U.S. FINANCIAL DATA

Week ending February 12, 1969

The monetary base has risen at a 7.4 per cent annual rate in the past three months, compared with 6.5 per cent in the past year and a 3.3 per cent trend rate from 1957 to 1967 (page 2). Federal Reserve credit, a major determinant of the growth of the base, has declined at a 1.3 per cent annual rate in the last three months, compared with an 8.5 per cent rise in the past year (page 2).

The continued rapid growth of the monetary base, in the face of slower growth of Federal Reserve credit since mid-November, is attributable largely to an increase in the Federal Reserve System's holdings of foreign denominated currencies (due to swap arrangements). These assets are not included in the traditionally defined Federal Reserve credit, but are a source of the monetary base. Also, Treasury Deposits at Federal Reserve Banks, which influence the base but not Federal Reserve credit, have declined since November causing the base to increase faster than Federal Reserve credit.

The money stock, consisting of private demand deposits and currency in the hands of the public, averaged $193.0 billion in the four weeks ending February 5, up at a 5 per cent rate from three months ago (page 3). Growth of money has been restrained in recent weeks by a shift in deposits from private accounts (included in money) to Treasury accounts (not included in money). The money stock has increased 6 per cent in the past year compared with a 2.6 per cent trend rate from 1957 to 1967.

Time deposits at commercial banks have declined $3.5 billion since the week ending December 25 in response to high market interest rates relative to rates banks are permitted to pay on time deposits. Both the money stock plus time deposits and bank credit (total loans and investments) of large commercial banks have also declined since late December as a result of the disintermediation of time deposits. Money plus time deposits averaged $394.9 billion in the past four weeks, compared with $397.1 billion in the four weeks ending December 25. Credit of large commercial banks which generally has a trend similar to money plus time deposits, has risen at a 7.8 per cent rate in the past three months (page 12), compared with a 14 per cent rate in the previous six months.

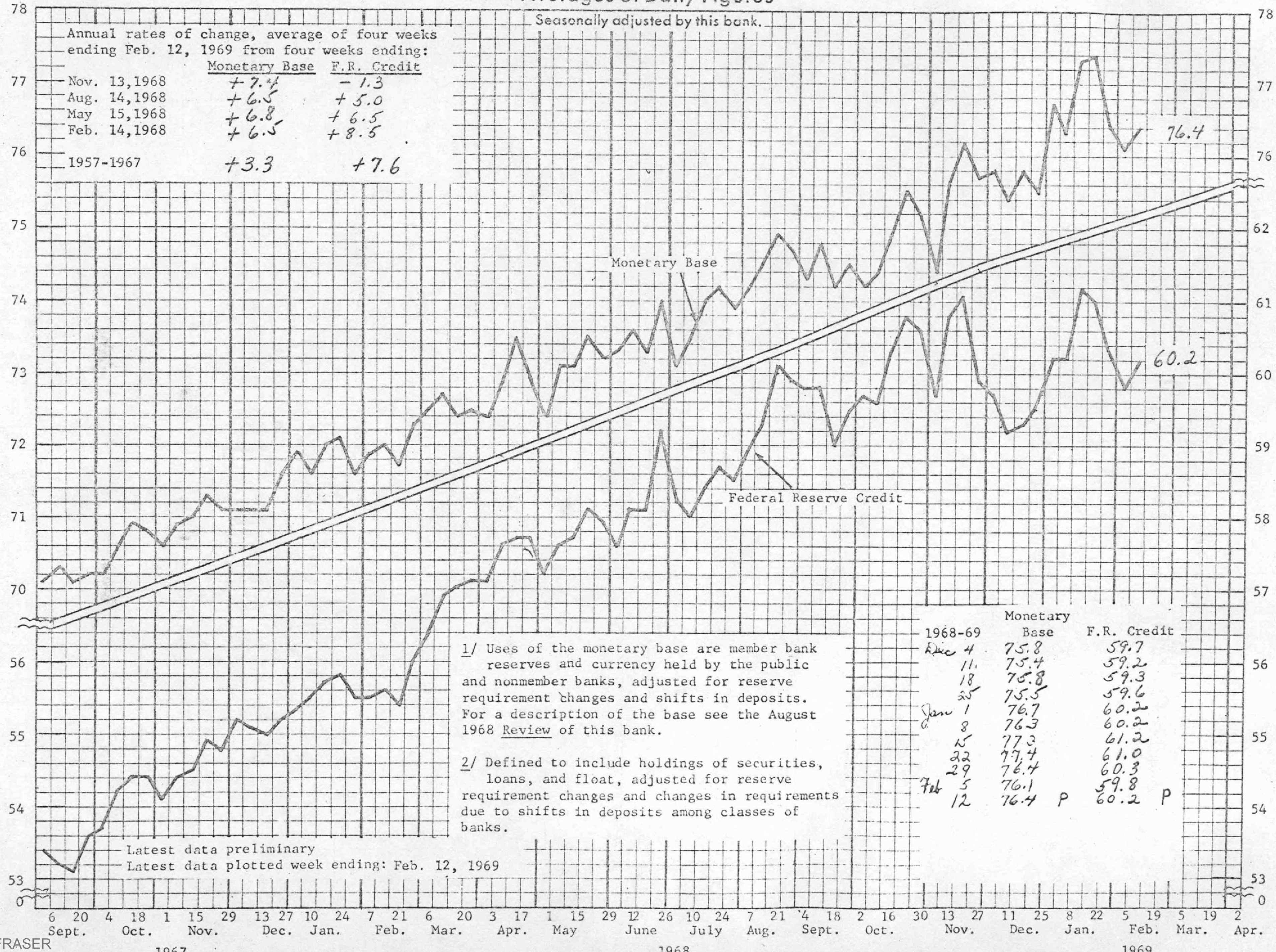
Borrowing from the Federal Reserve has averaged $804 million in the past four weeks, up from an average of $531 million in the four weeks ending December 18. (page 10). This increase in borrowing probably reflects disintermediation, the large demand for bank loans, and high market interest rates. Borrowed reserves are a source of funds to member banks, alternative to acquiring funds from additional deposits, the Federal Funds market, or selling short term assets. As market rates of interest on alternative sources of funds rise relative to the rate at which banks can borrow from the Federal Reserve (the discount rate), borrowing from the Federal Reserve becomes a relatively cheap source of funds to banks. During the three days ending February 12 the three-month Treasury bill rate averaged 6.11 per cent (page 8), and since late December it has averaged 65 basis points above the discount rate. The Federal Funds rate averaged 6.75 per cent in the first half of this week (page 9), and has averaged 85 basis points above the discount rate since late December.

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: February 14, 1969

MONETARY BASE 1/
FEDERAL RESERVE CREDIT 2/
Averages of Daily Figures

Seasonally adjusted by this bank.



Annual rates of change, average of four weeks ending Feb. 12, 1969 from four weeks ending:

	Monetary Base	F.R. Credit
Nov. 13, 1968	+7.4	-1.3
Aug. 14, 1968	+6.5	+5.0
May 15, 1968	+6.8	+6.5
Feb. 14, 1968	+6.5	+8.5
1957-1967	+3.3	+7.6

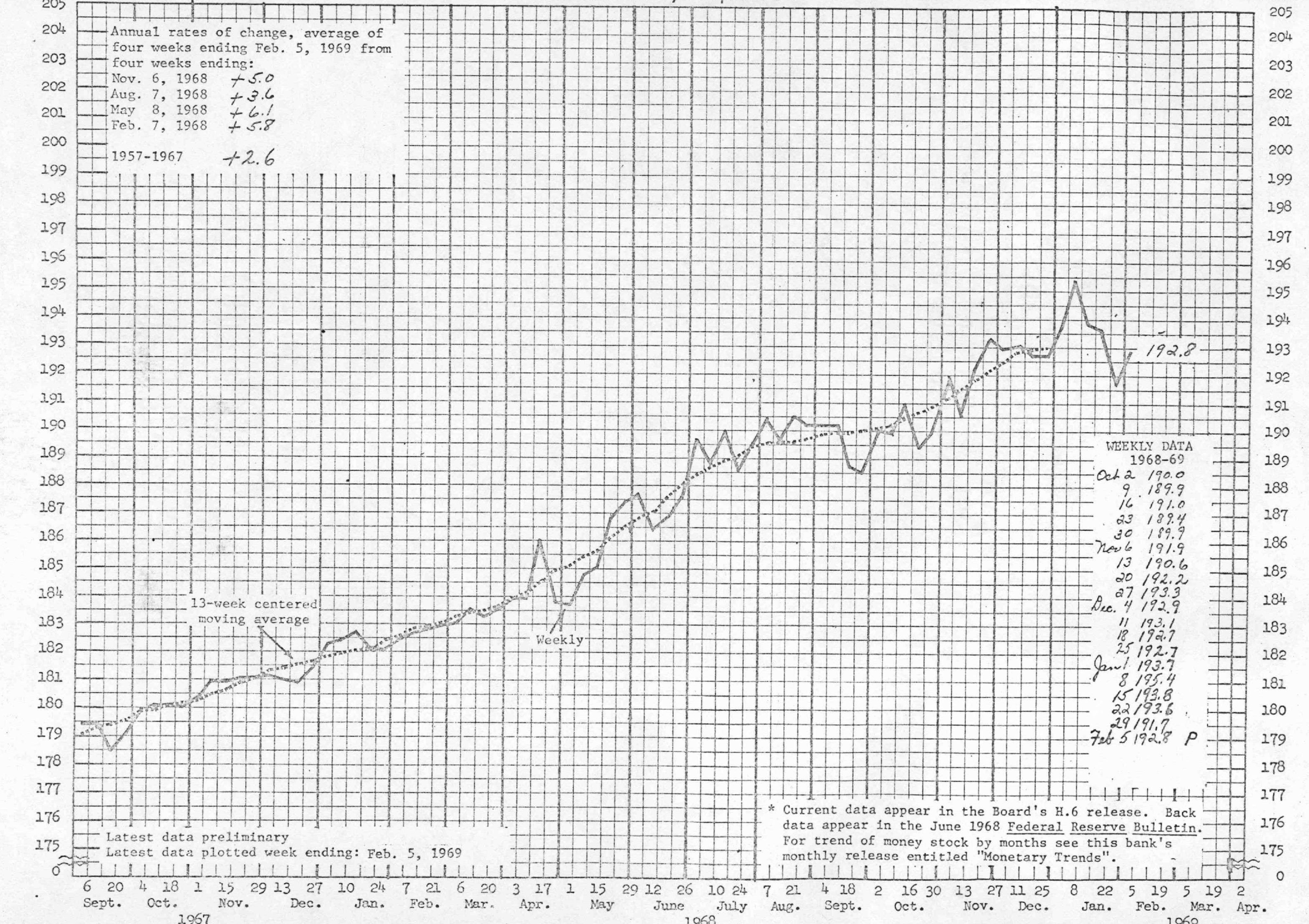
1968-69	Monetary Base	F.R. Credit
Dec 4	75.8	59.7
11	75.4	59.2
18	75.8	59.3
25	75.5	59.6
Jan 1	76.7	60.2
8	76.3	60.2
15	77.2	61.2
22	77.4	61.0
29	76.4	60.3
Feb 5	76.1	59.8
12	76.4 P	60.2 P

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 1968 Review of this bank.

2/ Defined to include holdings of securities, loans, and float, adjusted for reserve requirement changes and changes in requirements due to shifts in deposits among classes of banks.

Latest data preliminary
Latest data plotted week ending: Feb. 12, 1969

MONEY STOCK*
Averages of Daily Figures
Seasonally Adjusted



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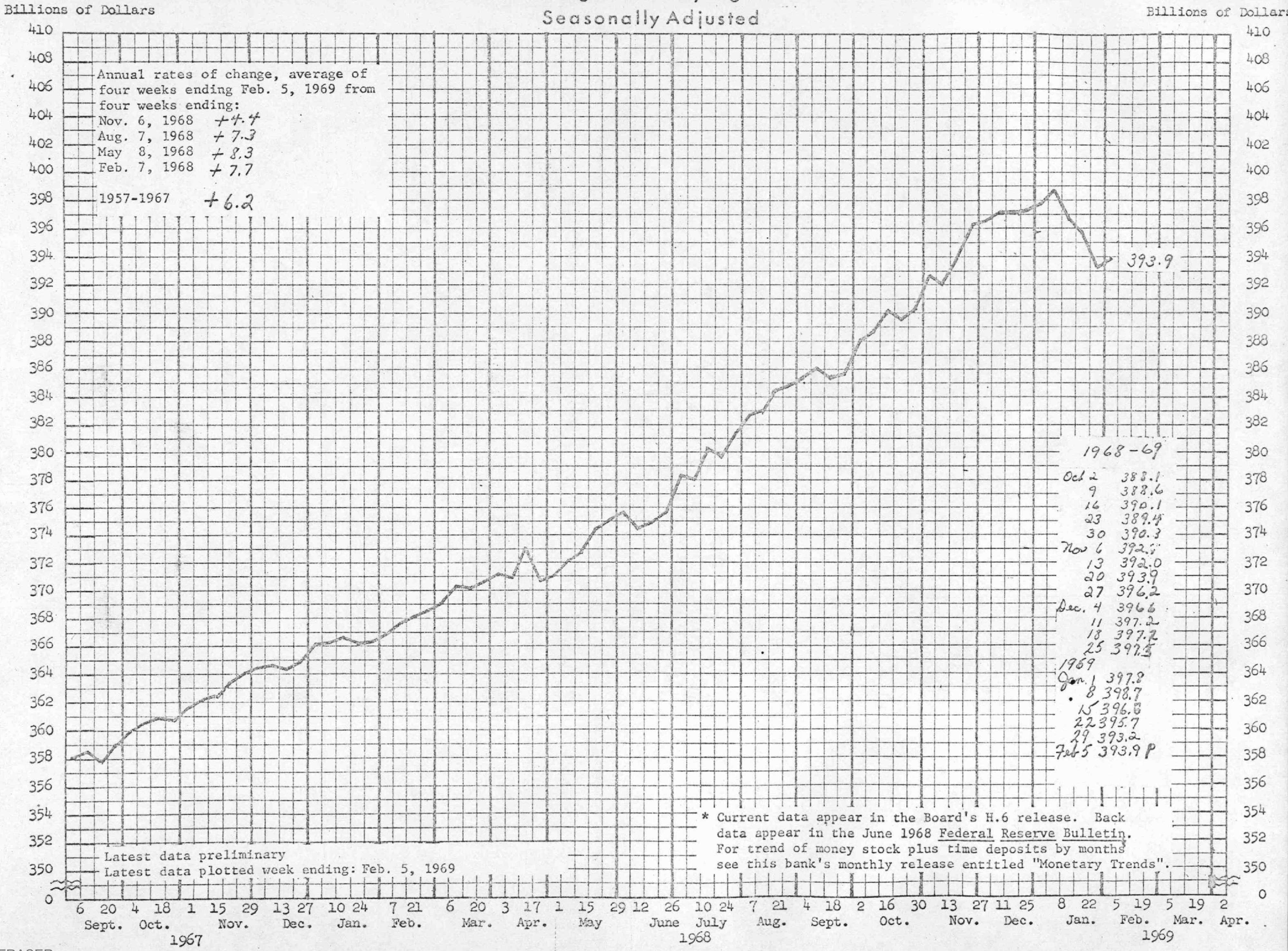
MONEY STOCK PLUS TIME DEPOSITS*

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 plus time deposits by months see this bank's monthly release entitled "Monetary Trends".

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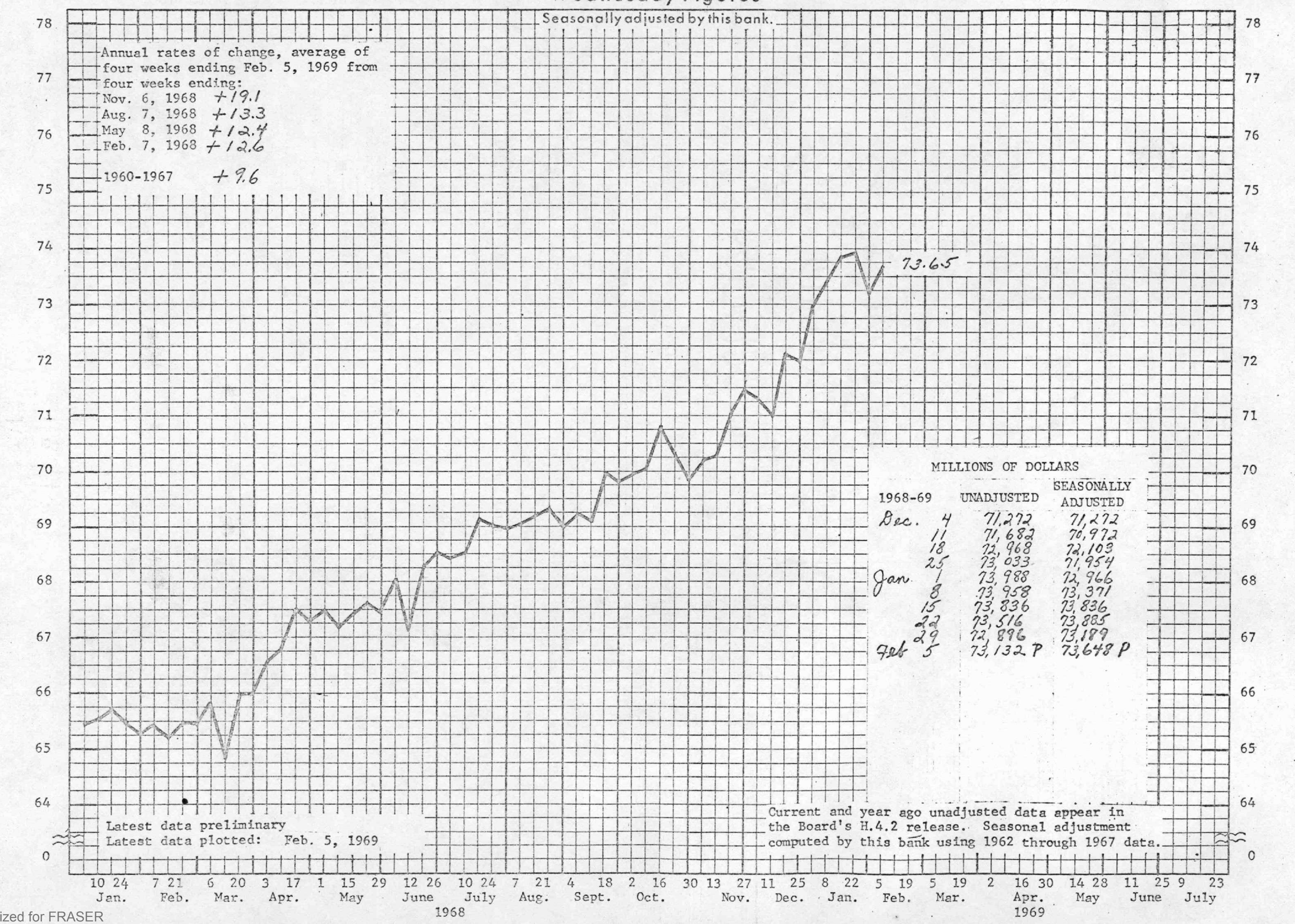
BUSINESS LOANS
Large Commercial Banks
Wednesday Figures

Seasonally adjusted by this bank.



Annual rates of change, average of four weeks ending Feb. 5, 1969 from four weeks ending:

Nov. 6, 1968	+19.1
Aug. 7, 1968	+13.3
May 8, 1968	+12.4
Feb. 7, 1968	+12.6
1960-1967	+9.6

MILLIONS OF DOLLARS

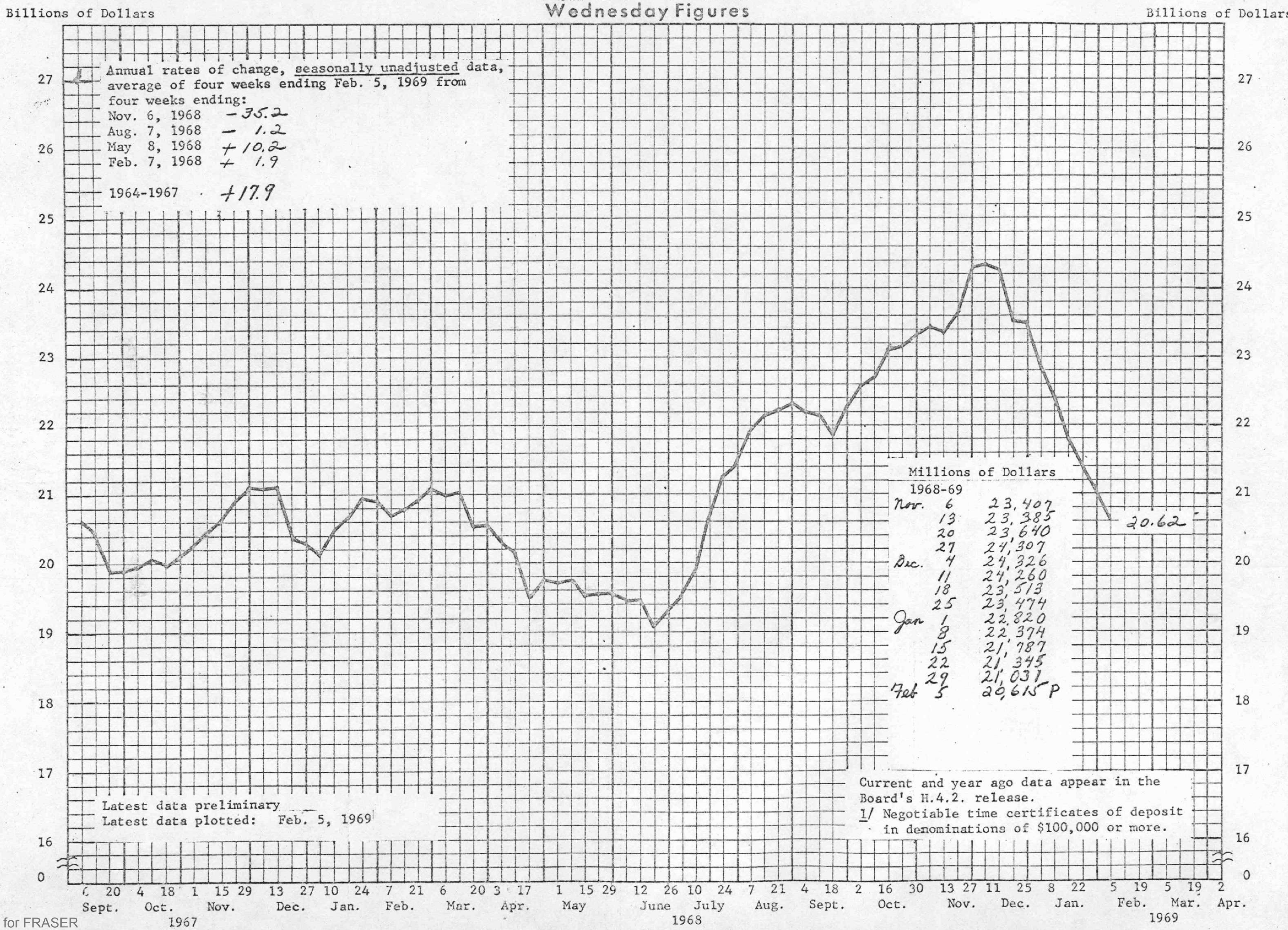
1968-69		UNADJUSTED	SEASONALLY ADJUSTED
Dec.	4	71,272	71,272
	11	71,682	70,972
	18	72,968	72,103
	25	73,033	71,954
Jan	1	73,988	72,966
	8	73,958	73,371
	15	73,836	73,836
	22	73,516	73,885
	29	72,896	73,189
Feb	5	73,132 P	73,648 P

Latest data preliminary
Latest data plotted: Feb. 5, 1969

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

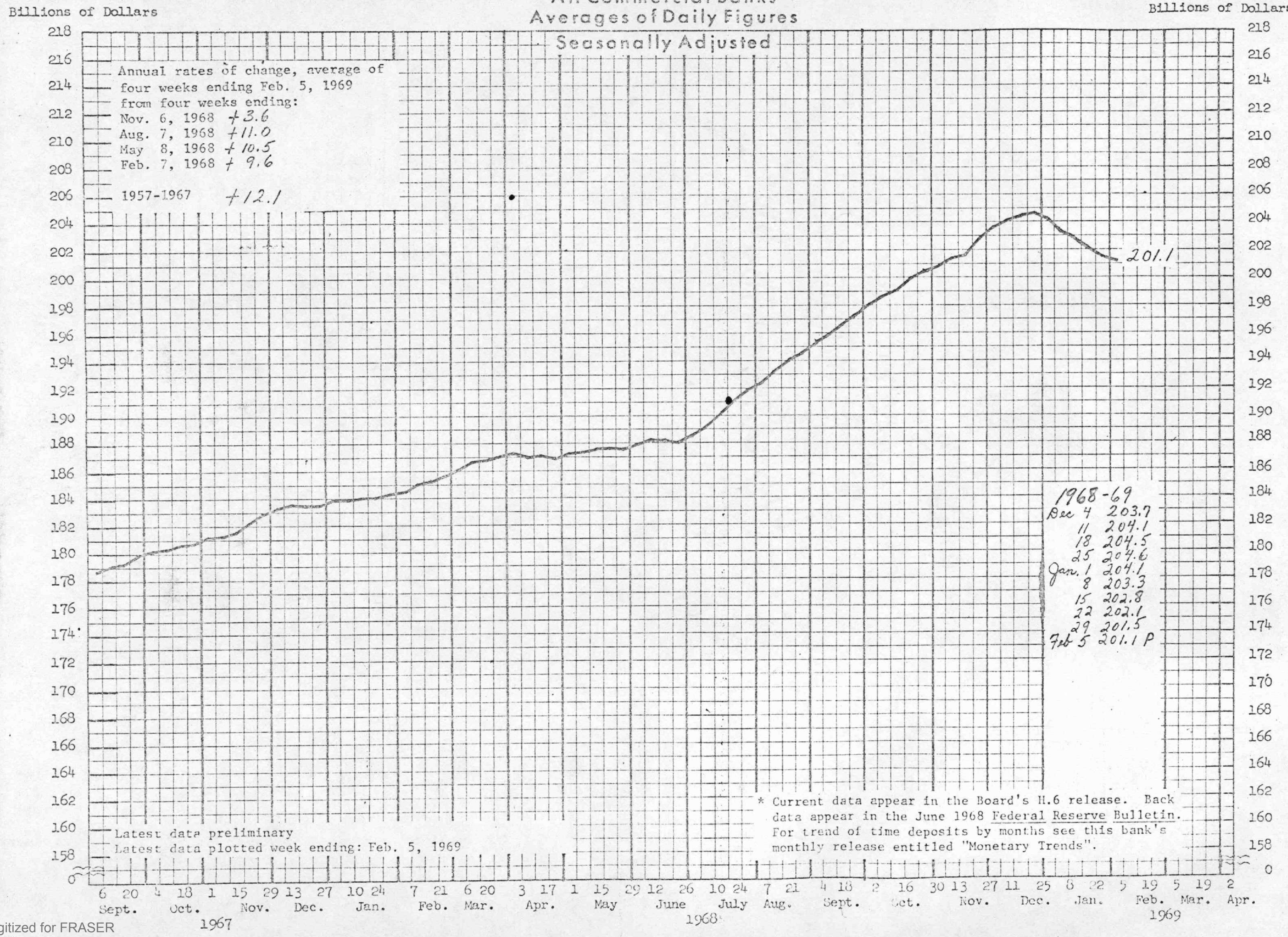
CERTIFICATES OF DEPOSIT 1/
Large Commercial Banks
Wednesday Figures



Millions of Dollars

1968-69		
Nov.	6	23,407
	13	23,385
	20	23,640
	27	24,307
Dec.	4	24,326
	11	24,260
	18	23,513
	25	23,474
Jan	1	22,820
	8	22,374
	15	21,787
	22	21,345
	29	21,031
Feb	5	20,615 P

TIME DEPOSITS*
All Commercial Banks
Averages of Daily Figures



* 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".

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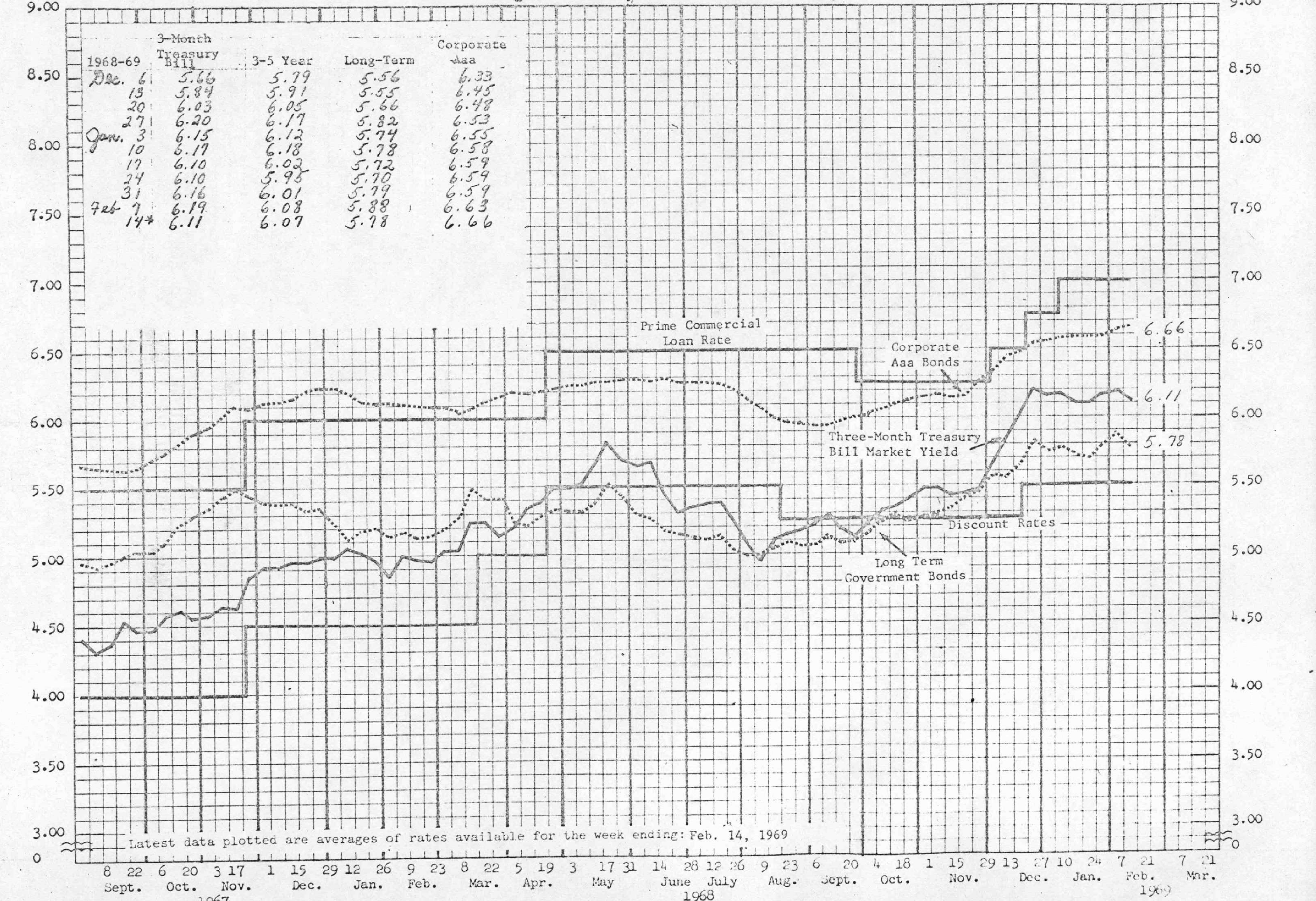
YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

1968-69	3-Month Treasury Bill	3-5 Year	Long-Term	Corporate Aaa
Dec. 6	5.66	5.79	5.56	6.33
13	5.84	5.91	5.55	6.45
20	6.03	6.05	5.66	6.48
27	6.20	6.17	5.82	6.53
Jan. 3	6.15	6.12	5.74	6.55
10	6.17	6.18	5.78	6.58
17	6.10	6.02	5.72	6.59
24	6.10	5.95	5.70	6.59
31	6.16	6.01	5.79	6.59
Feb 7	6.19	6.08	5.88	6.63
14*	6.11	6.07	5.78	6.66



* AVERAGES OF RATES AVAILABLE

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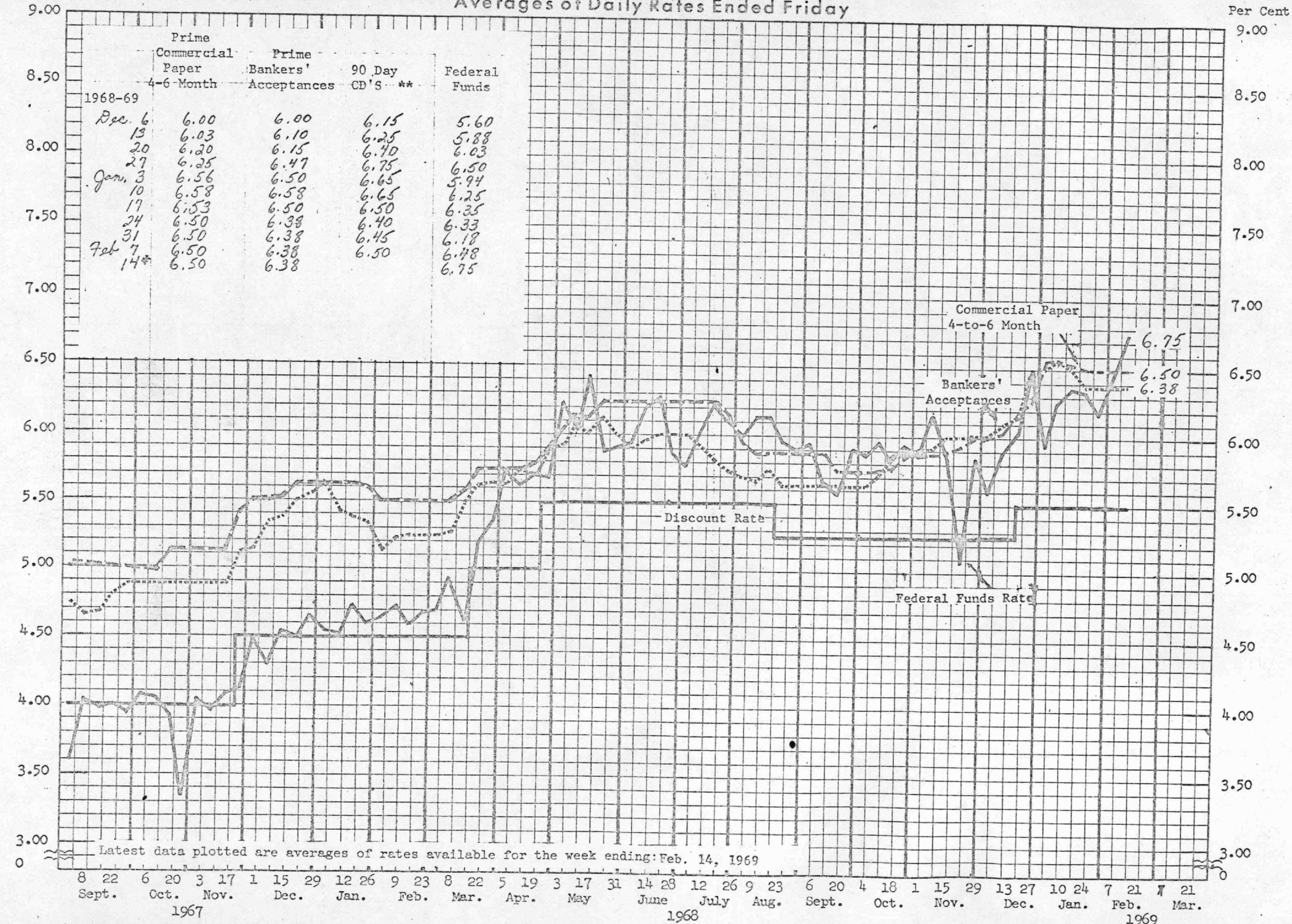
SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday

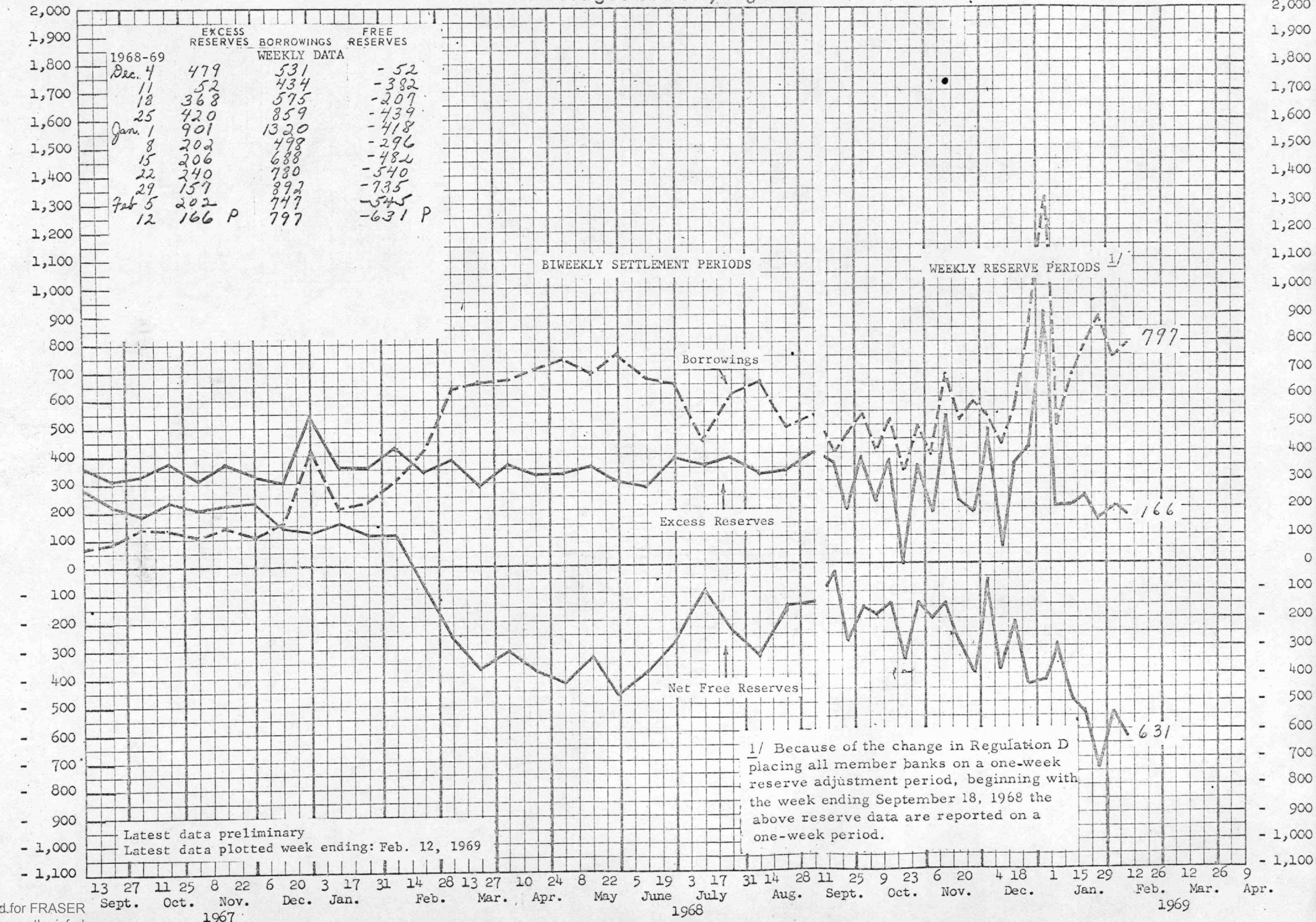


1968-69	Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD'S **	Federal Funds
Dec. 6	6.00	6.00	6.15	5.60
13	6.03	6.10	6.25	5.88
20	6.20	6.15	6.40	6.03
27	6.25	6.47	6.75	6.50
Jan. 3	6.56	6.50	6.65	5.94
10	6.58	6.58	6.65	6.25
17	6.53	6.50	6.50	6.35
24	6.50	6.38	6.40	6.33
31	6.50	6.38	6.45	6.18
Feb 7	6.50	6.38	6.50	6.48
14*	6.50	6.38		6.75

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

Prepared by Federal Reserve Bank of St. Louis

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



WEEKLY DATA

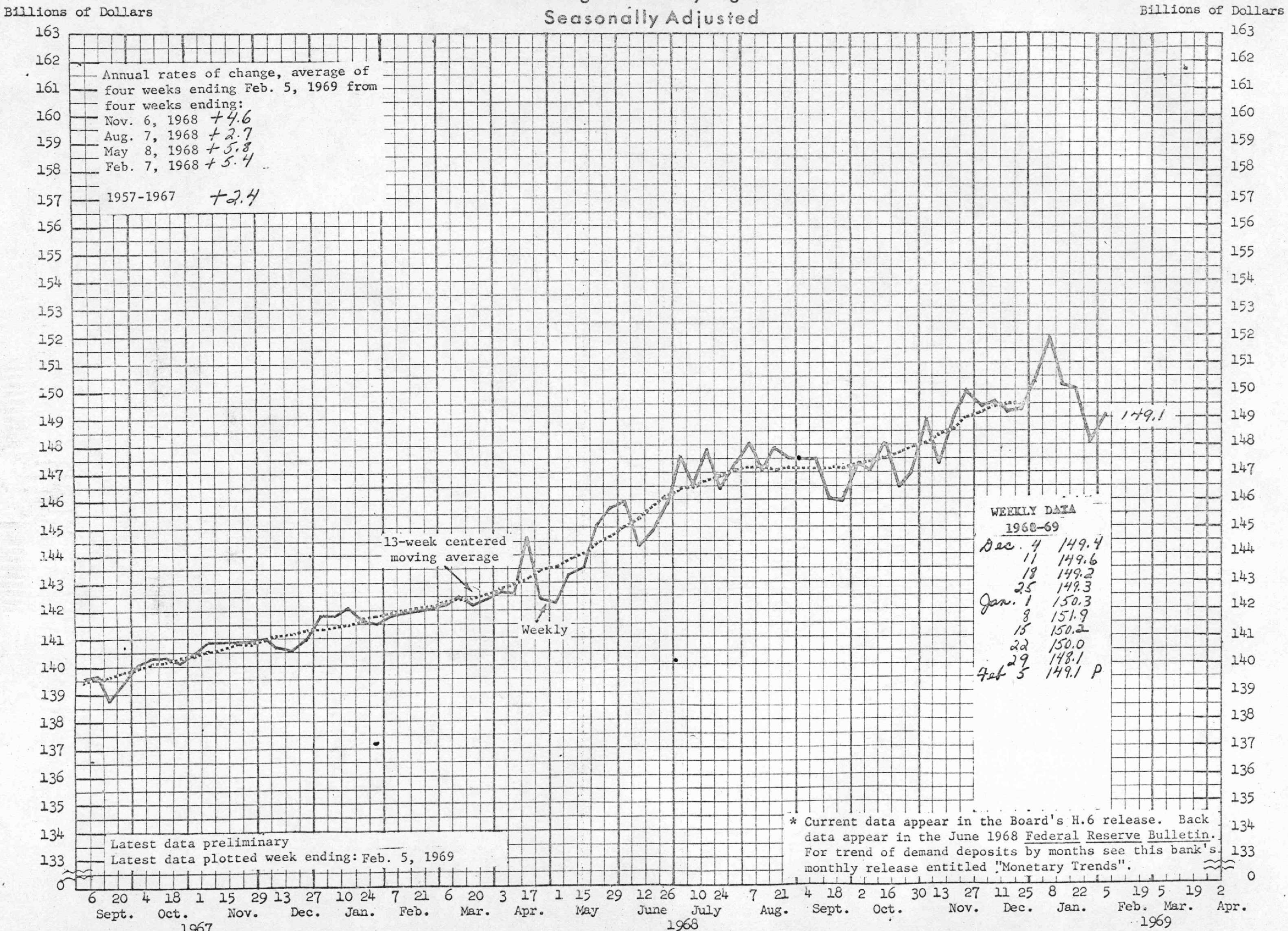
1968-69	EXCESS RESERVES	BORROWINGS	FREE RESERVES
Dec. 4	479	531	- 52
11	52	434	-382
18	368	575	-207
25	420	859	-439
Jan. 1	901	1320	-418
8	202	498	-296
15	206	688	-482
22	240	780	-540
29	157	892	-735
Feb 5	202	747	-545
12	166 P	797	-631 P

Prepared by Federal Reserve Bank of St. Louis

DEMAND DEPOSIT COMPONENT OF MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted



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