



U.S. FINANCIAL DATA

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Week ending: March 4, 1970

Most interest rates have retreated from the extreme peaks at year-end, to about the high levels of last summer (pages 10 and 11). Yields on three-month Treasury bills fell sharply during the first one and a half months of 1970, but have been about unchanged at 6.9 per cent since mid-February. Last summer, the bill rate was about 7 per cent. Yields on three- to five-year Government securities have continued to decline, averaging 7.33 per cent in the three days ending March 4. This yield was near 7 per cent during most of last summer. Yields on long-term Government securities averaged 6.26 per cent in the three days ending March 4, slightly higher than the 6 per cent average last summer.

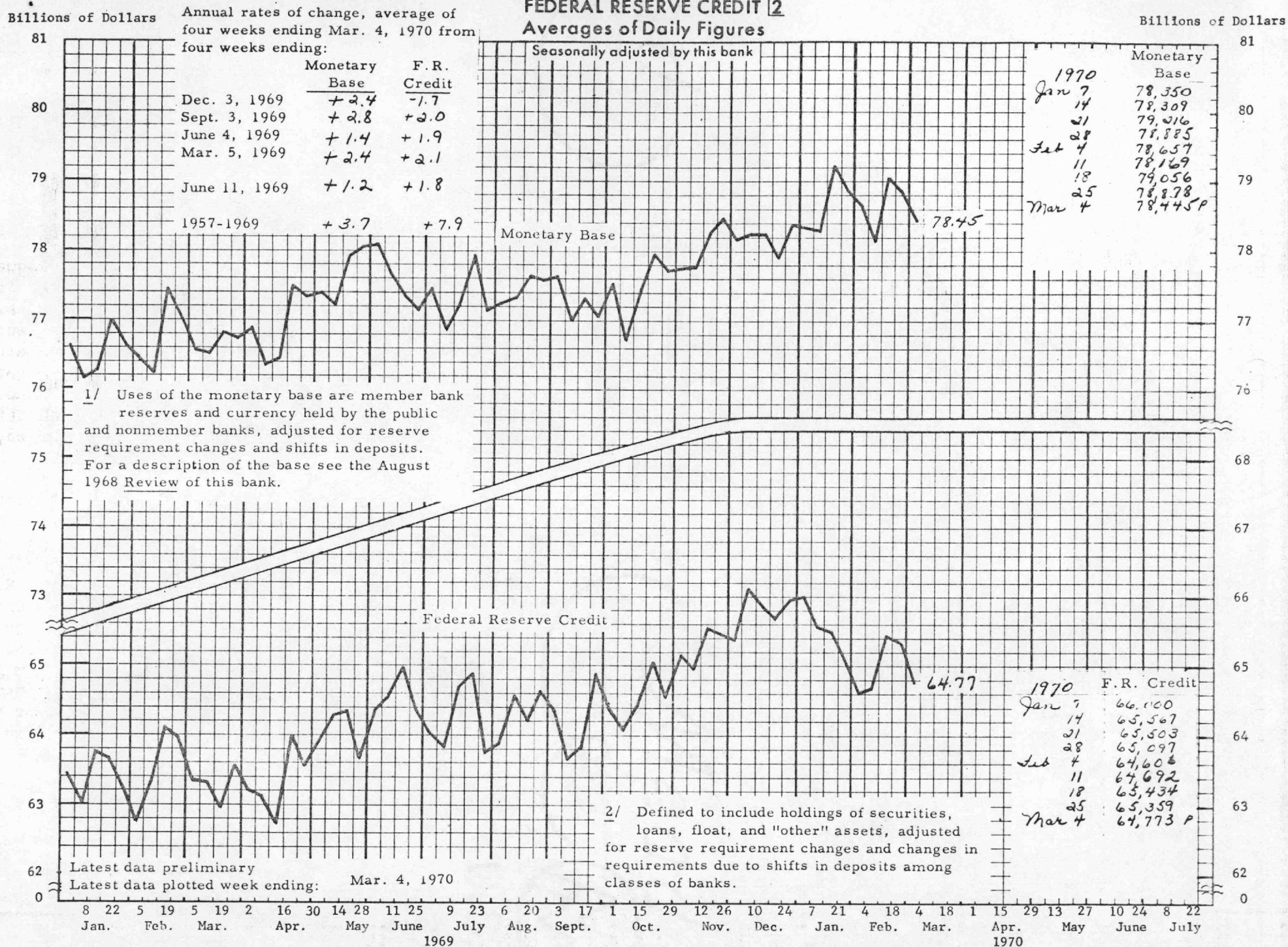
Yields on prime bankers' acceptances have fallen 75 basis points since early January to 8 per cent, slightly below the average for the summer. Yields on seasoned highest-grade corporate bonds have been down somewhat in the last two weeks but, at 7.78 per cent, remain well above the rates near 7 per cent last summer. In the last two weeks the Federal funds rate, the rate banks pay on overnight borrowings, has averaged 8.25 per cent, the lowest average for two weeks since late November.

The recent declines in interest rates appear to reflect slower growth in the demand for loan funds since, judged by the stock of money, there has been no marginal creation of funds. In the last four weeks the money stock and the demand deposit component have been near the levels maintained from last June to December (pages 4 and 5). Another indication of slower growth in the demand for loans is that business loans at large commercial banks have risen at a 2.8 per cent annual rate in the last three months, down from the 6 per cent rate in the previous three months (page 7).

The outstanding volume of commercial paper rose \$1.1 billion in January to total \$33.9 billion. At the same time large certificates of deposit at large commercial banks declined \$0.5 billion to \$10.6 billion (page 8). Yields on commercial paper, which averaged 8.78 per cent in January, have been 8.50 per cent this week, still well above the 6.75 per cent maximum rate on large CD's of comparable maturity (page 9). Nevertheless, the outstanding volume of large CD's and total time deposits have risen slightly since the end of January (page 6).

Prepared by Federal Reserve Bank of St. Louis

Released: March 6, 1970



RESERVES

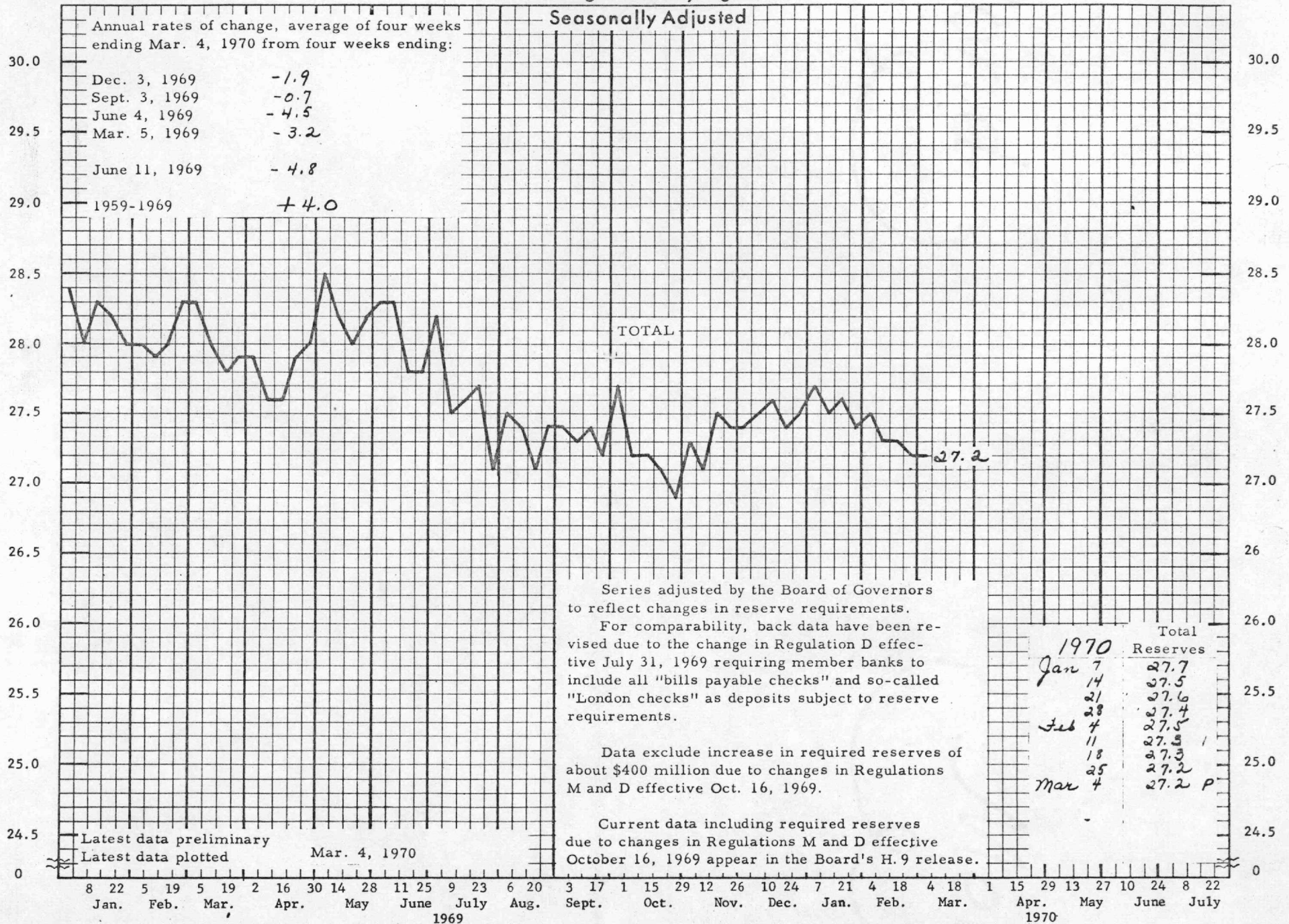
All Member Banks in the Nation

Averages of Daily Figures

3

Billions of Dollars

Billions of Dollars



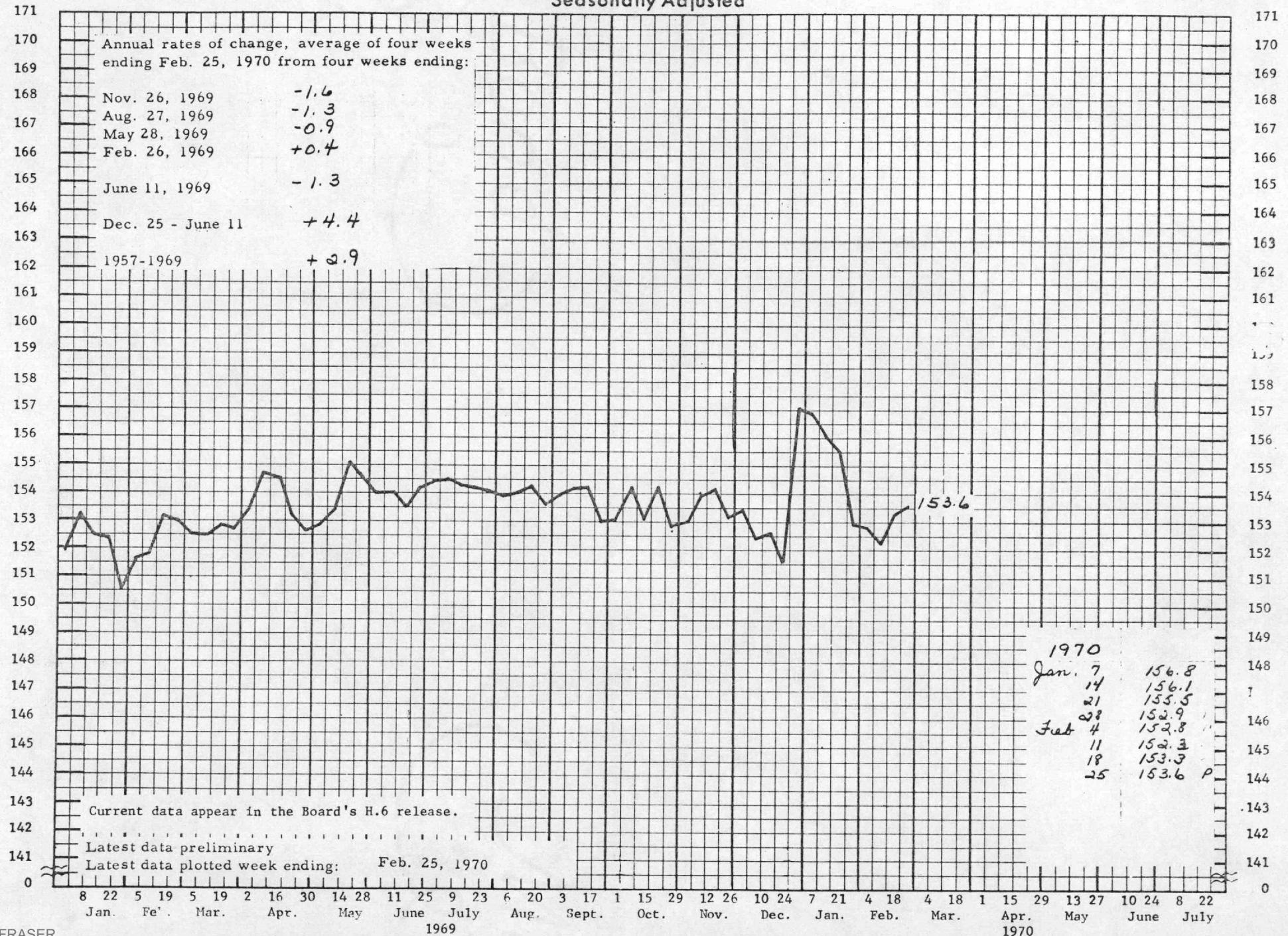
DEMAND DEPOSIT COMPONENT OF MONEY STOCK

4

Billions of Dollars

Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

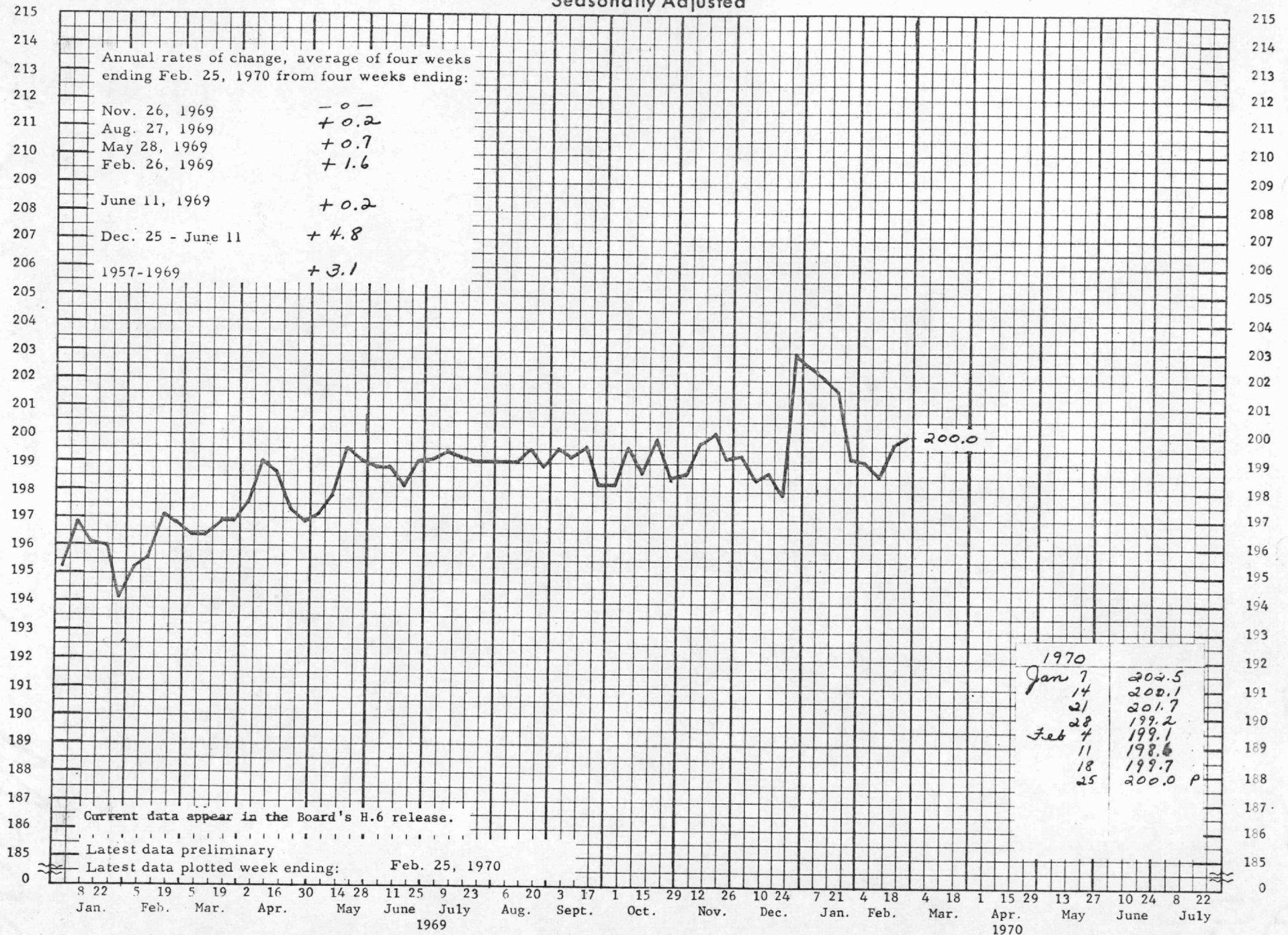


MONEY STOCK Averages of Daily Figures Seasonally Adjusted

5

Billions of Dollars

Billions of Dollars



TIME DEPOSITS All Commercial Banks Averages of Daily Figures

6

Billions of Dollars

Billions of Dollars

Seasonally Adjusted



BUSINESS LOANS
Large Commercial Banks
Wednesday Figures

7

Billions of Dollars

Billions of Dollars

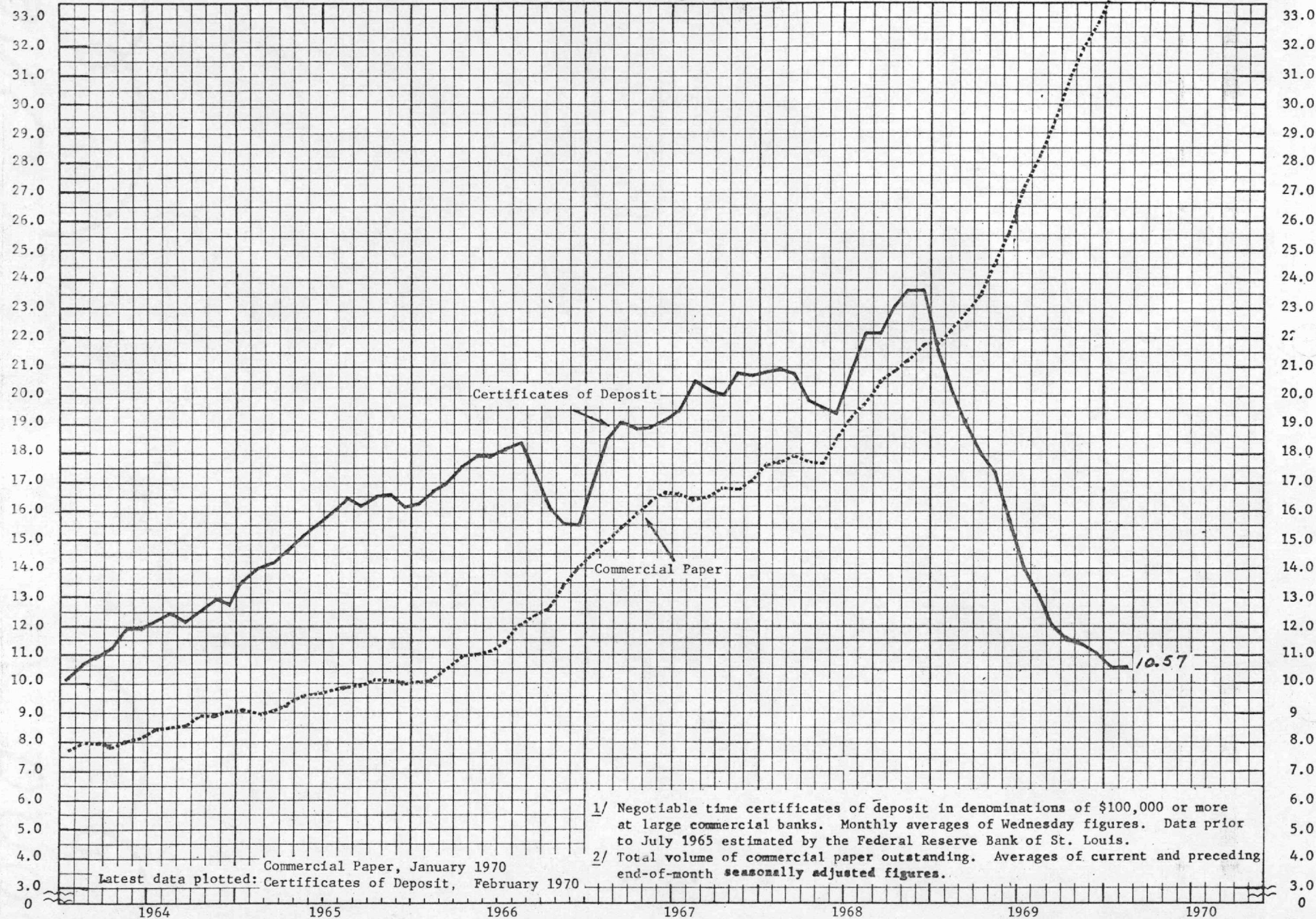


CERTIFICATES OF DEPOSIT ¹ AND COMMERCIAL PAPER ² Outstanding Volume

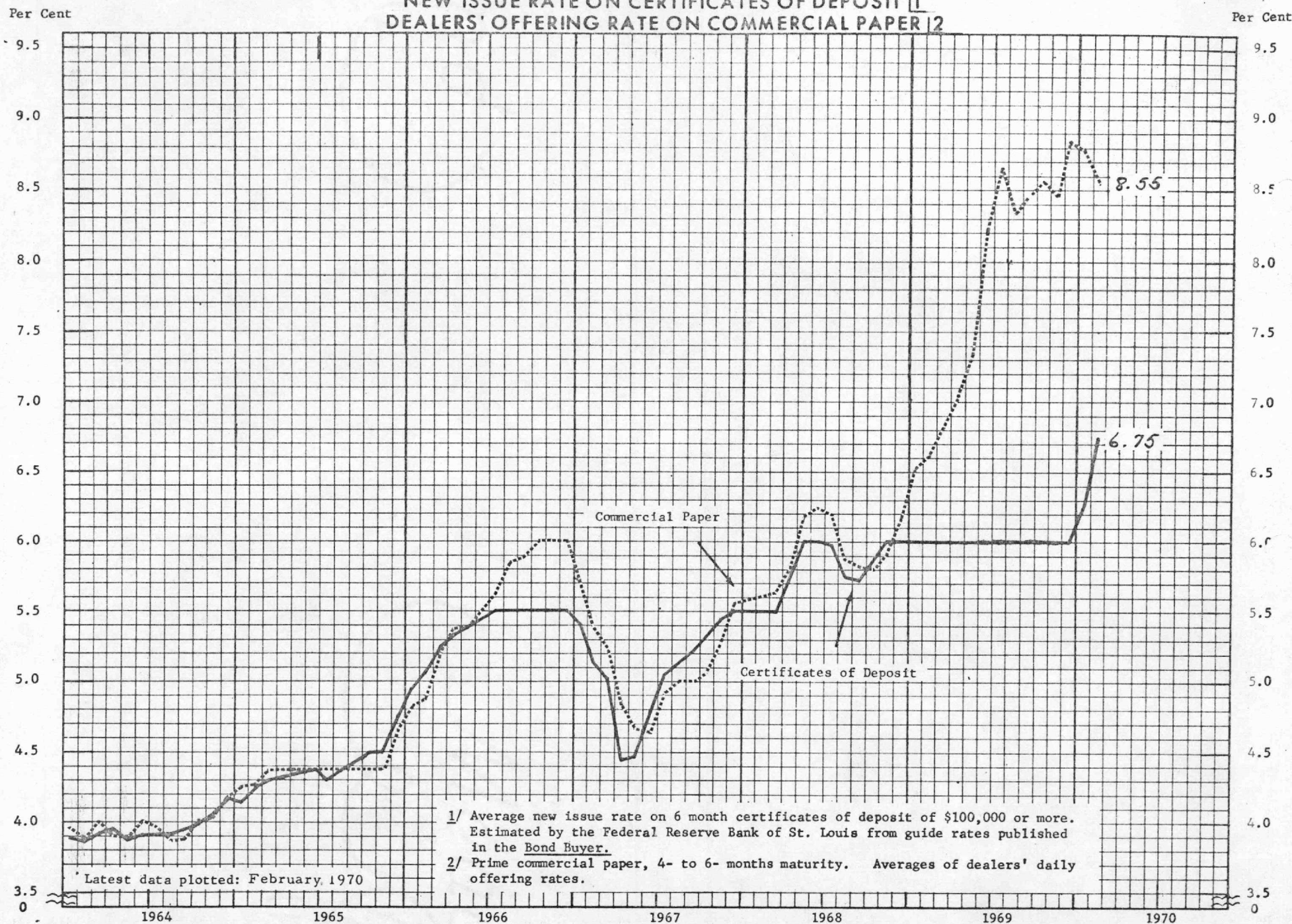
8

Billions of Dollars

33.88 billions of Dollars



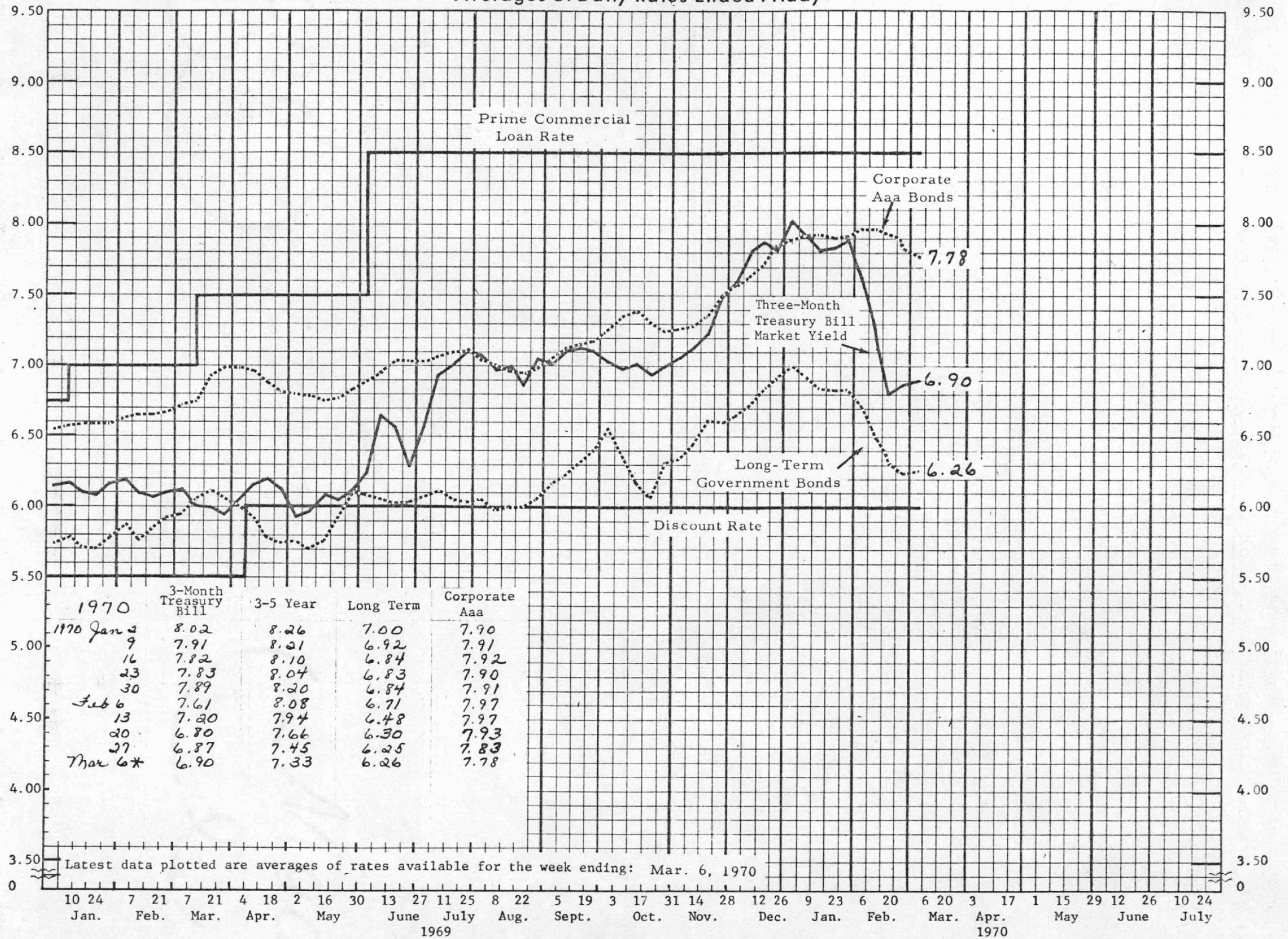
NEW ISSUE RATE ON CERTIFICATES OF DEPOSIT ¹ DEALERS' OFFERING RATE ON COMMERCIAL PAPER ²



YIELDS ON SELECTED SECURITIES Averages of Daily Rates Ended Friday

Per Cent

Per Cent

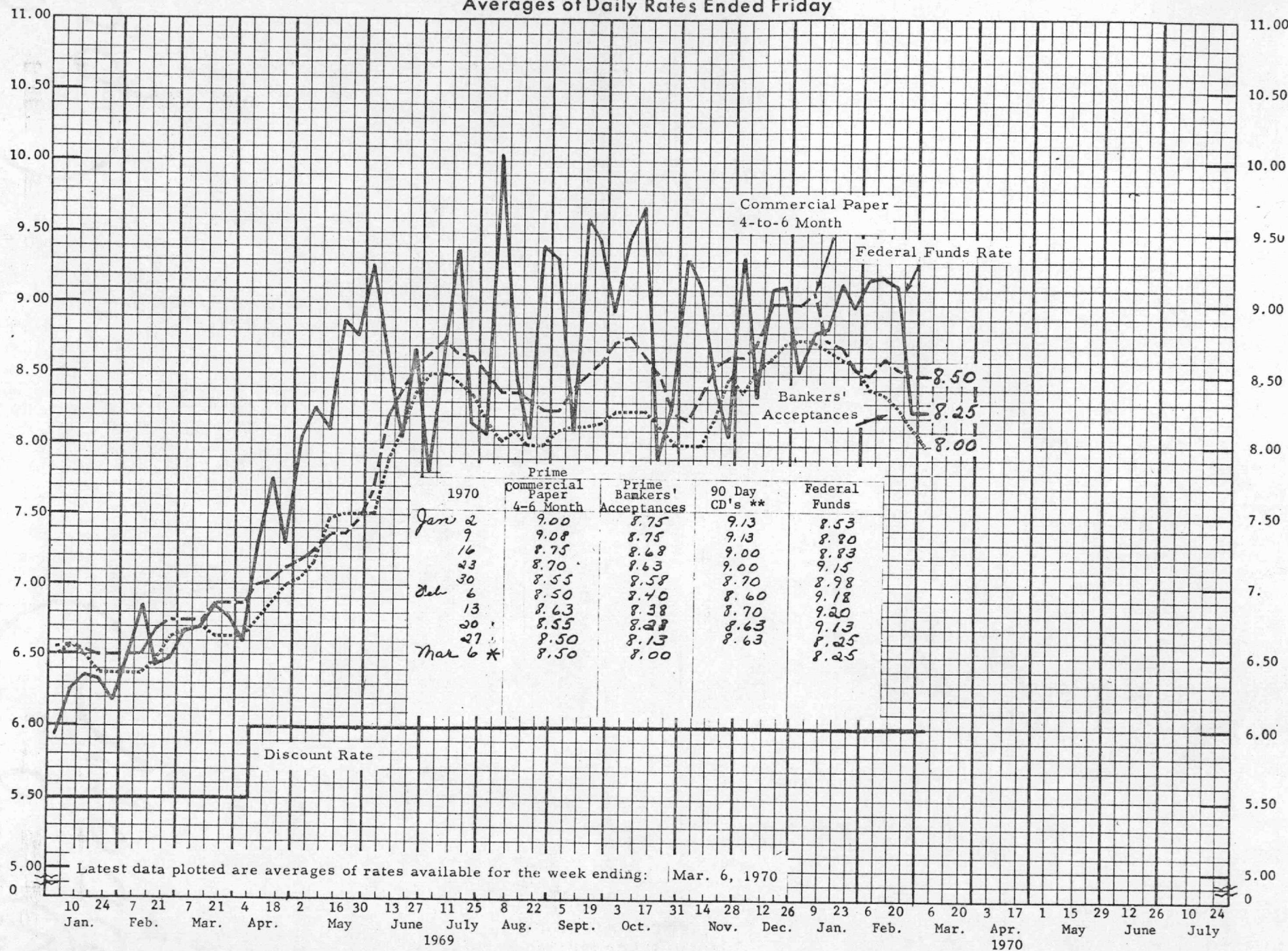


Per Cent

SELECTED SHORT-TERM INTEREST RATES

Averages of Daily Rates Ended Friday

Per Cent



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

** SOURCE: SALOMON BROTHERS AND HUTZLER
 SECONDARY MARKET RATE ON 90-DAY PRIME CD'S
 Federal Reserve Bank of St. Louis

Prepared by Federal Reserve Bank of St. Louis

BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures

12

Millions of Dollars

Millions of Dollars

