

RESEARCH LIBRARY

Federal Reserve Bank
of St. Louis

U.S. FINANCIAL DATA

AUG 27 1968 Week ending April 2, 1969

Growth rates of some monetary aggregates over the last three months have moderated substantially, compared with the previous two years. The monetary base, for example, has risen at a 3.5 per cent annual rate since December (page 2). This is much slower than the rapid 6.4 per cent pace of the previous year and similar to the 3.6 per cent trend rate from 1957 to 1968. The base has grown at a 6 per cent rate in the last six and nine months, about the same as from January 1967 to June 1968.

The money stock, consisting of private demand deposits and currency in the hands of the public, has grown at a 2.3 per cent rate during the past three months (page 3), less than half the rate of the previous year. Money has grown at a 5 per cent rate in the past six and nine months, compared with a 7 per cent rate from January 1967 to June 1968.

Time deposits at commercial banks have declined at a 6.7 per cent rate since December, compared with an 11 per cent increase in the previous year (page 7). Because Regulation Q ceilings on rates banks are permitted to pay on time deposits are low relative to market rates on alternative instruments, banks have been unable to compete for time deposits.

Member bank borrowing from the Federal Reserve has generally increased since the first of the year. Borrowings averaged \$951 million in the four weeks ending April 2 compared with \$600 million in the four weeks of December (page 10). The rise in borrowings probably reflects the decline in the

supply of time deposits to banks, strong credit demands, and the disparity between market interest rates and the discount rate.

The discount rate at eleven of the twelve Federal Reserve Banks was raised from 5-1/2 per cent to 6 per cent effective April 4. The Federal Reserve Board has also announced an increase of 1/2 of 1 per cent in reserve requirements on demand deposits at member banks. The increase in reserve requirements will be effective for the reserve computation period ending Wednesday April 23, and applicable to average deposits for the week ending April 9.

Interest rates on 4- to 6-month commercial paper averaged 6.88 per cent during the three days ending April 2, up from 6.38 per cent in late December and 5.88 per cent in August (page 9). Rates on three-month Treasury bills have declined somewhat since late December averaging 6.02 per cent during the first half of this week (page 8). The 6.02 per cent bill rate on a discount basis is equivalent to 6.20 per cent on a bond yield basis and remains well above the 5.75 per cent ceiling rate which banks are permitted to pay on certificates of deposit with maturities between two and three months.

Most longer-term rates have recently remained high or continued to rise. Yields on highest grade corporate bonds averaged 7 per cent during the three days ending April 2 compared with 6.53 per cent in late December and about 6 per cent in August.

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: April 4, 1969

Billions of Dollars

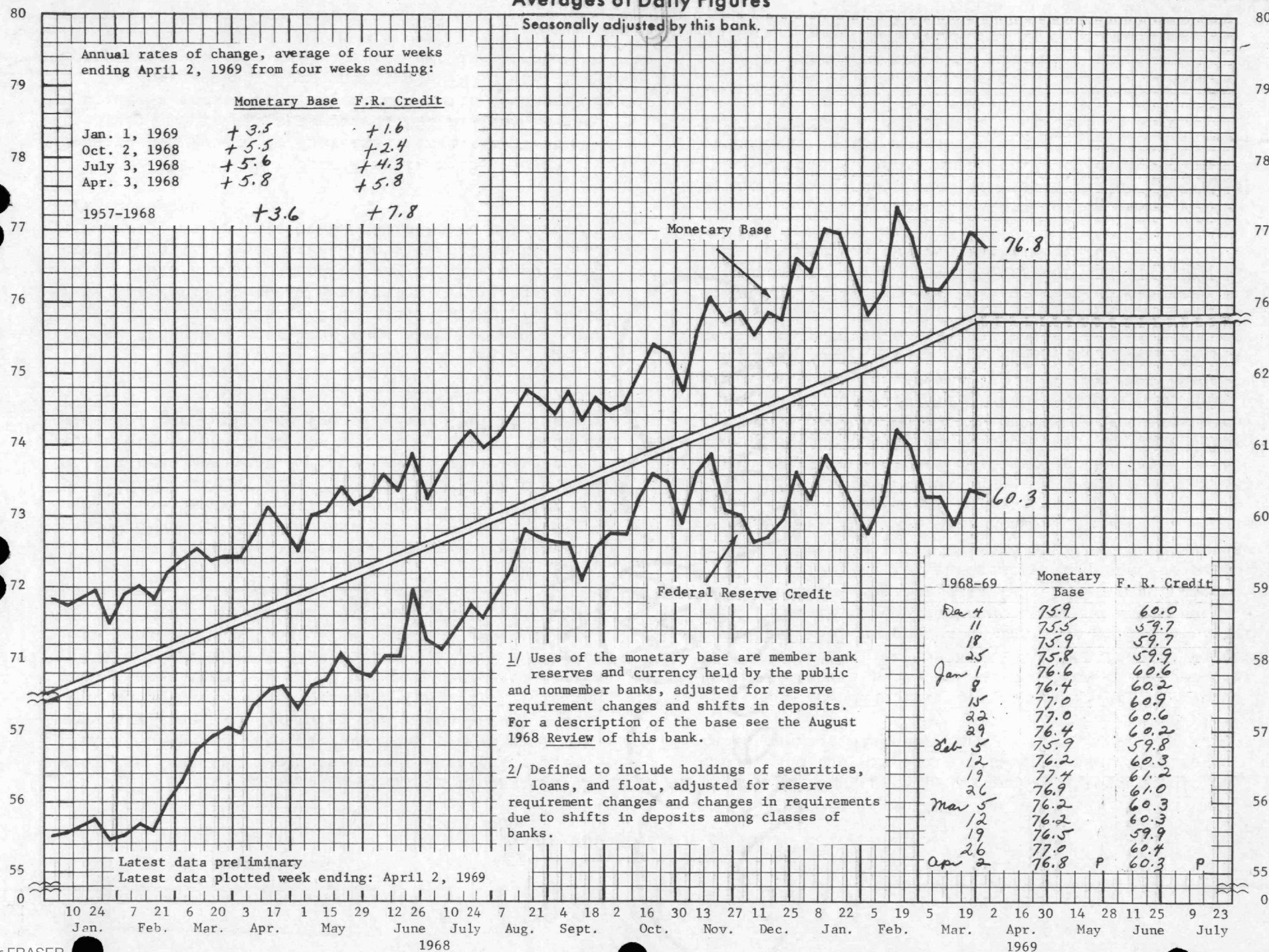
MONETARY BASE ¹ FEDERAL RESERVE CREDIT ² Averages of Daily Figures

Billions of Dollars

Seasonally adjusted by this bank.

Annual rates of change, average of four weeks
ending April 2, 1969 from four weeks ending:

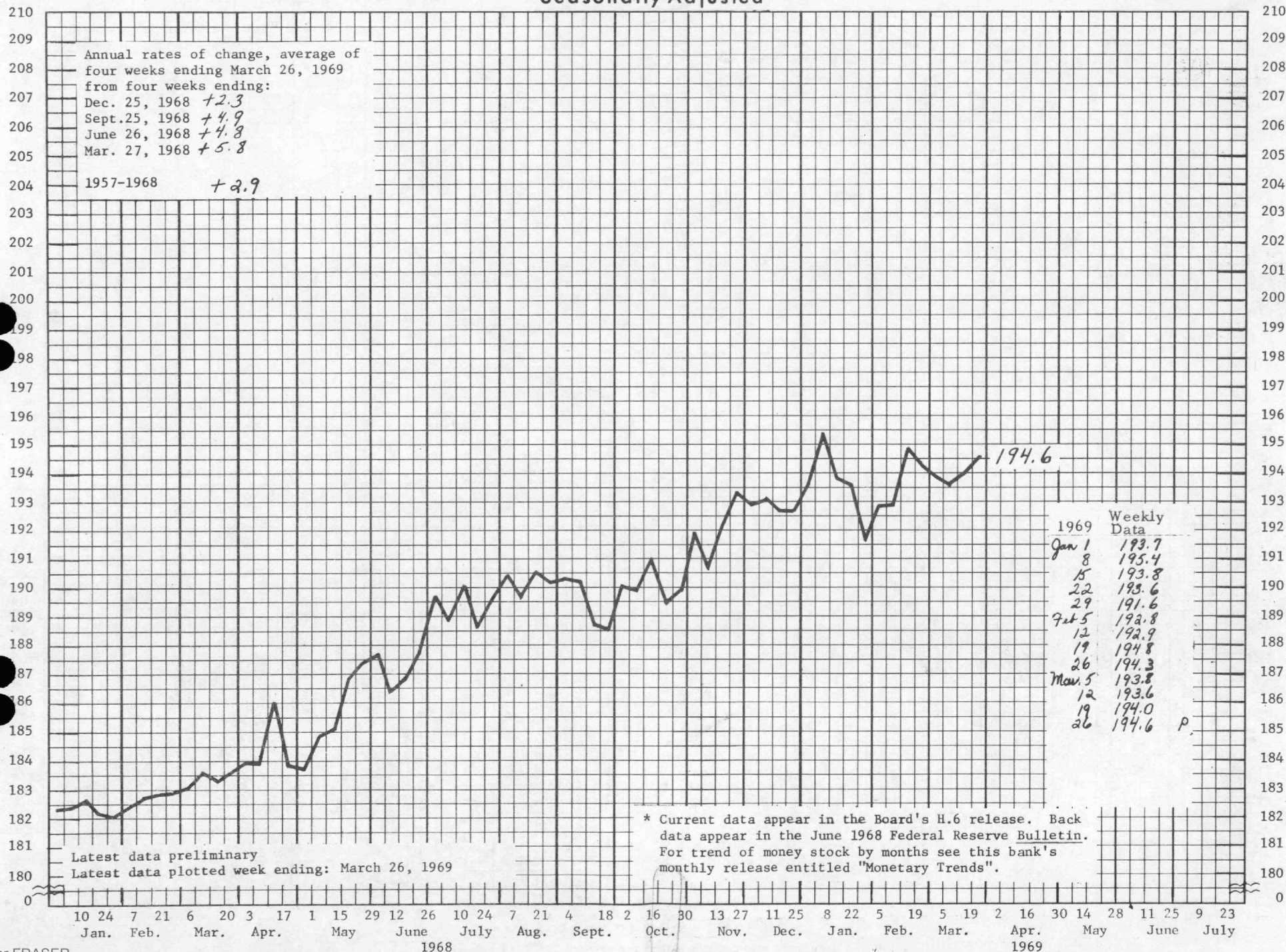
	Monetary Base	F.R. Credit
Jan. 1, 1969	+3.5	+1.6
Oct. 2, 1968	+5.5	+2.4
July 3, 1968	+5.6	+4.3
Apr. 3, 1968	+5.8	+5.8
1957-1968	+3.6	+7.8



MONETARY STOCK* Averages of Daily Figures Seasonally Adjusted

Billions of Dollars

Billions of Dollars



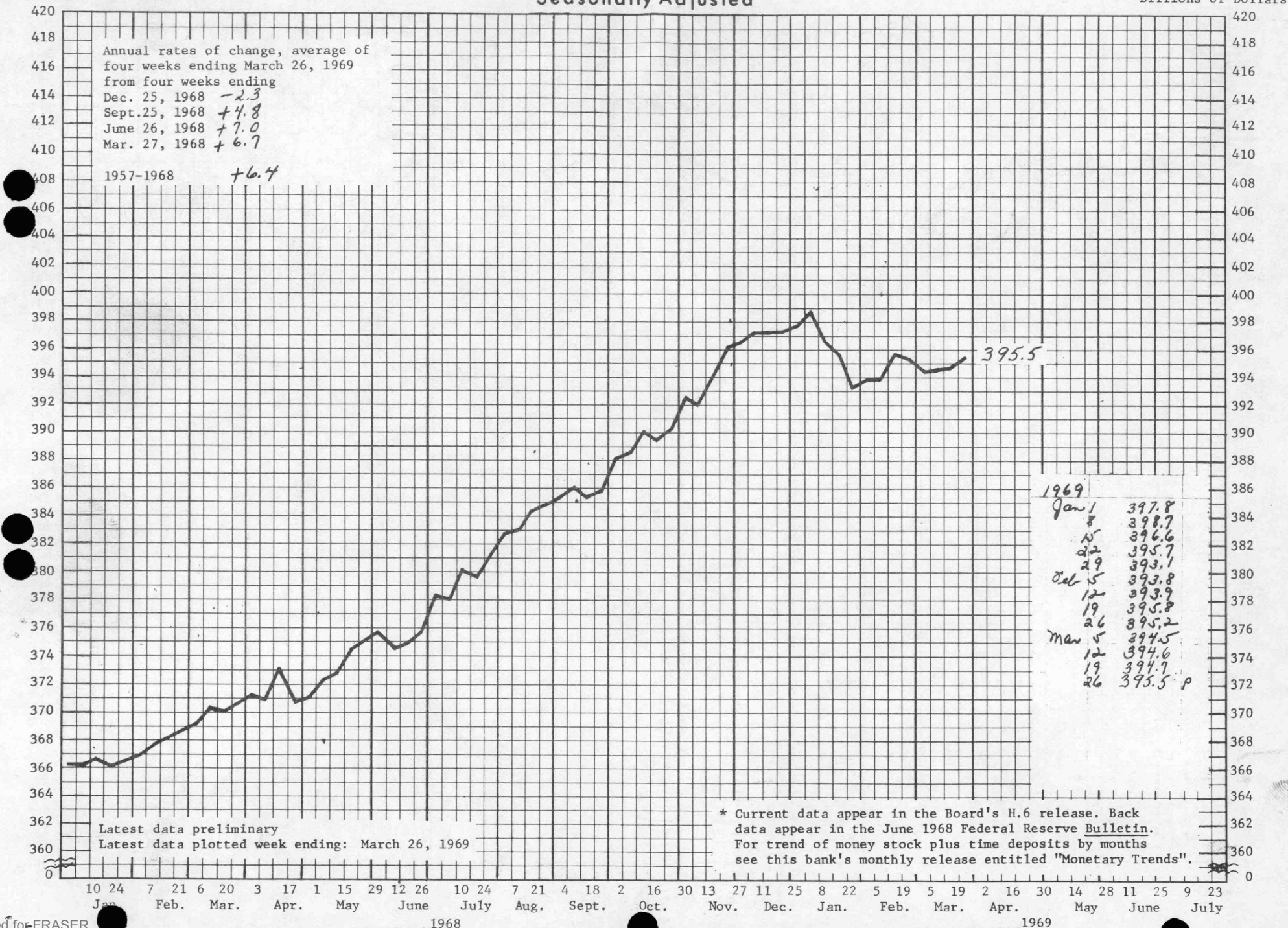
MONEY STOCK PLUS TIME DEPOSITS*

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

Billions of Dollars

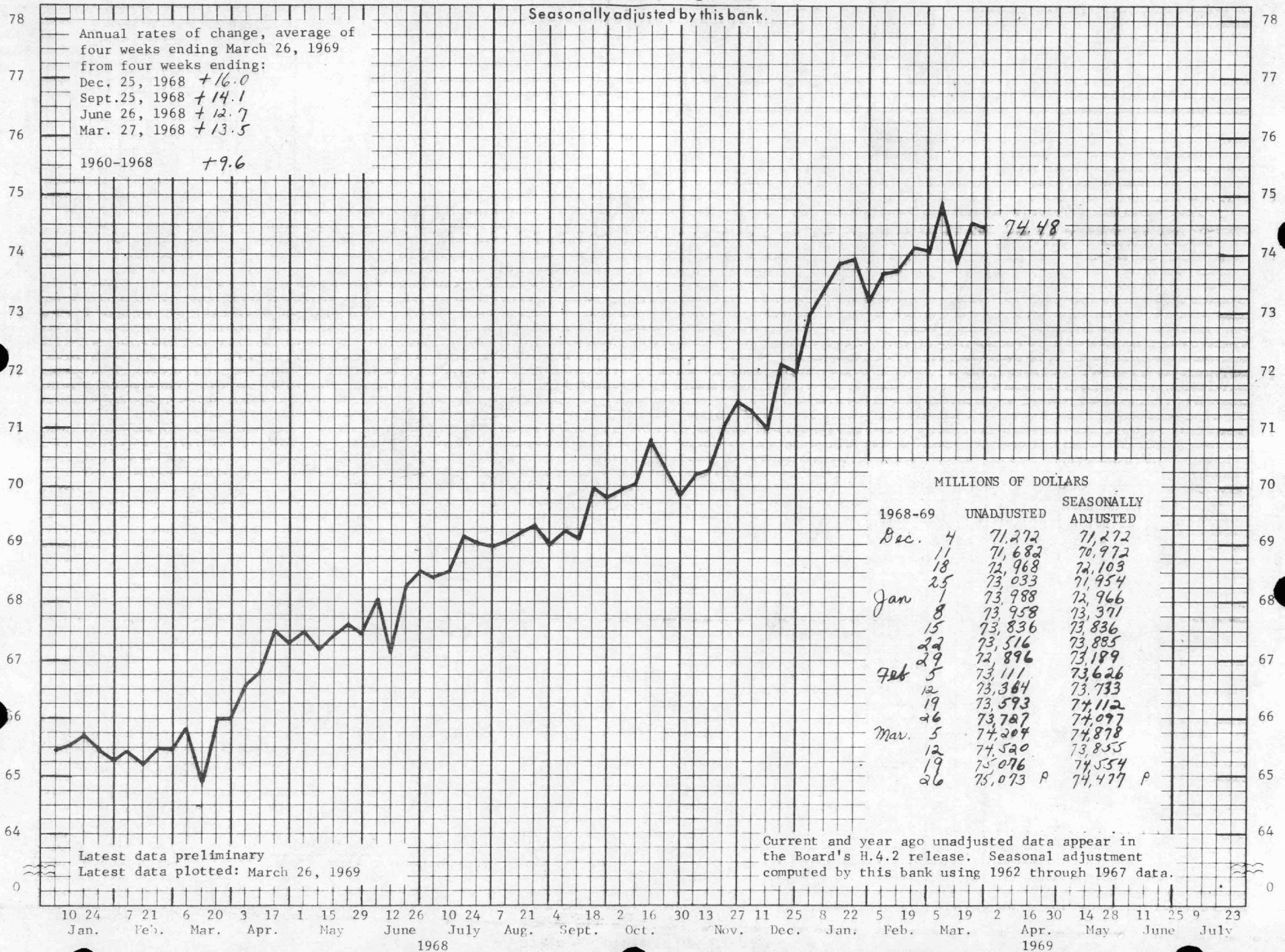


BUSINESS LOANS Large Commercial Banks Wednesday Figures

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Billions of Dollars

Billions of Dollars



CERTIFICATE OF DEPOSIT ¹ Large Commercial Banks Wednesday Figures

Billions of Dollars

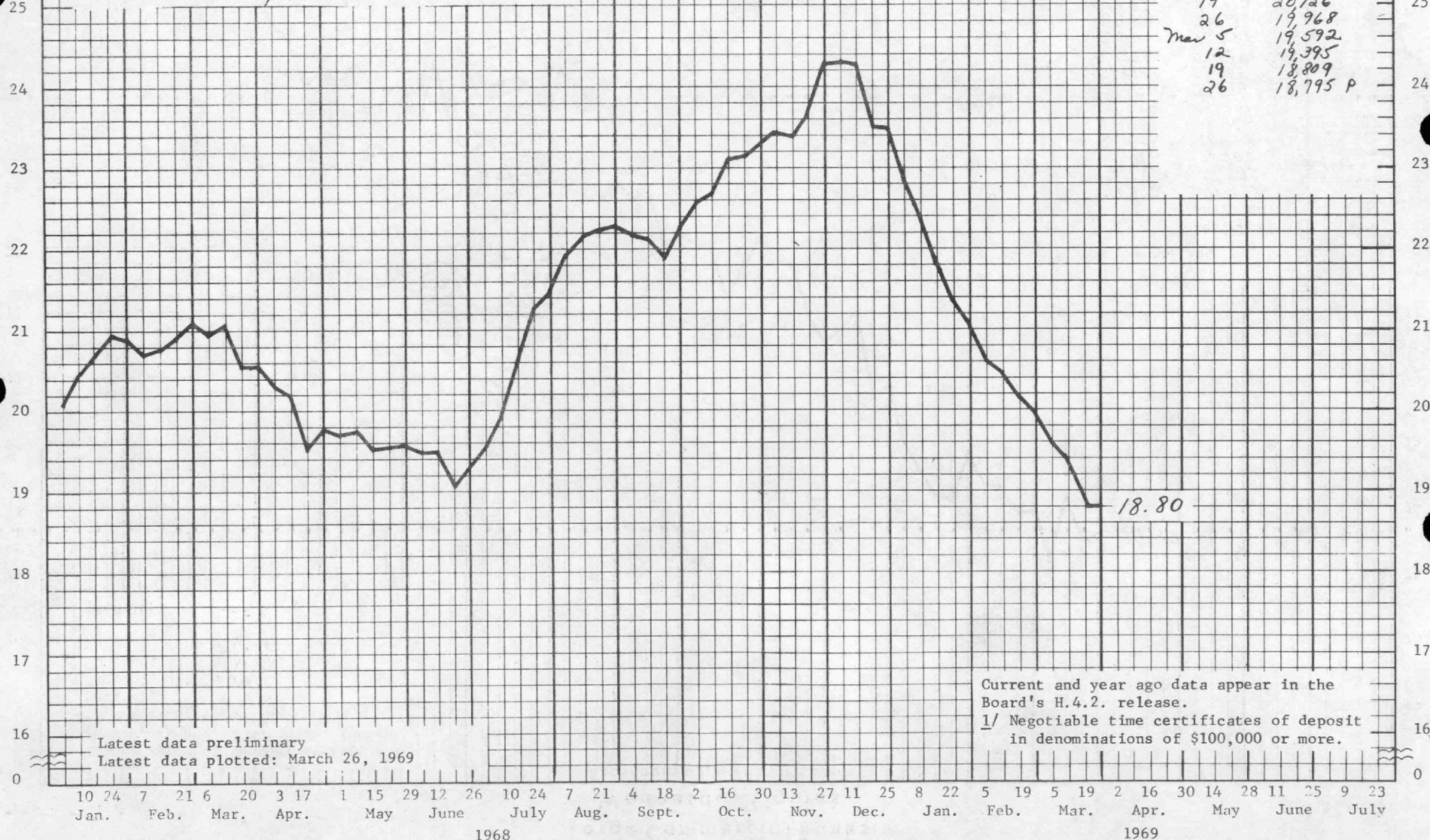
Billions of Dollars

Annual rates of change, seasonally unadjusted data,
 average of four weeks ending March 26, 1969 from
 four weeks ending:
 Dec. 25, 1968 - 79.4
 Sept. 25, 1968 - 26.8
 June 26, 1968 - 1.1
 Mar. 27, 1968 - 7.8

1964-1968 + 16.0

Millions of Dollars

1969	
Jan 1	22,820
8	22,374
15	21,787
22	21,345
29	21,031
Feb 5	20,603
12	20,484
19	20,126
26	19,968
Mar 5	19,592
12	19,395
19	18,809
26	18,795 P



Billions of Dollars

TIME DEPOSITS*
All Commercial Banks
Averages of Daily Figures

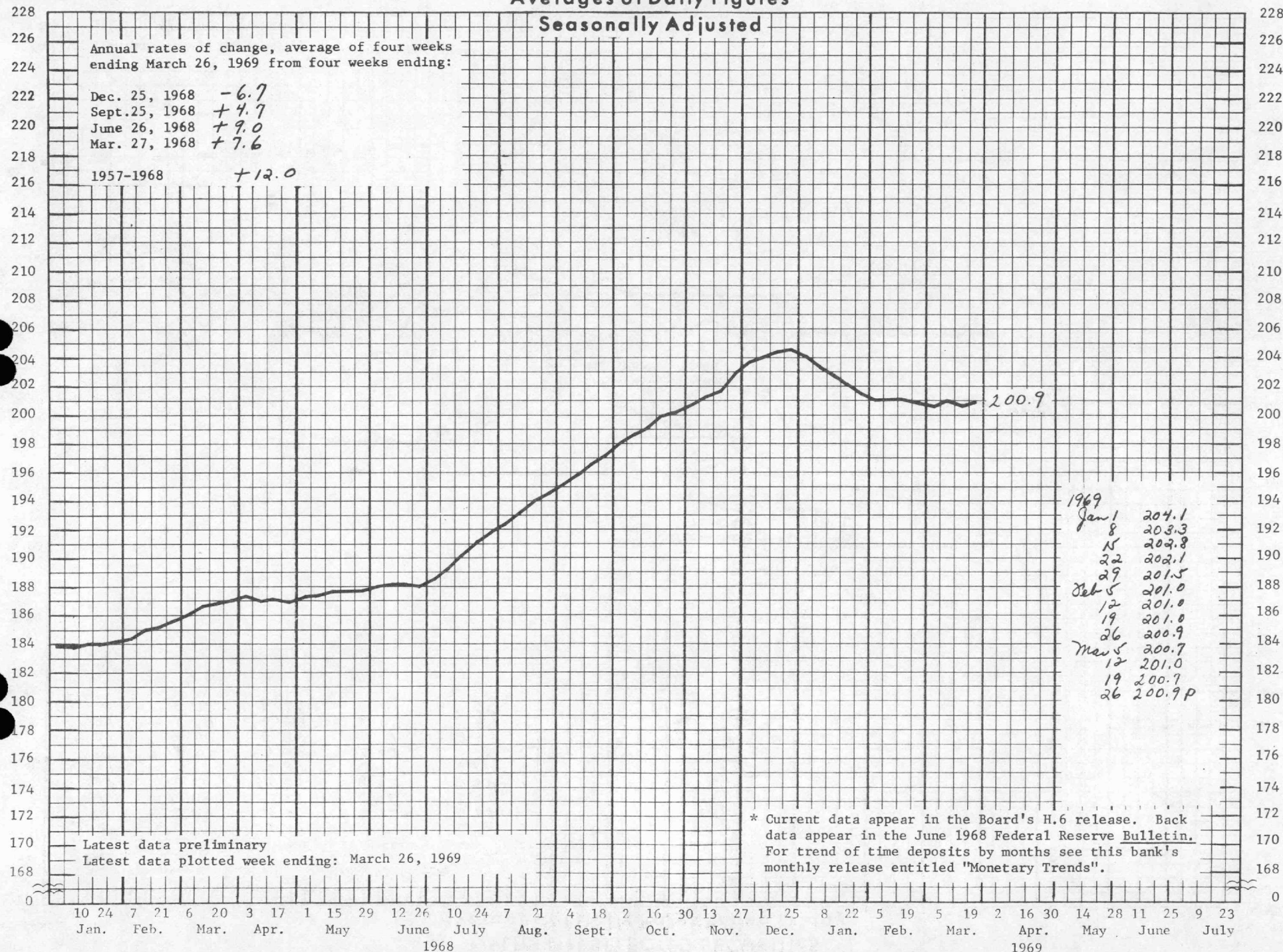
Billions of Dollars

Seasonally Adjusted

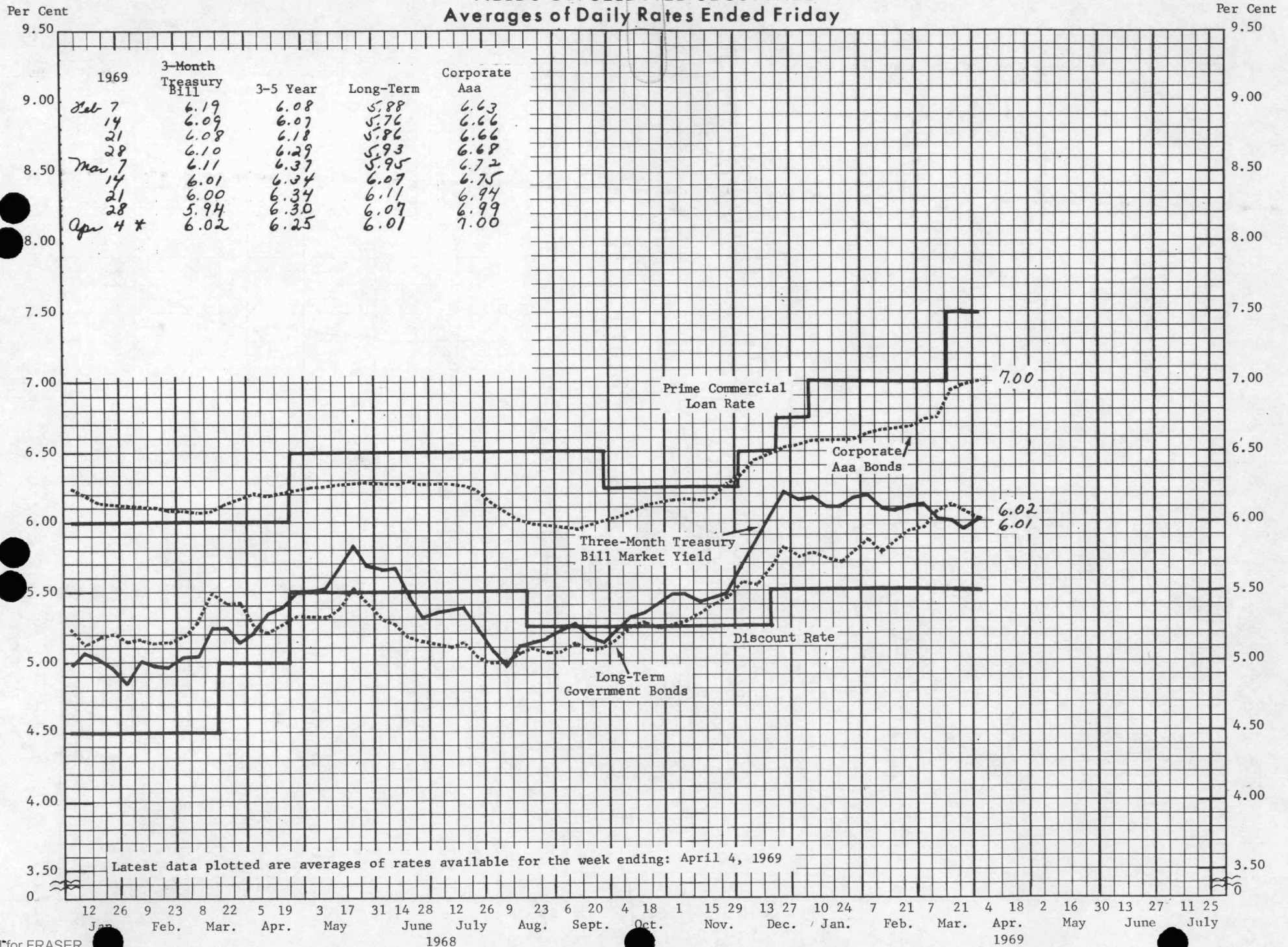
Annual rates of change, average of four weeks
ending March 26, 1969 from four weeks ending:

Dec. 25, 1968 -6.7
Sept. 25, 1968 +4.7
June 26, 1968 +9.0
Mar. 27, 1968 +7.6

1957-1968 +12.0



YIELDS ON SELECTED SECURITIES Averages of Daily Rates Ended Friday

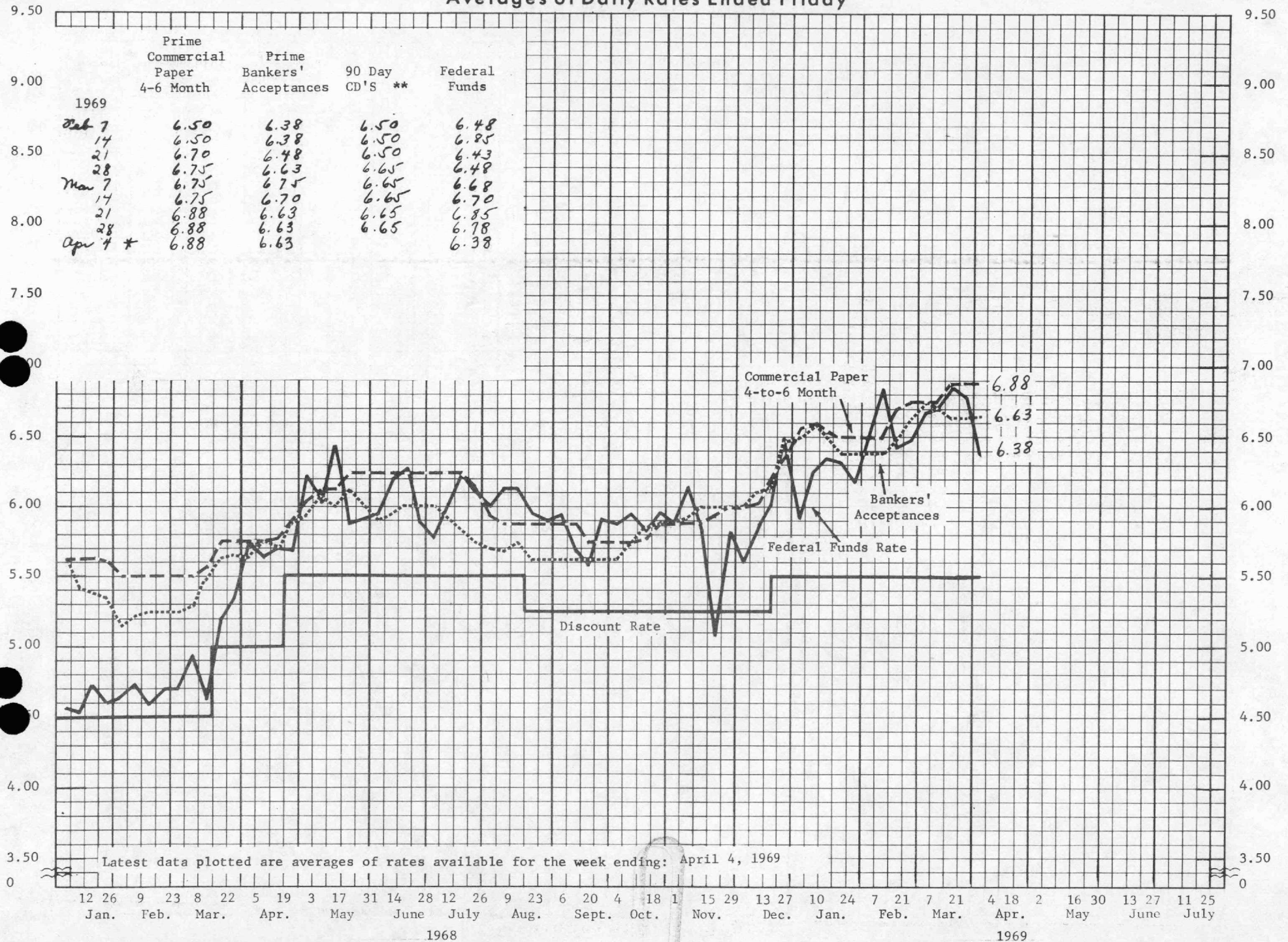


Per Cent

SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday

Per Cent



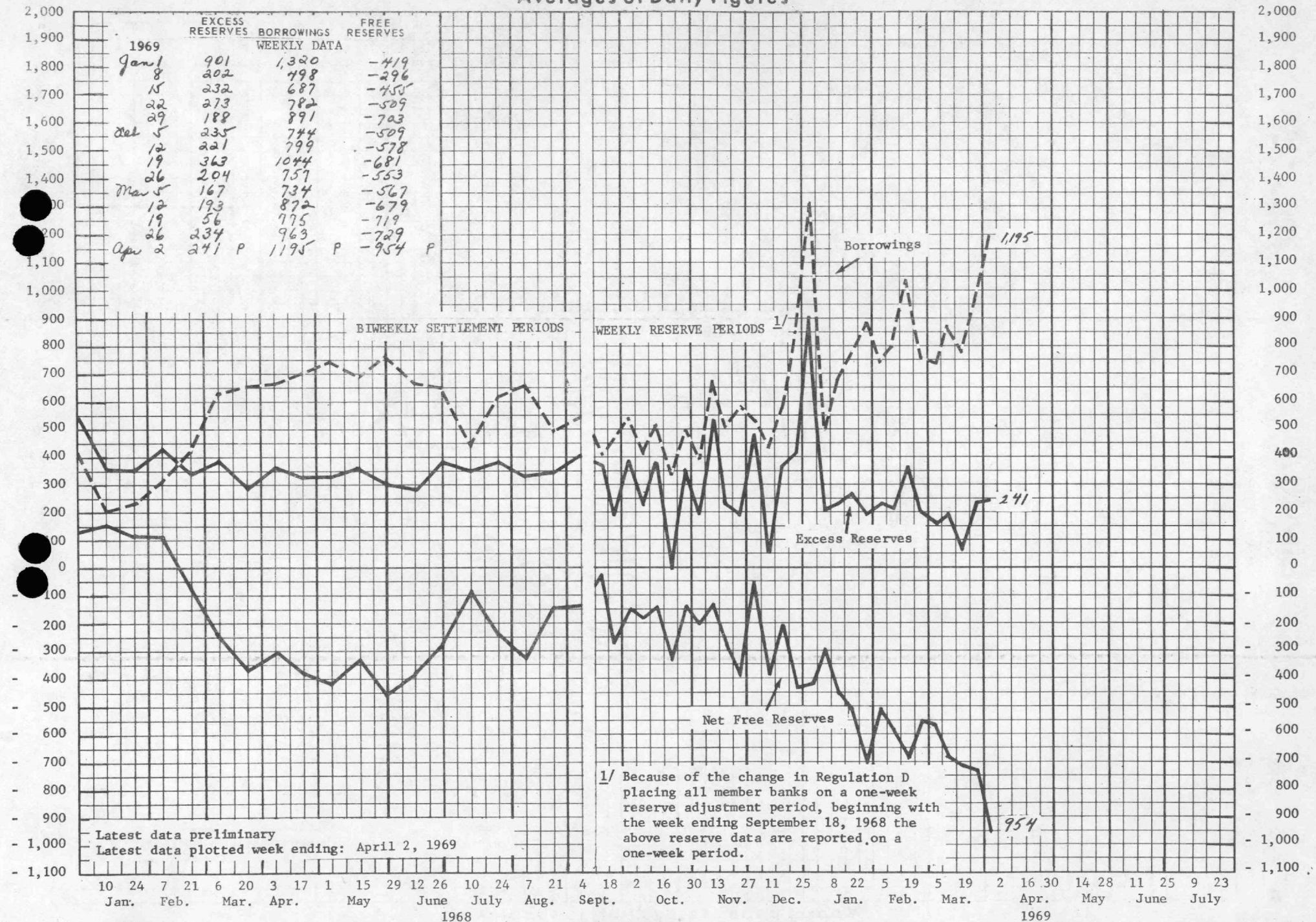
BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures

Millions of Dollars

Millions of Dollars



DEMAND DEPOSIT COMPONENT OF MONEY STOCK*

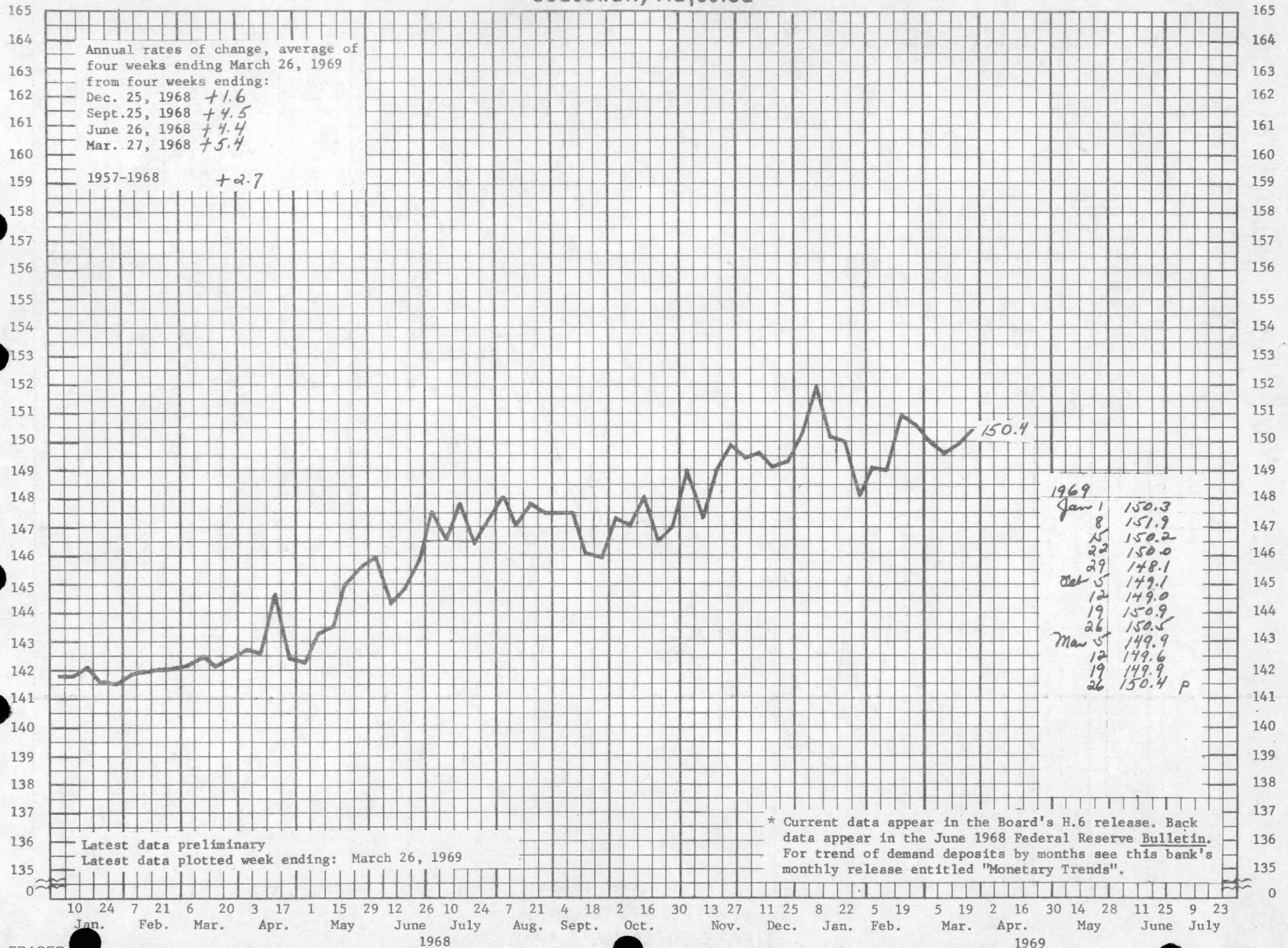
Averages of Daily Figures

Seasonally Adjusted

11

Billions of Dollars

Billions of Dollars



Billions of Dollars
230TOTAL CREDIT
Large Commercial Banks
Wednesday FiguresBillions of Dollars
230