U.S. FINANCIAL DATA

Week ending: September 23, 1970

The money stock has risen at a 6.3 per cent annual rate since the four weeks ending March 18, a period of six months (page 5). By comparison, this magnitude rose little on balance from June 1969 to February 1970. The demand deposit component of money has risen at a 5.9 per cent rate over the past six months (page 4) and the currency component at a 6.9 per cent rate.

Time deposits at commercial banks have increased at a 22 per cent annual rate during the past six months and even more rapidly, at a 33 per cent rate, since the four weeks ending July 15, a period of two months (page 8). These rapid rates reflect both lower market interest rates and two relaxations of Regulation Q ceilings on January 21 and June 24. By comparison, time deposits declined at a 5.4 per cent rate from December 1968 to February 1970. The outstanding volume of large negotiable certificates of deposit has increased from $10 billion on February 4 to $21 billion on September 16 (page 6). Since the change in Regulation Q on June 24, there has been approximately an $8 billion increase in these CD's.

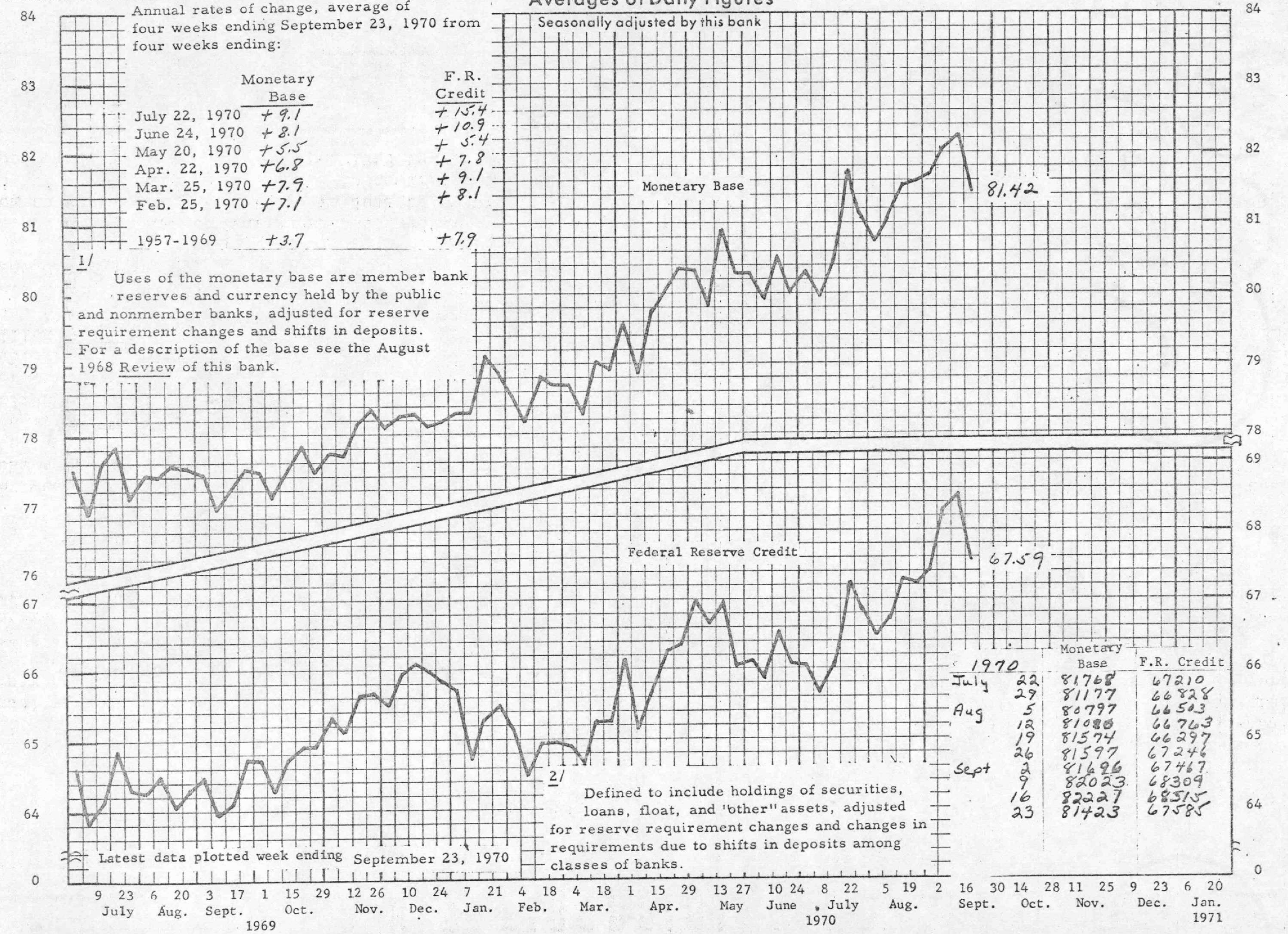
Total commercial paper outstanding declined from an average of $39 billion in June to an average of $36 billion in August (page 6). In contrast, commercial paper more than doubled from June 1968 to June 1970.

Reflecting both the more rapid monetary expansion and a slowing in demand for loan funds, substantial declines in short-term market interest rates have occurred since the beginning of the year (pages 10 and 11). Yields on 4- to 6-month commercial paper declined from about 9 per cent in early January to 7.25 per cent in the three days ending September 23. The prime rate, the interest rate charged by commercial banks on loans to highest grade business customers, has usually followed significant movements in short-term market rates and responds to the same supply and demand forces. This rate was lowered in March from 8-1/2 per cent to 8 per cent and further to 7-1/2 per cent in September.

Member bank borrowings from the Federal Reserve have declined from about $1.1 billion a year ago to about $900 million last spring and to an average of $620 million for the last six weeks (page 12). In general, this borrowing has declined in response to narrowing of the spread between short-term market interest rates and the discount rate, and the greater ability of banks to obtain time deposit funds.

Prepared by Federal Reserve Bank of St. Louis
Released: September 25, 1970

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



Annual rates of change, average of four weeks ending September 23, 1970 from four weeks ending:

	Monetary Base	F.R. Credit
July 22, 1970	+9.1	+15.4
June 24, 1970	+8.1	+10.9
May 20, 1970	+5.5	+5.4
Apr. 22, 1970	+6.8	+7.8
Mar. 25, 1970	+7.9	+9.1
Feb. 25, 1970	+7.1	+8.1
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.

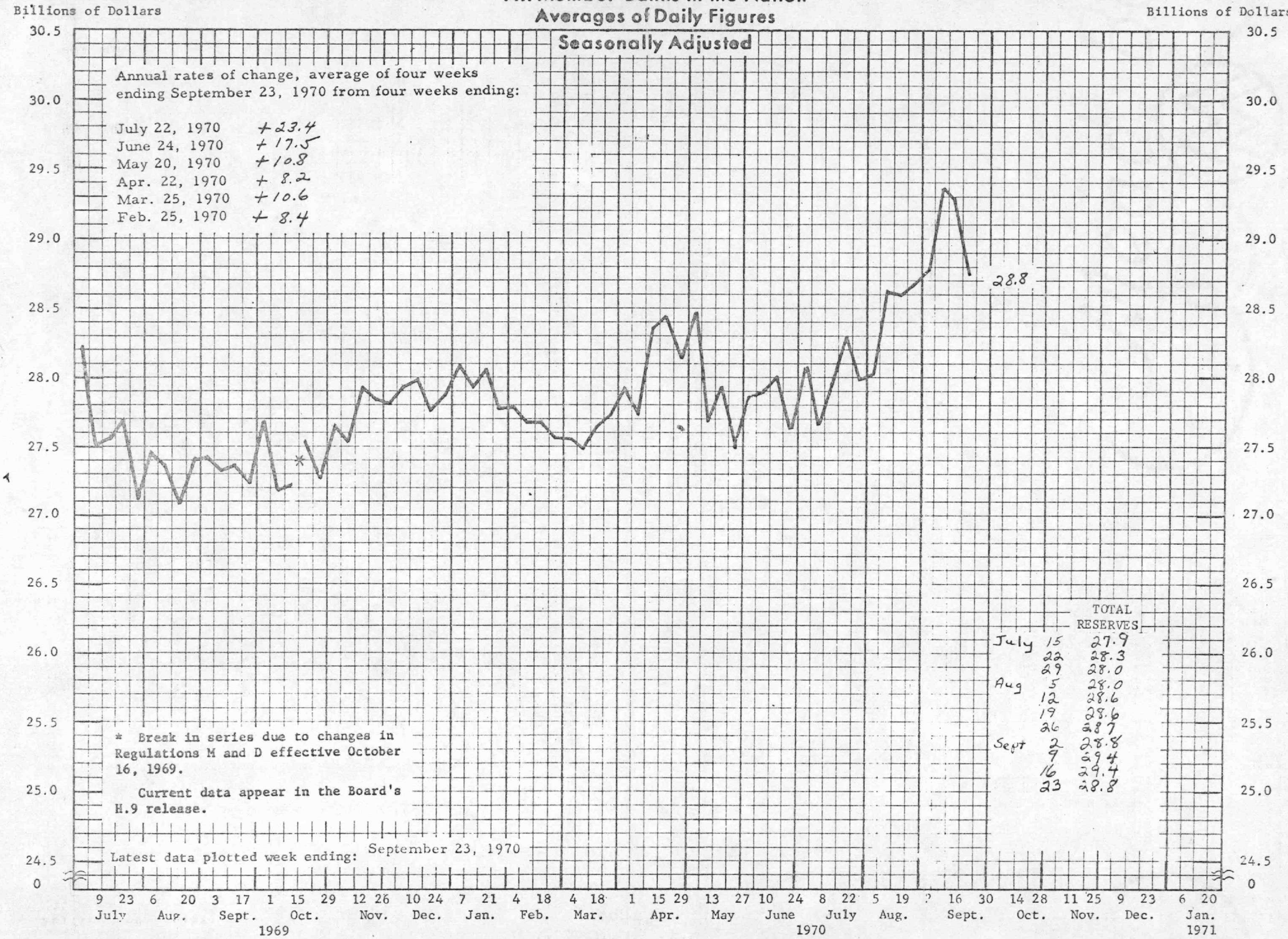
2/ Defined to include holdings of securities, loans, float, and "other" assets, adjusted for reserve requirement changes and changes in requirements due to shifts in deposits among classes of banks.

1970		Monetary Base	F.R. Credit
July	22	81768	67210
	29	81177	66828
Aug	5	80797	66503
	12	81080	66763
	19	81574	66297
	26	81597	67246
Sept	2	81696	67467
	9	82023	68309
	16	82227	68515
	23	81423	67585

Latest data plotted week ending September 23, 1970

Prepared by Federal Reserve Bank of St. Louis

RESERVES
All Member Banks in the Nation
Averages of Daily Figures



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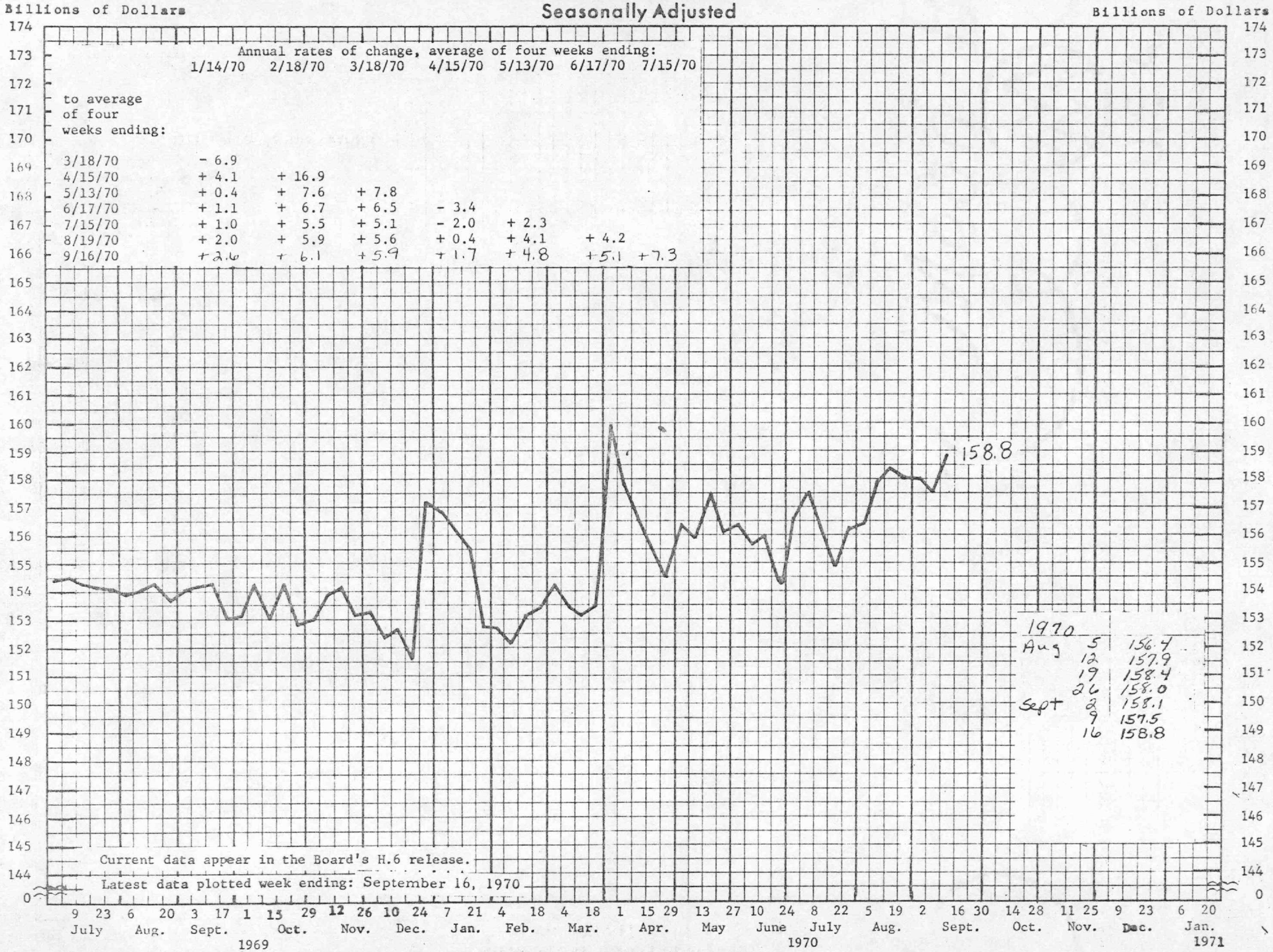
DEMAND DEPOSIT COMPONENT OF MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted



Annual rates of change, average of four weeks ending:

to average of four weeks ending:	1/14/70	2/18/70	3/18/70	4/15/70	5/13/70	6/17/70	7/15/70
3/18/70	- 6.9						
4/15/70	+ 4.1	+ 16.9					
5/13/70	+ 0.4	+ 7.6	+ 7.8				
6/17/70	+ 1.1	+ 6.7	+ 6.5	- 3.4			
7/15/70	+ 1.0	+ 5.5	+ 5.1	- 2.0	+ 2.3		
8/19/70	+ 2.0	+ 5.9	+ 5.6	+ 0.4	+ 4.1	+ 4.2	
9/16/70	+2.6	+ 6.1	+5.9	+1.7	+4.8	+5.1	+7.3

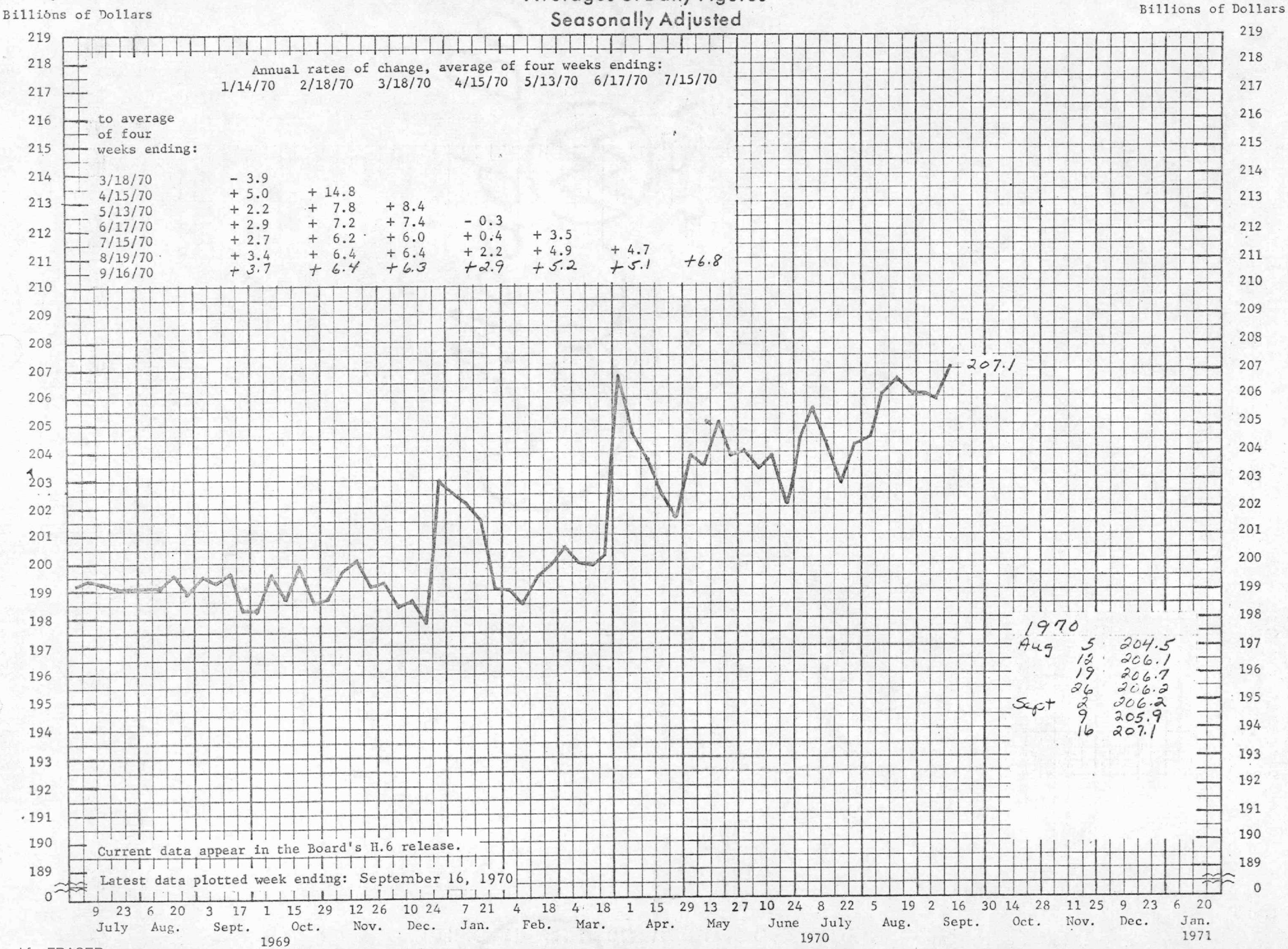
1970		
Aug	5	156.4
	12	157.9
	19	158.4
	26	158.0
Sept	2	158.1
	9	157.5
	16	158.8

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:	1/14/70	2/18/70	3/18/70	4/15/70	5/13/70	6/17/70	7/15/70
3/18/70	- 3.9						
4/15/70	+ 5.0	+ 14.8					
5/13/70	+ 2.2	+ 7.8	+ 8.4				
6/17/70	+ 2.9	+ 7.2	+ 7.4	- 0.3			
7/15/70	+ 2.7	+ 6.2	+ 6.0	+ 0.4	+ 3.5		
8/19/70	+ 3.4	+ 6.4	+ 6.4	+ 2.2	+ 4.9	+ 4.7	
9/16/70	+ 3.7	+ 6.4	+ 6.3	+ 2.9	+ 5.2	+ 5.1	+ 6.8



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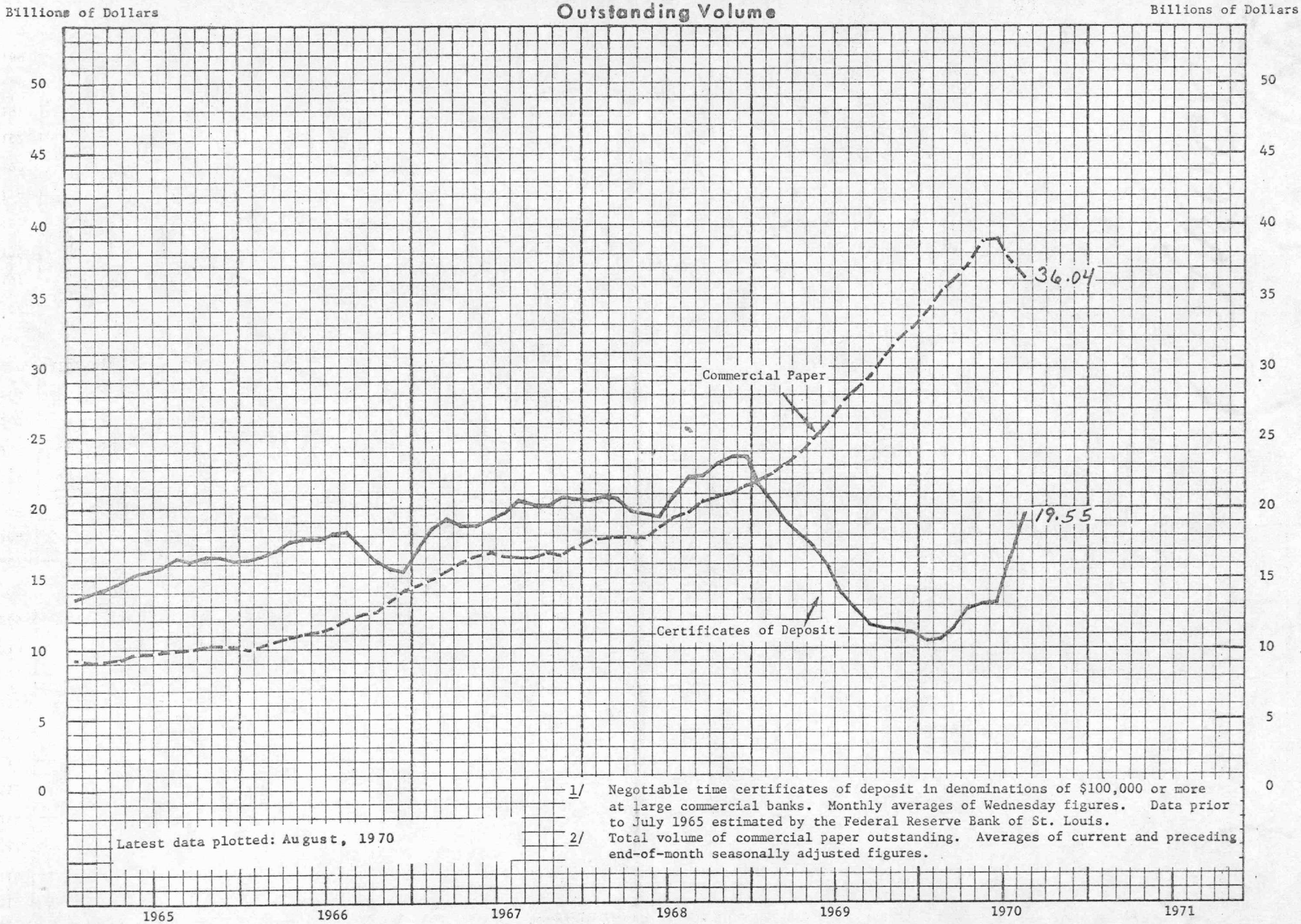
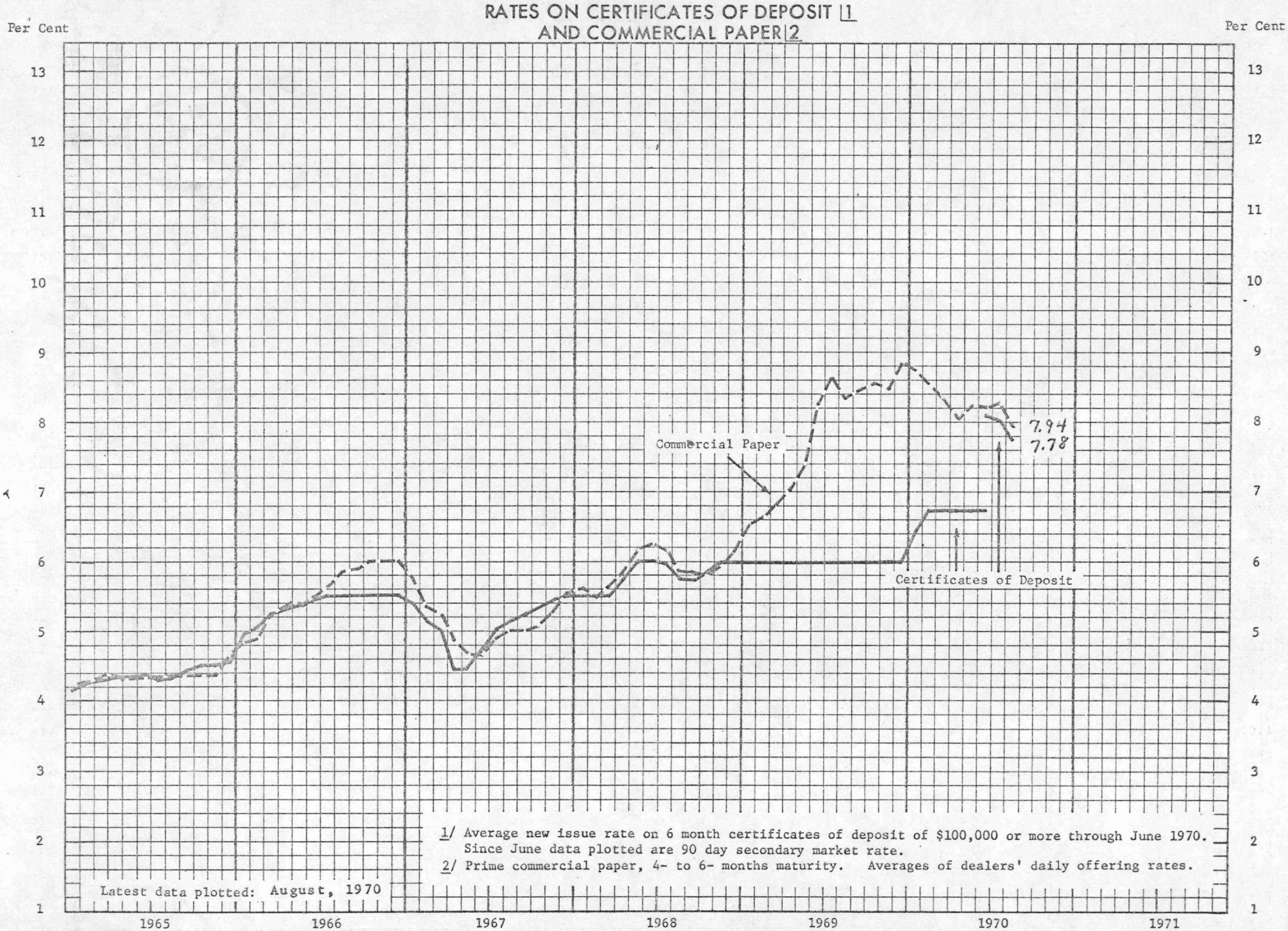
CERTIFICATES OF DEPOSIT 1/ AND COMMERCIAL PAPER 2/
Outstanding Volume



1/ 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.

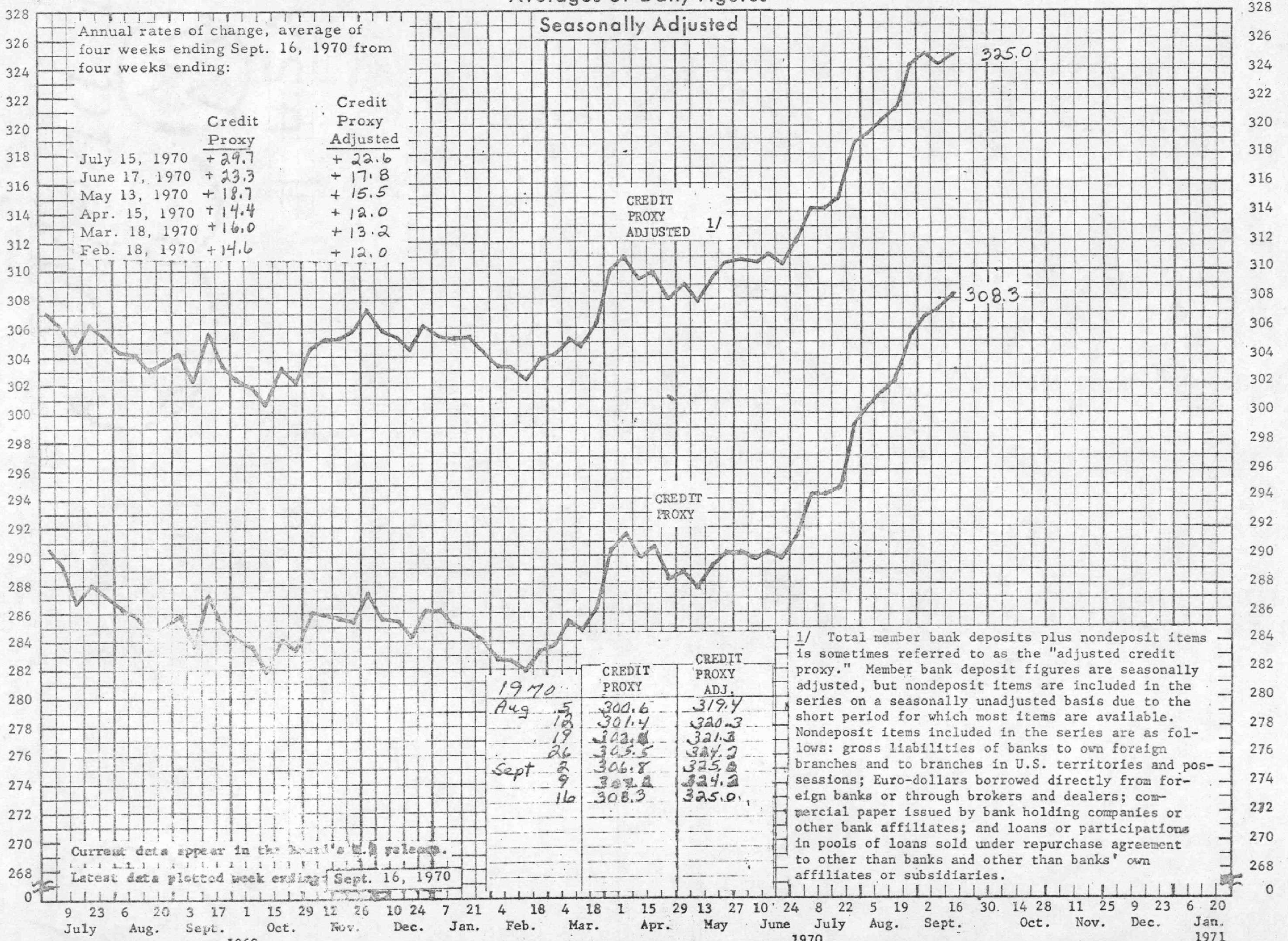
2/ Total volume of commercial paper outstanding. Averages of current and preceding end-of-month seasonally adjusted figures.

Prepared by Federal Reserve Bank of St. Louis



Prepared by Federal Reserve Bank of St. Louis

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



Annual rates of change, average of four weeks ending Sept. 16, 1970 from four weeks ending:

	Credit Proxy	Credit Proxy Adjusted
July 15, 1970	+29.7	+22.6
June 17, 1970	+23.3	+17.8
May 13, 1970	+18.7	+15.5
Apr. 15, 1970	+14.4	+12.0
Mar. 18, 1970	+16.0	+13.2
Feb. 18, 1970	+14.6	+12.0

1970		CREDIT PROXY	CREDIT PROXY ADJ.
Aug	5	300.6	319.4
	12	301.4	320.3
	19	303.[illegible]	321.[illegible]
	26	305.5	324.2
Sept	2	306.8	325.[illegible]
	9	[illegible]	324.2
	16	308.3	325.0

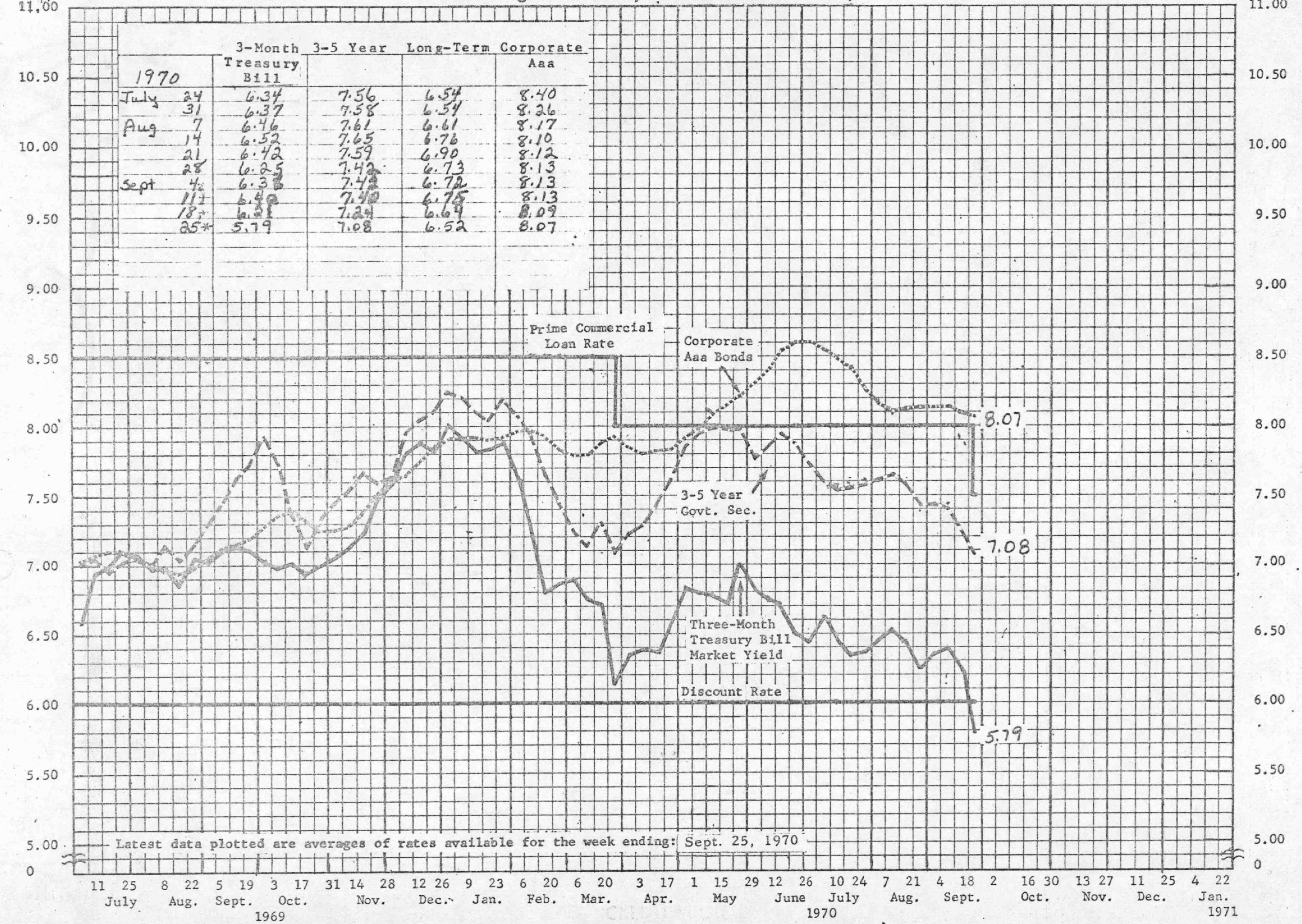
Current data appear in the Board's H.8 release.

Latest data plotted week ending: Sept. 16, 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.

YIELDS ON SELECTED SECURITIES

Averages of Daily Rates Ended Friday



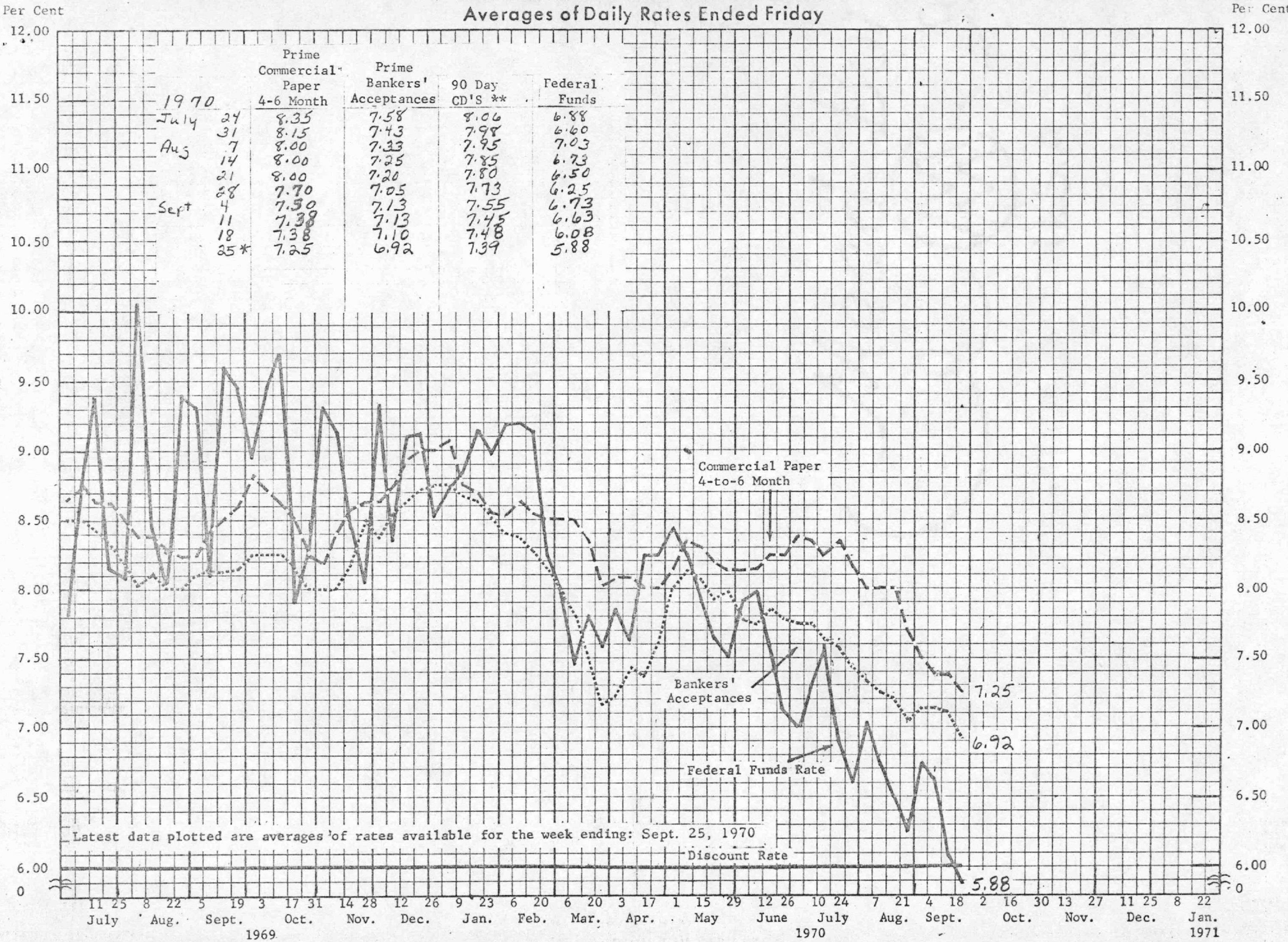
1970		3-Month Treasury Bill	3-5 Year	Long-Term	Corporate Aaa
July	24	6.34	7.56	6.54	8.40
	31	6.37	7.58	6.54	8.26
Aug	7	6.46	7.61	6.61	8.17
	14	6.52	7.65	6.76	8.10
	21	6.42	7.59	6.90	8.12
	28	6.25	7.42	6.73	8.13
Sept	4*	6.38	7.42	6.72	8.13
	11*	6.40	7.40	6.75	8.13
	18*	6.21	7.24	6.64	8.09
	25*	5.79	7.08	6.52	8.07

* AVERAGES OF RATES AVAILABLE

Prepared by Federal Reserve Bank of St. Louis

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

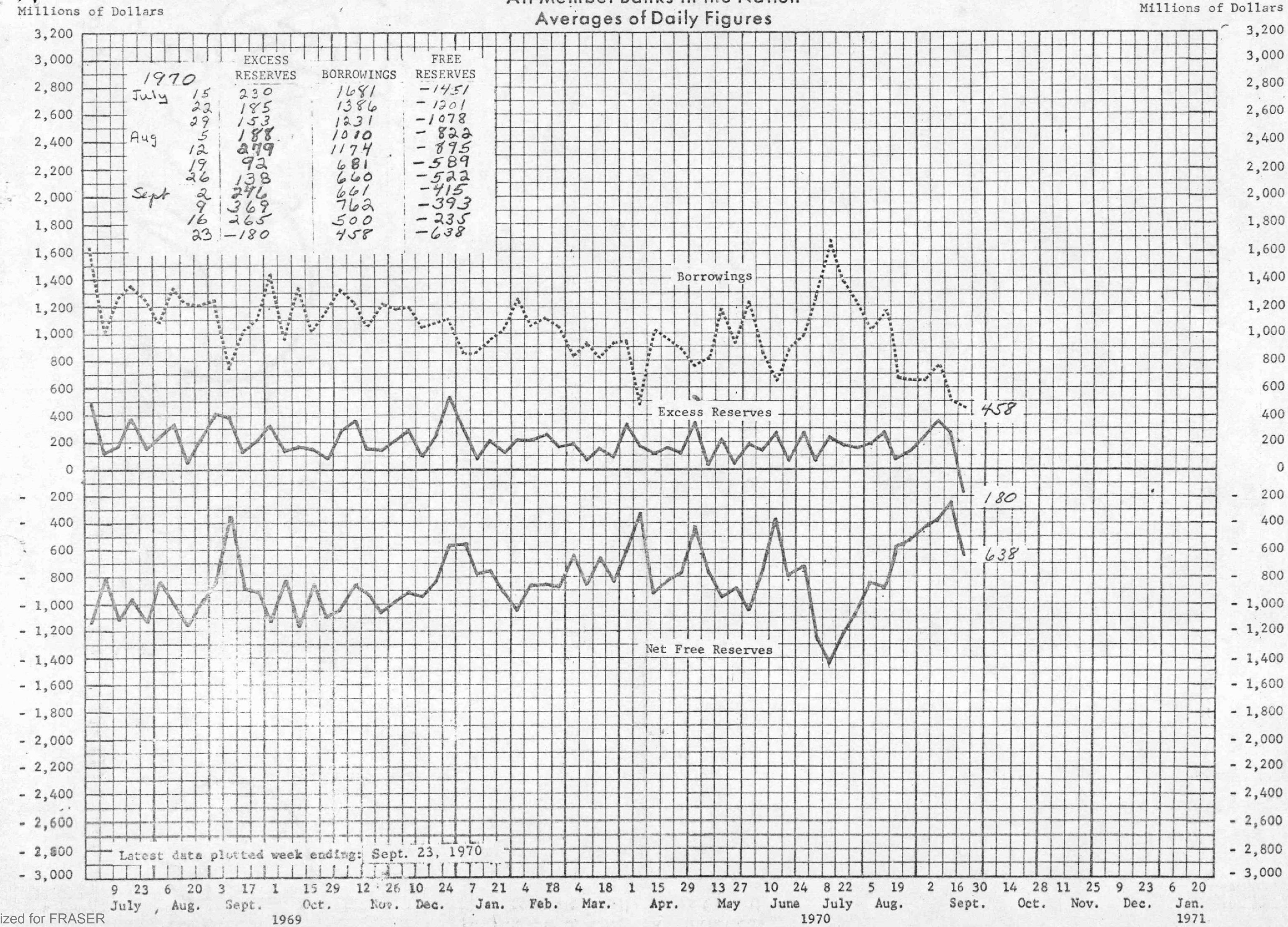
1970		Prime Commercial Paper 4-6 Month	Prime Bankers' Acceptances	90 Day CD'S **	Federal Funds
July	24	8.35	7.58	8.06	6.88
	31	8.15	7.43	7.98	6.60
Aug	7	8.00	7.33	7.95	7.03
	14	8.00	7.25	7.85	6.73
	21	8.00	7.20	7.80	6.50
	28	7.70	7.05	7.73	6.25
Sept	4	7.50	7.13	7.55	6.73
	11	7.38	7.13	7.45	6.63
	18	7.38	7.10	7.48	6.08
	25*	7.25	6.92	7.39	5.88



* 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	92	681	-589
	26	138	660	-522
Sept	2	246	661	-415
	9	369	762	-393
	16	265	500	-235
	23	-180	458	-638