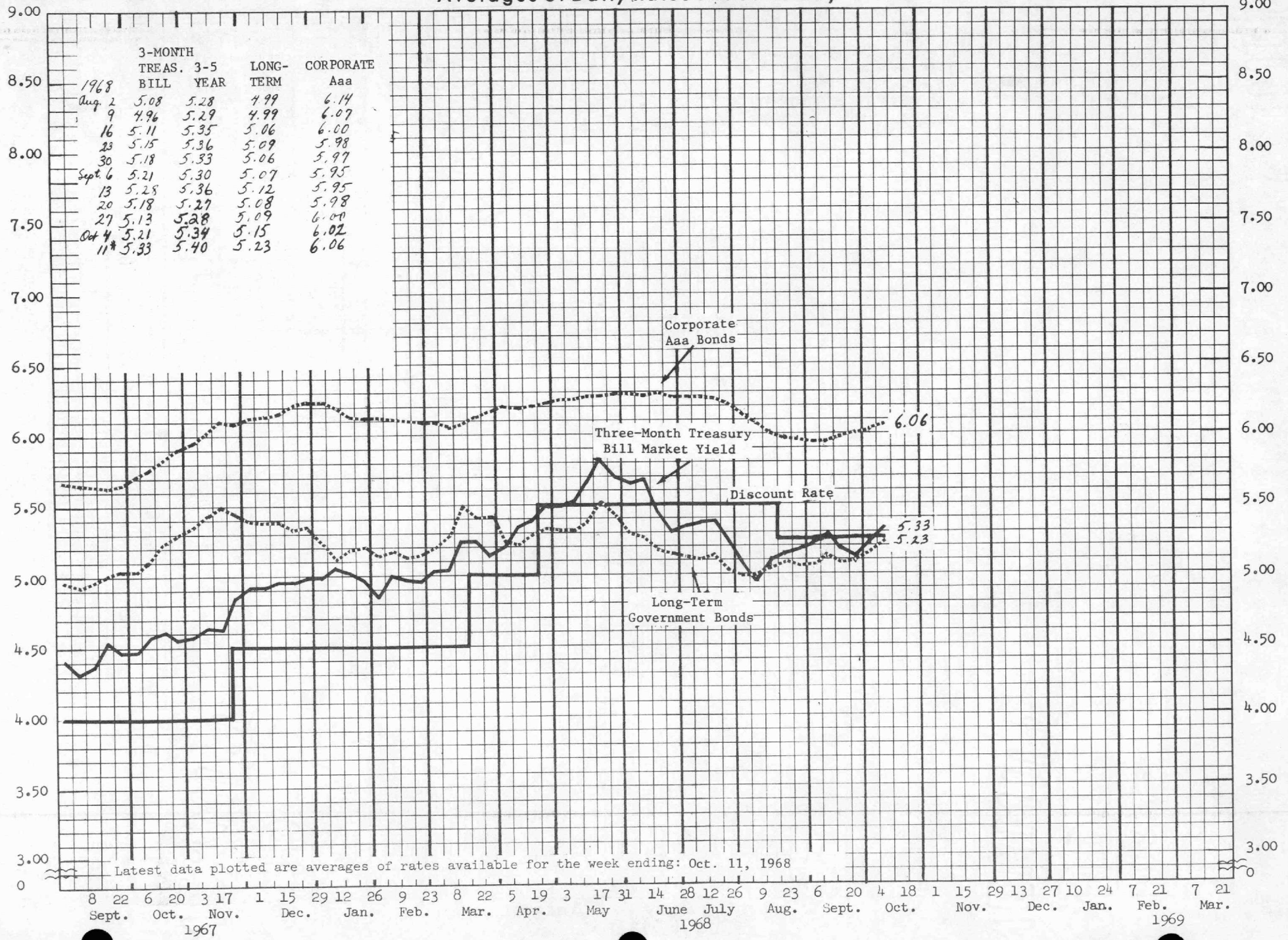
YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday



1968	3-MONTH TREAS. BILL	3-5 YEAR	LONG-TERM	CORPORATE Aaa
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	5.21	5.30	5.07	5.95
13	5.28	5.36	5.12	5.95
20	5.18	5.27	5.08	5.98
27	5.13	5.28	5.09	6.00
Oct. 4	5.21	5.34	5.15	6.02
11*	5.33	5.40	5.23	6.06

*AVERAGES OF RATES AVAILABLE

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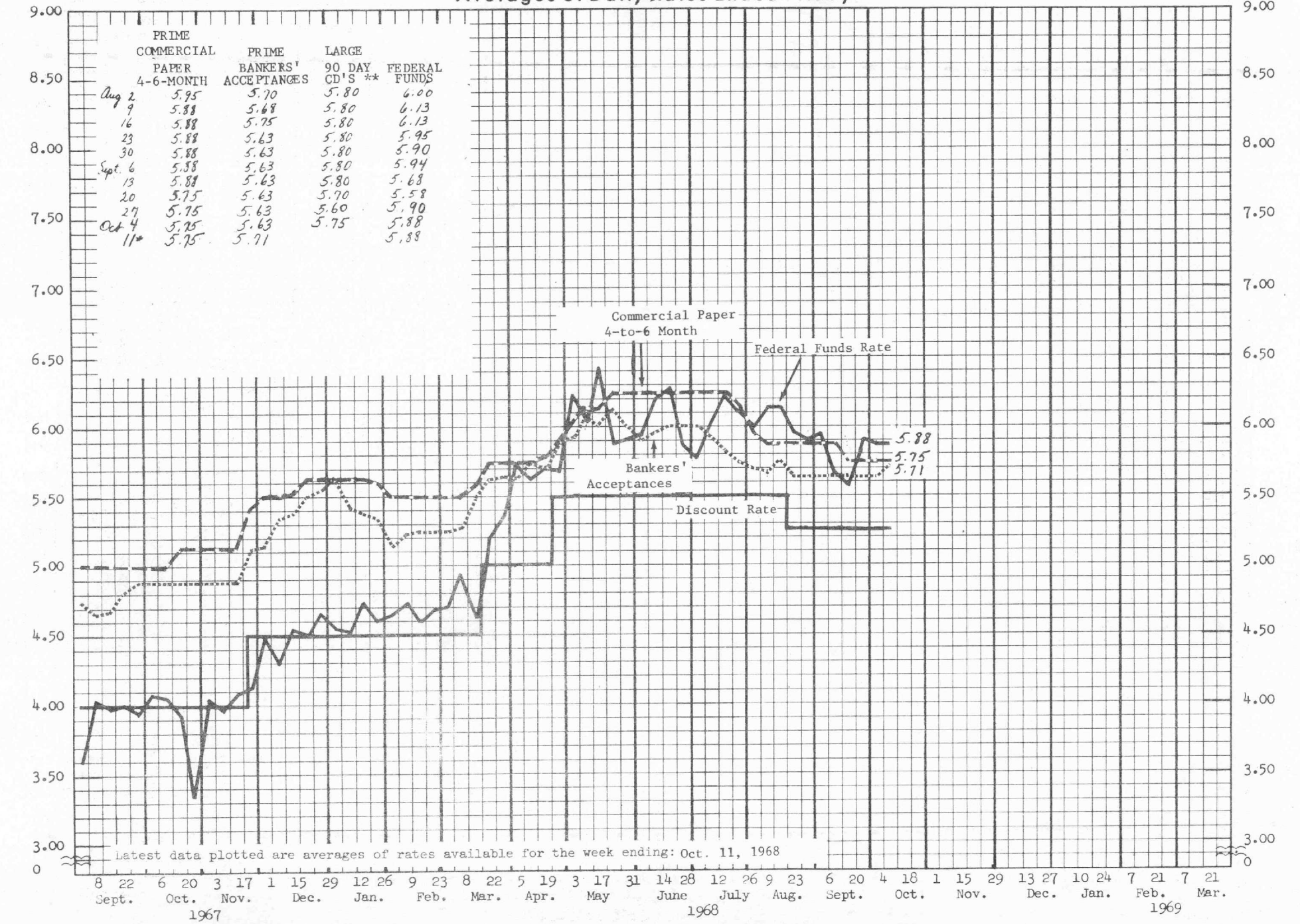
SELECTED SHORT-TERM INTEREST RATES
Averages of Daily Rates Ended Friday



	PRIME COMMERCIAL PAPER 4-6-MONTH	PRIME BANKERS' ACCEPTANCES	LARGE 90 DAY CD'S **	FEDERAL FUNDS
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	5.80	5.94
13	5.88	5.63	5.80	5.68
20	5.75	5.63	5.70	5.58
27	5.75	5.63	5.60	5.90
Oct 4	5.75	5.63	5.75	5.88
11*	5.75	5.71		5.88

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

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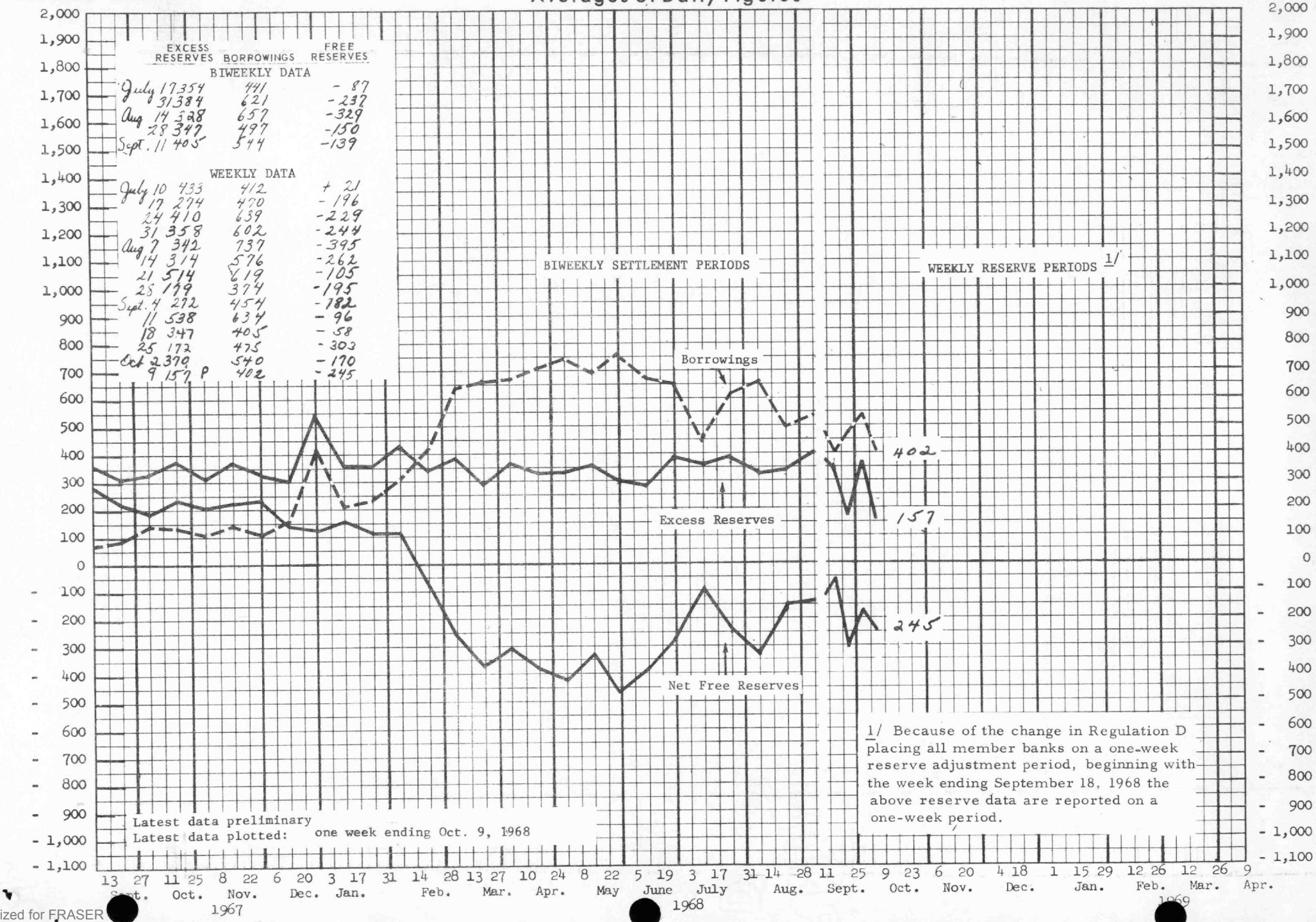
BORROWINGS AND EXCESS RESERVES
All Member Banks in the Nation
Averages of Daily Figures



	EXCESS RESERVES	BORROWINGS	FREE RESERVES
BIWEEKLY DATA			
July 17	354	441	- 87
31	384	621	-237
Aug 14	328	657	-329
28	347	497	-150
Sept. 11	405	544	-139
WEEKLY DATA			
July 10	433	412	+ 21
17	274	470	- 196
24	410	639	-229
31	358	602	-244
Aug 7	342	737	-395
14	314	576	-262
21	514	619	-105
28	179	374	-195
Sept. 4	272	454	-182
11	538	634	- 96
18	347	405	- 58
25	172	475	- 303
Oct 2	370	540	- 170
9	157 P	402	- 245

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Maximum Interest Rates Payable on Time and Savings Deposits 1/

(Per cent per annum)

Type of Deposits	Effective April 19, 1968
Savings deposits	4
Other time deposits:	
Multiple maturity	
90 days or more	5
Less than 90 days (30-89 days)	4
Single maturity:	
Less than $100,000	5
$100,000 or more: 2/	
30-59 days	5-1/2
60-89 days	5-3/4
90-179 days	6
180 days and over	6-1/4

1/ For more detail see Federal Reserve Bulletin.

2/ Large negotiable certificates of deposit.

Week ending	Total Effective Reserves	Reserves Available for private Demand Deposits
1968	(Seasonally adjusted)	
Aug. 7	26.41	17.68
14	26.20	17.48
21	26.60	17.80
28	26.26	17.46
Sept. 4	26.24	17.56
11	26.51	17.77
18	26.08	17.39
25	26.57	17.21
Oct. 2	26.34	17.56
9	26.20 P	17.36 P
16		
23		

Average of daily figures in billions of dollars.

P - preliminary

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