RESEARCH LIBRARY
Federal Reserve Bank
of St. Louis

U.S. FINANCIAL DATA

Week ending: October 29, 1969

AUG 27 1998

Interest rates have risen in the past week although most rates are still below early October peaks (pages 10 and 11). Over the past year interest rates have increased markedly, with yields on prime four- to six-month commercial paper rising about 2-1/2 percentage points. In contrast, Regulation Q ceilings have remained unchanged and the discount rate has been increased only three-fourths of a percentage point during the past year. The discount rate is currently one percentage point below the three-month Treasury bill rate; this spread was about one-fourth of a percentage point a year ago.

Selected Interest Rates
(Average of Daily Rates)

	Week Ending		
	11/1/68	10/31/69*	Percentage Increase
3- to 5-year Government securities	5.42	7.31	34.9
Corporate Aaa securities	6.15	7.25	17.9
3-month Treasury bills	5.48	7.00	27.7
Prime 4- to 6-month commercial paper	5.88	8.29	41.0
Banker's acceptances	5.88	8.00	36.1
Discount rate	5.25	6.00	14.3
Regulation Q ceiling on large 90- to 179-day CD's	6.00	6.00	-0-

*Latest rates are averages of the three days ending October 29.

The volume of commercial paper outstanding continued to increase rapidly in September, up $7.8 billion since last December, compared with a $3.4 billion increase in the corresponding period of 1968 (page 8). In contrast, the outstanding volume of large negotiable certificates of deposit at large commercial banks declined by $12.1 billion from last December to October 1969, as low Regulation Q ceilings relative to market rates have prevented banks from competing effectively for funds.

The money stock has been about unchanged since early June, indicating greater monetary restraint than earlier in the year when money grew at a 4.4 per cent annual rate (page 5). The monetary base, uses of which are bank reserves and currency, has declined somewhat since early June (page 2). The money stock and the monetary base usually grow at similar rates. For example, in 1968 they both grew 7 per cent and in the last three months they both have been about unchanged. However, small shifts frequently occur in the multiplier relationship between the monetary base and money. Since early June, the continuing decline in the ratio of time deposits to private demand deposits has been the major factor causing a net increase in the multiplier, though the more rapid rise in currency relative to demand deposits has tended to lower the multiplier. For a more detailed discussion of the base and multiplier, see "Elements of Money Stock Determination" in the October 1969 Review of this bank.

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 31, 1969

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Federal Reserve Bank of St. Louis

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

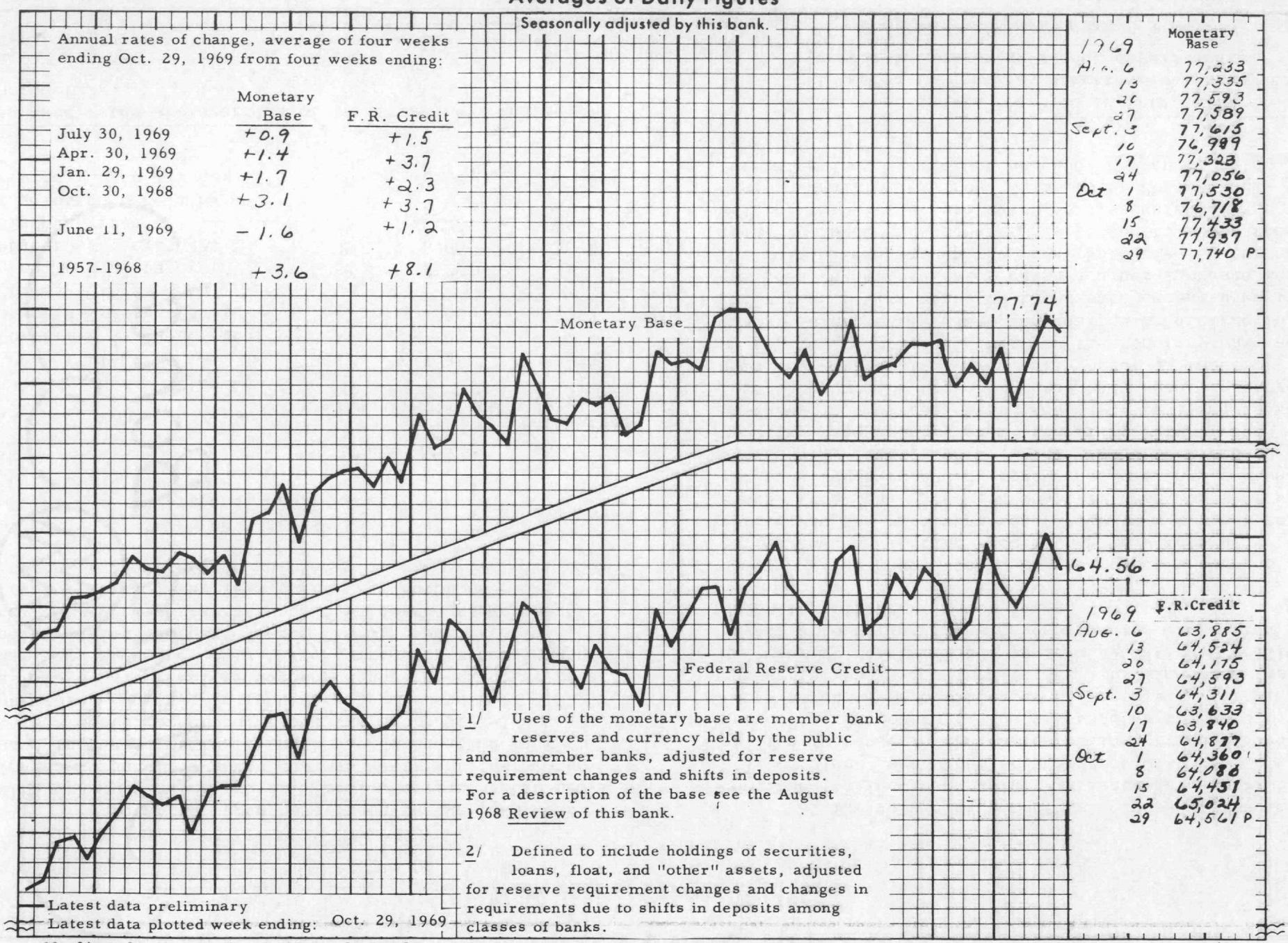
Billions of Dollars

Billions of Dollars

Seasonally adjusted by this bank.

Annual rates of change, average of four weeks ending Oct. 29, 1969 from four weeks ending:

	Monetary Base	F.R. Credit
July 30, 1969	+0.9	+1.5
Apr. 30, 1969	+1.4	+3.7
Jan. 29, 1969	+1.7	+2.3
Oct. 30, 1968	+3.1	+3.7
June 11, 1969	−1.6	+1.2
1957-1968	+3.6	+8.1



1969	Monetary Base
Aug. 6	77,233
13	77,335
20	77,593
27	77,589
Sept. 3	77,615
10	76,989
17	77,323
24	77,056
Oct 1	77,530
8	76,718
15	77,433
22	77,937
29	77,740 P

1969	F.R.Credit
Aug. 6	63,885
13	64,524
20	64,175
27	64,593
Sept. 3	64,311
10	63,633
17	63,840
24	64,877
Oct 1	64,360
8	64,086
15	64,451
22	65,024
29	64,561 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, float, and "other" assets, 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: Oct. 29, 1969

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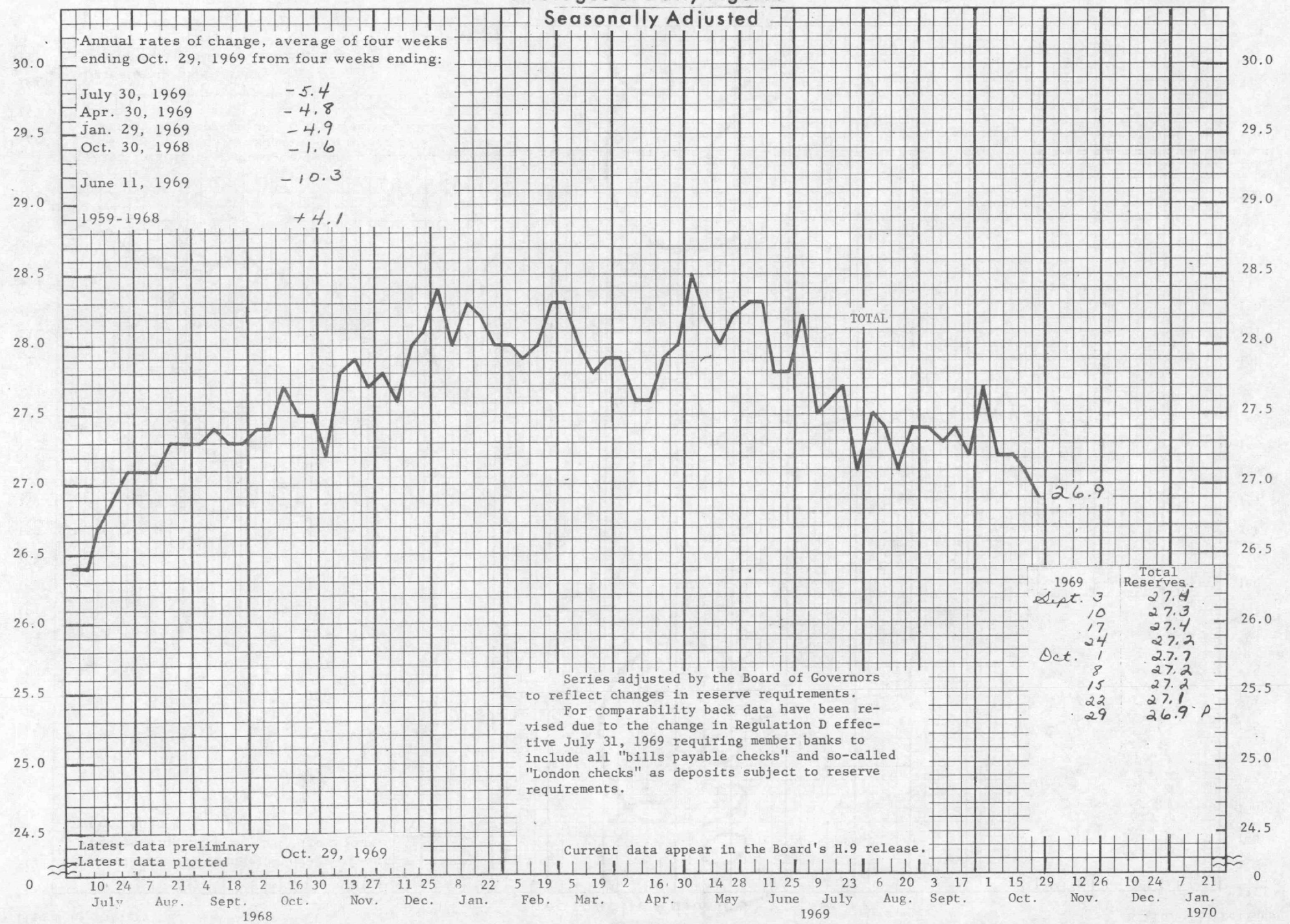
RESERVES
All Member Banks in the Nation
Averages of Daily Figures
Seasonally Adjusted



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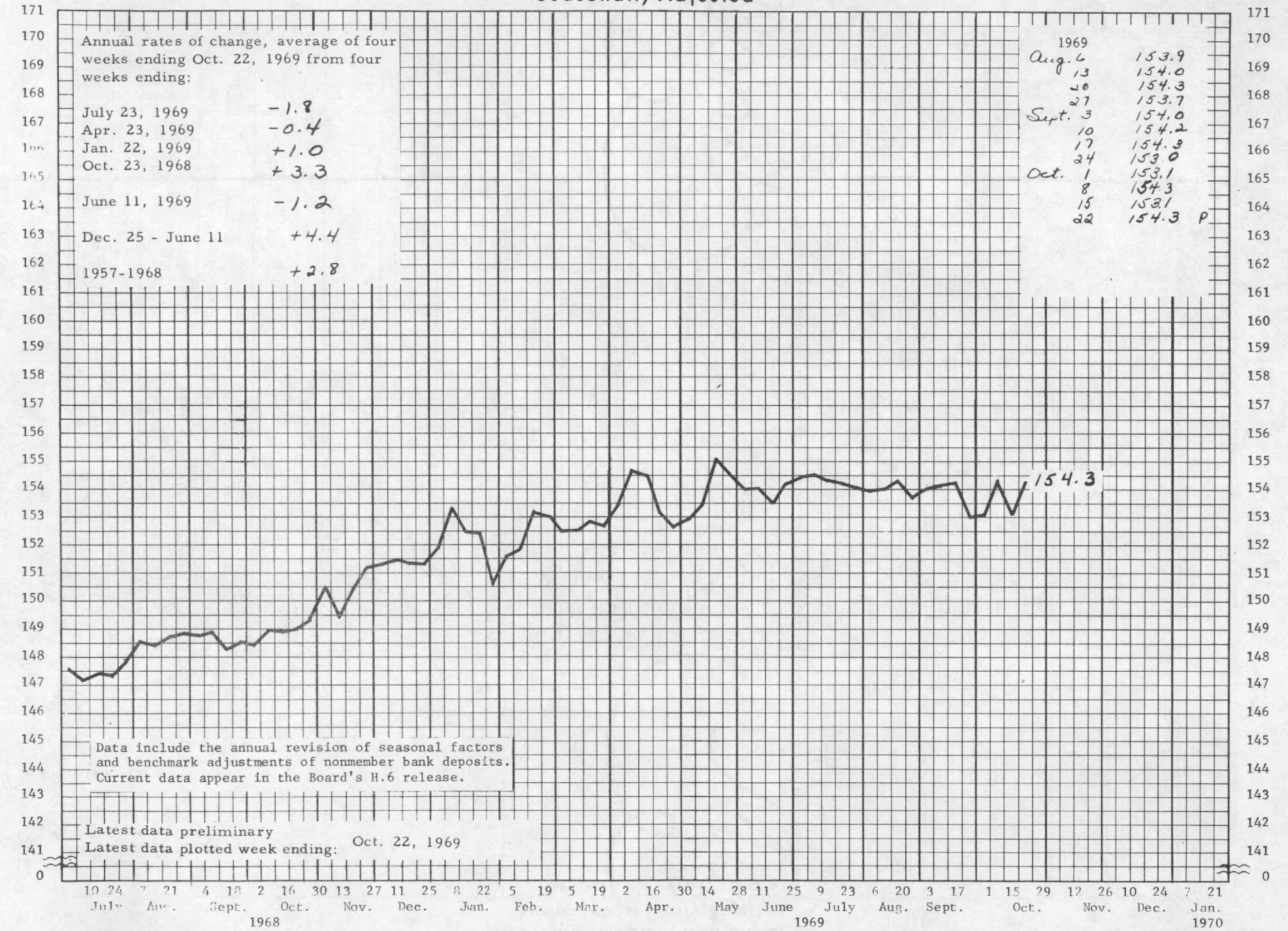
DEMAND DEPOSIT COMPONENT OF MONEY STOCK

Averages of Daily Figures

Seasonally Adjusted



Annual rates of change, average of four weeks ending Oct. 22, 1969 from four weeks ending:

July 23, 1969	-1.8
Apr. 23, 1969	-0.4
Jan. 22, 1969	+1.0
Oct. 23, 1968	+3.3
June 11, 1969	-1.2
Dec. 25 - June 11	+4.4
1957-1968	+2.8

1969		
Aug.	6	153.9
	13	154.0
	20	154.3
	27	153.7
Sept.	3	154.0
	10	154.2
	17	154.3
	24	153.0
Oct.	1	153.1
	8	154.3
	15	153.1
	22	154.3 p

Data include the annual revision of seasonal factors and benchmark adjustments of nonmember bank deposits. Current data appear in the Board's H.6 release.

Latest data preliminary

Latest data plotted week ending: Oct. 22, 1969

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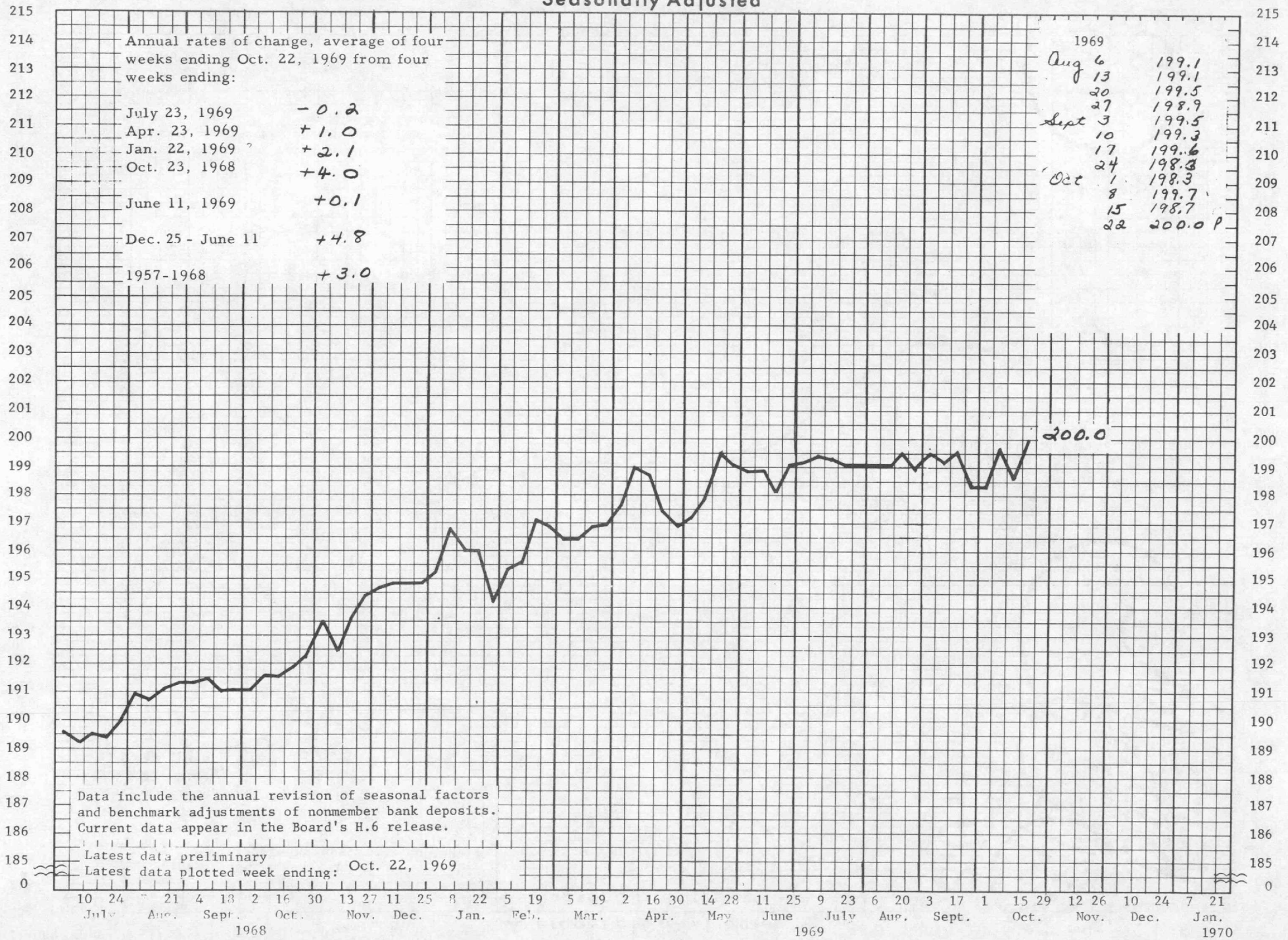
MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

Billions of Dollars



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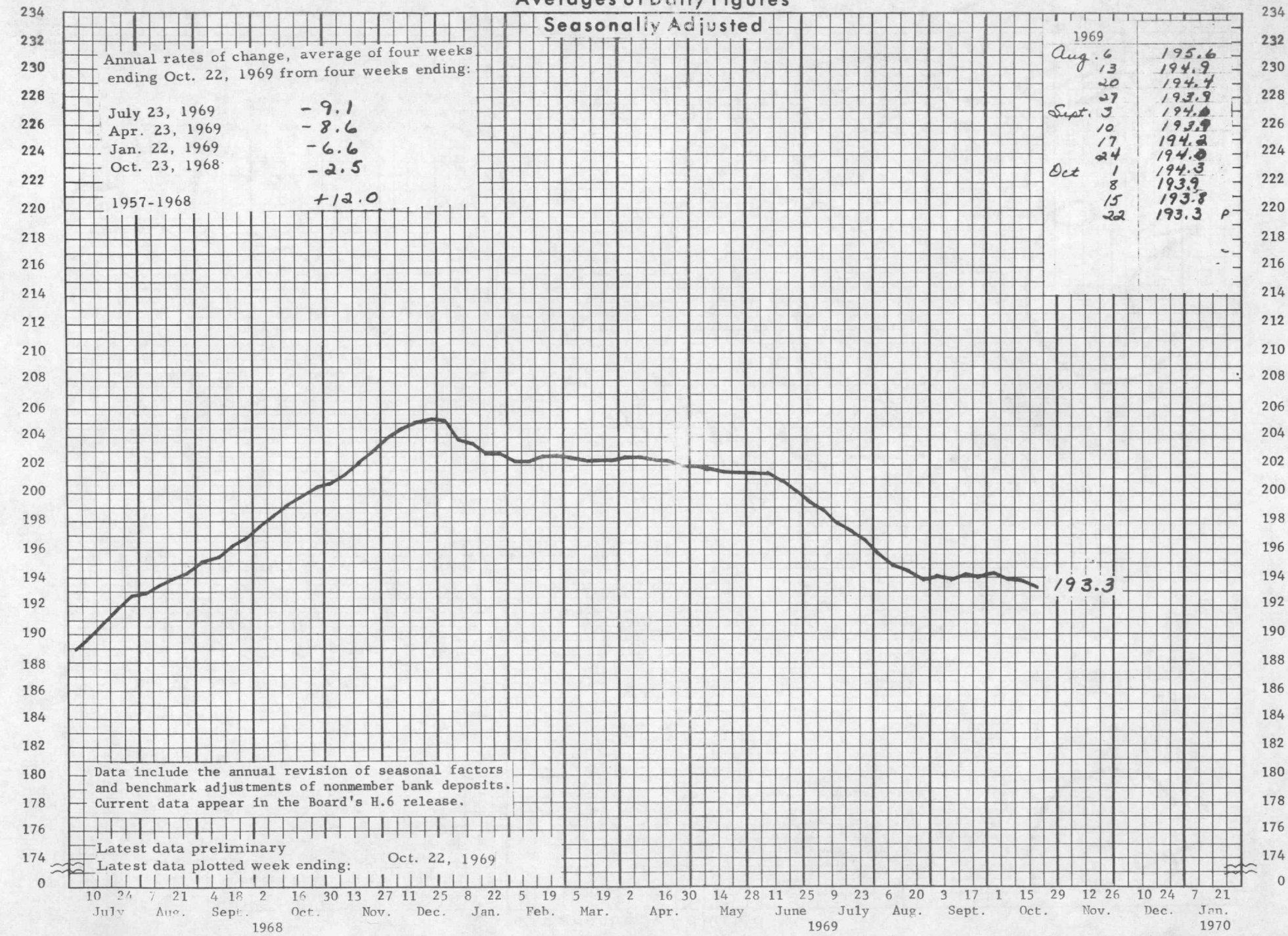
TIME DEPOSITS
All Commercial Banks
Averages of Daily Figures
Seasonally Adjusted



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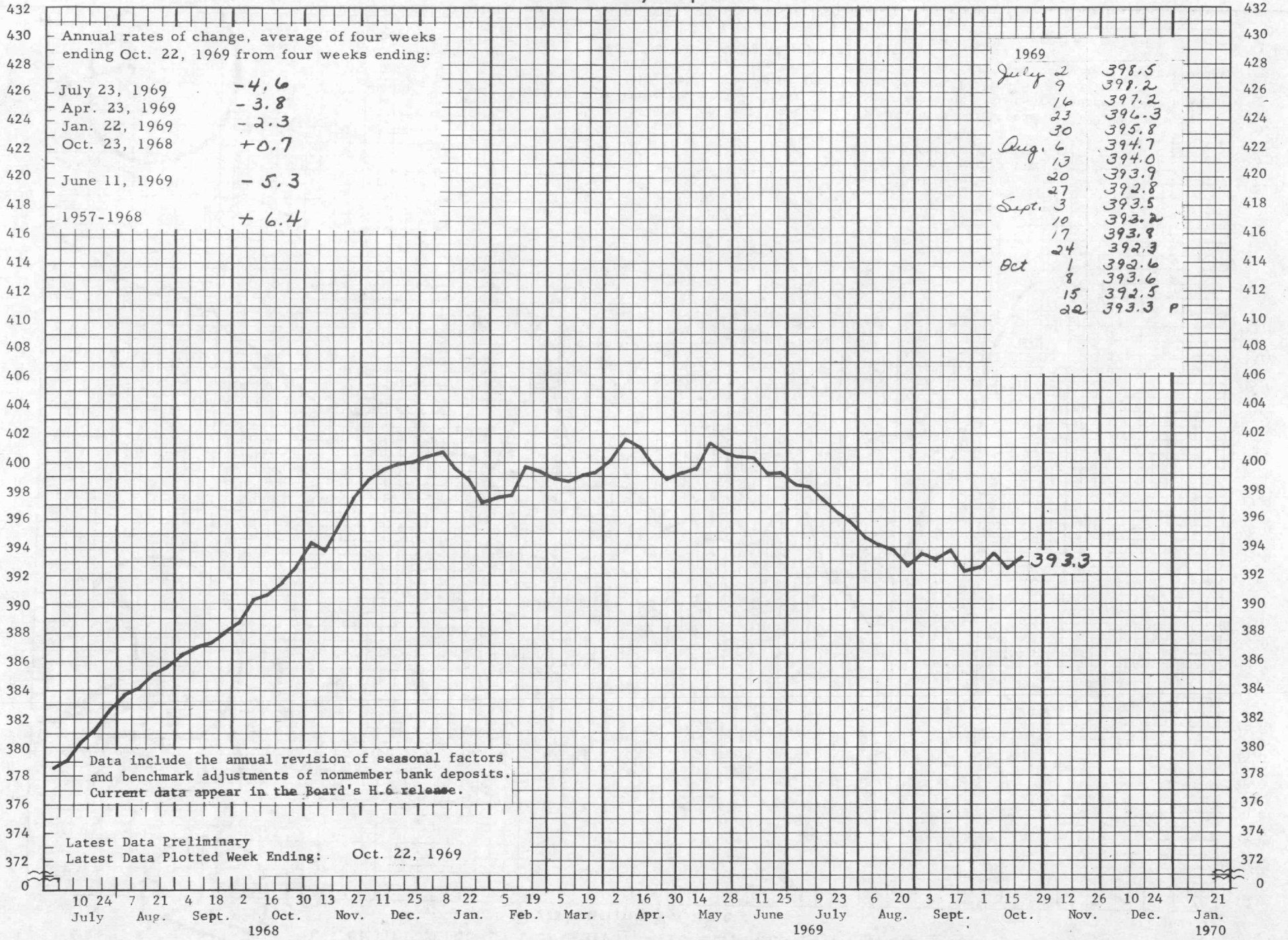
MONEY STOCK PLUS TIME DEPOSITS
Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

Billions of Dollars



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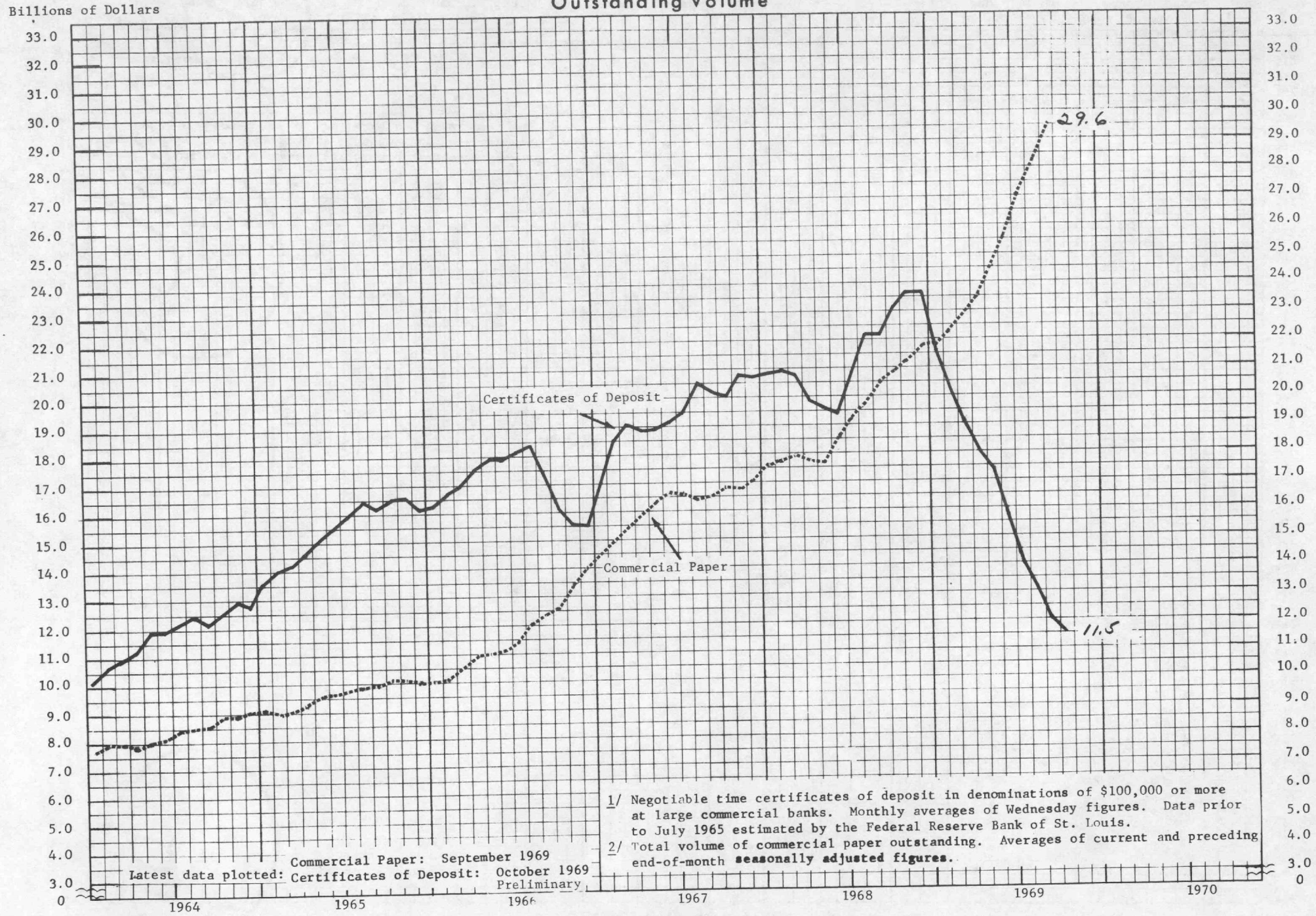
CERTIFICATES OF DEPOSIT 1 AND COMMERCIAL PAPER 2
Outstanding Volume



1/ Negotiable time certificates of deposit in denominations of $100,000 or more at large commercial banks. Monthly averages of Wednesday figures. Data prior to July 1965 estimated by the Federal Reserve Bank of St. Louis.

2/ Total volume of commercial paper outstanding. Averages of current and preceding end-of-month **seasonally adjusted figures.**

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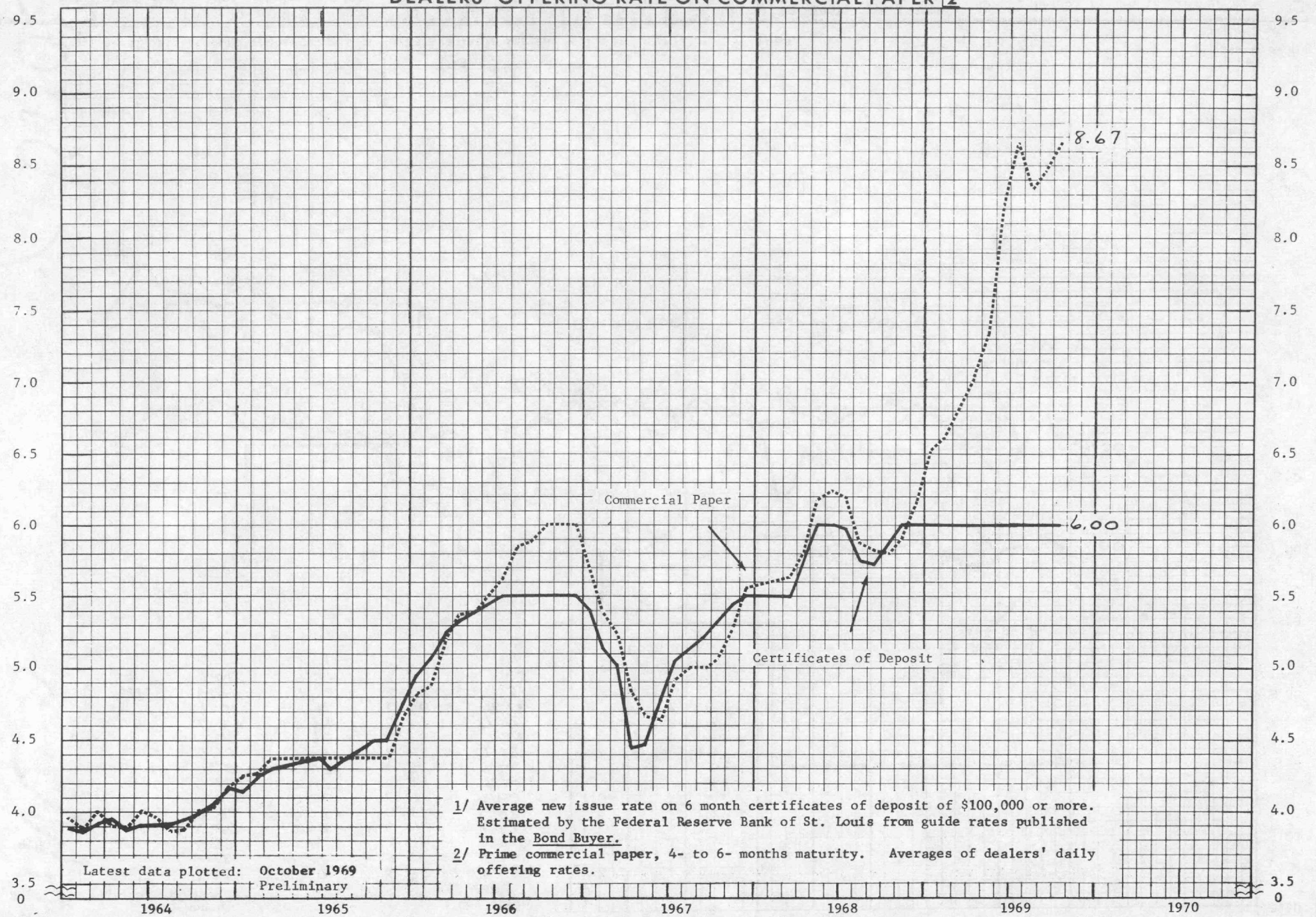
NEW ISSUE RATE ON CERTIFICATES OF DEPOSIT 1/
DEALERS' OFFERING RATE ON COMMERCIAL PAPER 2/



1/ Average new issue rate on 6 month certificates of deposit of $100,000 or more. Estimated by the Federal Reserve Bank of St. Louis from guide rates published in the Bond Buyer.

2/ Prime commercial paper, 4- to 6- months maturity. Averages of dealers' daily offering rates.

Latest data plotted: October 1969
Preliminary

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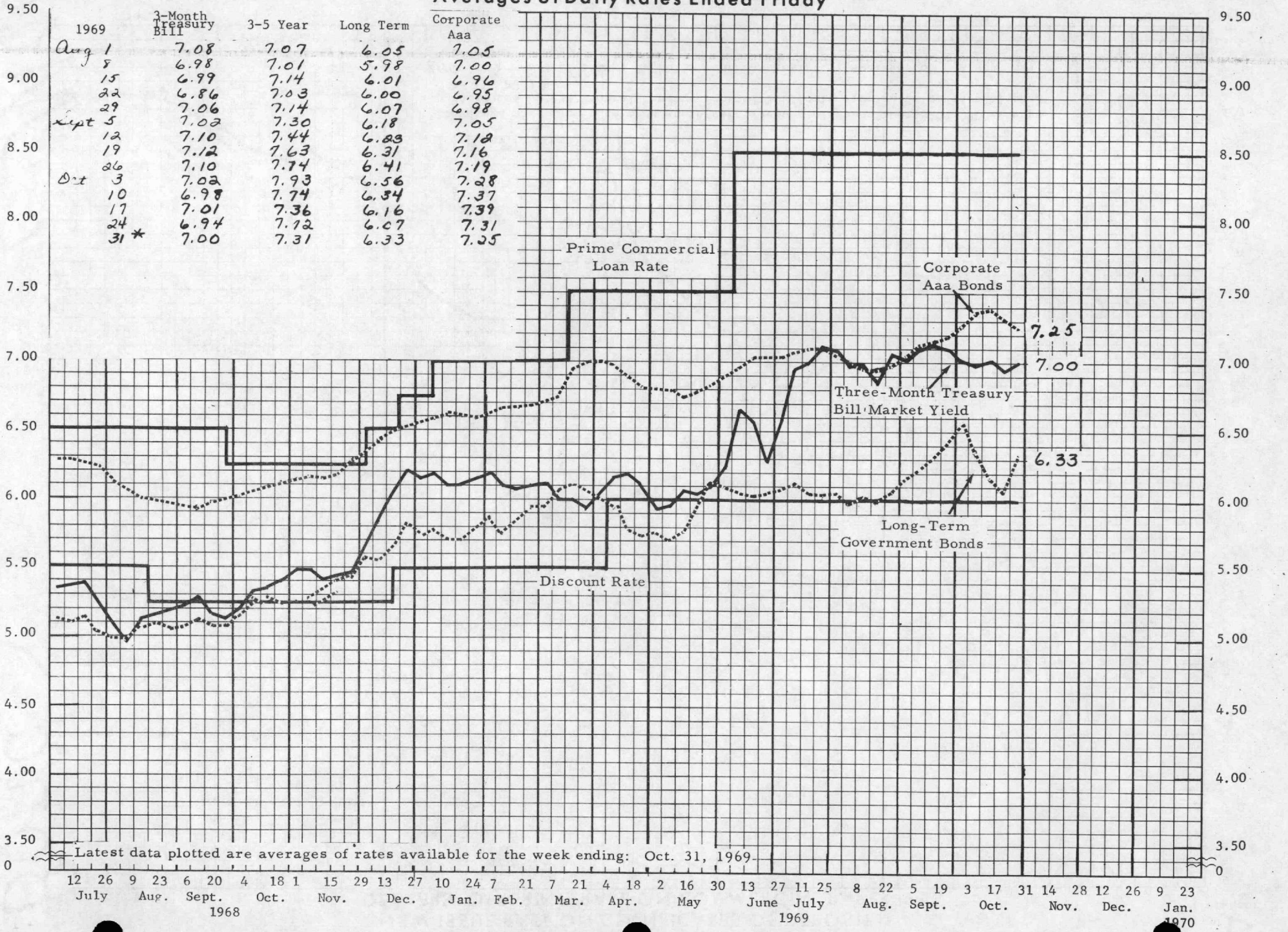
YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

1969	3-Month Treasury Bill	3-5 Year	Long Term	Corporate Aaa
Aug 1	7.08	7.07	6.05	7.05
8	6.98	7.01	5.98	7.00
15	6.99	7.14	6.01	6.96
22	6.86	7.03	6.00	6.95
29	7.06	7.14	6.07	6.98
Sept 5	7.02	7.30	6.18	7.05
12	7.10	7.44	6.23	7.12
19	7.12	7.63	6.31	7.16
26	7.10	7.74	6.41	7.19
Oct 3	7.02	7.93	6.56	7.28
10	6.98	7.74	6.34	7.37
17	7.01	7.36	6.16	7.39
24	6.94	7.12	6.07	7.31
31 *	7.00	7.31	6.33	7.25



*AVERAGES OF RATES AVAILABLE

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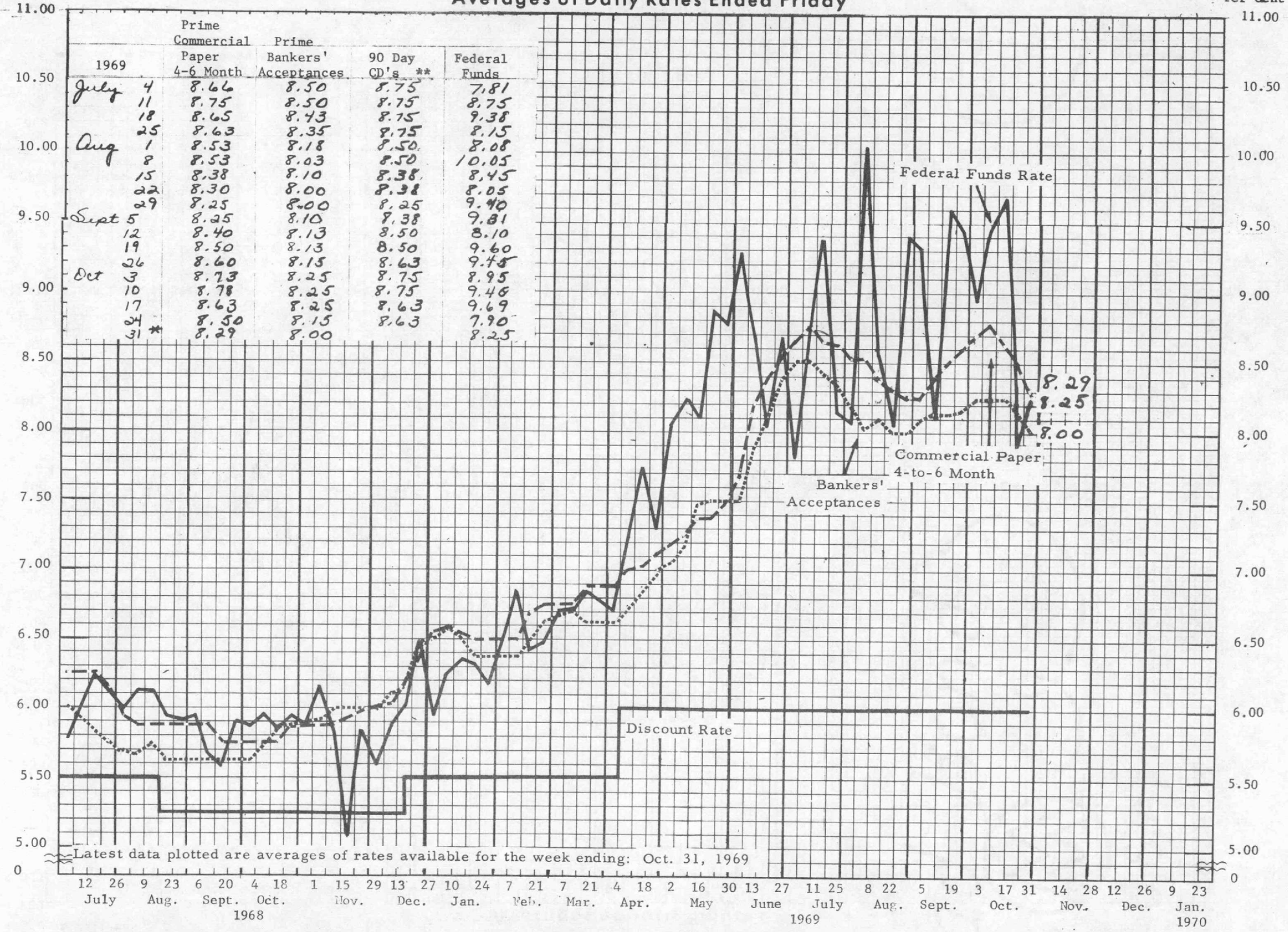
SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday

1969		Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD's **	Federal Funds
July	4	8.66	8.50	8.75	7.81
	11	8.75	8.50	8.75	8.75
	18	8.65	8.43	8.75	9.38
	25	8.63	8.35	8.75	8.15
Aug	1	8.53	8.18	8.50	8.08
	8	8.53	8.03	8.50	10.05
	15	8.38	8.10	8.38	8.45
	22	8.30	8.00	8.38	8.05
	29	8.25	8.00	8.25	9.40
Sept	5	8.25	8.10	8.38	9.81
	12	8.40	8.13	8.50	8.10
	19	8.50	8.13	8.50	9.60
	26	8.60	8.15	8.63	9.48
Oct	3	8.73	8.25	8.75	8.95
	10	8.78	8.25	8.75	9.46
	17	8.63	8.25	8.63	9.69
	24	8.50	8.15	8.63	7.90
	31 *	8.29	8.00		8.25



* AVERAGES OF RATES AVAILABLE; FEDERAL FUNDS LAST FIVE DAYS AVAILABLE

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

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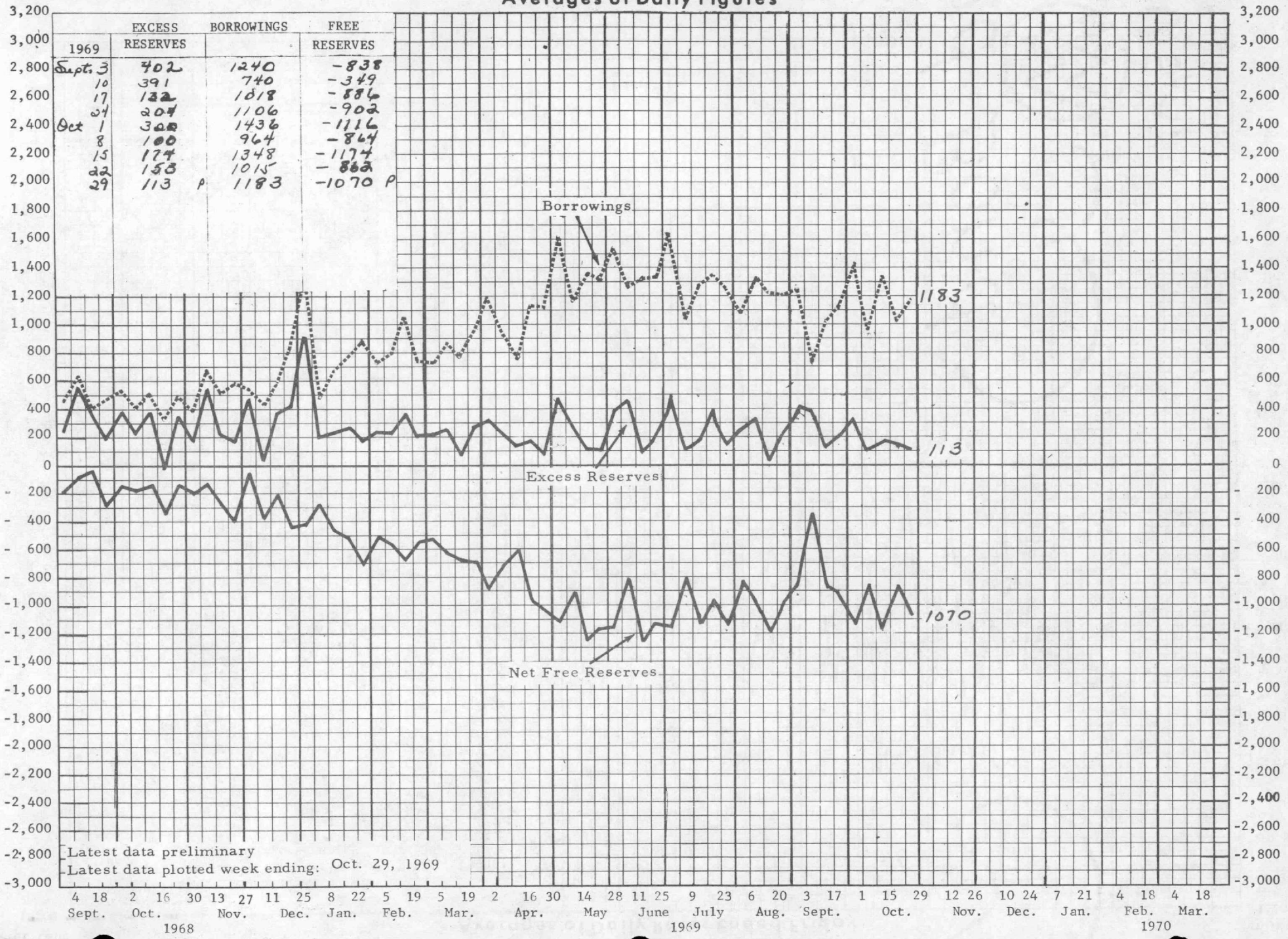
BORROWINGS AND EXCESS RESERVES
All Member Banks in the Nation
Averages of Daily Figures

Millions of Dollars

Millions of Dollars

1969	EXCESS RESERVES	BORROWINGS	FREE RESERVES
Sept. 3	402	1240	-838
10	391	740	-349
17	132	1018	-886
24	204	1106	-902
Oct 1	320	1436	-1116
8	100	964	-864
15	174	1348	-1174
22	153	1015	-862
29	113 p	1183	-1070 p



Latest data preliminary
Latest data plotted week ending: Oct. 29, 1969

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