An increase in the percentage of demand deposits which members of the Federal Reserve System are required to hold as reserves became effective in the reserve computation period ending April 23. Reserves required in this period are based on average deposits in the week ending two weeks earlier—April 9. With the one-half percentage point increase, reserve requirements on demand deposits over $5 million are now 17-1/2 per cent at reserve city banks and 13 per cent at country banks.

The monetary base has changed little on balance since the first of the year, compared with about a 7 per cent annual rate of growth in the last half of 1968 (page 2). The increase in reserve requirements has lowered the reserve adjustment magnitude added to the base by about $660 million.1/

Growth of the money stock has also slowed in recent months. The money stock averaged $196.4 billion in the week ending April 16 (page 3). The jump of nearly $3 billion, which occurred in the week ending April 9, was largely due to an unusual decline of about $4 billion in cash items in process of collection. These items are subtracted from gross demand deposits; consequently net demand deposits, the principal component of the money stock, increased sharply.

In the last three months, money has risen at a 4.5 per cent annual rate, and in the previous six months money rose at a 5 per cent rate. By comparison, money rose at a 7 per cent rate from January 1967 to July 1968 and at an average 2.4 per cent rate from 1957 to 1966.

In the last few weeks market interest rates on long-term securities have declined while yields on most short-term securities have risen somewhat (pages 8 and 9). Tax payment dates probably increased the demand for short-term funds during this time. Yields on long-term Government bonds averaged 5.76 per cent during the three days ending April 23, compared with a high of 6.11 per cent in mid-March. Rates on highest grade corporate bonds have also declined slightly from about 7 per cent in mid-March to 6.81 per cent in the first half of this week. Yields on three-month Treasury bills averaged 6.15 per cent during the three days ending April 23 compared with about 6 per cent in mid-March, and yields on 4- to 6-month commercial paper have continued upward, averaging 7.13 per cent in the first half of this week.

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 25, 1969
MONETARY BASE 1
FEDERAL RESERVE CREDIT 2
Averages of Daily Figures

Annual rates of change, average of four weeks ending April 23, 1969 from four weeks ending:

<table>
<thead>
<tr>
<th></th>
<th>Monetary Base</th>
<th>F.R. Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 22, 1969</td>
<td>-0.6</td>
<td>-1.6</td>
</tr>
<tr>
<td>Oct. 23, 1968</td>
<td>+5.0</td>
<td>+0.9</td>
</tr>
<tr>
<td>July 24, 1968</td>
<td>+5.4</td>
<td>+4.5</td>
</tr>
<tr>
<td>Apr. 24, 1968</td>
<td>+5.5</td>
<td>+5.2</td>
</tr>
<tr>
<td>1957-1968</td>
<td>+3.6</td>
<td>+7.8</td>
</tr>
</tbody>
</table>

Seasonally adjusted by this bank.

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.

Prepared by Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending April 16, 1969 from four weeks ending:
- Jan. 15, 1969: +4.5%
- Oct. 16, 1968: +6.5%
- July 17, 1968: +4.9%
- Apr. 17, 1968: +6.3%

1957-1968: +2.9%

Latest data preliminary
Latest data plotted week ending: April 16, 1969

For trend of money stock by months see this bank's monthly release entitled "Monetary Trends".
MONEY STOCK PLUS TIME DEPOSITS *
Averages of Daily Figures
Seasonally Adjusted

Annual rates of change, average of
four weeks ending April 16, 1969
from four weeks ending:
Jan. 15, 1969  -0.5
Oct. 16, 1968  +4.4
July 17, 1968  +6.7
Apr. 17, 1968  +6.9
1957-1968  +6.4

* 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".

Prepared by Federal Reserve Bank of St. Louis
Billions of Dollars
BUSINESS LOANS
Large Commercial Banks
Wednesday Figures
Seasonally adjusted by this bank.

Annual rates of change, average of four weeks ending April 16, 1969 from four weeks ending:
Jan. 15, 1969  + 14.0
Oct. 16, 1968  + 15.1
July 17, 1968  + 13.7
Apr. 17, 1968  + 12.6
1960-1968  + 9.6

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.

Latest data preliminary
Latest data plotted: April 16, 1969

Prepared by Federal Reserve Bank of St. Louis
CERTIFICATES OF DEPOSIT
Large Commercial Banks
Wednesday Figures

Billions of Dollars

Annual rates of change, data not seasonally adjusted, average of four weeks ending April 16, 1969 from four weeks ending:

Jan. 15, 1969 - 73.0
Oct. 16, 1968 - 36.9
July 17, 1968 - 4.0
Apr. 17, 1968 - 8.1

1964-1968 +16.0

Latest data preliminary April 16, 1969
Latest data plotted: April 16, 1969

Current and year ago data appear in the Board's H.4.2. release.
1/ Negotiable time certificates of deposit in denominations of $100,000 or more.

Prepared by Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending April 16, 1969 from four weeks ending:

- Jan. 15, 1969: +5.3
- Oct. 16, 1968: +2.7
- July 17, 1968: +8.5
- Apr. 17, 1968: +7.4

1957-1968: +12.0

Latest data preliminary
Latest data plotted week ending: April 16, 1969

YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

<table>
<thead>
<tr>
<th>Year</th>
<th>3-Month Treasury</th>
<th>3-5 Year</th>
<th>Long-Term</th>
<th>Corporate Aaa</th>
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</thead>
<tbody>
<tr>
<td>Feb 7</td>
<td>6.1%</td>
<td>6.0%</td>
<td>5.8%</td>
<td>6.4%</td>
</tr>
<tr>
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<td>6.1%</td>
<td>6.1%</td>
<td>5.7%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Mar 7</td>
<td>5.1%</td>
<td>6.1%</td>
<td>5.9%</td>
<td>6.7%</td>
</tr>
<tr>
<td>21</td>
<td>6.0%</td>
<td>6.4%</td>
<td>6.5%</td>
<td>6.8%</td>
</tr>
<tr>
<td>Apr 4</td>
<td>6.0%</td>
<td>6.3%</td>
<td>6.7%</td>
<td>6.9%</td>
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<tr>
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<tr>
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<td>6.9%</td>
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<td>15</td>
<td>6.5%</td>
<td>6.8%</td>
<td>5.7%</td>
<td>6.8%</td>
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</table>

Latest data plotted are averages of rates available for the week ending: April 25, 1969

Prepared by Federal Reserve Bank of St. Louis
SELECTED SHORT-TERM INTEREST RATES
Averages of Daily Rates Ended Friday

<table>
<thead>
<tr>
<th>Prime Commercial Paper</th>
<th>Prime Bankers' Acceptances</th>
<th>90 Day CD's</th>
<th>Federal Funds</th>
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<td>0.50</td>
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<td>0.50</td>
<td>0.50</td>
</tr>
</tbody>
</table>

Latest data plotted are averages of rates available for the week ending: April 25, 1969

AVERAGES OF RATES AVAILABLE
** SOURCE: SALOMON BROTHERS AND HUTZIER
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

| Millions of Dollars | 2,000 | 1,900 | 1,800 | 1,700 | 1,600 | 1,500 | 1,400 | 1,300 | 1,200 | 1,100 | 1,000 | 900 | 800 | 700 | 600 | 500 | 400 | 300 | 200 | 100 | 0 |
|---------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Jan 1969            |       |       |       |       |       |       |       |       |       |       |       |     |     |     |     |     |     |     |     |     |     |     |
| 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.

Prepared by Federal Reserve Bank of St. Louis
DEMAND DEPOSIT COMPONENT OF MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted

Annual rates of change, average of four weeks ending April 16, 1969
from four weeks ending:
Jan. 15, 1969 +3.6
Oct. 16, 1968 +6.3
July 17, 1968 +4.3
Apr. 17, 1968 +6.0

1957-1968 +2.7

Latest data preliminary
Latest data plotted week ending: April 16, 1969

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

Prepared by Federal Reserve Bank of St. Louis