U.S. FINANCIAL DATA

Week ending: September 9, 1970

The money stock has increased at a 6.7 per cent annual rate since the four weeks ending March 4 (page 5). The rate of increase from the first quarter to the three months ending September 2 was 4.8 per cent. By comparison, this magnitude changed little on balance in the eight months from June 1969 to February 1970 and rose at a 3.1 per cent trend rate from 1957 to 1969. Since the four weeks ending March 4, the demand deposit component of the money stock has increased at a 6.4 per cent rate and the currency component at a 7.8 per cent rate.

Federal Reserve credit and member bank reserves, which underlie the money stock, have increased substantially over the past six months, rising at annual rates of 8.3 per cent and 9.1 per cent, respectively (pages 2 and 3).

Time deposits at commercial banks have increased at about a 21 per cent annual rate since February, in sharp contrast to a decline at a 5.4 per cent rate from December 1968 to February (page 6). Growth of time deposits from February to June was at a 14 per cent rate compared to a 33 per cent rate since June. This rechanneling of funds through banks, often called reintermediation, reflects lower short-term market interest rates and relaxation of Regulation Q ceiling rates.

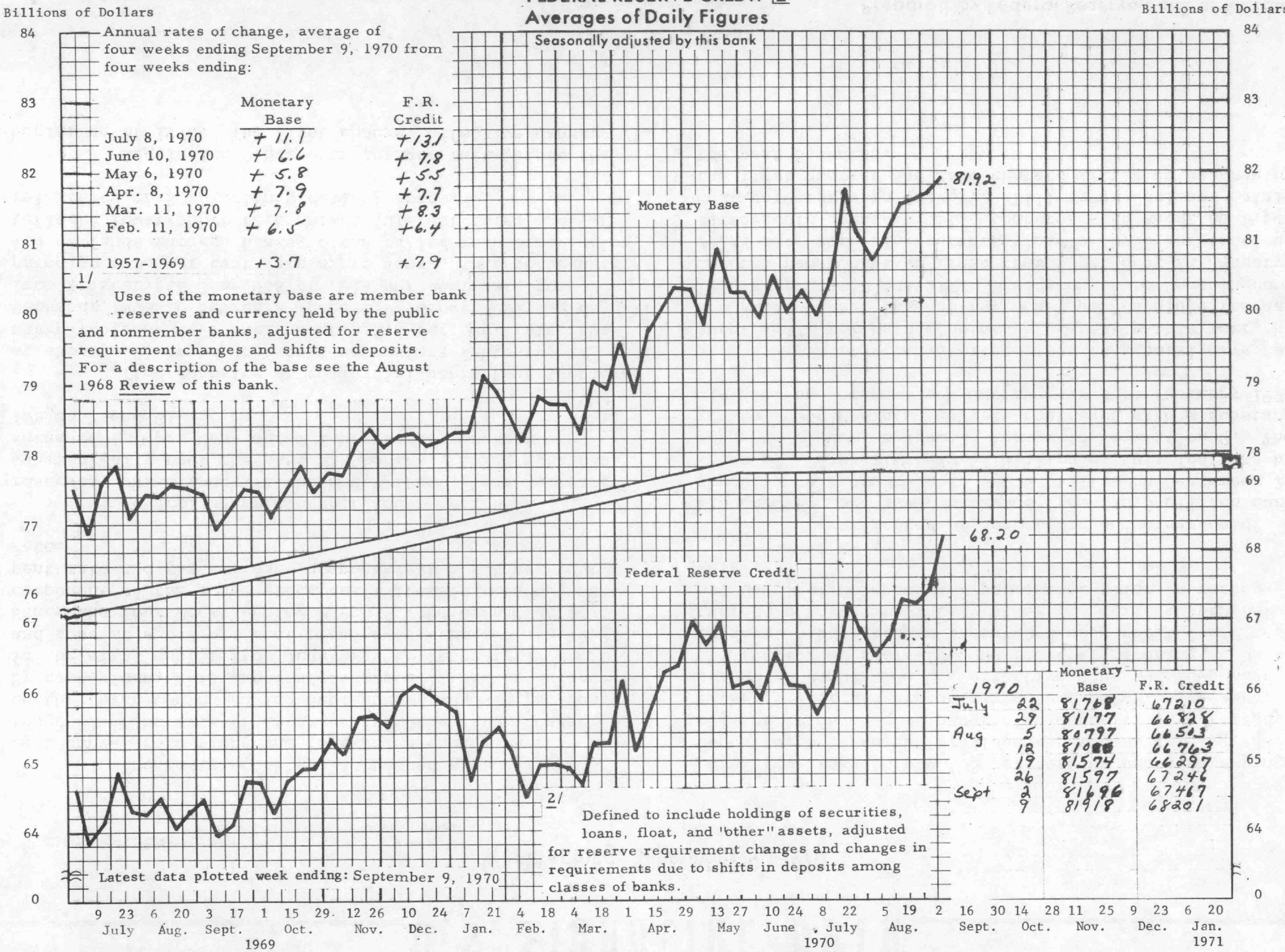
Regulation Q has been changed twice since the beginning of 1970. The first change, effective January 21, permitted banks to pay 4.5 per cent on passbook savings deposits, up from the previous 4 per cent ceiling, and ceiling rates on most other time deposits were raised either 1/2 or 3/4 of one percentage point. The second change in Regulation Q , effective June 24, suspended the ceiling for CD's of $100,000 and over maturing in 30 to 89 days. The rates on these CD's rose about 1-1/2 percentage points immediately after the ceiling suspension but have fallen about 1/2 percentage point in recent weeks.

Certificates of deposit in denomination of $100,000 or more have increased from $10.3 billion outstanding on February 4 to $20.6 billion on September 2 (page 8). Approximately $7 billion of this increase has occurred since the June 24 change in Regulation Q. The growth in CD's since February contrasts with a substantial $14 billion decline from December 1968 to February 1970.

Short-term interest rates in general have fallen about 1-1/2 percentage points since early this year, but are still higher than at any other period since the early 1920's (pages 10 and 11). Yields on 4- to 6-month commercial paper have declined from 9 per cent in January to 7-1/2 per cent. The current yield of 6.38 per cent on three-month Treasury bills compares with about an 8 per cent rate early in January. Bill rates declined mainly in the first quarter and have changed little on balance over the past 5 months.

Prepared by Federal Reserve Bank of St. Louis
Released: September 11, 1970

MONETARY BASE 1
FEDERAL RESERVE CREDIT 2
Averages of Daily Figures



Annual rates of change, average of four weeks ending September 9, 1970 from four weeks ending:

	Monetary Base	F.R. Credit
July 8, 1970	+11.1	+13.1
June 10, 1970	+6.6	+7.8
May 6, 1970	+5.8	+5.5
Apr. 8, 1970	+7.9	+7.7
Mar. 11, 1970	+7.8	+8.3
Feb. 11, 1970	+6.5	+6.4
1957-1969	+3.7	+7.9

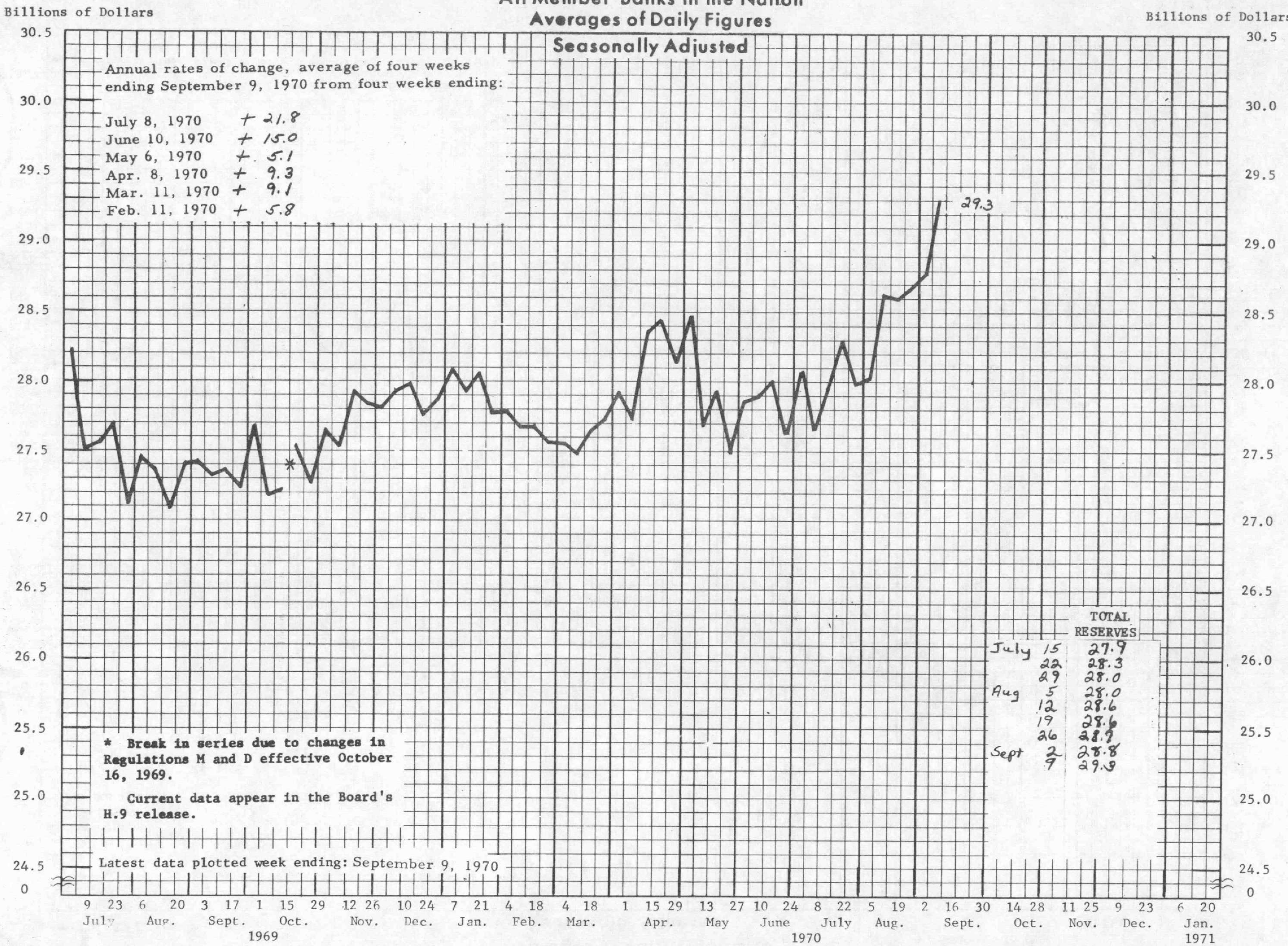
1/ Uses of the monetary base are member bank reserves and currency held by the public and nonmember banks, adjusted for reserve requirement changes and shifts in deposits. For a description of the base see the August 1968 Review of this bank.

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.

1970		Monetary Base	F.R. Credit
July	22	81768	67210
	29	81177	66828
Aug	5	80797	66503
	12	810[illegible]	66763
	19	81574	66297
	26	81597	67246
Sept	2	81696	67467
	9	81918	68201

Prepared by Federal Reserve Bank of St. Louis

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



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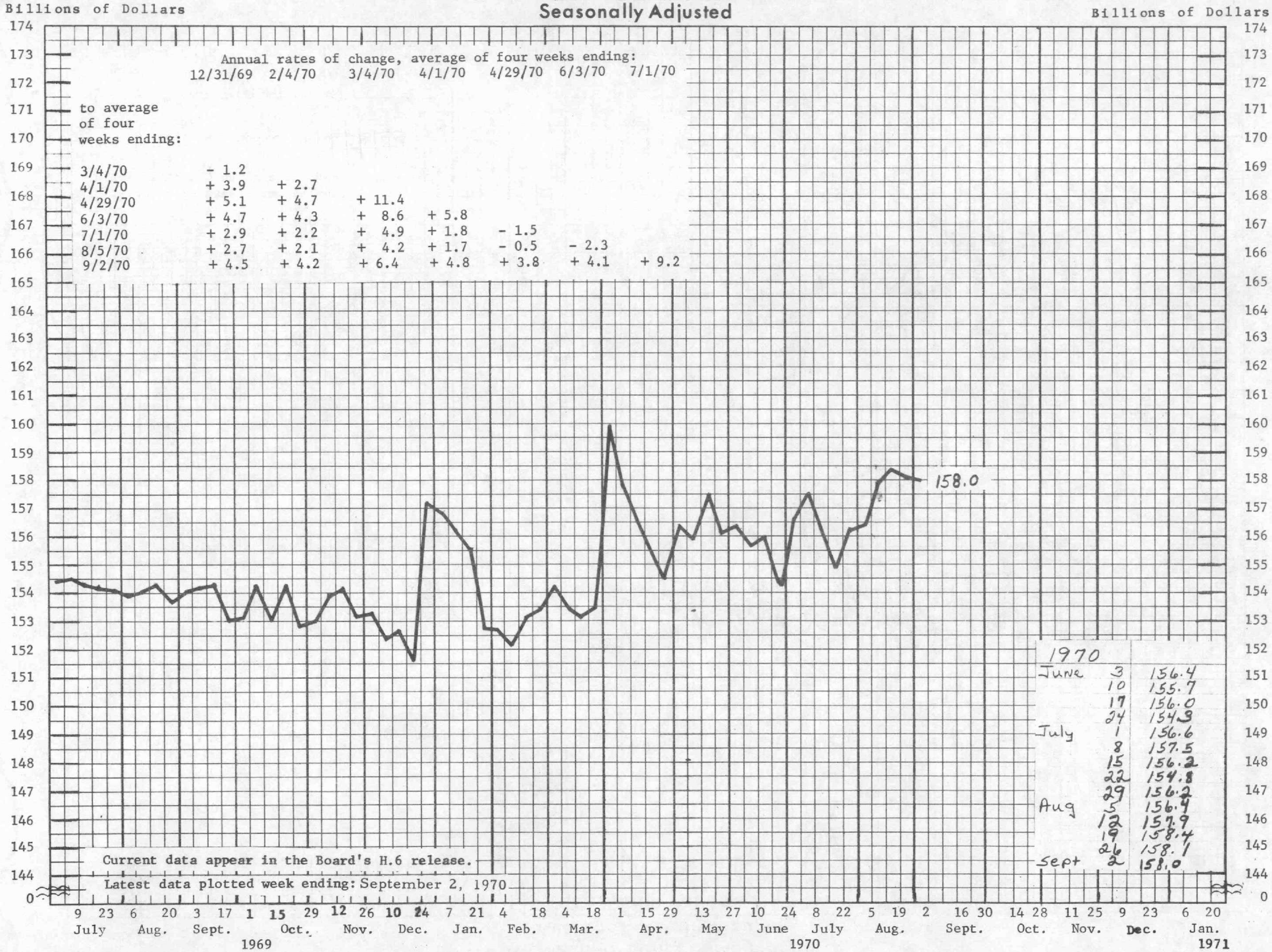
DEMAND DEPOSIT COMPONENT OF MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted

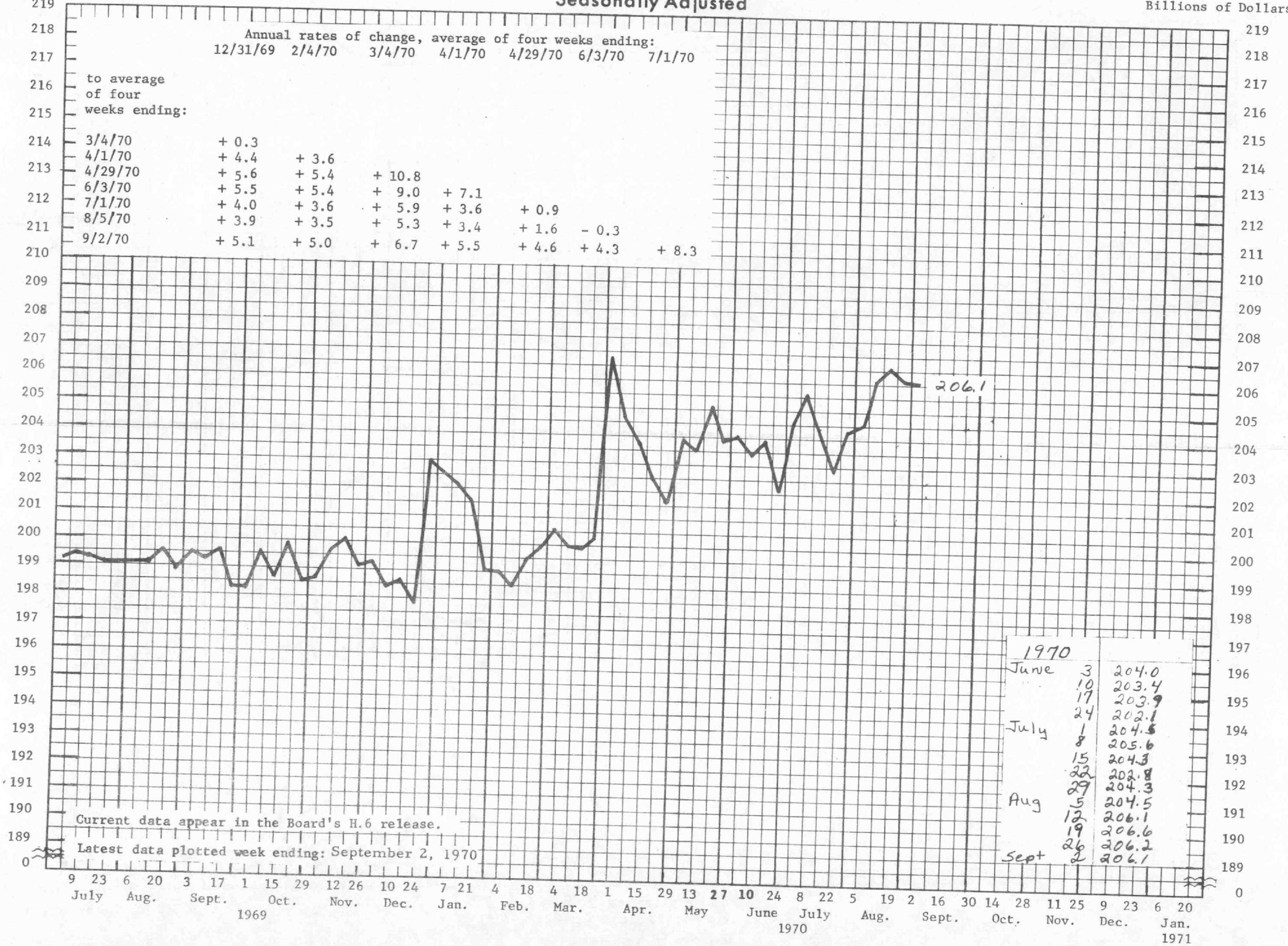


Annual rates of change, average of four weeks ending:

to average of four weeks ending:	12/31/69	2/4/70	3/4/70	4/1/70	4/29/70	6/3/70	7/1/70
3/4/70	- 1.2						
4/1/70	+ 3.9	+ 2.7					
4/29/70	+ 5.1	+ 4.7	+ 11.4				
6/3/70	+ 4.7	+ 4.3	+ 8.6	+ 5.8			
7/1/70	+ 2.9	+ 2.2	+ 4.9	+ 1.8	- 1.5		
8/5/70	+ 2.7	+ 2.1	+ 4.2	+ 1.7	- 0.5	- 2.3	
9/2/70	+ 4.5	+ 4.2	+ 6.4	+ 4.8	+ 3.8	+ 4.1	+ 9.2

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	156.2
Aug	5	156.4
	12	157.9
	19	158.4
	26	158.1
Sept	2	158.0

MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted



Annual rates of change, average of four weeks ending:

to average of four weeks ending:	12/31/69	2/4/70	3/4/70	4/1/70	4/29/70	6/3/70	7/1/70
3/4/70	+ 0.3						
4/1/70	+ 4.4	+ 3.6					
4/29/70	+ 5.6	+ 5.4	+ 10.8				
6/3/70	+ 5.5	+ 5.4	+ 9.0	+ 7.1			
7/1/70	+ 4.0	+ 3.6	+ 5.9	+ 3.6	+ 0.9		
8/5/70	+ 3.9	+ 3.5	+ 5.3	+ 3.4	+ 1.6	- 0.3	
9/2/70	+ 5.1	+ 5.0	+ 6.7	+ 5.5	+ 4.6	+ 4.3	+ 8.3

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
	12	206.1
	19	206.6
	26	206.2
Sept	2	206.1

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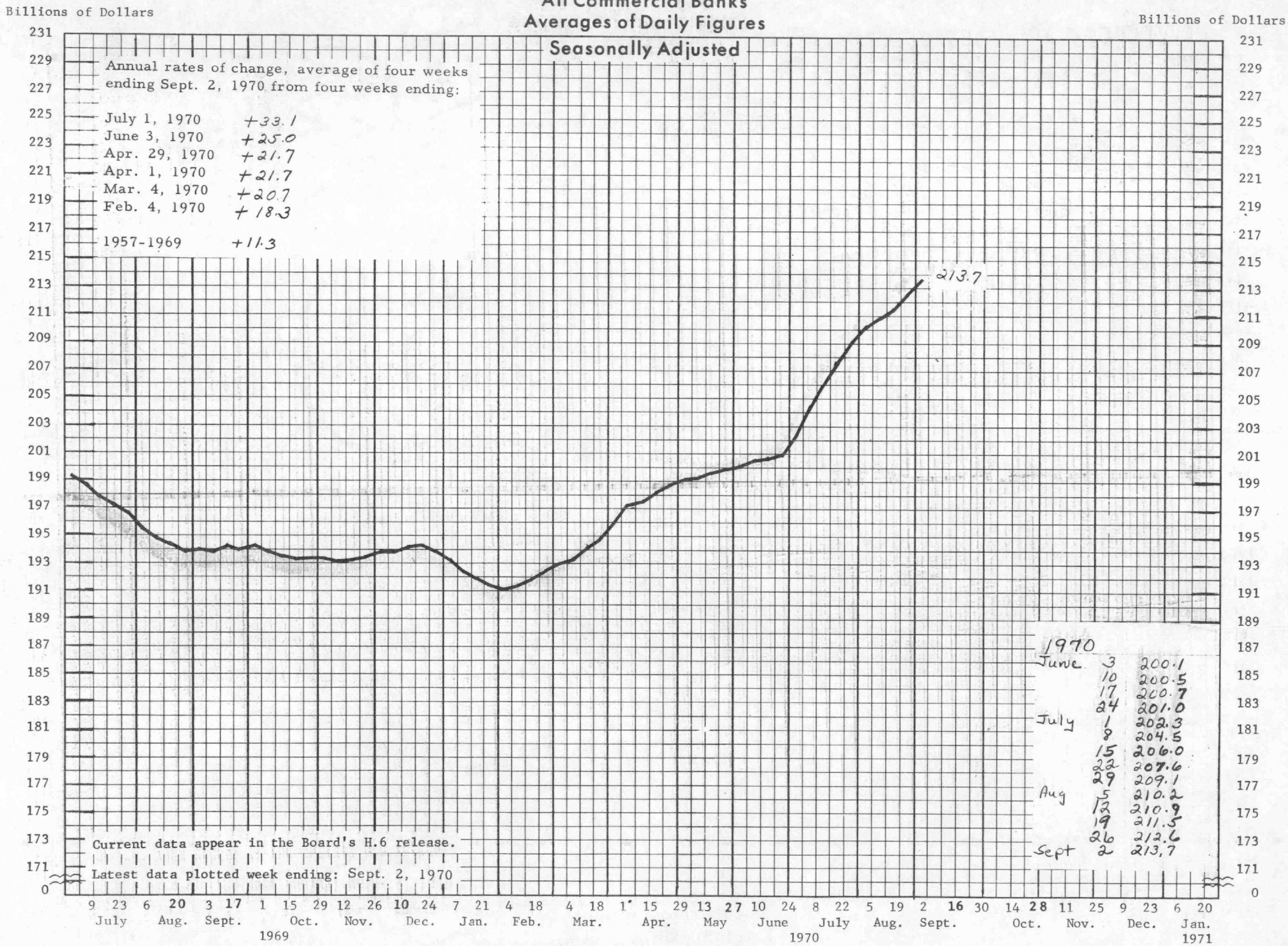
TIME DEPOSITS
All Commercial Banks
Averages of Daily Figures



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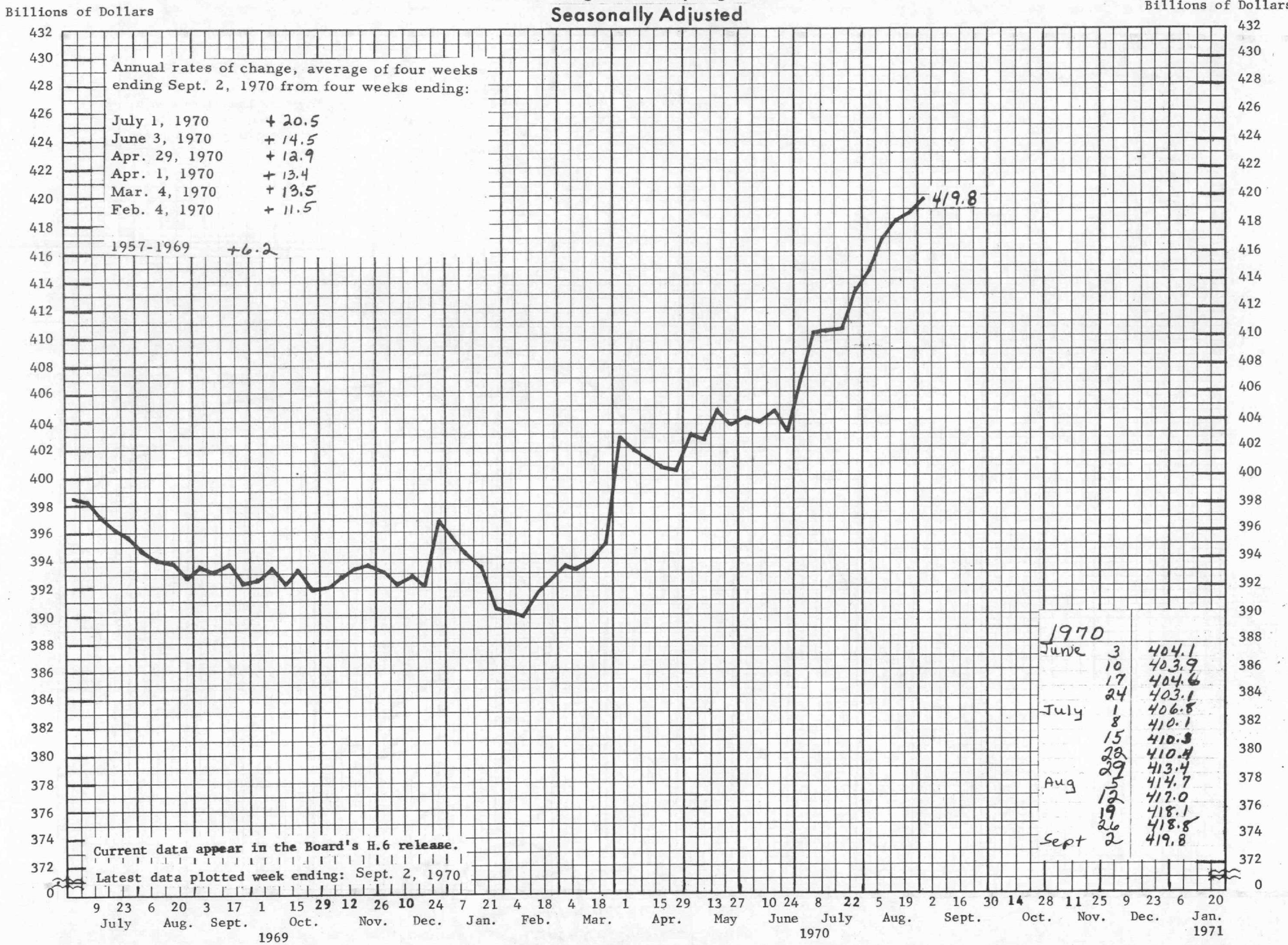
MONEY STOCK PLUS TIME DEPOSITS
Averages of Daily Figures
Seasonally Adjusted



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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	18,478
	12	18,942
	19	19,414
	26	20,174
Sept	2	20,621

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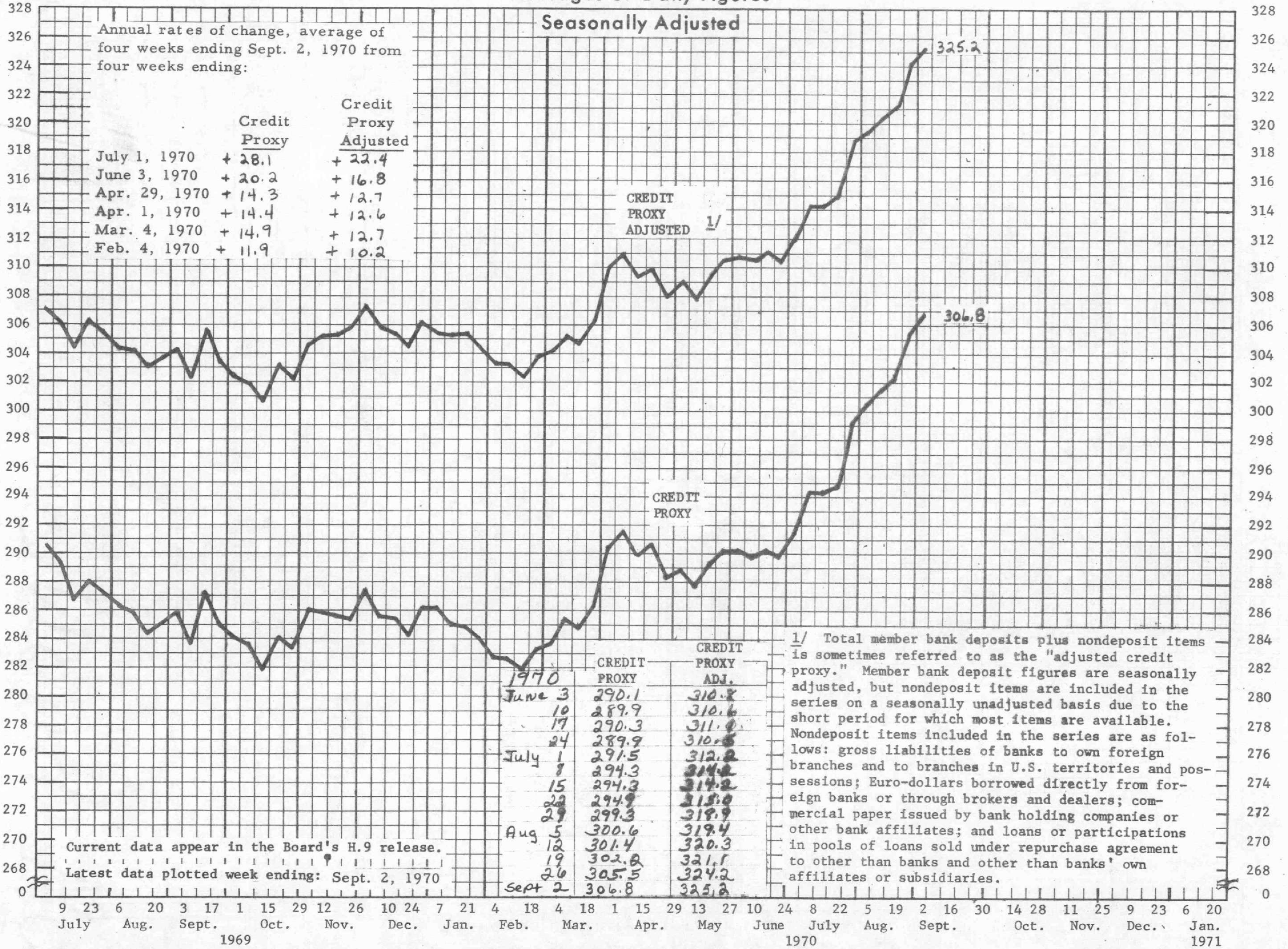
MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS
(CREDIT PROXY)
Averages of Daily Figures

Billions of Dollars | Billions of Dollars



Annual rates of change, average of four weeks ending Sept. 2, 1970 from four weeks ending:

	Credit Proxy	Credit Proxy Adjusted
July 1, 1970	+ 28.1	+ 22.4
June 3, 1970	+ 20.2	+ 16.8
Apr. 29, 1970	+ 14.3	+ 12.7
Apr. 1, 1970	+ 14.4	+ 12.6
Mar. 4, 1970	+ 14.9	+ 12.7
Feb. 4, 1970	+ 11.9	+ 10.2

1970	CREDIT PROXY	CREDIT PROXY ADJ.
June 3	290.1	310.8
10	289.9	310.6
17	290.3	311.0
24	289.9	310.8
July 1	291.5	312.2
8	294.3	314.2
15	294.3	314.2
22	294.9	315.0
29	299.3	318.9
Aug 5	300.6	319.4
12	301.4	320.3
19	302.2	321.1
26	305.5	324.2
Sept 2	306.8	325.2

Current data appear in the Board's H.9 release.

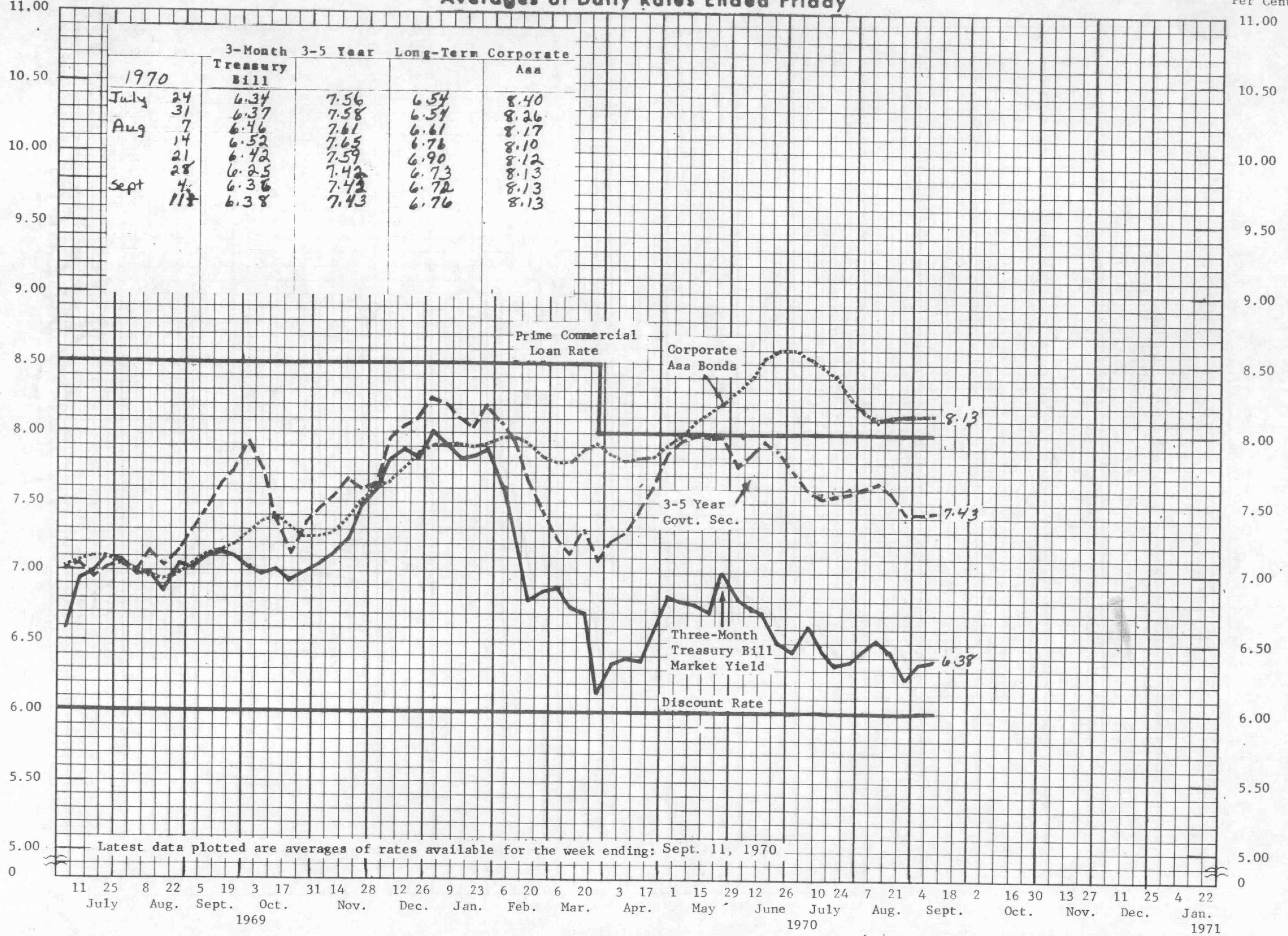
Latest data plotted week ending: Sept. 2, 1970

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.

Prepared by Federal Reserve Bank of St. Louis

YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday



1970		3-Month Treasury Bill	3-5 Year	Long-Term	Corporate Aaa
July	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	7.65	6.76	8.10
	21	6.42	7.59	6.90	8.12
	28	6.25	7.42	6.73	8.13
Sept	4	6.36	7.42	6.72	8.13
	11	6.38	7.43	6.76	8.13

*, AVERAGES OF RATES AVAILABLE

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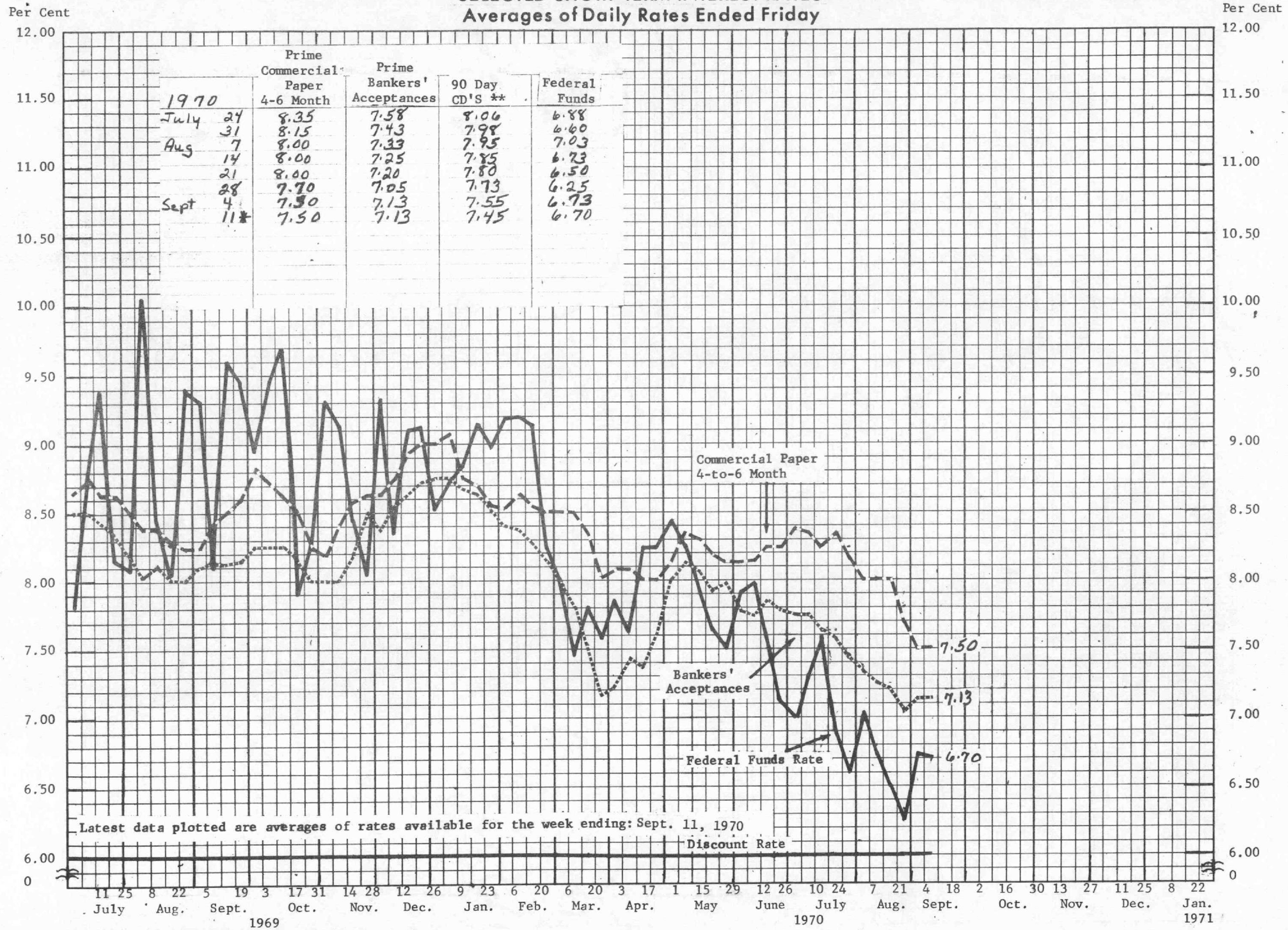
SELECTED SHORT-TERM INTEREST RATES
Averages of Daily Rates Ended Friday

1970		Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD'S **	Federal Funds
July	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	6.73
	21	8.00	7.20	7.80	6.50
	28	7.70	7.05	7.73	6.25
Sept	4	7.50	7.13	7.55	6.73
	11*	7.50	7.13	7.45	6.70

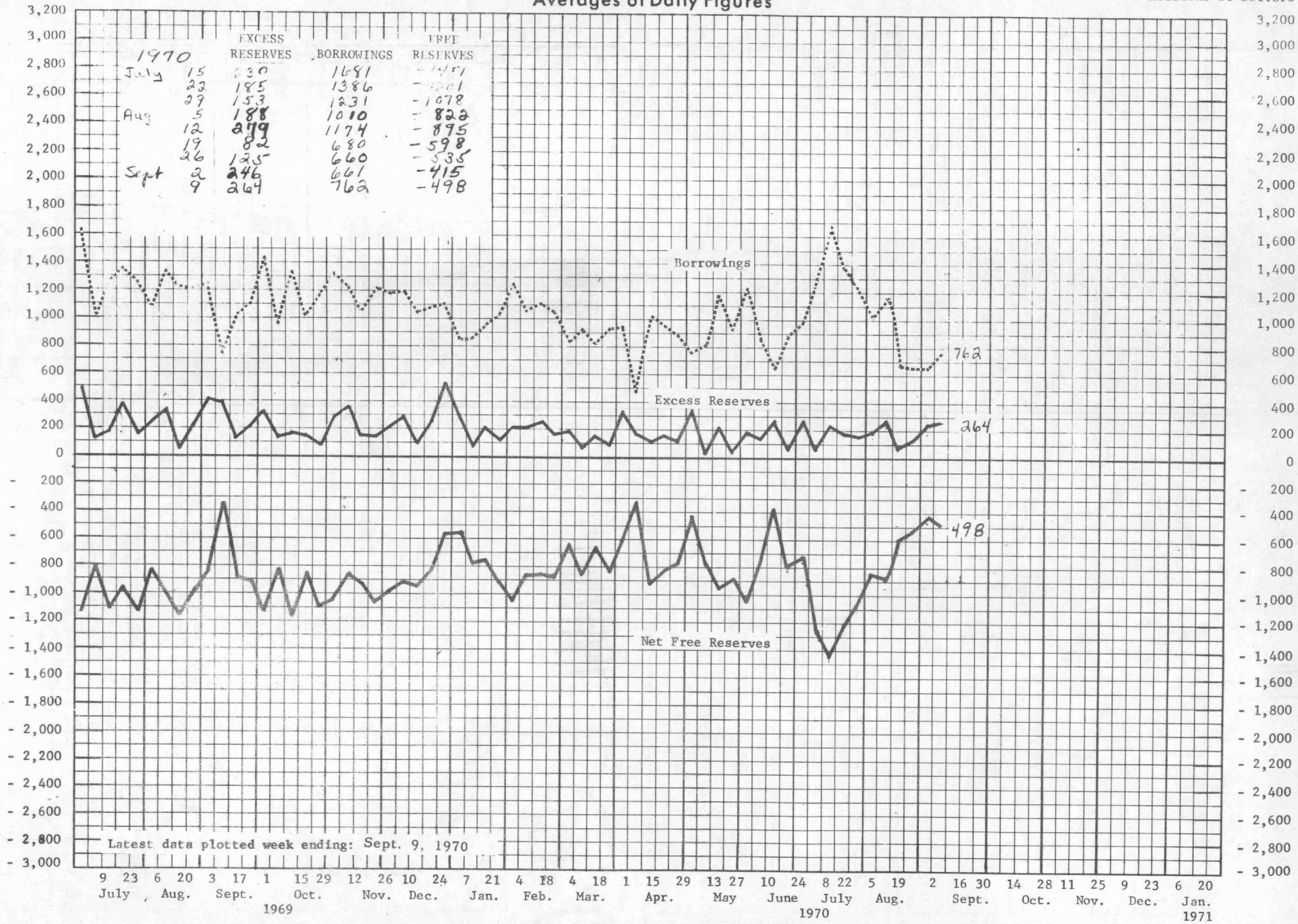


* AVERAGES OF RATES AVAILABLE; FEDERAL FUNDS LAST FIVE DAYS AVAILABLE

** DATA 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
July	15	230	1681	-1451
	22	185	1386	-1201
	29	153	1231	-1078
Aug	5	188	1010	- 822
	12	279	1174	- 895
	19	82	680	-598
	26	125	660	-535
Sept	2	246	661	-415
	9	264	762	-498

Prepared by Federal Reserve Bank of St. Louis