The nation’s money stock has risen at a 1.6 per cent annual rate since the four weeks ending December 10, following about no change from early June to early December (page 5). The demand deposit component of money has risen at a 0.7 per cent rate since early December, compared with a slight decline in the previous six months (page 4). Because of unusual fluctuations in these magnitudes from mid-December through January, data for that interval appear unsuitable for comparison.

Most short-term market interest rates have fallen since early January, following a general upward trend in the previous year and a half (pages 10 and 11). In the first three days of this week many rates moved up a little from lows reached last week. Yields on prime four- to six-month commercial paper averaged 8.04 per cent in the three days ending April 1, compared with a 9.08 per cent peak in early January. Some short-term rates have declined even more. The three-month Treasury bill rate averaged 6.35 per cent in the three days ending April 1, compared with 8.02 per cent in early January, and yields on bankers' acceptances averaged 7.21 per cent this week through Wednesday, compared with 8.75 per cent three months ago. Yields on highest-grade seasoned corporate bonds have remained on a high plateau since early January and averaged 7.87 per cent in the three days ending April 1. Most interest rates remain significantly higher than in early 1969.

The recent decline in the prime rate from 8 1/2 per cent to 8 per cent followed or was part of the decline in market rates, responding to some reduction in the demand for loan funds. Business loans at large commercial banks have declined slightly in the past three months, compared with a 6 per cent annual rate of increase in the previous three months (page 7).

The recent fall in short-term market interest rates, together with relaxation of Regulation Q, has increased the ability of banks to attract time deposits. The volume of large negotiable certificates of deposit has increased $1.4 billion since early February, following more than a year of steady decline (page 8). Total time deposits have risen $3.7 billion in the past two months (page 6). Rapid growth of commercial paper, one of the results of disintermediation, continued in February, with the outstanding volume reaching $35.2 billion. Yields on commercial paper in February were still high relative to rates permitted on CD's of comparable maturity (page 9).
Annual rates of change, average of four weeks ending April 1, 1970 from four weeks ending:

<table>
<thead>
<tr>
<th>Monetary Base</th>
<th>F.R. Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec. 31, 1969</td>
<td>+3.5</td>
</tr>
<tr>
<td>Oct. 1, 1969</td>
<td>+4.2</td>
</tr>
<tr>
<td>July 2, 1969</td>
<td>+2.7</td>
</tr>
<tr>
<td>Apr. 2, 1969</td>
<td>+2.7</td>
</tr>
<tr>
<td>June 11, 1969</td>
<td>+1.7</td>
</tr>
</tbody>
</table>

1957-1969

Monetary Base:

-1970: 78.560
-Feb: 78.139
-Mar: 78.781
-Apr: 78.701
-May: 78.868
-Jun: 78.948
-Jul: 78.897
-Aug: 79.500
-Sep: 79.000

Federal Reserve Credit:

-1970: 67.670
-Feb: 67.437
-Mar: 67.938
-Apr: 67.936
-May: 64.828
-Jun: 64.826
-Jul: 64.622
-Aug: 65.436
-Sep: 65.223
-Oct: 66.073

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.

* SEASONAL ADJUSTMENTS REVISED TO INCORPORATE 1969 DATA.
Billions of Dollars

RESERVES
All Member Banks in the Nation
Averages of Daily Figures

Annual rates of change, average of four weeks ending April 1, 1970 from four weeks ending:

Dec. 31, 1969 - 2.3
Oct. 1, 1969 - 0.7
July 2, 1969 - 3.4
Apr. 2, 1969 - 2.1
June 11, 1969 - 4.0

1959-1969 + 4.0

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 October 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

Annual rates of change, average of four weeks ending Mar. 25, 1970 from four weeks ending:

- Dec. 24, 1969: +2.9%
- Sept. 24, 1969: -0.4%
- June 25, 1969: -0.3%
- Mar. 26, 1969: +0.7%
- Dec. 10, 1969: +0.7%
- June 11 - Dec. 10, 1967-1969: -1.4%


Latest data preliminary
Latest data plotted week ending: Mar. 25, 1970

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

Billions of Dollars

Annual rates of change, average of four weeks ending Mar. 25, 1970 from four weeks ending:

- Dec. 24, 1969: +3.2%
- Sept. 24, 1969: +1.0%
- June 25, 1969: +1.0%
- Mar. 26, 1969: +1.8%
- Dec. 10, 1969: -1.6%
- June 11 - Dec. 10, 1967: +0.2%
- 1957-1969: +3.1%

Latest data preliminary
Latest data plotted week ending: Mar. 25, 1970

Prepared by Federal Reserve Bank of St. Louis

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

Seasonally Adjusted

Annual rates of change, average of four weeks ending Mar. 25, 1970 from four weeks ending:

Dec. 24, 1969 - 0.4
Sept. 24, 1969 - 0.2
June 25, 1969 - 4.8
Mar. 26, 1969 - 4.2

1957-1969 + 11.3

Latest data preliminary
Latest data plotted week ending: Mar. 25, 1970

Prepared by Federal Reserve Bank of St. Louis
BUSINESS LOANS
Large Commercial Banks
Wednesday Figures

Annual rates of change, average of four weeks ending Mar. 25, 1970 from four weeks ending:

- Dec. 24, 1969: -0.7
- Sept. 24, 1969: +2.5
- June 25, 1969: +2.8
- Mar. 26, 1969: +5.4

1960-1969: +9.9

Latest data preliminary
Latest data plotted: Mar. 25, 1970

Prepared by Federal Reserve Bank of St. Louis
Certificates of Deposit and Commercial Paper

- **Certificates of Deposit**: 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.
- **Commercial Paper**: Total volume of commercial paper outstanding. Averages of current and preceding end-of-month seasonally adjusted figures.

Latest data plotted:
- Commercial Paper: February 1970
- Certificates of Deposit: March 1970

Prepared by Federal Reserve Bank of St. Louis
NEW ISSUE RATE ON CERTIFICATES OF DEPOSIT

DEALERS' OFFERING RATE ON COMMERCIAL PAPER

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: March 1970
YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

Prime Commercial Loan Rate

Corporate Aaa Bonds

Three-Month Treasury Bill Market Yield

Long-Term Government Bonds

Discount Rate

Latest data plotted are averages of rates available for the week ending: April 3, 1970

1970
Mar 13 6.79 7.24 6.28 7.79
20 6.71 7.36 6.31 7.87
Apr 3 6.16 7.08 6.33 7.92
3 6.35 7.22 6.32 7.87

Latest data plotted are averages of rates available for the week ending: April 3, 1970

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

<table>
<thead>
<tr>
<th>Rate Type</th>
<th>4-to-6 Month</th>
<th>90 Day CD's</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Paper</td>
<td>9.50</td>
<td>8.75</td>
<td>7.90</td>
</tr>
<tr>
<td>Prime Acceptances</td>
<td>8.40</td>
<td>7.37</td>
<td>7.45</td>
</tr>
<tr>
<td>Prime Commercial Paper</td>
<td>8.95</td>
<td>8.25</td>
<td>7.80</td>
</tr>
<tr>
<td>Prime Acceptances</td>
<td>8.00</td>
<td>7.58</td>
<td>7.90</td>
</tr>
<tr>
<td>90 Day CD's</td>
<td>8.43</td>
<td>7.75</td>
<td>7.21</td>
</tr>
</tbody>
</table>

Latest data plotted are averages of rates available for the week ending: April 3, 1970

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

Millions of Dollars

<table>
<thead>
<tr>
<th>Date</th>
<th>Borrowings</th>
<th>Excess Reserves</th>
<th>Free Reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mar. 4</td>
<td>139</td>
<td>833</td>
<td>-694</td>
</tr>
<tr>
<td>11</td>
<td>42</td>
<td>937</td>
<td>892</td>
</tr>
<tr>
<td>18</td>
<td>139</td>
<td>817</td>
<td>-678</td>
</tr>
<tr>
<td>25</td>
<td>71</td>
<td>936</td>
<td>-865</td>
</tr>
<tr>
<td>Apr. 1</td>
<td>262 P</td>
<td>950</td>
<td>-688 P</td>
</tr>
</tbody>
</table>

Latest data preliminary
Latest data plotted week ending: April 1, 1970

Borrowings
Excess Reserves
Net Free Reserves

Prepared by Federal Reserve Bank of St. Louis