U.S. FINANCIAL DATA

Week ending: August 12, 1970

Growth of the money stock in 1970 contrasts with essentially no growth in the last half of 1969. Since the four weeks ending March 4, money has risen at a 5.3 per cent annual rate (page 5), and the demand deposits component of money at a 4.2 per cent rate (page 4).

Time deposits have risen about $9 billion since late June, a pace even more rapid than the 15 per cent annual rate of increase from February to June (page 6). The increase from February to June resulted from relaxation of Regulation Q on January 21 and declines in short-term interest rates. These developments permitted banks to attract funds, in contrast to the previous year when rising market interest rates relative to Regulation Q ceilings resulted in a decline in the volume of time deposits. The rate of increase accelerated in late June, due primarily to the suspension of Regulation Q ceilings on large certificates of deposit with maturities of 30 to 89 days, effective June 24. Since that date large CD's have risen $5.4 billion (page 8). In the previous four months they had increased about $2 billion. Other time and savings deposits have risen more steadily since February — at a 13 per cent rate since June and at an 11 per cent rate in the previous four months.

The rise of time deposits due to the ability of banks to offer yields which are competitive with other market channels has permitted bank credit to increase rapidly. In view of the reduced flows through other channels, the volume of total credit in the economy has probably been little affected.

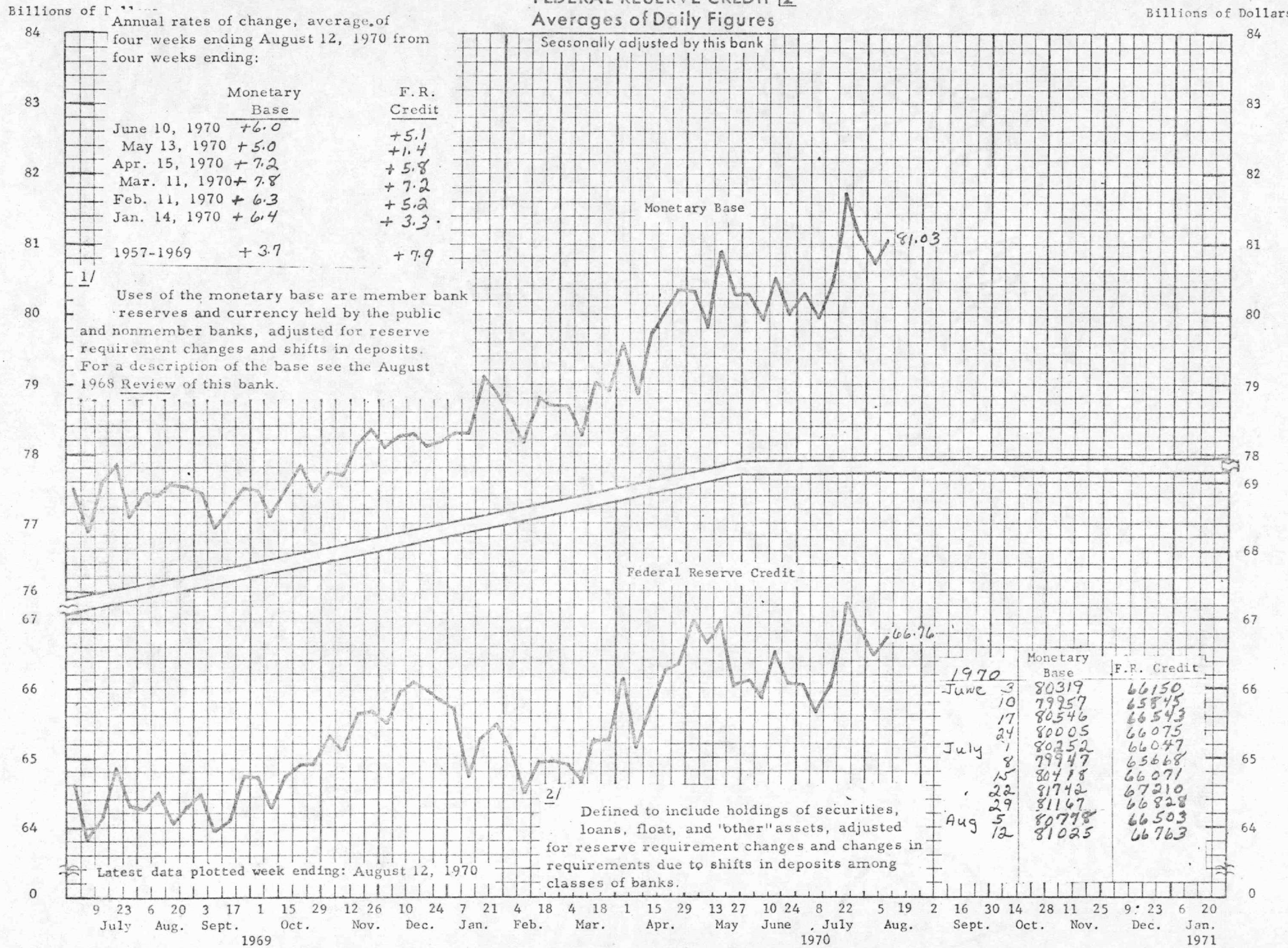
The money stock plus time deposits has increased at a 12.4 per cent rate since the four weeks ending March 4 (page 7). This rapid rise reflects largely the recent acceleration of time deposit growth.

Short-term market interest rates are a percentage point or more lower than peaks at the turn of the year (pages 10 and 11). Yields on prime four- to six-month commercial paper averaged 8 per cent in the three days ending August 12, compared with 9 per cent in early January. The three-month Treasury bill rate average 6.52 per cent in the first half of this week, down from 8 per cent in early January. Yields on bankers' acceptances are at 7.25 per cent, compared with 8.75 per cent in early January.

Prepared by Federal Reserve Bank of St. Louis

Released: August 14, 1970

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



Annual rates of change, average of four weeks ending August 12, 1970 from four weeks ending:

	Monetary Base	F.R. Credit
June 10, 1970	+6.0	+5.1
May 13, 1970	+5.0	+1.4
Apr. 15, 1970	+7.2	+5.8
Mar. 11, 1970	+7.8	+7.2
Feb. 11, 1970	+6.3	+5.2
Jan. 14, 1970	+6.4	+3.3
1957-1969	+3.7	+7.9

1970		Monetary Base	F.R. Credit
June	3	80319	66150
	10	79957	65845
	17	80546	66543
	24	80005	66075
July	1	80252	66047
	8	79947	65668
	15	80418	66071
	22	81742	67210
	29	81167	66828
Aug	5	80778	66503
	12	81025	66763

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.

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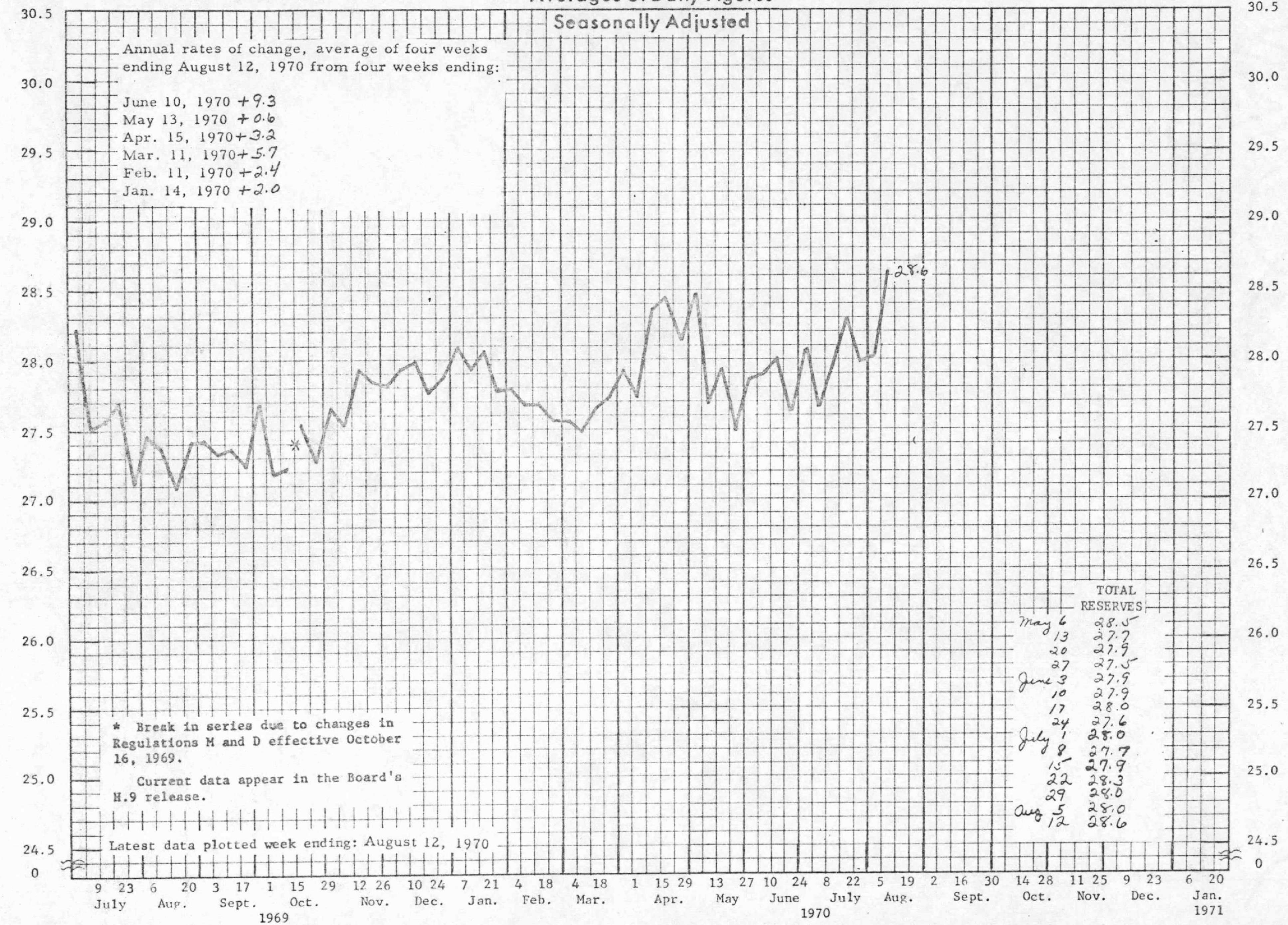
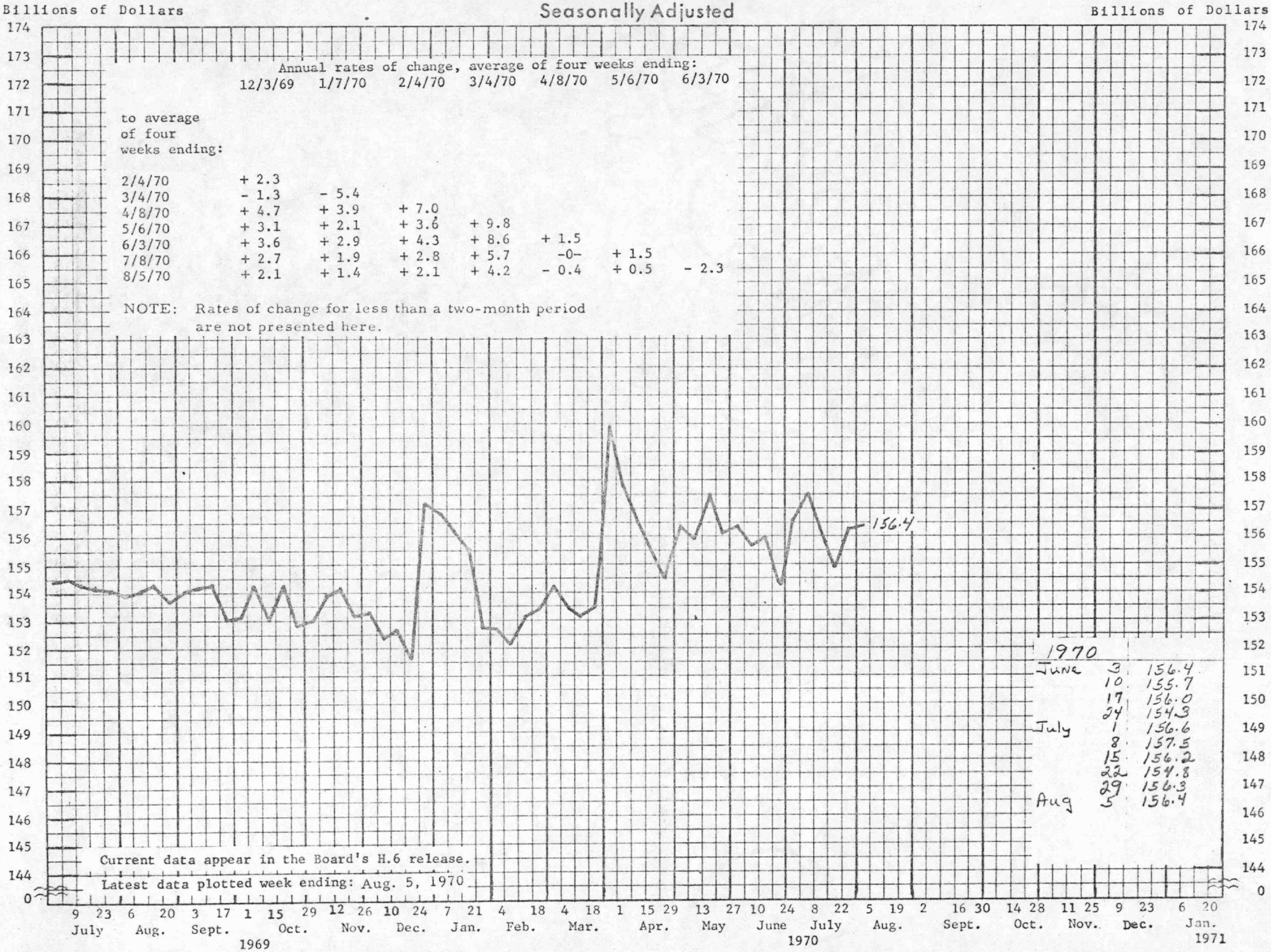
RESERVES
All Member Banks in the Nation
Averages of Daily Figures



DEMAND DEPOSIT COMPONENT OF MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted



Annual rates of change, average of four weeks ending:

to average of four weeks ending:	12/3/69	1/7/70	2/4/70	3/4/70	4/8/70	5/6/70	6/3/70
2/4/70	+ 2.3						
3/4/70	- 1.3	- 5.4					
4/8/70	+ 4.7	+ 3.9	+ 7.0				
5/6/70	+ 3.1	+ 2.1	+ 3.6	+ 9.8			
6/3/70	+ 3.6	+ 2.9	+ 4.3	+ 8.6	+ 1.5		
7/8/70	+ 2.7	+ 1.9	+ 2.8	+ 5.7	-0-	+ 1.5	
8/5/70	+ 2.1	+ 1.4	+ 2.1	+ 4.2	- 0.4	+ 0.5	- 2.3

NOTE: Rates of change for less than a two-month period are not presented here.

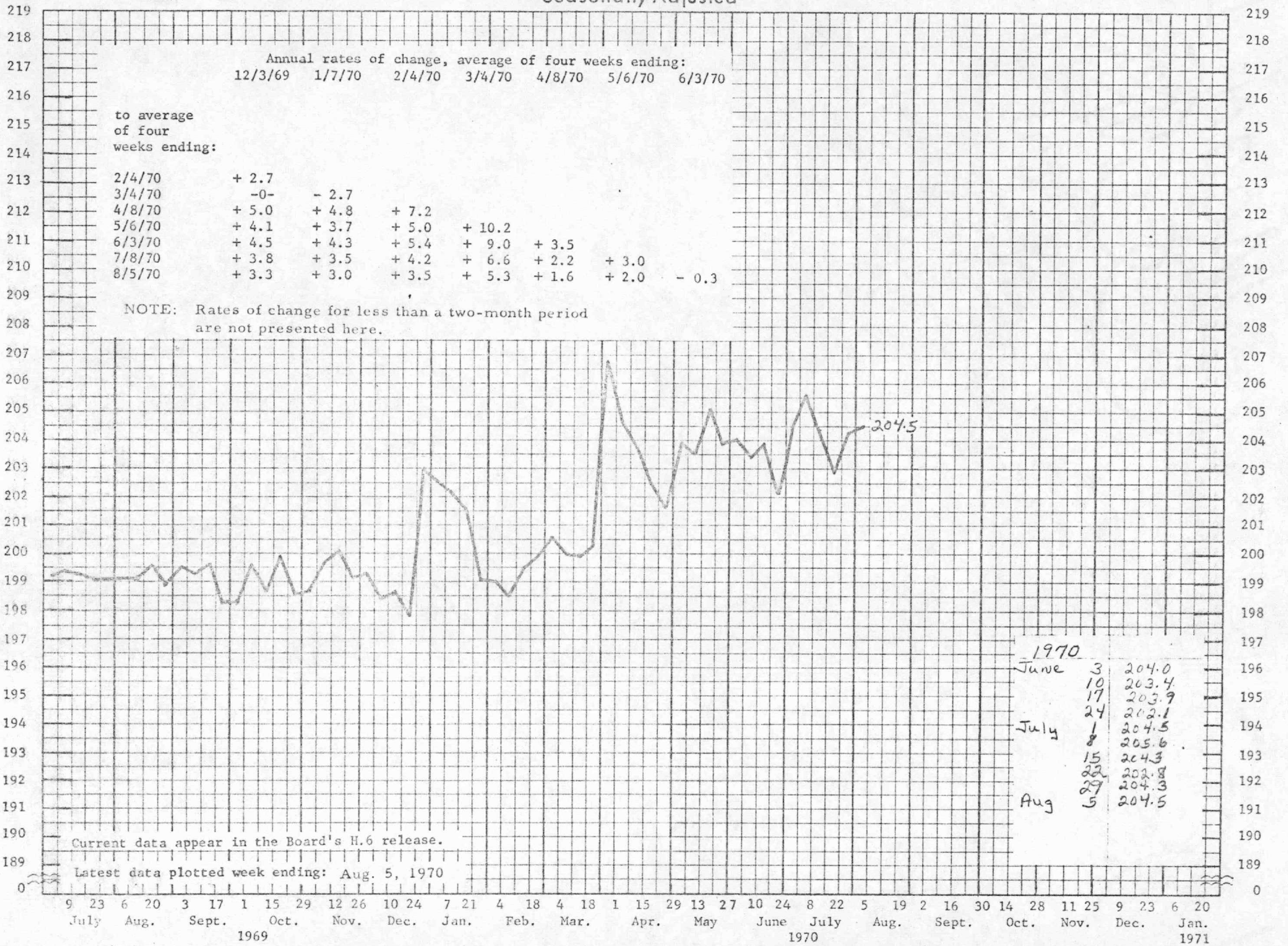
1970		
June	3	156.4
	10	155.7
	17	156.0
	24	154.3
July	1	156.6
	8	157.5
	15	156.2
	22	154.8
	29	156.3
Aug	5	156.4

Current data appear in the Board's H.6 release.

Latest data plotted week ending: Aug. 5, 1970

Prepared by Federal Reserve Bank of St. Louis

MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted



Annual rates of change, average of four weeks ending:

to average of four weeks ending:	12/3/69	1/7/70	2/4/70	3/4/70	4/8/70	5/6/70	6/3/70
2/4/70	+ 2.7						
3/4/70	-0-	- 2.7					
4/8/70	+ 5.0	+ 4.8	+ 7.2				
5/6/70	+ 4.1	+ 3.7	+ 5.0	+ 10.2			
6/3/70	+ 4.5	+ 4.3	+ 5.4	+ 9.0	+ 3.5		
7/8/70	+ 3.8	+ 3.5	+ 4.2	+ 6.6	+ 2.2	+ 3.0	
8/5/70	+ 3.3	+ 3.0	+ 3.5	+ 5.3	+ 1.6	+ 2.0	- 0.3

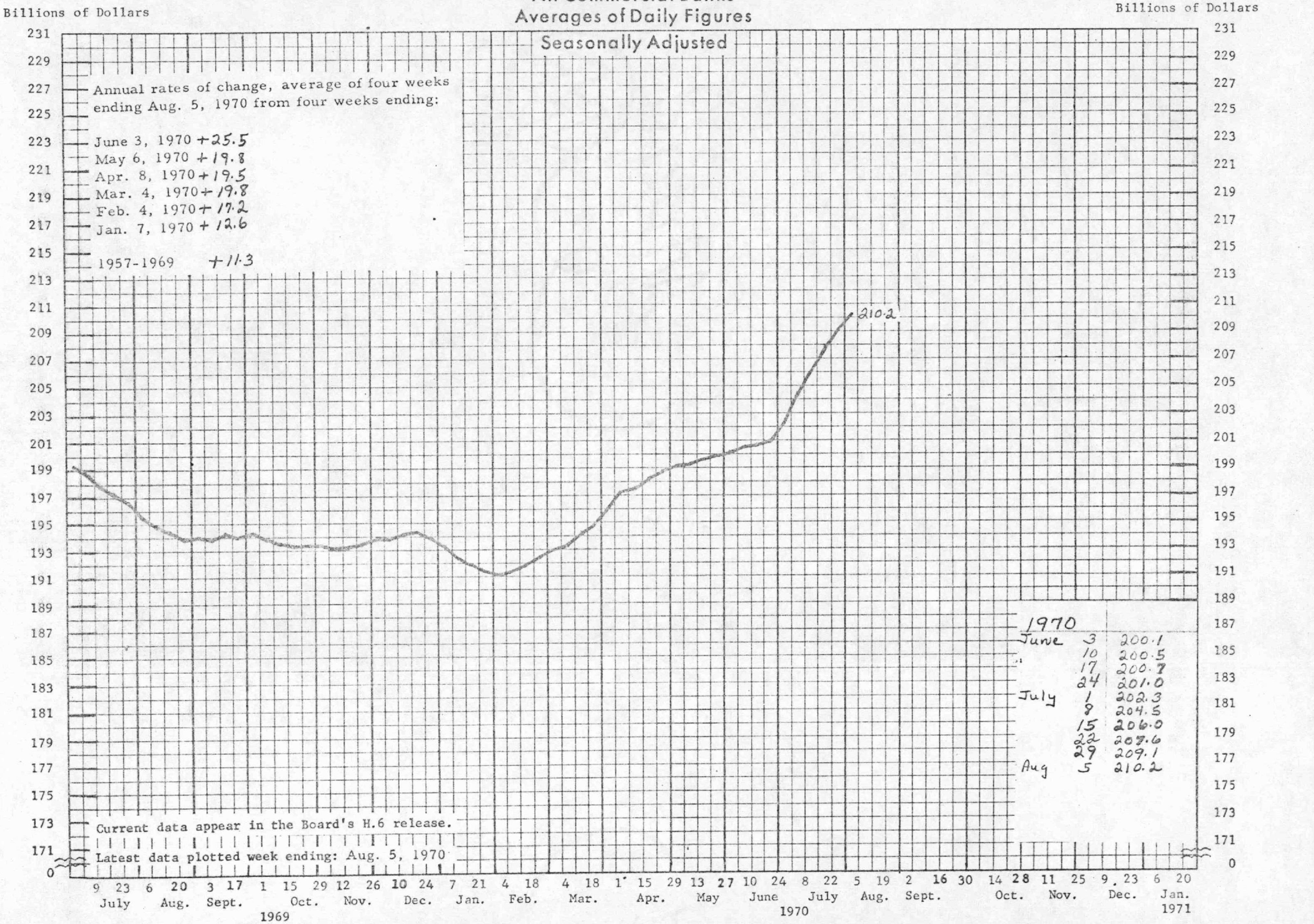
NOTE: Rates of change for less than a two-month period are not presented here.

1970		
June	3	204.0
	10	203.4
	17	203.9
	24	202.1
July	1	204.5
	8	205.6
	15	204.3
	22	202.8
	29	204.3
Aug	5	204.5

Current data appear in the Board's H.6 release.

Latest data plotted week ending: Aug. 5, 1970

TIME DEPOSITS
All Commercial Banks
Averages of Daily Figures
Seasonally Adjusted



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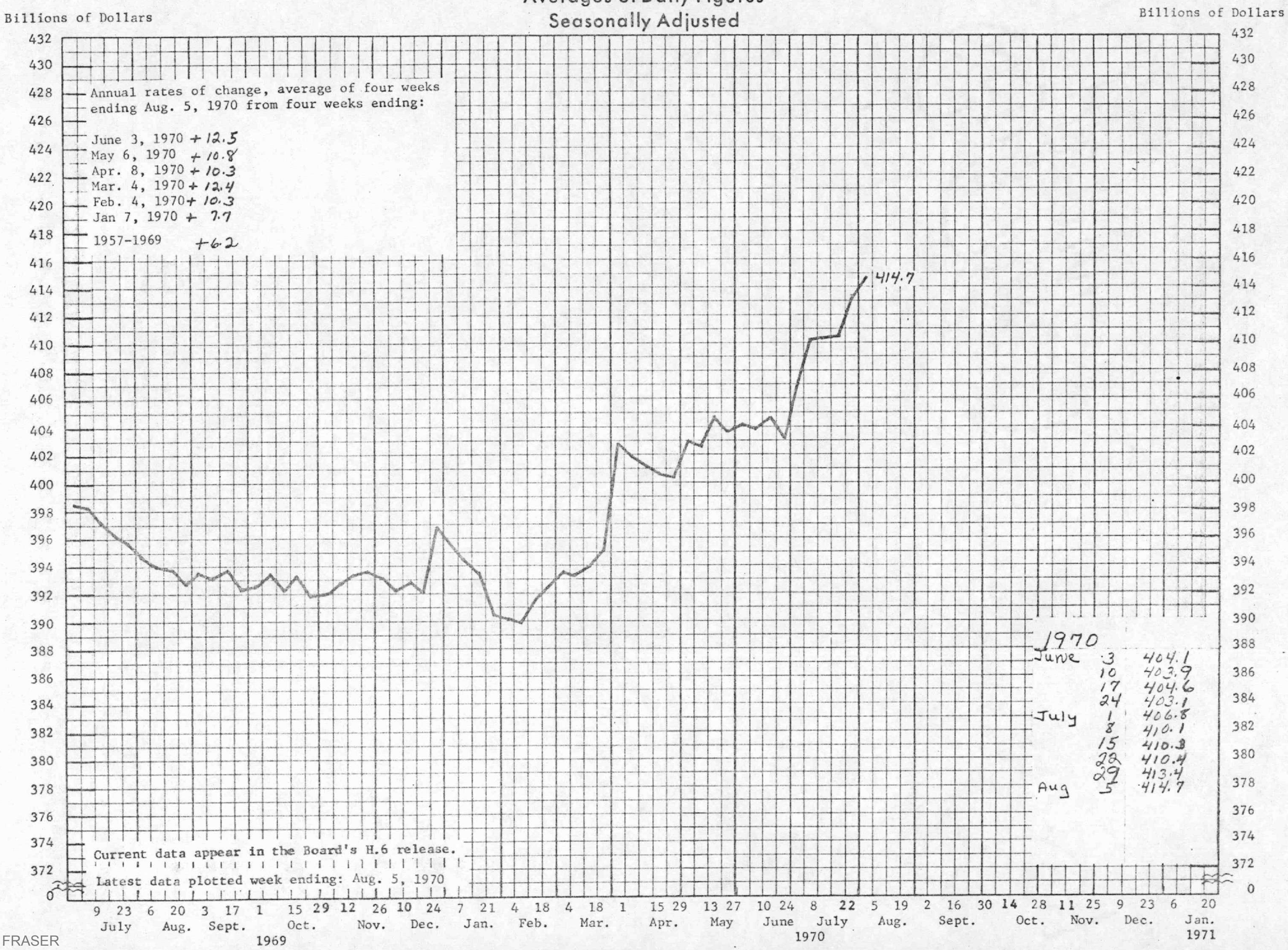
MONEY STOCK PLUS TIME DEPOSITS
Averages of Daily Figures
Seasonally Adjusted



CERTIFICATES OF DEPOSIT 1/
Large Commercial Banks
Wednesday Figures

Millions of Dollars		
1970		
June	3	12,982
	10	12,974
	17	12,758
	24	13,019
July	1	14,133
	8	15,214
	15	15,995
	22	16,926
	29	17,901
Aug	5	18,427

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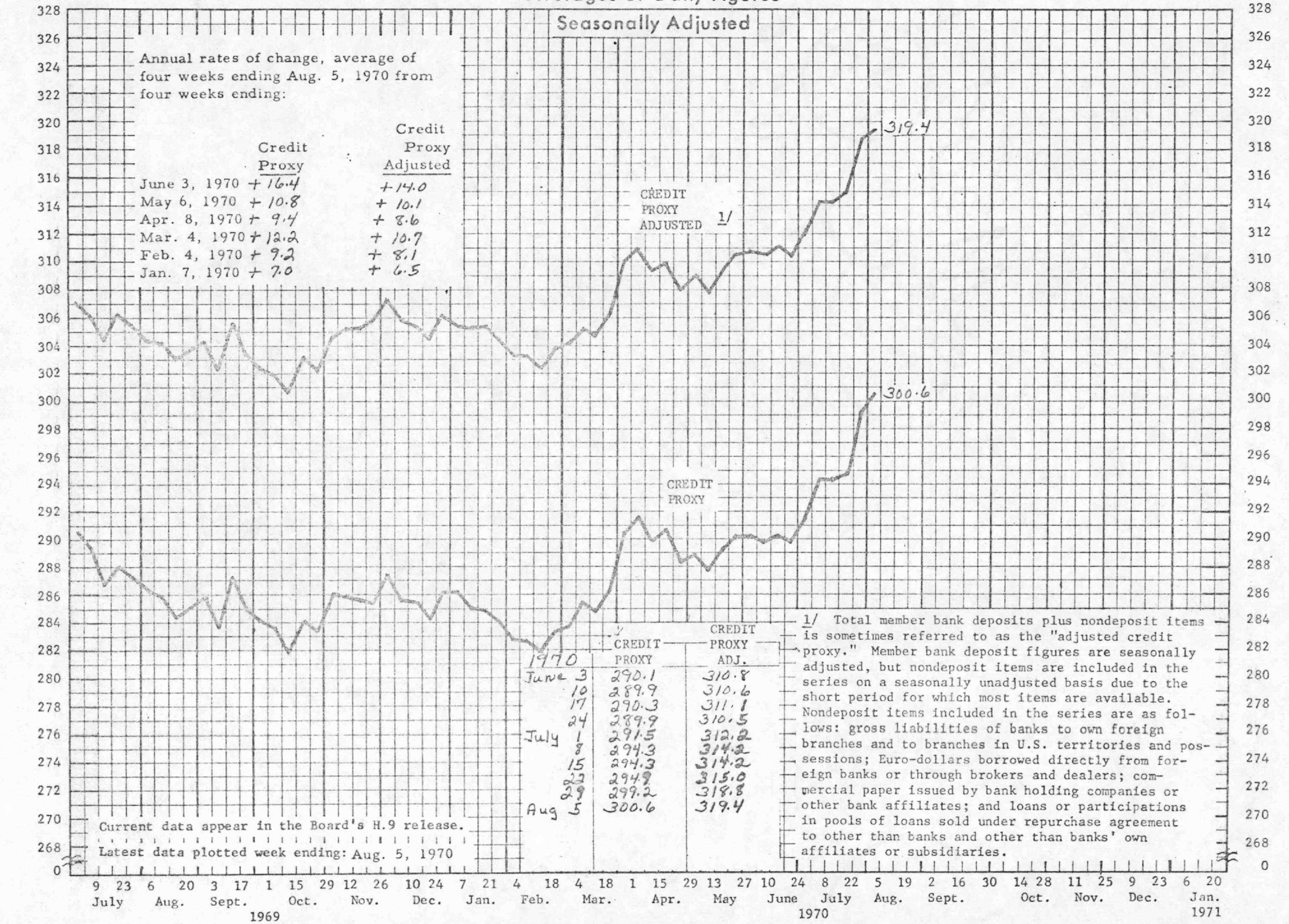
MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS
(CREDIT PROXY)
Averages of Daily Figures



Annual rates of change, average of four weeks ending Aug. 5, 1970 from four weeks ending:

	Credit Proxy	Credit Proxy Adjusted
June 3, 1970	+ 16.4	+ 14.0
May 6, 1970	+ 10.8	+ 10.1
Apr. 8, 1970	+ 9.4	+ 8.6
Mar. 4, 1970	+ 12.2	+ 10.7
Feb. 4, 1970	+ 9.2	+ 8.1
Jan. 7, 1970	+ 7.0	+ 6.5

1970	CREDIT PROXY	CREDIT PROXY ADJ.
June 3	290.1	310.8
10	289.9	310.6
17	290.3	311.1
24	289.9	310.5
July 1	291.5	312.2
8	294.3	314.2
15	294.3	314.2
22	294.9	315.0
29	299.2	318.8
Aug 5	300.6	319.4

1/ Total member bank deposits plus nondeposit items is sometimes referred to as the "adjusted credit proxy." Member bank deposit figures are seasonally adjusted, but nondeposit items are included in the series on a seasonally unadjusted basis due to the short period for which most items are available. Nondeposit items included in the series are as follows: gross liabilities of banks to own foreign branches and to branches in U.S. territories and possessions; Euro-dollars borrowed directly from foreign banks or through brokers and dealers; commercial paper issued by bank holding companies or other bank affiliates; and loans or participations in pools of loans sold under repurchase agreement to other than banks and other than banks' own affiliates or subsidiaries.

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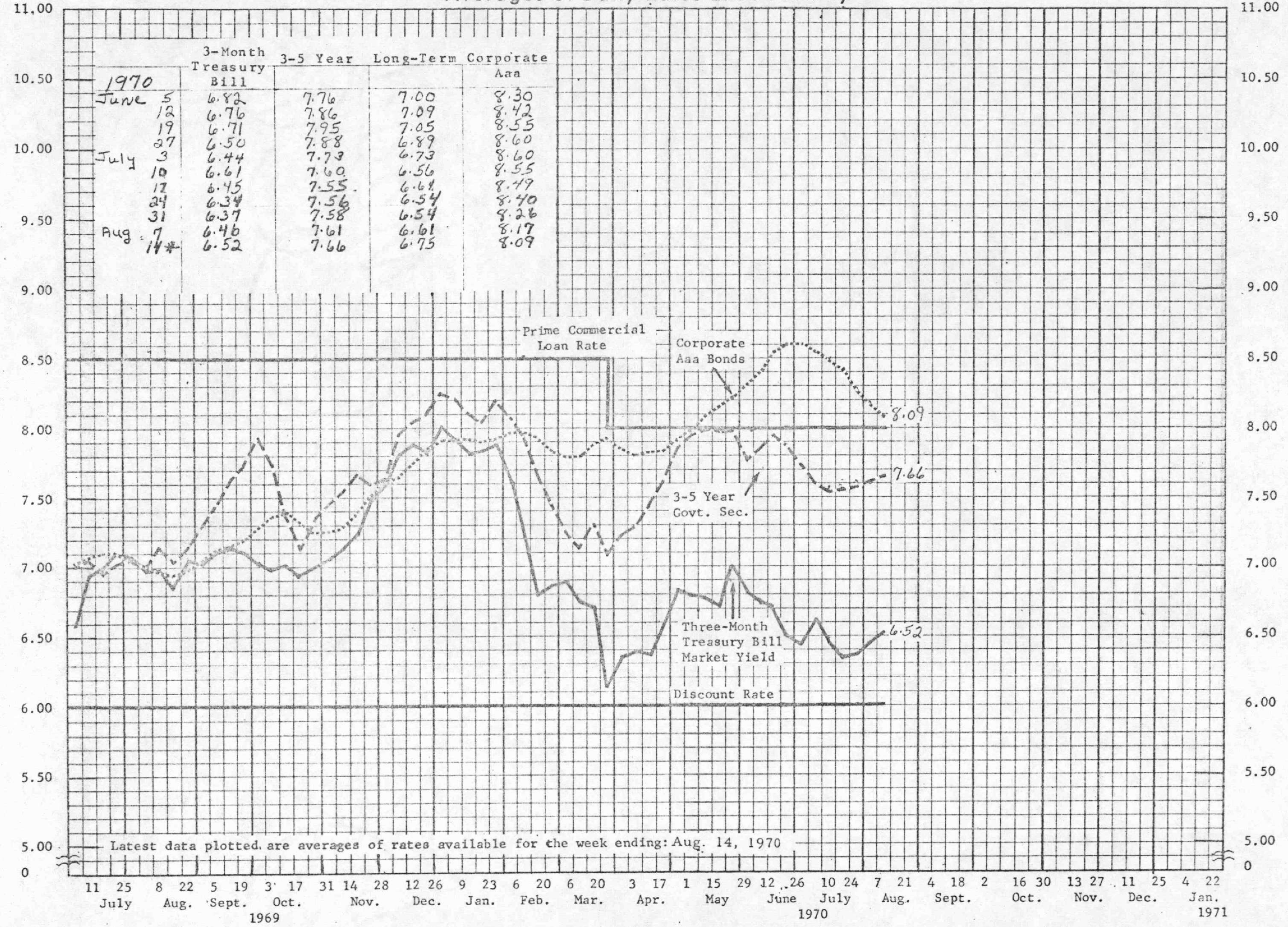
YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday



1970		3-Month Treasury Bill	3-5 Year	Long-Term	Corporate Aaa
June	5	6.82	7.76	7.00	8.30
	12	6.76	7.86	7.09	8.42
	19	6.71	7.95	7.05	8.55
	27	6.50	7.88	6.89	8.60
July	3	6.44	7.73	6.73	8.60
	10	6.61	7.60	6.56	8.55
	17	6.45	7.55	6.64	8.49
	24	6.34	7.56	6.54	8.40
	31	6.37	7.58	6.54	8.26
Aug.	7	6.46	7.61	6.61	8.17
	14*	6.52	7.66	6.75	8.09

* AVERAGES OF RATES AVAILABLE

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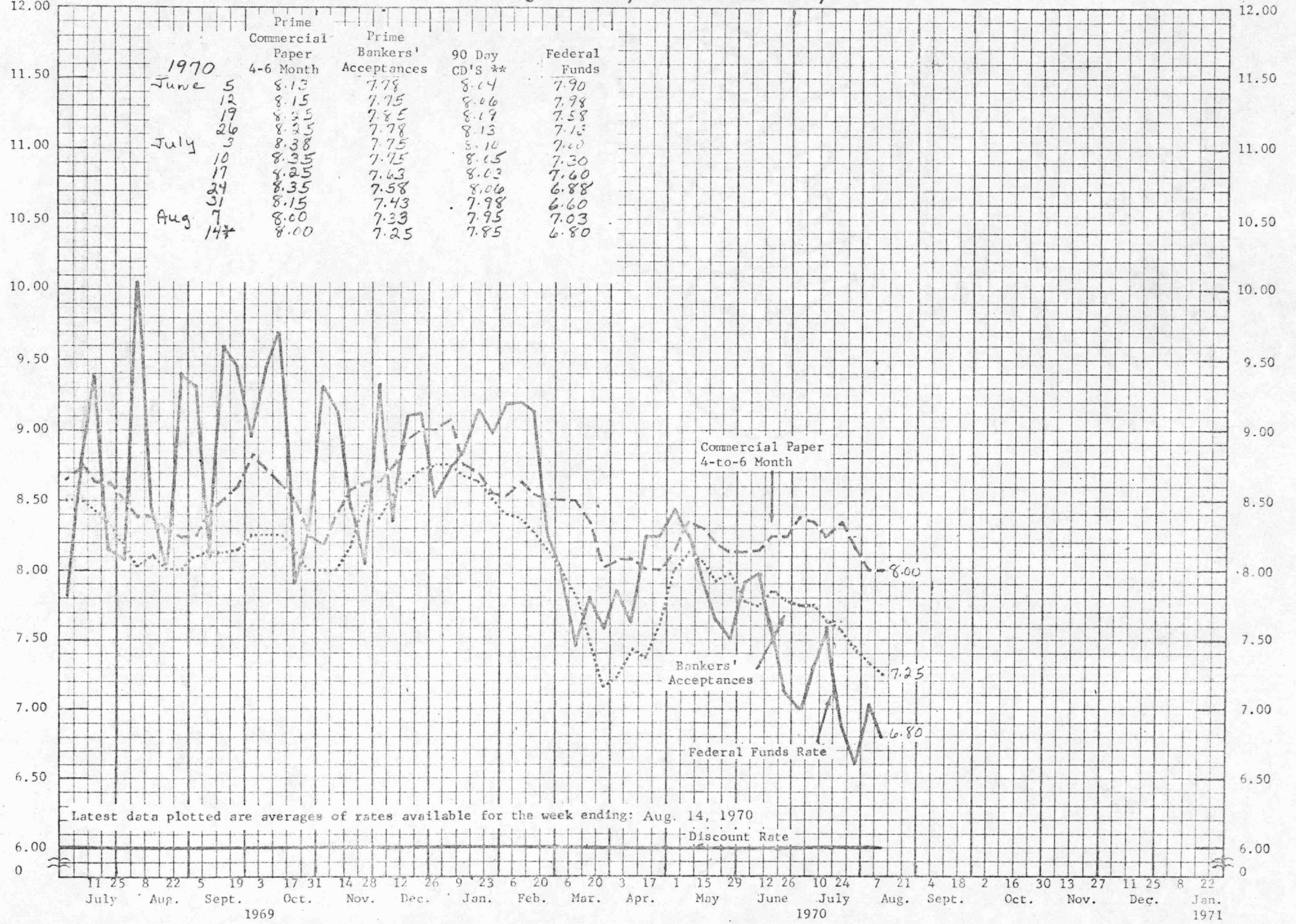
SELECTED SHORT-TERM INTEREST RATES
Averages of Daily Rates Ended Friday

1970	Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD'S **	Federal Funds
June 5	8.13	7.78	8.04	7.90
12	8.15	7.75	8.06	7.98
19	8.25	7.85	8.19	7.58
26	8.25	7.78	8.13	7.15
July 3	8.38	7.75	8.10	7.00
10	8.35	7.75	8.05	7.30
17	8.25	7.63	8.03	7.60
24	8.35	7.58	8.06	6.88
31	8.15	7.43	7.98	6.60
Aug 7	8.00	7.33	7.95	7.03
14*	8.00	7.25	7.85	6.80

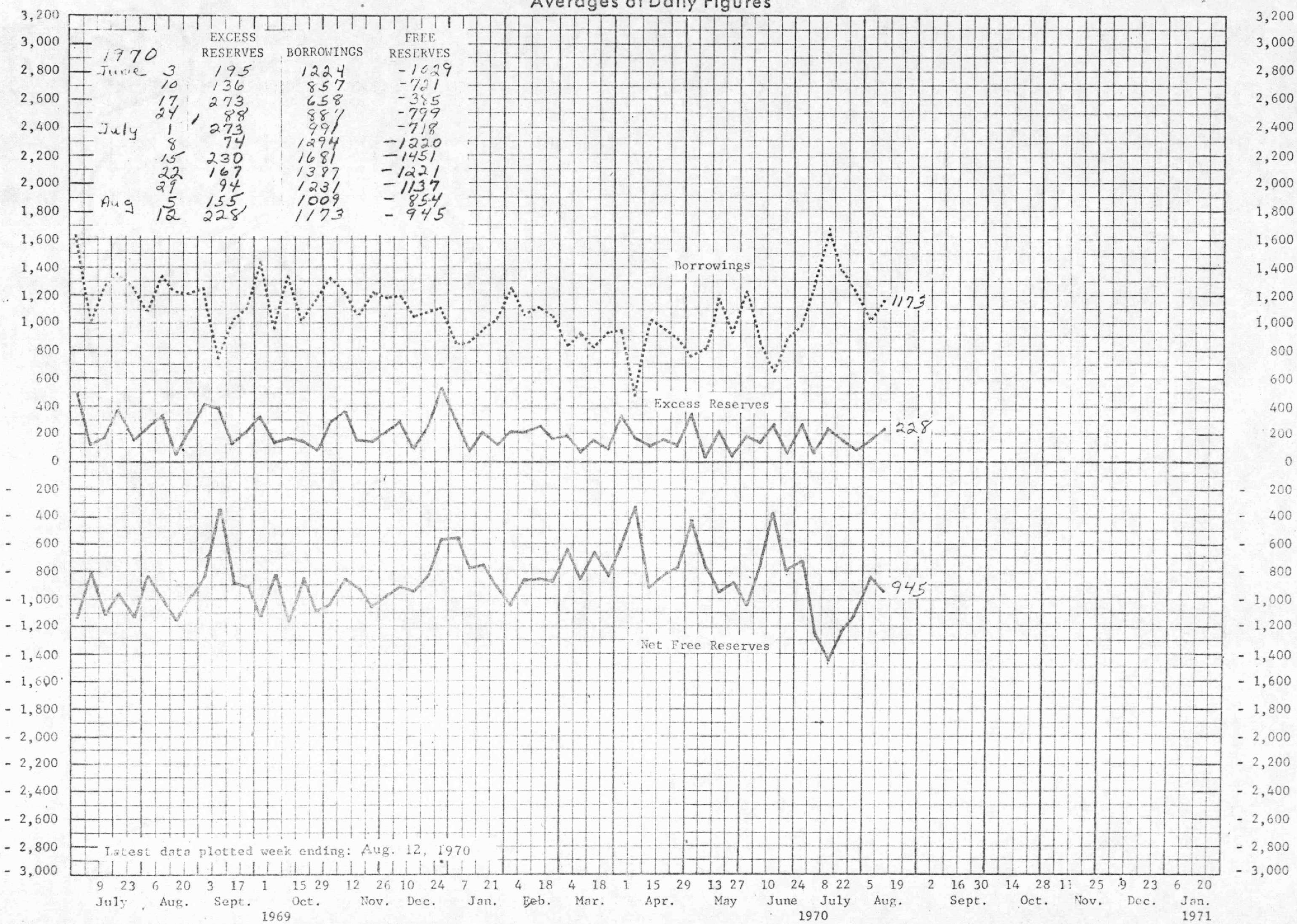


* AVERAGES OF RATES AVAILABLE; FEDERAL FUNDS LAST FIVE DAYS AVAILABLE
** RATES ARE SECONDARY MARKET RATE, WEEKLY AVERAGES ENDING WEDNESDAY TWO DAYS EARLIER. CURRENT DATA APPEAR IN THE BOARD'S H.9 RELEASE.

Prepared by Federal Reserve Bank of St. Louis

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

1970		EXCESS RESERVES	BORROWINGS	FREE RESERVES
June	3	195	1224	-1029
	10	136	857	-721
	17	273	658	-385
	24	88	887	-799
July	1	273	991	-718
	8	74	1294	-1220
	15	230	1681	-1451
	22	167	1387	-1221
	29	94	1231	-1137
Aug	5	155	1009	-854
	12	228	1173	-945



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