Growth rates of monetary aggregates have slowed sharply since early June. The money stock has been about unchanged since the four weeks ending June 11 (page 5), and the demand deposit component of money has declined somewhat during the same period (page 4). By comparison, these monetary magnitudes increased at about a 4.5 per cent annual rate in the first half of the year and 7 per cent in 1968.

The restrictive pattern of money stock growth during the last five months can be largely attributed to lack of growth of the monetary base during the same period. The monetary base, which determines the sum of bank reserves and currency in the economy and is related to the money stock through a set of measurable parameters, has declined slightly since early June (page 2). For a more detailed discussion of the relation between the monetary base and the money stock, see "Elements of Money Stock Determination" in the October 1969 Review of this bank.

Growth of the monetary base, in turn, has been dominated by its largest component, Federal Reserve credit. Since early June, Federal Reserve credit has increased at only a 2 per cent annual rate, after increasing at a 6 per cent rate in the first part of the year and 10 per cent in 1968 (page 2).

Business loans at large commercial banks have risen at an 8 per cent annual rate in the last three months, after remaining about unchanged during the previous two months. Recent growth has been slower than the 15 per cent rate in the first half of the year (page 9).

Most interest rates have declined or remained about unchanged in recent weeks (pages 10 and 11). Yields on prime four- to six-month commercial paper averaged 8.13 per cent in the two days ending November 5, down from 8.78 per cent in early October, but 2-1/4 percentage points higher than a year ago. The three-month Treasury bill rate averaged 7.02 per cent in the two days ending November 5, compared with a high of 7.12 per cent in mid-September and 5.48 per cent a year ago. Yields on highest-grade corporate bonds averaged 7.25 per cent during the first half of this week, down from 7.39 per cent in mid-October, but up considerably from 6.16 per cent a year ago.

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: November 7, 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 Nov. 5, 1969 from four weeks ending:

<table>
<thead>
<tr>
<th>Date</th>
<th>Monetary Base</th>
<th>F.R. Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug. 6, 1969</td>
<td>+1.6</td>
<td>+3.0</td>
</tr>
<tr>
<td>May 7, 1969</td>
<td>+1.4</td>
<td>+3.9</td>
</tr>
<tr>
<td>Feb. 5, 1969</td>
<td>+1.9</td>
<td>+3.0</td>
</tr>
<tr>
<td>Nov. 6, 1968</td>
<td>+3.2</td>
<td>+4.0</td>
</tr>
<tr>
<td>June 11, 1969</td>
<td>-0.7</td>
<td>+2.1</td>
</tr>
</tbody>
</table>

1957-1968:

<table>
<thead>
<tr>
<th></th>
<th>Monetary Base</th>
<th>F.R. Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg.</td>
<td>+3.6</td>
<td>+8.1</td>
</tr>
</tbody>
</table>

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.

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.

Prepared by Federal Reserve Bank of St. Louis

Digitized for FRASER
http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
Billions of Dollars

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

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

Aug. 6, 1969  -5.2
May 7, 1969  -6.4
Feb. 5, 1969  -4.9
Nov. 6, 1968  -1.3
June 11, 1969  -9.8

1959-1968  +4.1

Series adjusted by the Board of Governors to reflect changes in reserve requirements.

For comparability, back data have been revised due to the change in Regulation D effective July 31, 1969 requiring member banks to include all "bills payable checks" and so-called "London checks" as deposits subject to reserve requirements.

Data exclude increase in required reserves of about $400 million due to changes in Regulations M and D effective Oct. 16, 1969.

Current data including required reserves due to changes in Regulations M and D effective October 16, 1969 appear in the Board's H.9 release.

Prepared by Federal Reserve Bank of St. Louis
-demand deposit component of money stock
averages of daily figures
seasonally adjusted

billions of dollars

weekly and four-week changes, average of four weeks ending Oct. 29, 1969, from four weeks ending:

July 30, 1969: -1.8
Apr. 30, 1969: -0.3
Jan. 29, 1969: +1.2
Oct. 30, 1968: +3.1
June 11, 1969: -1.3
Dec. 25-June 11: +4.4
1957-1968: +2.8

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. 29, 1969

Prepared by Federal Reserve Bank of St. Louis

Digitized for FRASER
http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending Oct. 29, 1969 from four weeks ending:

- July 30, 1969: +0.0
- Apr. 30, 1969: +1.2
- Jan. 29, 1969: +2.3
- Oct. 30, 1968: +3.9
- June 11, 1969: +0.1
- Dec. 25 - June 11: +4.8

1957-1968: +3.0

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. 29, 1969

Prepared by Federal Reserve Bank of St. Louis

Digitized for FRASER
http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
TIME DEPOSITS
All Commercial Banks
Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

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

<table>
<thead>
<tr>
<th>Month</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 30, 1969</td>
<td>- 8.3</td>
</tr>
<tr>
<td>Apr. 30, 1969</td>
<td>- 8.6</td>
</tr>
<tr>
<td>Jan. 29, 1969</td>
<td>- 6.4</td>
</tr>
<tr>
<td>Oct. 30, 1968</td>
<td>- 3.0</td>
</tr>
<tr>
<td>1957-1968</td>
<td>+ 12.0</td>
</tr>
</tbody>
</table>

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. 29, 1969

Prepared by Federal Reserve Bank of St. Louis
Annual rates of change, average of four weeks ending Oct. 29, 1969 from four weeks ending:

- July 30, 1969: -4.1
- Apr. 30, 1969: -3.7
- Jan. 29, 1969: -3.1
- Oct. 30, 1968: +0.4
- June 11, 1969: -5.1
- 1957-1968: +6.4

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.
CERTIFICATES OF DEPOSIT
Large Commercial Banks
Wednesday Figures

Annual rates of change, data not seasonally adjusted, average of four weeks ending Oct. 29, 1969 from four weeks ending:

<table>
<thead>
<tr>
<th>Date</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 30, 1969</td>
<td>-6.7%</td>
</tr>
<tr>
<td>Apr. 30, 1969</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Jan. 29, 1969</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Oct. 30, 1968</td>
<td>-5.0%</td>
</tr>
</tbody>
</table>

1964-1968: +16.0%

---

Latest data preliminary: Oct. 29, 1969

Prepared by Federal Reserve Bank of St. Louis
Annual rate of change, average of four weeks ending Oct. 29, 1969 from four weeks ending:

July 30, 1969  + 8.0
Apr. 30, 1969  + 7.6
Jan. 29, 1969  + 9.2
Oct. 30, 1968  +11.7
1960-1968  +9.6

Latest data preliminary
Latest data plotted: Oct. 29, 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.
YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday

Per Cent

<table>
<thead>
<tr>
<th>Per Cent</th>
<th>3-Month Bill</th>
<th>3-5 Year</th>
<th>Long Term</th>
<th>Corporate</th>
<th>Aaa</th>
<th>Aaa Bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.50</td>
<td>7.08</td>
<td>7.07</td>
<td>6.05</td>
<td>7.05</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>9.00</td>
<td>6.95</td>
<td>7.01</td>
<td>6.98</td>
<td>7.00</td>
<td>6.96</td>
<td></td>
</tr>
<tr>
<td>8.50</td>
<td>6.91</td>
<td>7.03</td>
<td>6.93</td>
<td>7.00</td>
<td>6.93</td>
<td></td>
</tr>
<tr>
<td>8.00</td>
<td>7.06</td>
<td>7.14</td>
<td>6.97</td>
<td>7.00</td>
<td>6.90</td>
<td></td>
</tr>
<tr>
<td>7.50</td>
<td>7.10</td>
<td>7.20</td>
<td>7.10</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>7.00</td>
<td>7.15</td>
<td>7.25</td>
<td>7.05</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>6.50</td>
<td>7.20</td>
<td>7.30</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>6.00</td>
<td>7.25</td>
<td>7.35</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>5.50</td>
<td>7.30</td>
<td>7.40</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
<tr>
<td>5.00</td>
<td>7.35</td>
<td>7.45</td>
<td>7.00</td>
<td>7.00</td>
<td>7.00</td>
<td></td>
</tr>
</tbody>
</table>

Latest data plotted are averages of rates available for the week ending Nov. 7, 1969.

Prepared by Federal Reserve Bank of St. Louis

http://fraser.stlouisfed.org
SELECTED SHORT-TERM INTEREST RATES
Averages of Daily Rates Ended Friday

- Prime
- Commercial Paper
- Prime Bankers' Acceptances
- 90 Day CD's
- Federal Funds

Latest data plotted are averages of rates available for the week ending: Nov. 7, 1969

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

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

Prepared by Federal Reserve Bank of St. Louis