

Week ending: April 9, 1969

AUG 27 1998

The money stock, consisting of private demand deposits and currency in the hands of the public, averaged \$194.3 billion in the four weeks ending April 2, up at a 2.5 per cent annual rate from three months ago (page 3). Money has grown at a 4.7 per cent annual rate in the past nine months, a somewhat more moderate rate than the 6.5 per cent in the previous year.

The demand deposit component of money has recently risen more slowly than money. Demand deposits have increased at a 1.6 per cent rate since December and at a 4.2 per cent rate in the past nine months, compared with about 6.4 per cent in the previous year (page 11).

The monetary base, which largely determines the trend growth of money, has increased at a 2.6 per cent rate in the last three months, and at a 5.7 per cent rate in the past nine months. By comparison the base rose 6.2 per cent in the previous year (page 2). Moderation in the growth of Federal Reserve credit, the largest source component of the base, has been the main cause of the slower growth of the base. Federal Reserve credit has increased at only a 0.4 per cent rate since late December (page 2).

Last week the Federal Reserve announced an increase of 1/2 of 1 percentage point in the discount rate and in the ratio of reserves required on demand deposits at all member banks. The increase in the discount rate from 5-1/2 per cent to 6 per cent brought this rate more in line with market rates.

Market interest rates have remained very high relative to the lows last August (pages 8 and 9). Yields on three-month Treasury bills averaged 6.14 per cent in the three days ending April 9 compared with the peak of 6.20 per cent in late December and a low of about 5 per cent last August.

Regulation Q ceilings on rates banks are permitted to pay on time deposits are still low relative to market interest rates and as a result banks have continued to lose time deposits. Total time deposits at commercial banks have declined at a 6.7 per cent rate since December (page 7).

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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 11, 1969

Billions of Dollars

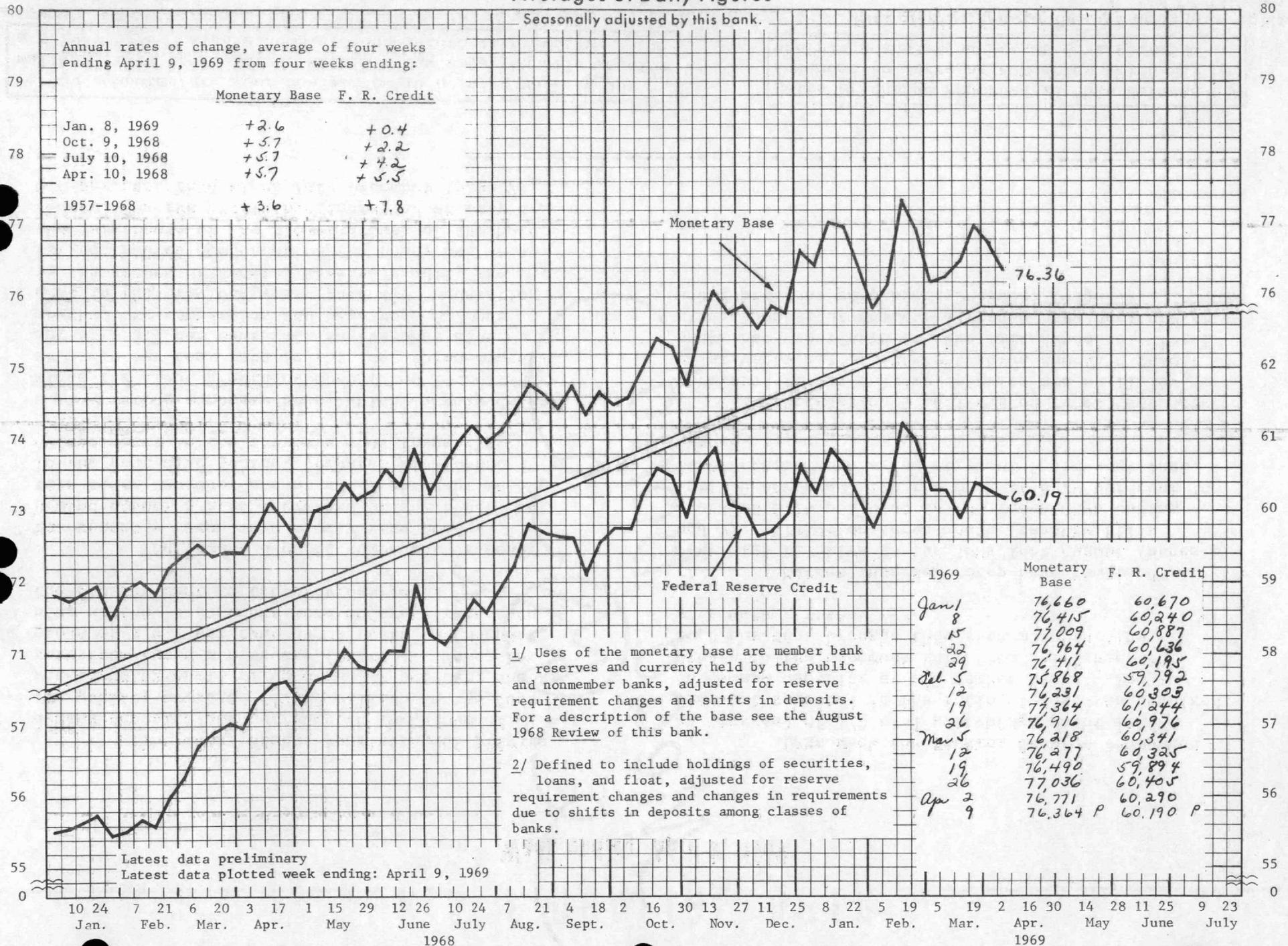
Billions of Dollars

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 April 9, 1969 from four weeks ending:

	Monetary Base	F. R. Credit
Jan. 8, 1969	+2.6	+0.4
Oct. 9, 1968	+5.7	+2.2
July 10, 1968	+5.7	+4.2
Apr. 10, 1968	+5.7	+5.5
1957-1968	+3.6	+7.8



1969	Monetary Base	F. R. Credit
Jan 1	76,660	60,670
8	76,415	60,240
15	77,009	60,887
22	76,964	60,636
29	76,411	60,195
Feb 5	75,868	59,792
12	76,231	60,303
19	77,364	61,244
26	76,916	60,976
Mar 5	76,218	60,341
12	76,277	60,325
19	76,490	59,894
26	77,036	60,405
Apr 2	76,771	60,290
9	76,364 P	60,190 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: April 9, 1969

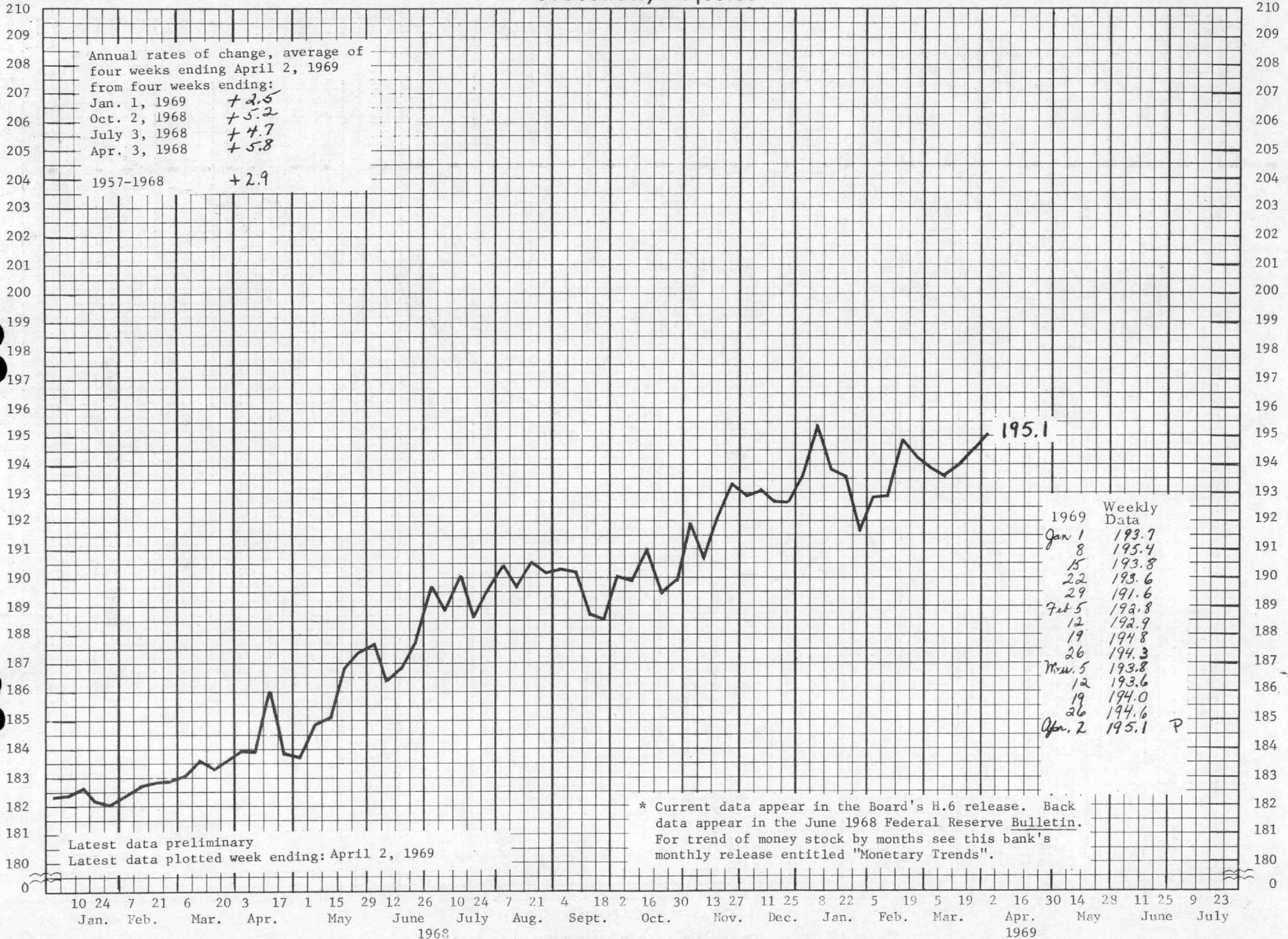
MONEY STOCK*

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

Billions of Dollars



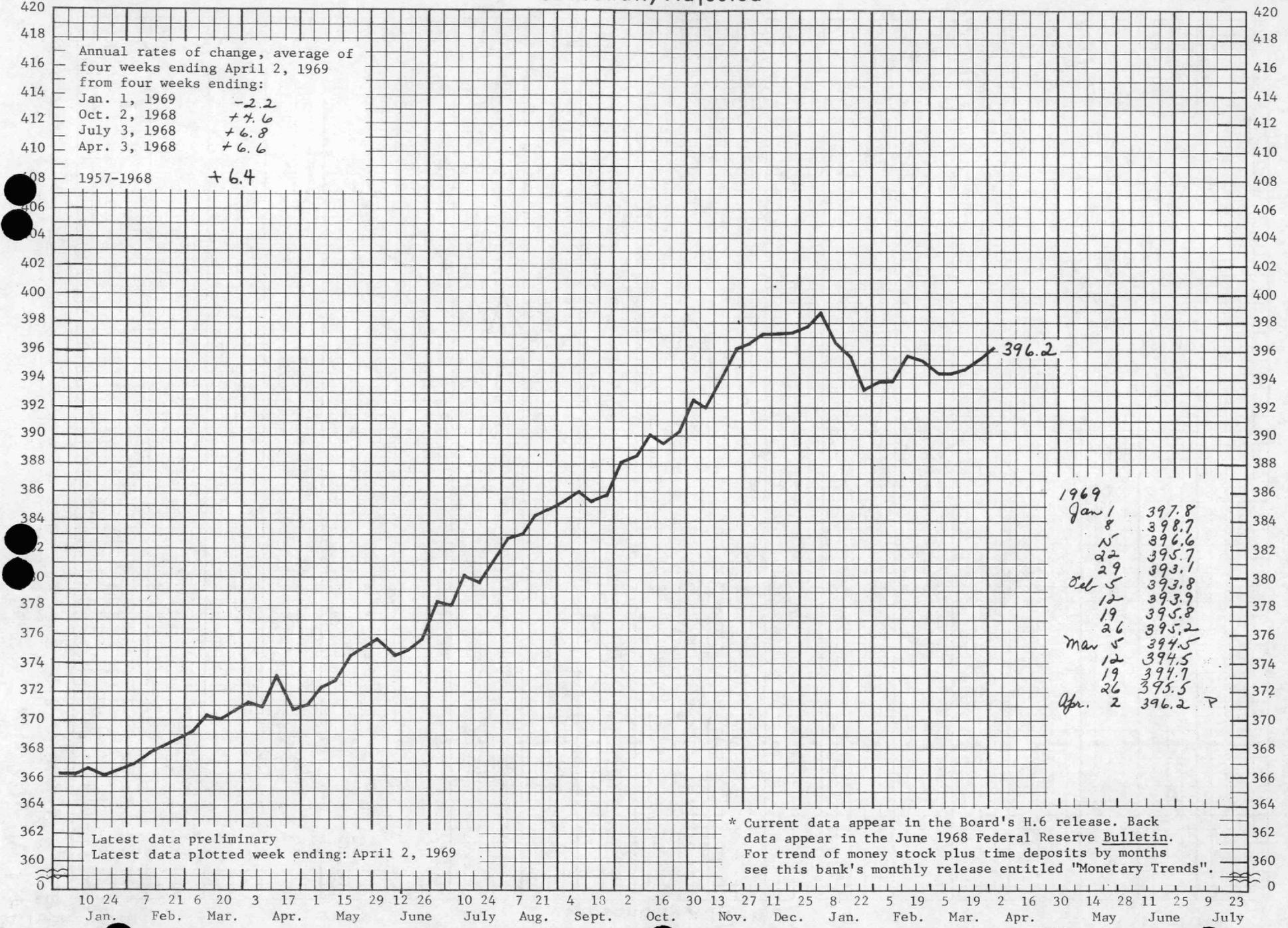
MONEY STOCK PLUS TIME DEPOSITS*

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

Billions of Dollars



BUSINESS LOANS Large Commercial Banks Wednesday Figures

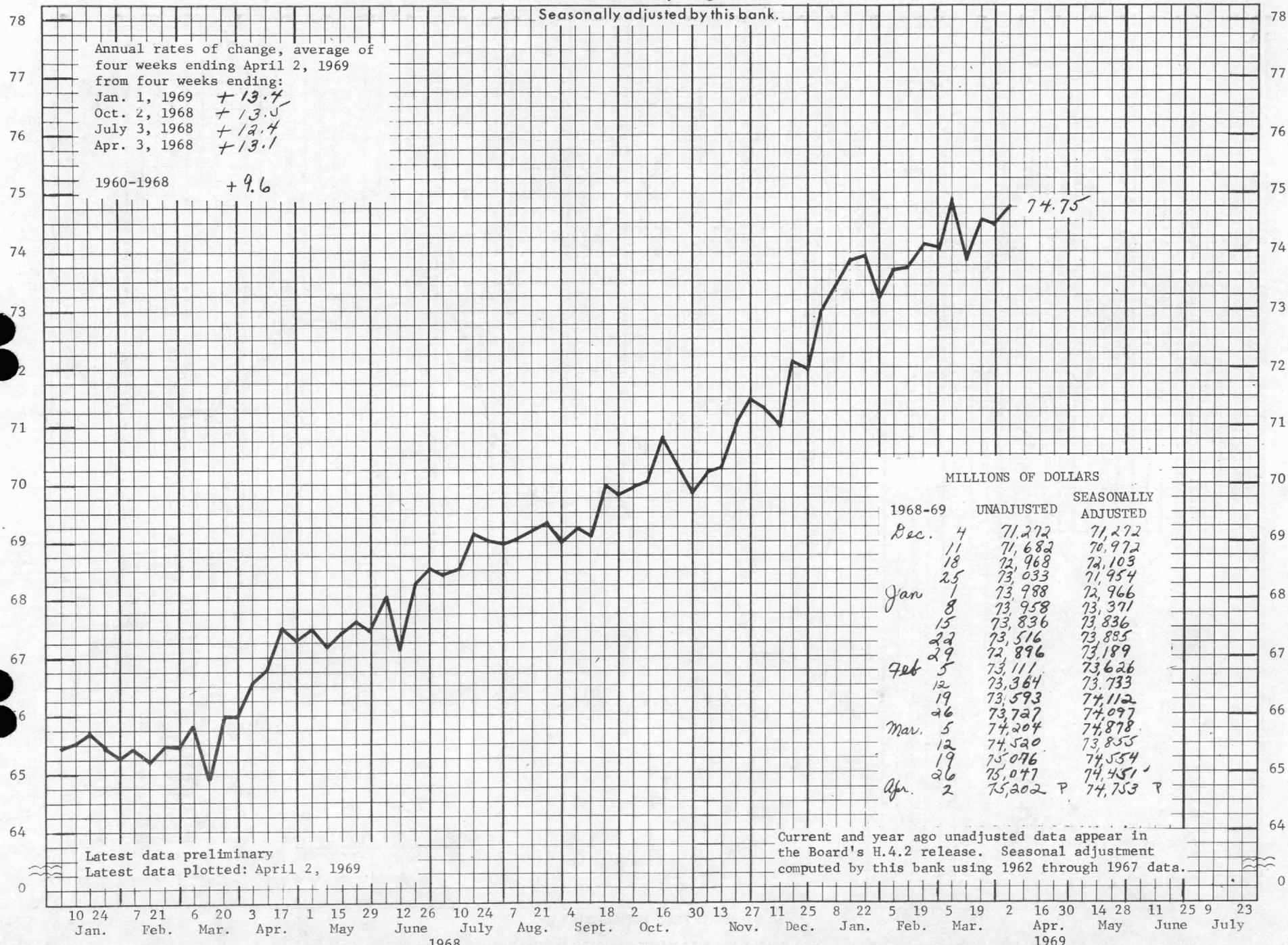
Billions of Dollars

Billions of Dollars

Seasonally adjusted by this bank.

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

Jan. 1, 1969	+ 13.4
Oct. 2, 1968	+ 13.5
July 3, 1968	+ 12.4
Apr. 3, 1968	+ 13.1
1960-1968	+ 9.6



MILLIONS OF DOLLARS

	1968-69	UNADJUSTED	SEASONALLY ADJUSTED
Dec.	4	71,272	71,272
	11	71,682	70,972
	18	72,468	72,103
Jan.	25	73,033	71,954
	1	73,988	72,966
	8	73,958	73,371
	15	73,836	73,836
Feb.	22	73,516	73,885
	29	72,896	73,189
	5	73,111	73,626
	12	73,384	73,733
Mar.	19	73,593	74,112
	26	73,727	74,097
	5	74,204	74,878
	12	74,520	73,855
Apr.	19	75,076	74,534
	26	75,047	74,451
	2	75,202 P	74,753 P

74.75

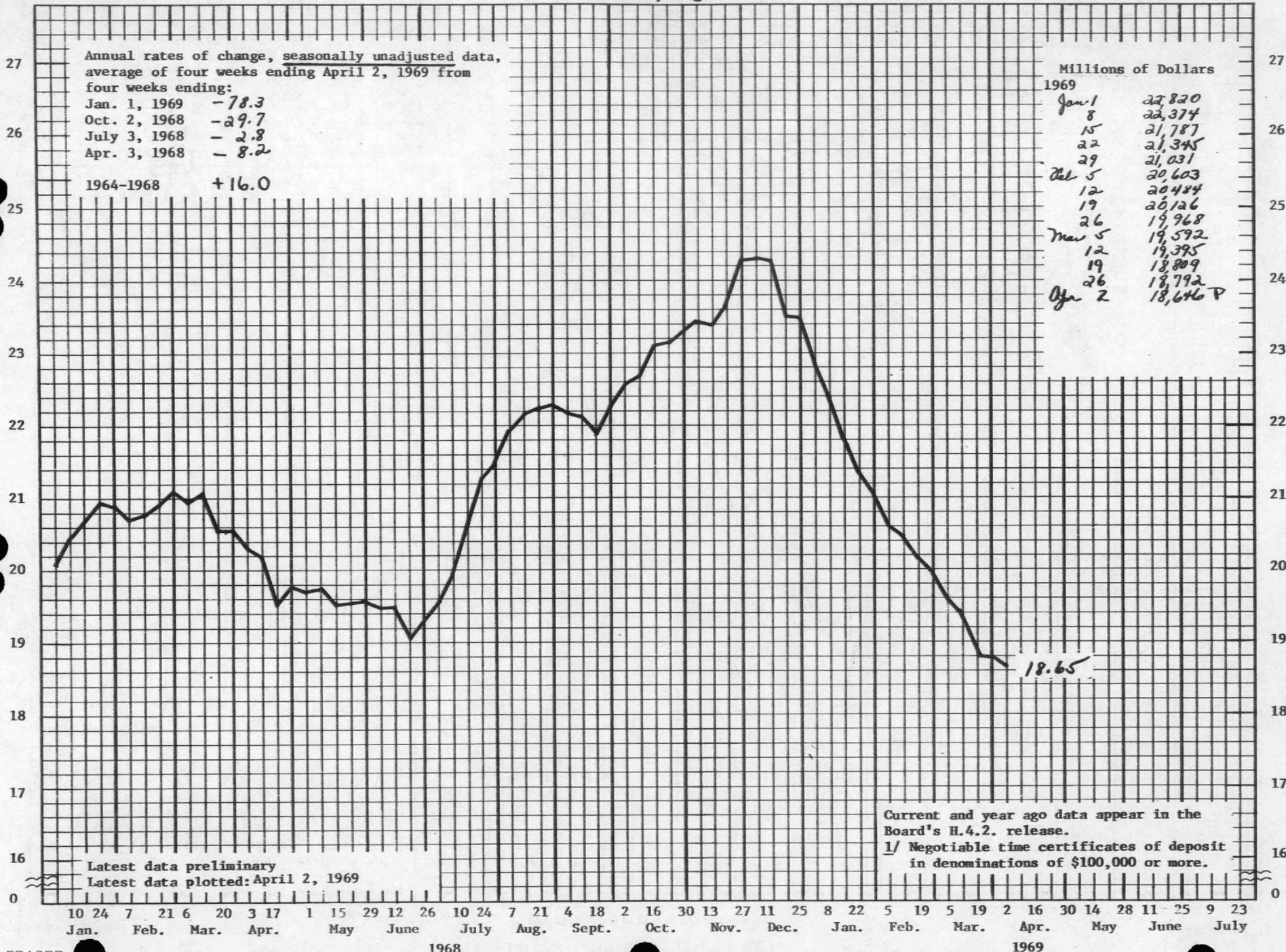
Latest data preliminary
Latest data plotted: April 2, 1969

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.

CERTIFICATES OF DEPOSIT ¹ Large Commercial Banks Wednesday Figures

Billions of Dollars

Billions of Dollars



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

Billions of Dollars

Billions of Dollars

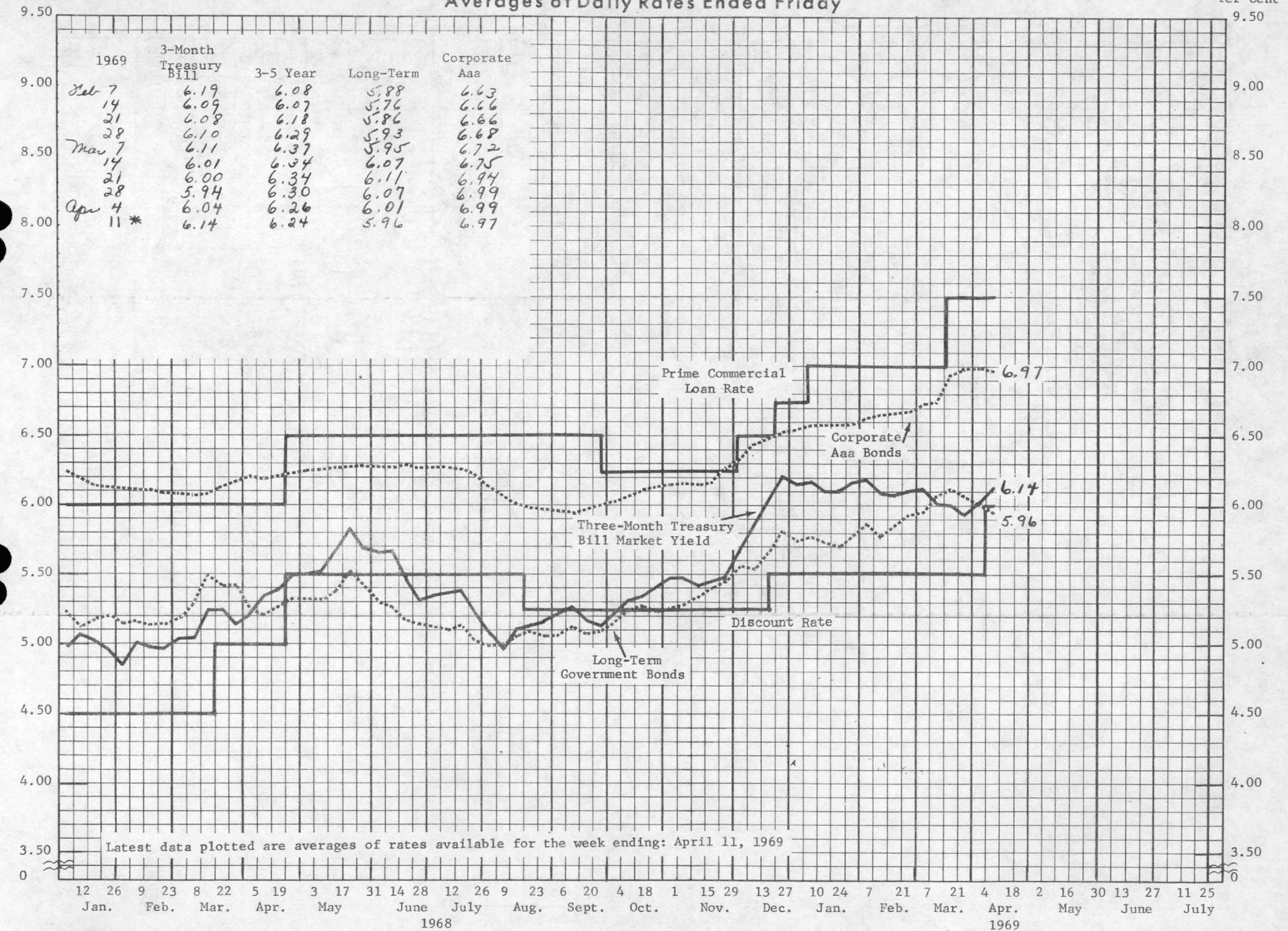


YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday

Per Cent

Per Cent



Latest data plotted are averages of rates available for the week ending: April 11, 1969

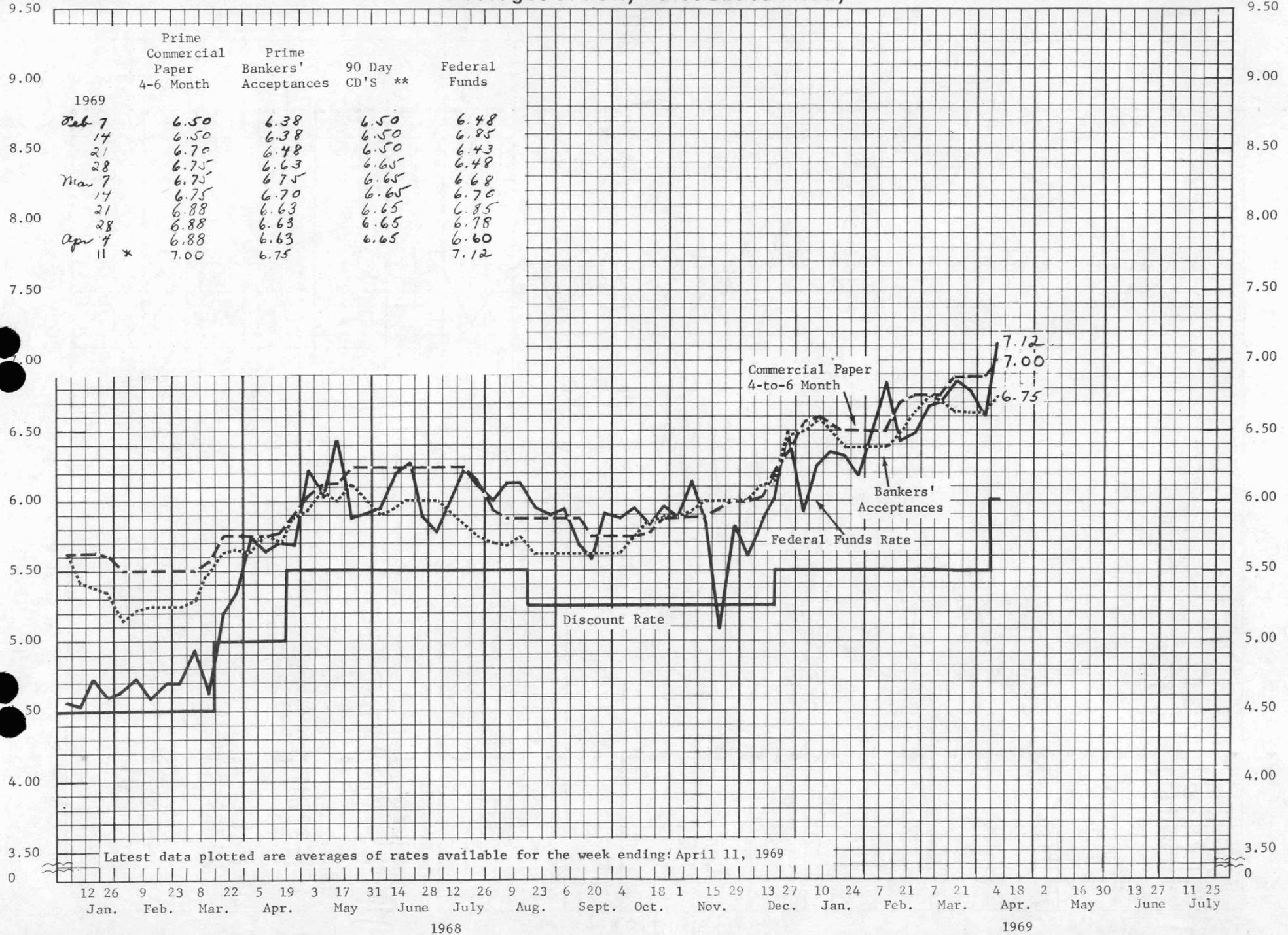
*AVERAGES OF RATES AVAILABLE

Prepared by Federal Reserve Bank of St. Louis

SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday

Per Cent



1969	Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD'S **	Federal Funds
Feb 7	6.50	6.38	6.50	6.48
14	6.50	6.38	6.50	6.85
21	6.70	6.48	6.50	6.43
28	6.75	6.63	6.65	6.48
Mar 7	6.75	6.75	6.65	6.68
14	6.75	6.70	6.65	6.70
21	6.88	6.63	6.65	6.85
28	6.88	6.63	6.65	6.78
Apr 4	6.88	6.63	6.65	6.60
11 *	7.00	6.75		7.12

Latest data plotted are averages of rates available for the week ending: April 11, 1969

1968

1969

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 Federal Reserve Bank of St. Louis

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

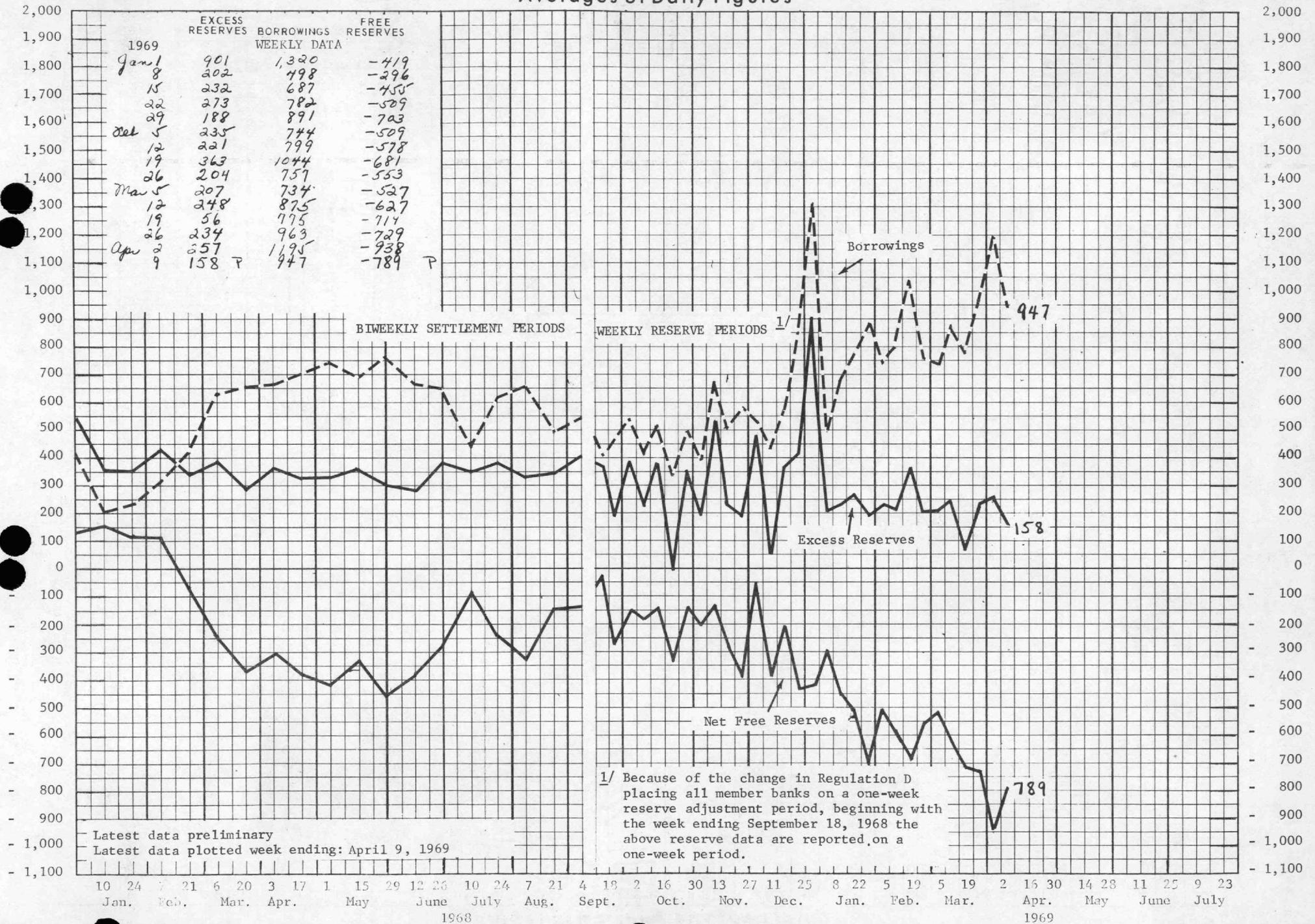
BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures

Millions of Dollars

Millions of Dollars

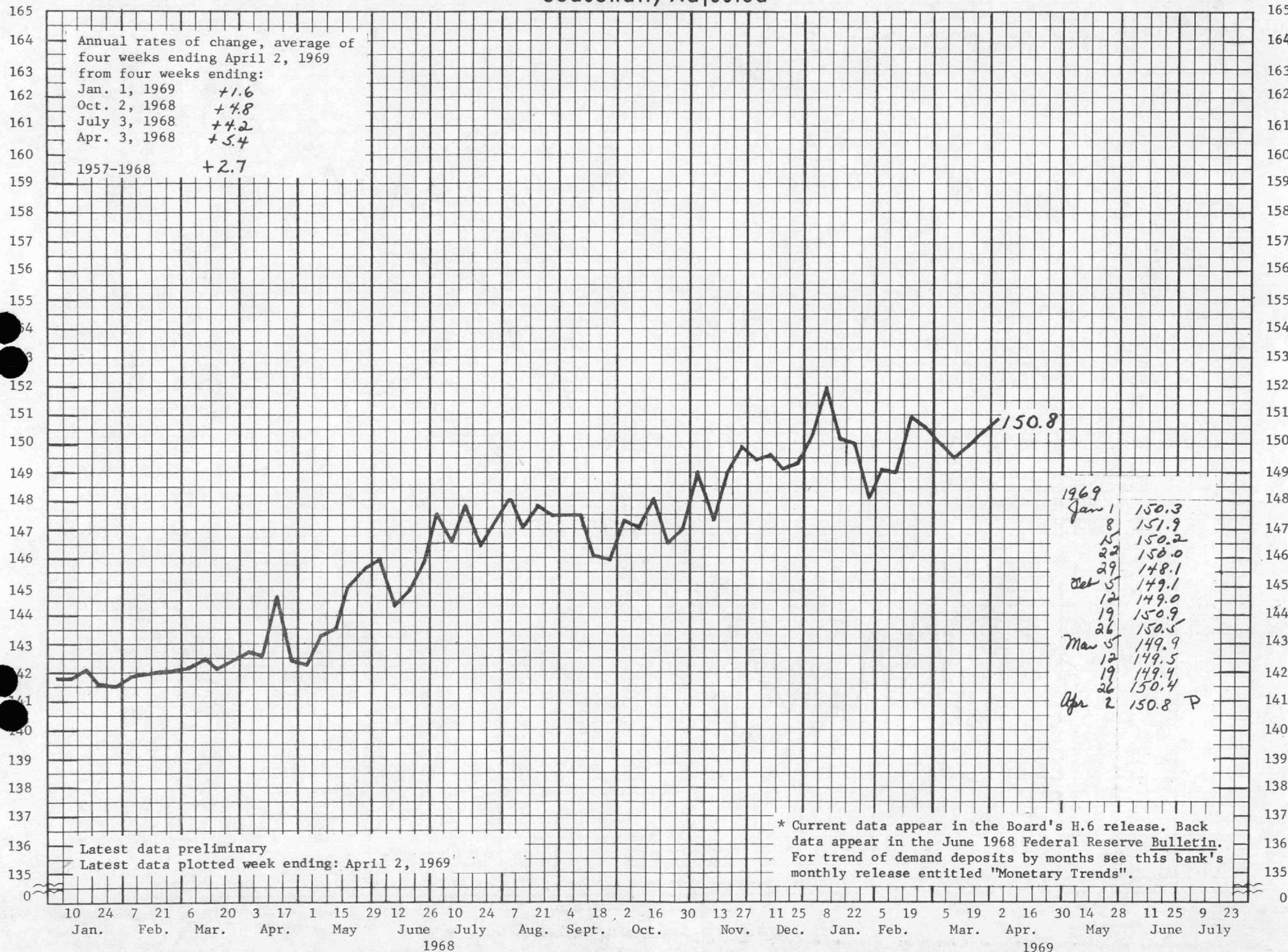


1/ Because of the change in Regulation D placing all member banks on a one-week reserve adjustment period, beginning with the week ending September 18, 1968 the above reserve data are reported on a one-week period.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK*
Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

Billions of Dollars



TOTAL CREDIT Large Commercial Banks Wednesday Figures

Billions of Dollars
230

Billions of Dollars
230

Seasonally adjusted by this bank.

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

Jan. 1, 1969	-4.7
Oct. 2, 1968	+4.5
July 3, 1968	+9.8
Apr. 3, 1968	+9.0
1960-1968	+8.1

225

225

220

220

215

215

205

205

200

200

0

0

10 24 7 21 6 20 3 17 1 15 29 12 26 10 24 7 21 4 18 2 16 30 13 27 11 25 8 22 5 19 5 19 2 16 30 14 28 11 25 9 23
Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. Jan. Feb. Mar. Apr. May June July
1968 1969

Latest data preliminary
Latest data plotted: April 2, 1969

Current and year ago unadjusted data appear in the Board's H.4.2. release. Seasonal adjustment computed by this bank using 1963 through 1968 data.

Millions of Dollars

1969	SEASONALLY	
	UNADJUSTED	ADJUSTED
JAN. 1	228,596	224,686
2	225,155	223,368
15	223,663	222,484
22	222,367	223,282
29	220,970	220,155
FEB. 5	221,478	223,287
12	221,827	223,548
19	219,256	220,004
26	219,180	219,840
MAR. 5	220,746	222,683
12	219,983	219,741
19	220,390	220,522
26	219,633	220,493
APR. 2	221,903 P	222,727 P

222.73