



LIBRARY

U.S. FINANCIAL DATA

Week ending: December 23, 1970

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.

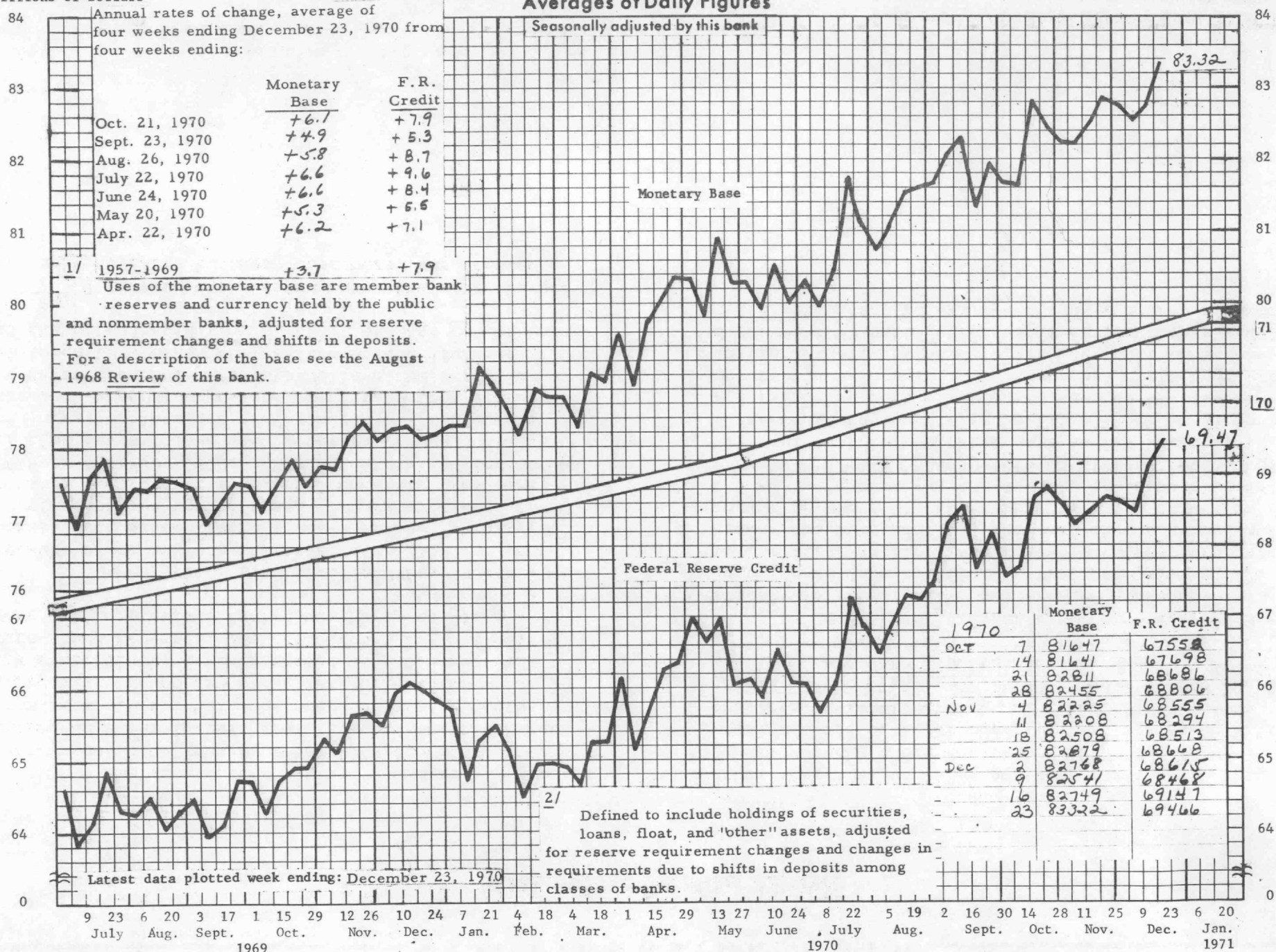
Prepared by Federal Reserve Bank of St. Louis

Released: December 28, 1970

**MONETARY BASE |1|
FEDERAL RESERVE CREDIT |2|
Averages of Daily Figures**

Billions of Dollars

Billions of Dollars



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

	Monetary Base	F.R. Credit
Oct. 21, 1970	+6.1	+7.9
Sept. 23, 1970	+4.9	+5.3
Aug. 26, 1970	+5.8	+8.7
July 22, 1970	+6.6	+9.6
June 24, 1970	+6.6	+8.4
May 20, 1970	+5.3	+5.5
Apr. 22, 1970	+6.2	+7.1

1/ 1957-1969 +3.7 +7.9

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.

Seasonally adjusted by this bank

Monetary Base

Federal Reserve Credit

1970	Monetary Base	F.R. Credit
OCT 7	81647	67558
14	81641	67698
21	82811	68686
28	82455	68806
NOV 4	82225	68555
11	82208	68294
18	82508	68513
25	82879	68668
DEC 2	82768	68615
9	82541	68468
16	82749	69147
23	83322	69466

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.

Latest data plotted week ending: December 23, 1970

9 23 6 20 3 17 1 15 29 12 26 10 24 7 21 4 18 4 18 1 15 29 13 27 10 24 8 22 5 19 2 16 30 14 28 11 25 9 23 6 20
July Aug. Sept. Oct. Nov. Dec. Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec. Jan.
1969 1971

RESERVES

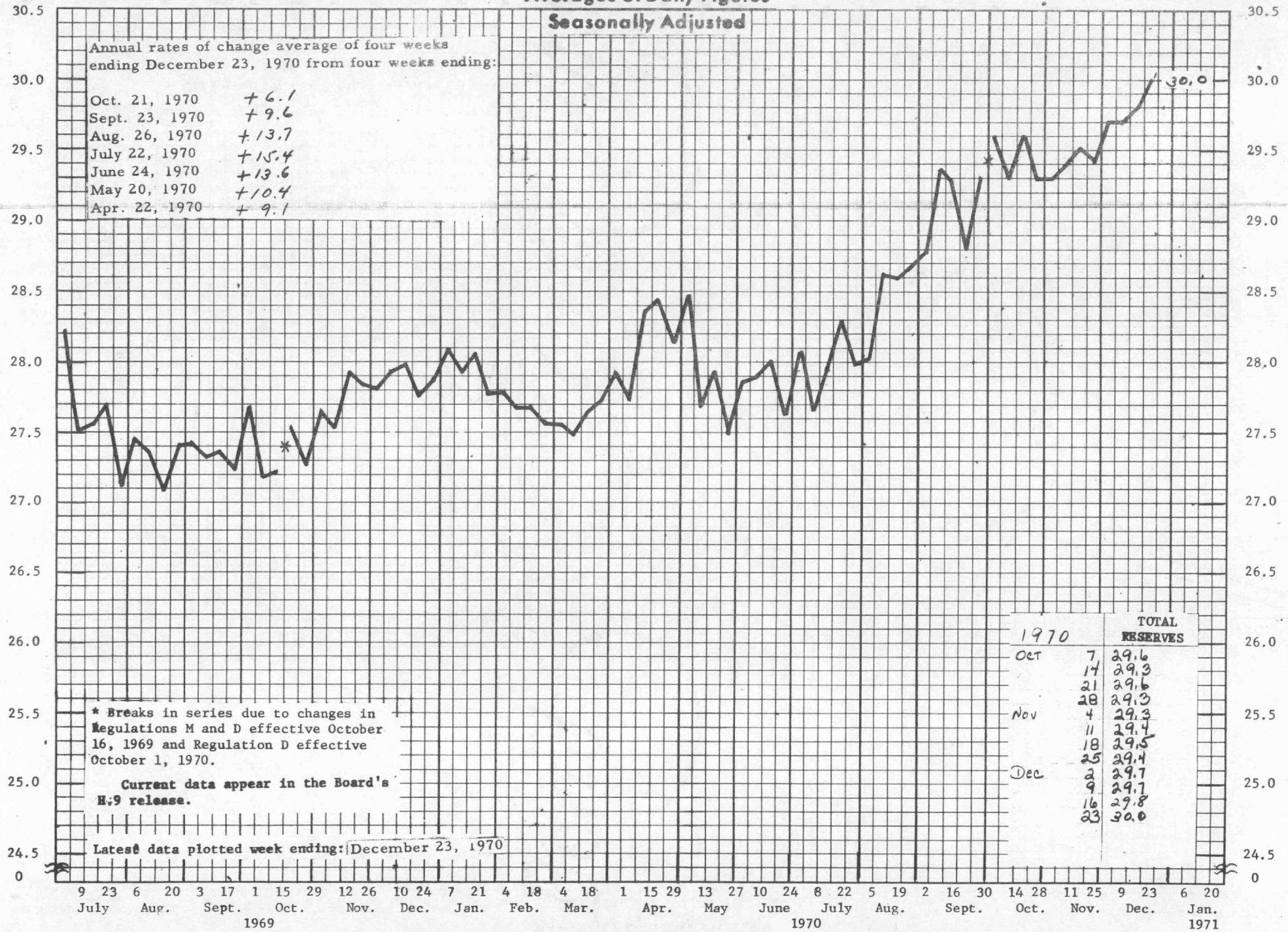
All Member Banks in the Nation

Averages of Daily Figures

Billions of Dollars

Billions of Dollars

Seasonally Adjusted



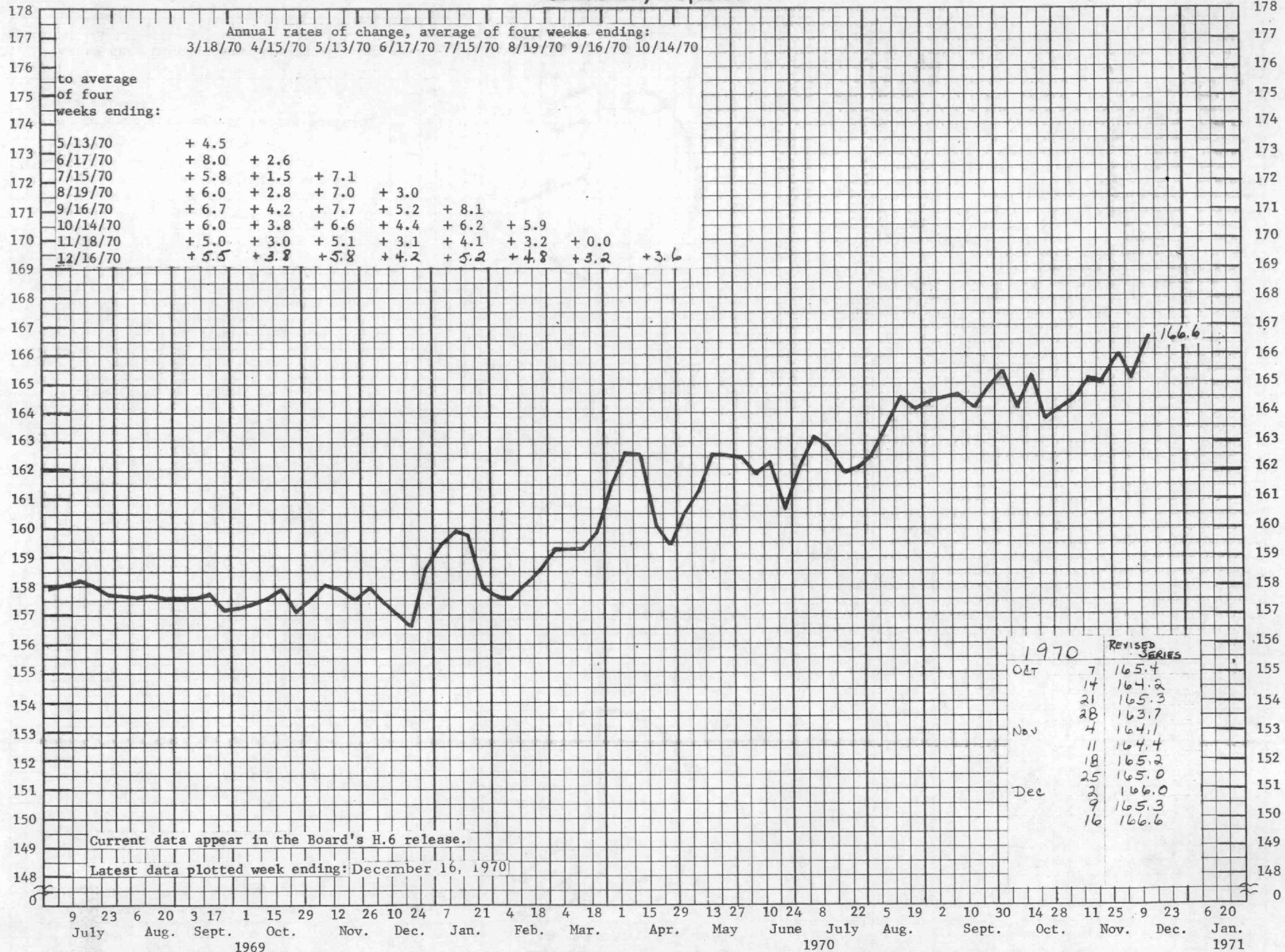
DEMAND DEPOSIT COMPONENT OF MONEY STOCK

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

Billions of Dollars



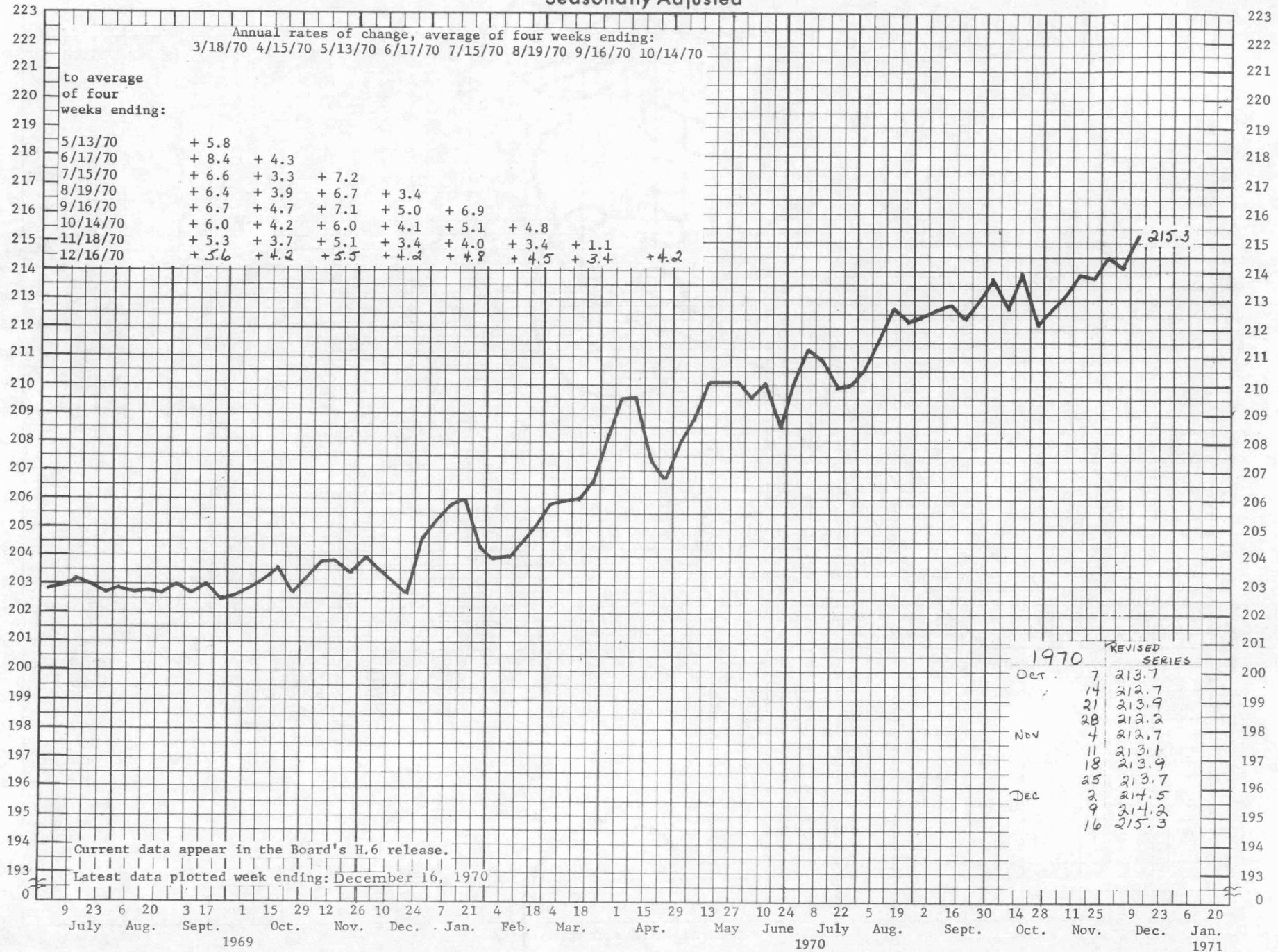
MONEY STOCK

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

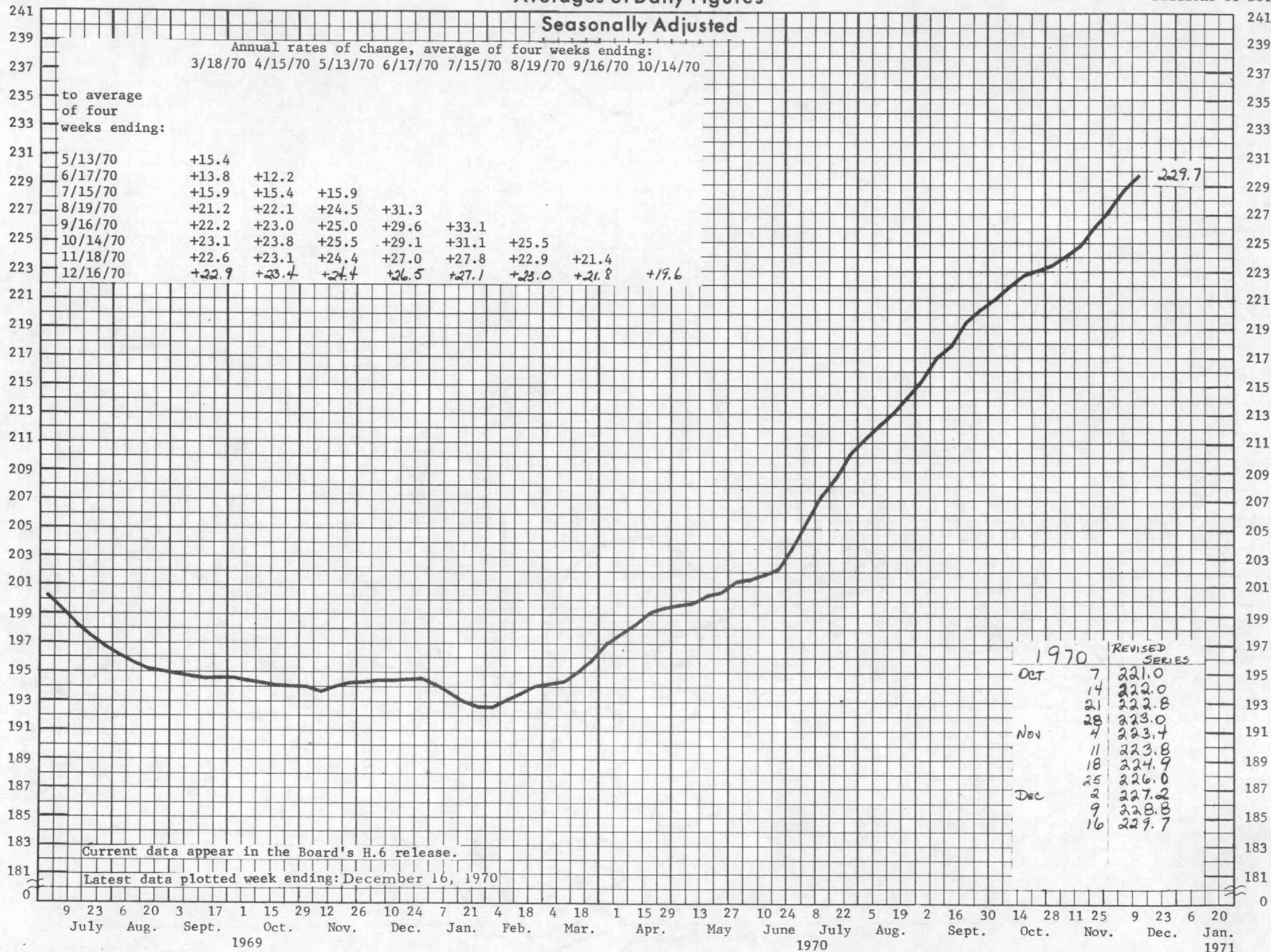
Billions of Dollars



TIME DEPOSITS All Commercial Banks Averages of Daily Figures

Billions of Dollars

Billions of Dollars



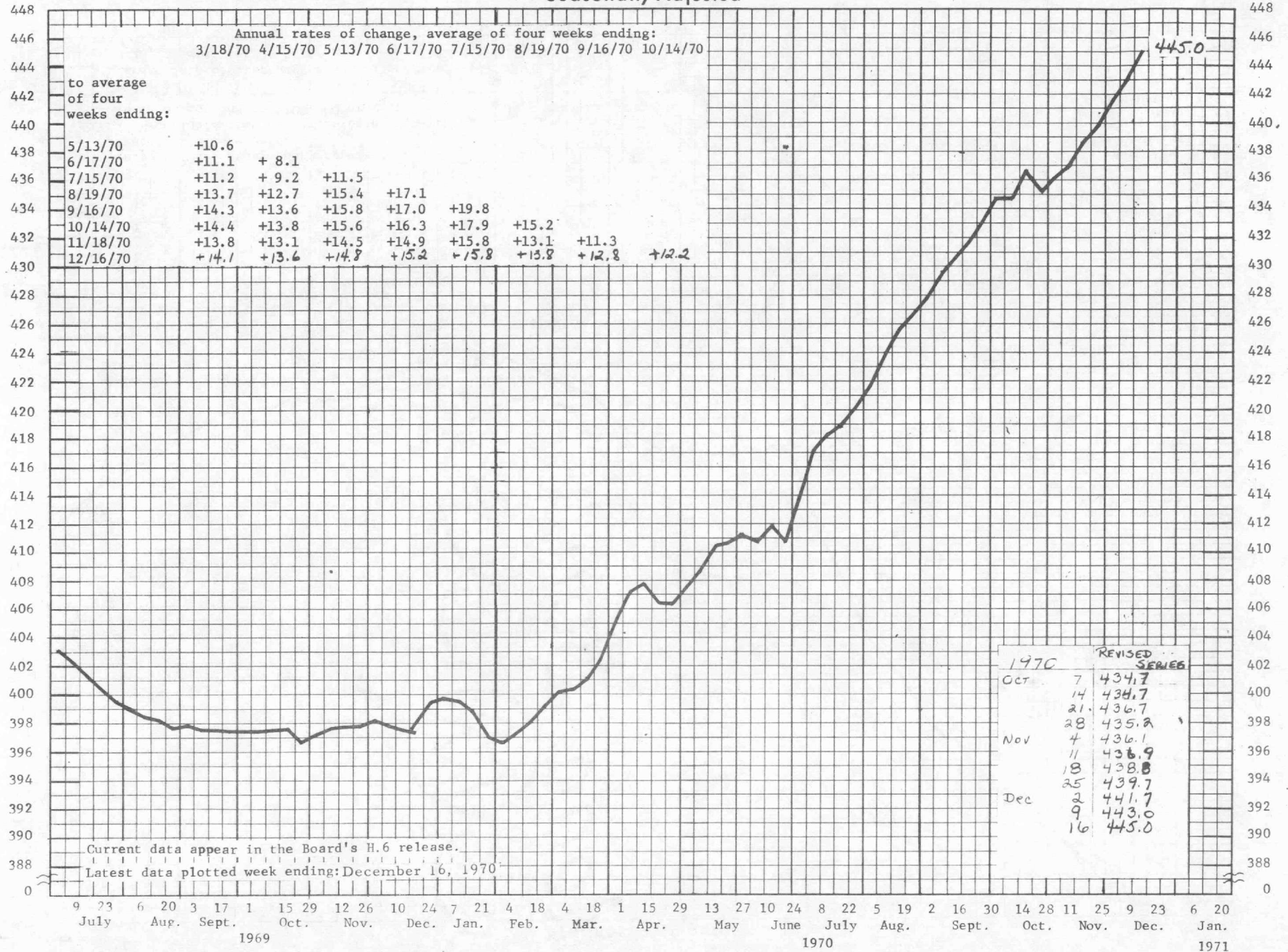
MONEY STOCK PLUS TIME DEPOSITS

Averages of Daily Figures

Seasonally Adjusted

Billions of Dollars

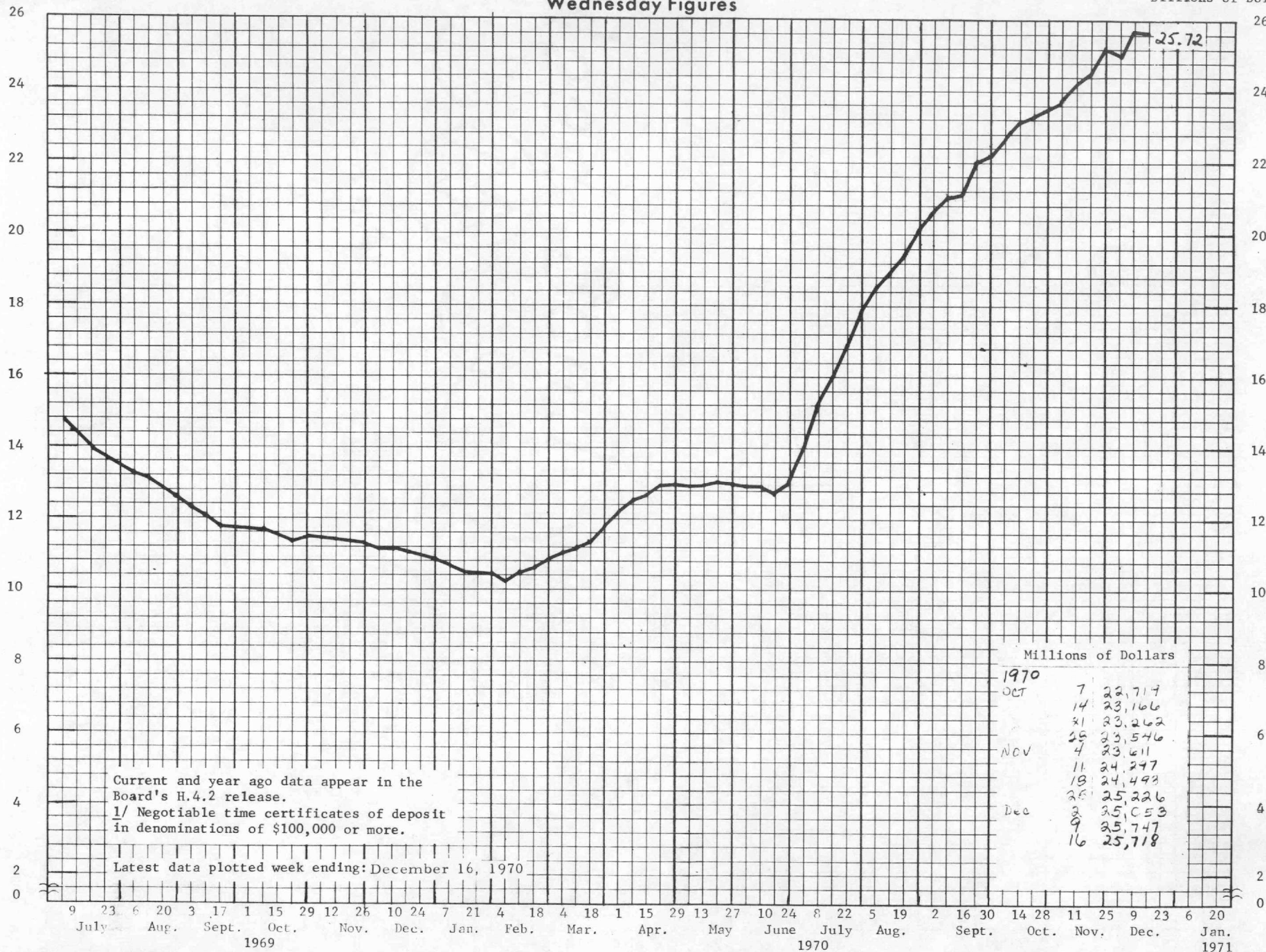
Billions of Dollars



CERTIFICATES OF DEPOSIT ¹
Large Commercial Banks
Wednesday Figures

Billions of Dollars

Billions of Dollars



MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS
(CREDIT PROXY)

Billions of Dollars

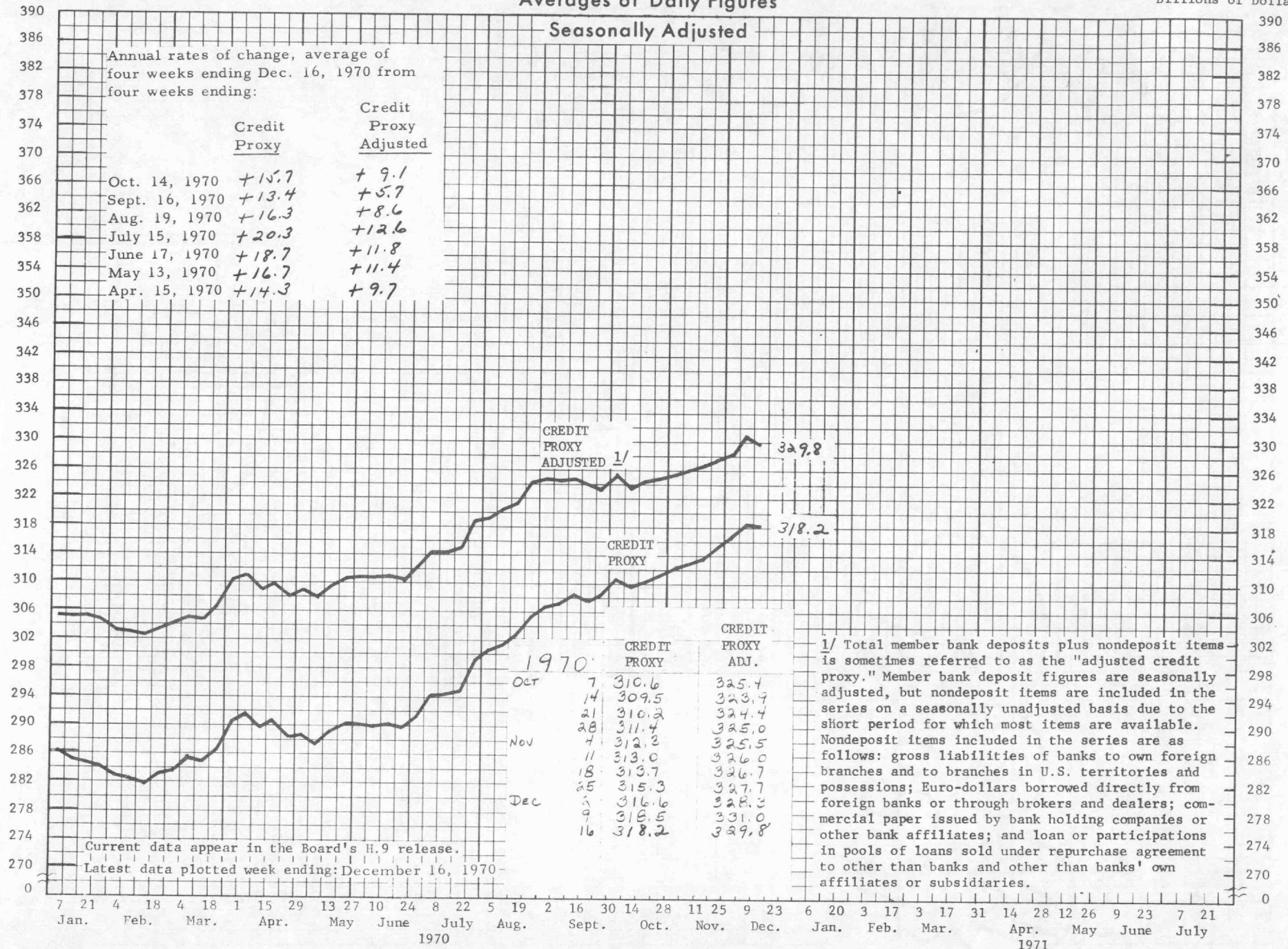
Billions of Dollars

Averages of Daily Figures

Seasonally Adjusted

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

	Credit Proxy	Credit Proxy Adjusted
Oct. 14, 1970	+15.7	+9.1
Sept. 16, 1970	+13.4	+5.7
Aug. 19, 1970	+16.3	+8.6
July 15, 1970	+20.3	+12.6
June 17, 1970	+18.7	+11.8
May 13, 1970	+16.7	+11.4
Apr. 15, 1970	+14.3	+9.7



1970		CREDIT PROXY	CREDIT PROXY ADJ.
OCT	7	310.6	325.4
	14	309.5	323.7
	21	310.2	324.4
	28	311.4	325.0
NOV	4	312.2	325.5
	11	313.0	326.0
	18	313.7	326.7
DEC	25	315.3	327.7
	2	316.6	328.2
	9	318.5	331.0
	16	318.2	329.8

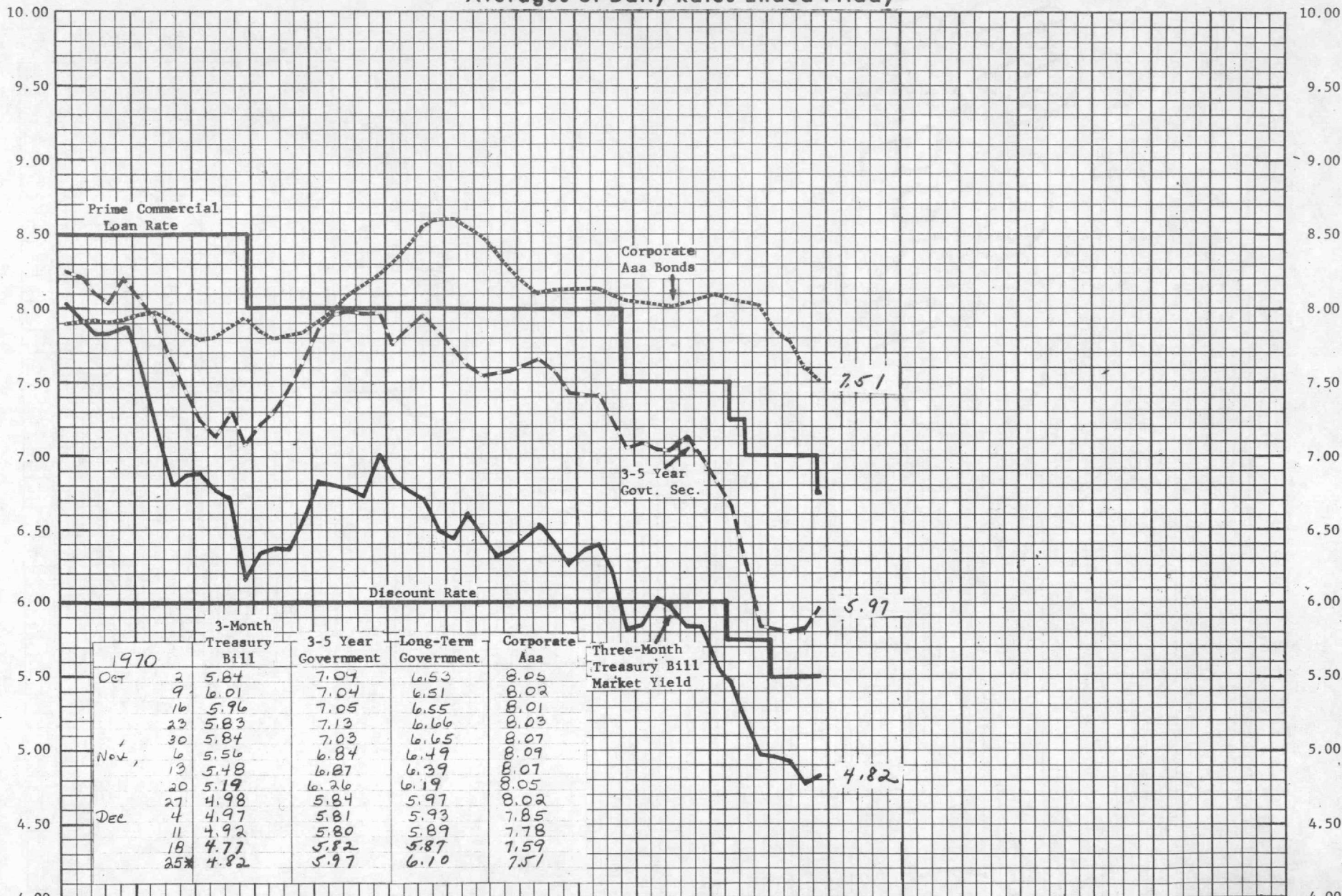
1/ Total member bank deposits plus nondeposit items is sometimes referred to as the "adjusted credit proxy." Member bank deposit figures are seasonally adjusted, but nondeposit items are included in the series on a seasonally unadjusted basis due to the short period for which most items are available. 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 loan or participations in pools of loans sold under repurchase agreement to other than banks and other than banks' own affiliates or subsidiaries.

Current data appear in the Board's H.9 release.
Latest data plotted week ending: December 16, 1970

YIELDS ON SELECTED SECURITIES Averages of Daily Rates Ended Friday

Per Cent

Per Cent



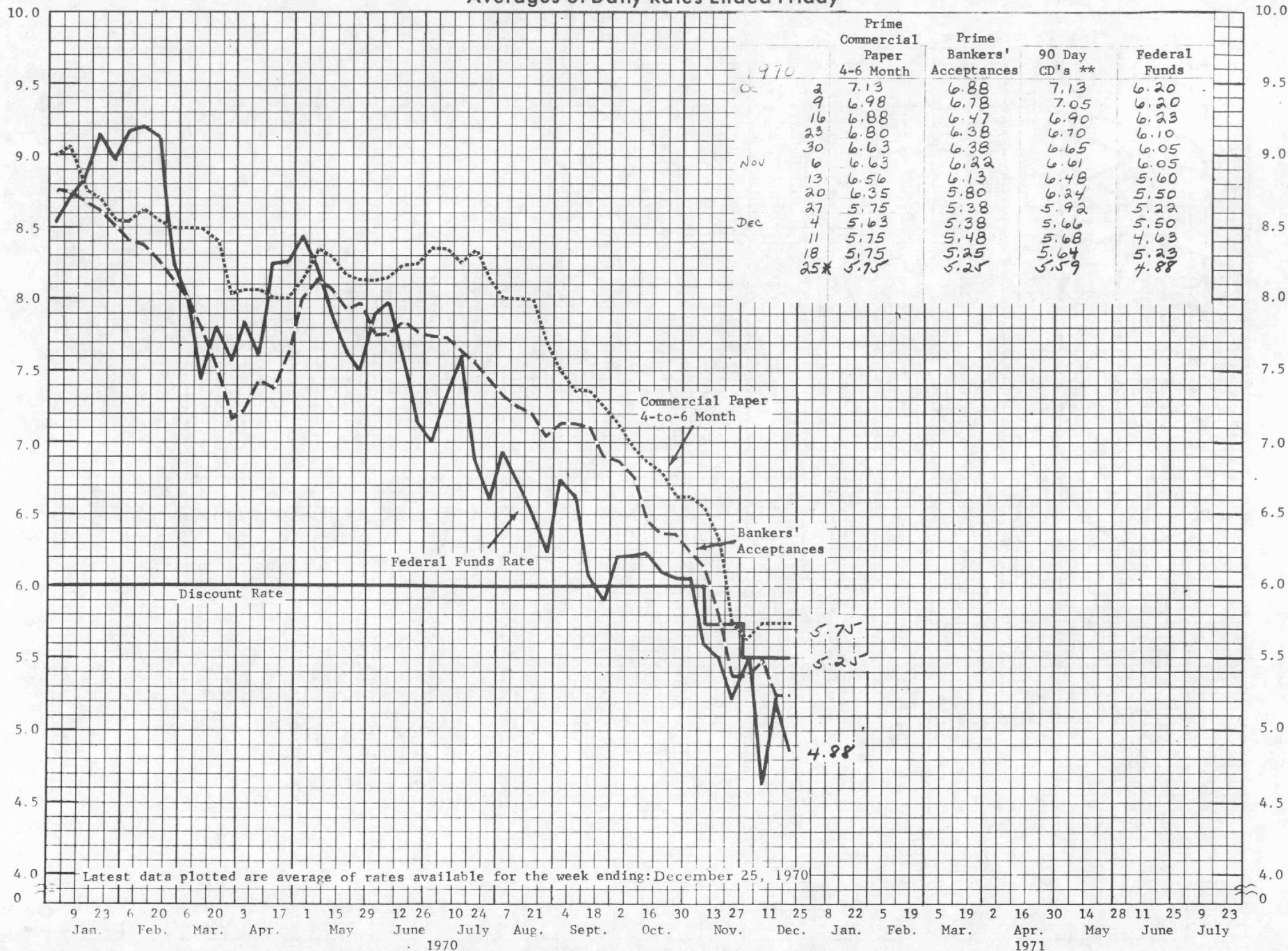
Latest data plotted are averages of rates available for the week ending December 25, 1970

* AVERAGES OF RATES AVAILABLE

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

Per Cent

Per Cent



* 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.

BORROWINGS AND EXCESS RESERVES

All Member Banks in the Nation

Averages of Daily Figures

Millions of Dollars

Millions of Dollars

