The money stock has increased at a 5.5 per cent annual rate from December 1969 to the four weeks ending December 16 this year, compared with a 3 per cent rate of growth in the previous twelve months (page 5). Demand deposits, the largest component of the money stock, have increased at a 5.3 per cent rate since December, compared with a 2.4 per cent rate in the previous twelve months (page 4).

Money stock plus time deposits, a broad measure of money, has increased at a 13.7 per cent annual rate since the four weeks ending February 18, a period of ten months (page 7). In contrast, this measure declined at a 2.1 per cent rate from June 1969 to February 1970, a period of disintermediation of time deposits and slow monetary growth. Exclusive of large certificates of deposit, this measure increased at about a 10.4 per cent rate from February to November. Some analysts believe the exclusion of large CD's makes the measure more useful due to the often rapid flow of CD's into and out of banks.

Last week the prime rate, the rate charged by banks to large business customers, was reduced from 7 per cent to 6-3/4 per cent (page 10). This change was the fifth decline of 1970, resulting in a total decline of 1-3/4 percentage points since March and completely offsetting the rise in 1969. This rate was 5 to 6 per cent in 1966 and 1967 and 4-1/2 to 5 per cent from 1960 to 1965.

Long-term interest rates have fallen moderately in recent weeks and are now substantially below their January levels, after generally rising in the first half of 1970 (page 10). Aaa corporate bond rates averaged 7.51 per cent in the three days ending December 23, down about 55 basis points in the past eight weeks, and down 40 basis points since January. Yields on long-term Government bonds averaged 6.10 per cent in the three days ending December 23. Rates on these securities have fallen about 55 basis points in the past eight weeks and about 75 basis points since January. Yields on Aaa state and local government securities were 5.25 per cent on December 17, down about 90 basis points from early October and about 1-1/8 percentage points lower than the January average.
Billions of Dollars

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

<table>
<thead>
<tr>
<th>Date</th>
<th>Monetary Base</th>
<th>F.R. Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 21, 1970</td>
<td>+6.7</td>
<td>+7.9</td>
</tr>
<tr>
<td>Sept. 23, 1970</td>
<td>+4.9</td>
<td>+8.3</td>
</tr>
<tr>
<td>Aug. 26, 1970</td>
<td>+5.8</td>
<td>+8.7</td>
</tr>
<tr>
<td>July 22, 1970</td>
<td>+6.6</td>
<td>+9.4</td>
</tr>
<tr>
<td>June 24, 1970</td>
<td>+6.6</td>
<td>+9.4</td>
</tr>
<tr>
<td>May 20, 1970</td>
<td>+5.3</td>
<td>+6.6</td>
</tr>
<tr>
<td>Apr. 22, 1970</td>
<td>+6.2</td>
<td>+7.1</td>
</tr>
</tbody>
</table>

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.

Latest data plotted week ending: December 23, 1970

Monetary Base

Federal Reserve Credit

Prepared by Federal Reserve Bank of St. Louis
**RESERVES**

All Member Banks in the Nation

Averages of Daily Figures

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### Reserves

**Billions of Dollars**

<table>
<thead>
<tr>
<th>Month</th>
<th>Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 21, 1970</td>
<td>$6.1</td>
</tr>
<tr>
<td>Sept. 23, 1970</td>
<td>$9.6</td>
</tr>
<tr>
<td>Aug. 26, 1970</td>
<td>$13.7</td>
</tr>
<tr>
<td>July 22, 1970</td>
<td>$15.4</td>
</tr>
<tr>
<td>June 24, 1970</td>
<td>$18.6</td>
</tr>
<tr>
<td>May 20, 1970</td>
<td>$10.4</td>
</tr>
<tr>
<td>Apr. 22, 1970</td>
<td>$9.1</td>
</tr>
</tbody>
</table>

---

**Seasonally Adjusted**

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

- Oct. 21, 1970: $6.1
- Sept. 23, 1970: $9.6
- July 22, 1970: $15.4
- June 24, 1970: $18.6
- May 20, 1970: $10.4
- Apr. 22, 1970: $9.1

---

**Notes:**

- Seasonally Adjusted
- Annual rates of change average of four weeks ending December 23, 1970 from four weeks ending:
- Oct. 21, 1970: $6.1
- Sept. 23, 1970: $9.6
- July 22, 1970: $15.4
- June 24, 1970: $18.6
- May 20, 1970: $10.4
- Apr. 22, 1970: $9.1

---

**Breaks in Series:**

- Breaks in series due to changes in Regulations M and D effective October 16, 1969 and Regulation D effective October 1, 1970.

**Current Data:**


**Latest Data:**

- Latest data plotted week ending: December 23, 1970

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**Prepared by Federal Reserve Bank of St. Louis**

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http://fraser.stlouisfed.org

Federal Reserve Bank of St. Louis
DEMAND DEPOSIT COMPONENT OF MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted

Billions of Dollars

Annual rates of change, average of four weeks ending:
3/18/70 4/15/70 5/13/70 6/17/70 7/15/70 8/19/70 9/16/70 10/14/70

Seasonally Adjusted


Latest data plotted week ending: December 16, 1970

Prepared by Federal Reserve Bank of St. Louis

Digitized for FRASER
http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
MONEY STOCK
Averages of Daily Figures
Seasonally Adjusted

Annual rates of change, average of four weeks ending:
3/18/70 4/15/70 5/13/70 6/17/70 7/15/70 8/19/70 9/16/70 10/14/70

to average
of four
weeks ending:

5/13/70 + 5.8
6/17/70 + 8.4 + 4.3
7/15/70 + 6.6 + 3.3 + 7.2
8/19/70 + 6.4 + 3.9 + 6.7 + 3.4
9/16/70 + 6.7 + 4.7 + 7.1 + 5.0 + 6.9
10/14/70 + 6.0 + 4.2 + 6.0 + 4.1 + 5.1 + 4.8
11/18/70 + 5.3 + 3.7 + 5.1 + 3.4 + 4.0 + 3.4 + 1.1 + 4.2
12/16/70 + 5.6 + 4.2 + 5.5 + 4.3 + 4.1 + 4.3 + 3.4

Latest data plotted week ending: December 16, 1970

Prepared by 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:
3/18/70 4/15/70 5/13/70 6/17/70 7/15/70 8/19/70 9/16/70 10/14/70

- to average of four weeks ending:
  5/13/70 +15.4
  6/17/70 +13.8 +12.2
  7/15/70 +15.9 +15.4 +15.9
  8/19/70 +21.2 +22.1 +24.5 +31.3
  9/16/70 +22.2 +23.0 +25.0 +29.6 +33.1
  10/14/70 +23.1 +23.8 +25.5 +29.1 +31.1 +25.5
  11/18/70 +22.6 +23.1 +24.4 +27.0 +27.8 +22.9 +21.4
  12/16/70 +22.7 +23.4 +26.7 +27.1 +28.0 +26.7 +23.1


Latest data plotted week ending: December 16, 1970

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

Annual rates of change, average of four weeks ending:
3/18/70 4/15/70 5/13/70 6/17/70 7/15/70 8/19/70 9/16/70 10/14/70

Latest data plotted week ending: December 16, 1970

Prepared by Federal Reserve Bank of St. Louis

http://fraser.stlouisfed.org
CERTIFICATES OF DEPOSIT
Large Commercial Banks
Wednesday Figures

Billions of Dollars

Wednesday Figures

Billions of Dollars

Current and year ago data appear in the Board’s H.4.2 release.

1/ Negotiable time certificates of deposit in denominations of $100,000 or more.

Latest data plotted week ending: December 16, 1970

Prepared by Federal Reserve Bank of St. Louis

http://fraser.stlouisfed.org
MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS
(CREDIT PROXY)

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

<table>
<thead>
<tr>
<th>Credit Proxy</th>
<th>Credit Proxy Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct. 14, 1970</td>
<td>366.1</td>
</tr>
<tr>
<td>Sept. 16, 1970</td>
<td>365.4</td>
</tr>
<tr>
<td>Aug. 19, 1970</td>
<td>368.6</td>
</tr>
<tr>
<td>July 15, 1970</td>
<td>370.3</td>
</tr>
<tr>
<td>June 17, 1970</td>
<td>378.7</td>
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<tr>
<td>May 13, 1970</td>
<td>386.7</td>
</tr>
<tr>
<td>Apr. 15, 1970</td>
<td>390.3</td>
</tr>
</tbody>
</table>


Latest data plotted week ending: December 16, 1970.

Prepared by Federal Reserve Bank of St. Louis
YIELDS ON SELECTED SECURITIES
Averages of Daily Rates Ended Friday

<table>
<thead>
<tr>
<th></th>
<th>10</th>
<th>9.5</th>
<th>9.0</th>
<th>8.5</th>
<th>8.0</th>
<th>7.5</th>
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<th>6.5</th>
<th>6.0</th>
<th>5.5</th>
<th>5.0</th>
<th>4.5</th>
<th>4.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Commercial Loan Rate</td>
<td>10.0</td>
<td>9.5</td>
<td>9.0</td>
<td>8.5</td>
<td>8.0</td>
<td>7.5</td>
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<td>6.5</td>
<td>6.0</td>
<td>5.5</td>
<td>5.0</td>
<td>4.5</td>
<td>4.0</td>
</tr>
<tr>
<td>Corporate Aaa Bonds'</td>
<td>8.50</td>
<td>8.00</td>
<td>7.50</td>
<td>7.00</td>
<td>6.50</td>
<td>6.00</td>
<td>5.50</td>
<td>5.00</td>
<td>4.50</td>
<td>4.00</td>
<td>3.50</td>
<td>3.00</td>
<td>2.50</td>
</tr>
<tr>
<td>3-5 Year Govt. Sec.</td>
<td>8.00</td>
<td>7.50</td>
<td>7.00</td>
<td>6.50</td>
<td>6.00</td>
<td>5.50</td>
<td>5.00</td>
<td>4.50</td>
<td>4.00</td>
<td>3.50</td>
<td>3.00</td>
<td>2.50</td>
<td>2.00</td>
</tr>
<tr>
<td>3-Month Treasury Bill</td>
<td>6.50</td>
<td>6.00</td>
<td>5.50</td>
<td>5.00</td>
<td>4.50</td>
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<td>2.50</td>
<td>2.00</td>
<td>1.50</td>
<td>1.00</td>
<td>0.50</td>
</tr>
</tbody>
</table>

Latest data plotted are averages of rates available for the week ending: December 25, 1970.

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

<table>
<thead>
<tr>
<th>Prime Commercial Paper</th>
<th>Prime Bankers' Acceptances</th>
<th>90 Day CD's</th>
<th>Federal Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>4-6 Month</td>
<td>9-12 Month</td>
<td>6-9 Month</td>
</tr>
<tr>
<td>Jan. 23</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Feb. 6</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Mar. 20</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Apr. 3</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>May 29</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>June 12</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>July 26</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Aug. 9</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Sept. 23</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Oct. 7</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Nov. 21</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
<tr>
<td>Dec. 5</td>
<td>6.50</td>
<td>6.88</td>
<td>6.78</td>
</tr>
</tbody>
</table>

Latest data plotted are average of rates available for the week ending: December 25, 1970

* 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