



Week ending: April 21, 1971

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Growth of the money supply has accelerated recently (page 5). In the past four months the money supply (demand deposits and currency held by the public) has increased at a 10.3 per cent compounded annual rate, compared with about a 6 per cent rate from February to November and a 3 per cent rate during 1969. Demand deposits have increased at a 10.3 per cent rate and currency has grown at a 9.7 per cent rate in the past four months. Time deposits at commercial banks have risen at about a 24 per cent rate since February 1970 (page 6). Consumer-type certificates of deposit and savings accounts increased at a 28 per cent rate from November to March, compared with a 13 per cent rate from February to November.

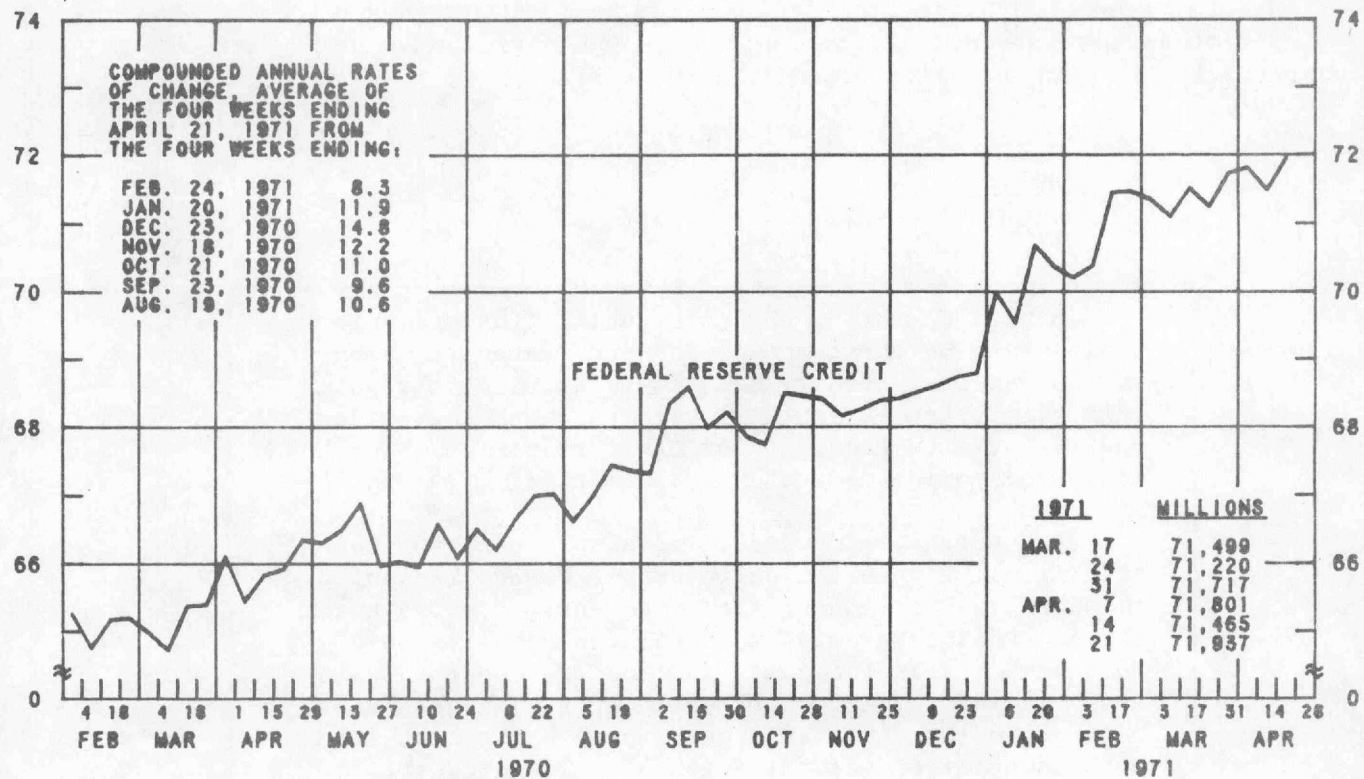
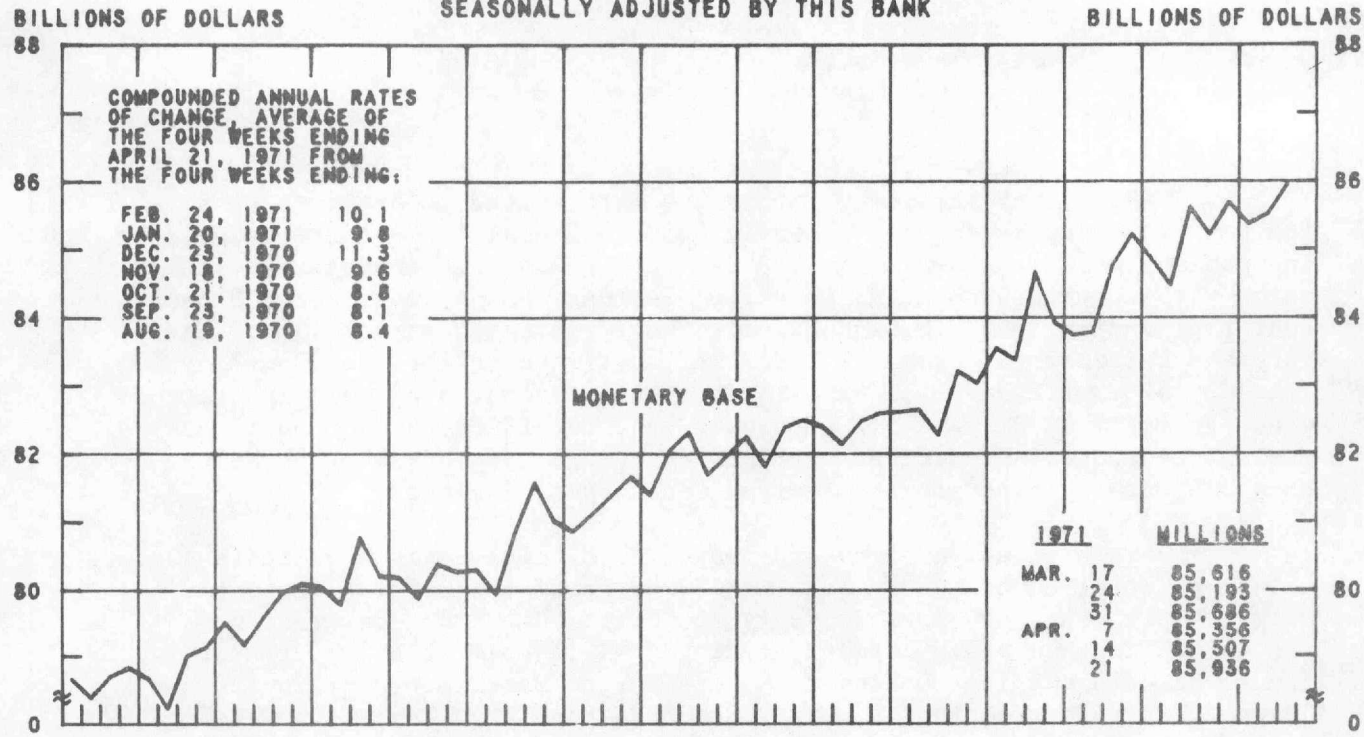
Total loans and investments of commercial banks have increased at a 14.7 per cent compounded annual rate from November to March, compared with a 9 per cent rate from February to November. This acceleration was due to an increase of investment holdings, which rose at a 31 per cent annual rate in the four months from November to March after rising at a 19 per cent rate from February to November. Loan growth has not accelerated in the past four months compared to the previous five, but has increased at an 8 per cent rate since the middle of 1970. The rapid growth of investments in recent months stemmed from a continued moderate demand for loans relative to the large supply of funds obtained from a more rapid rate of monetary expansion and time deposit growth.

Beginning this week, this publication will present tables showing the compounded annual rates of change of various series, rather than simple rates of change. This alteration makes the growth rates in this release consistent with those in our other releases, which have contained compounded rates for sometime.

In general, compounded and simple rates of change are different when the period under review is shorter than one year or longer than one year. For instance, the money stock grew at a compounded annual rate of 10.3 per cent in the past four months, compared with a simple rate of 10.0 per cent. Over the past twelve months the rate of change has been 6.2 per cent for both computation methods (page 5). Time deposits have grown at a compounded rate of 29.0 per cent in the past four months, compared with a simple rate of 26.6 per cent (page 6).

MONETARY BASE ^{1/} FEDERAL RESERVE CREDIT ^{2/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



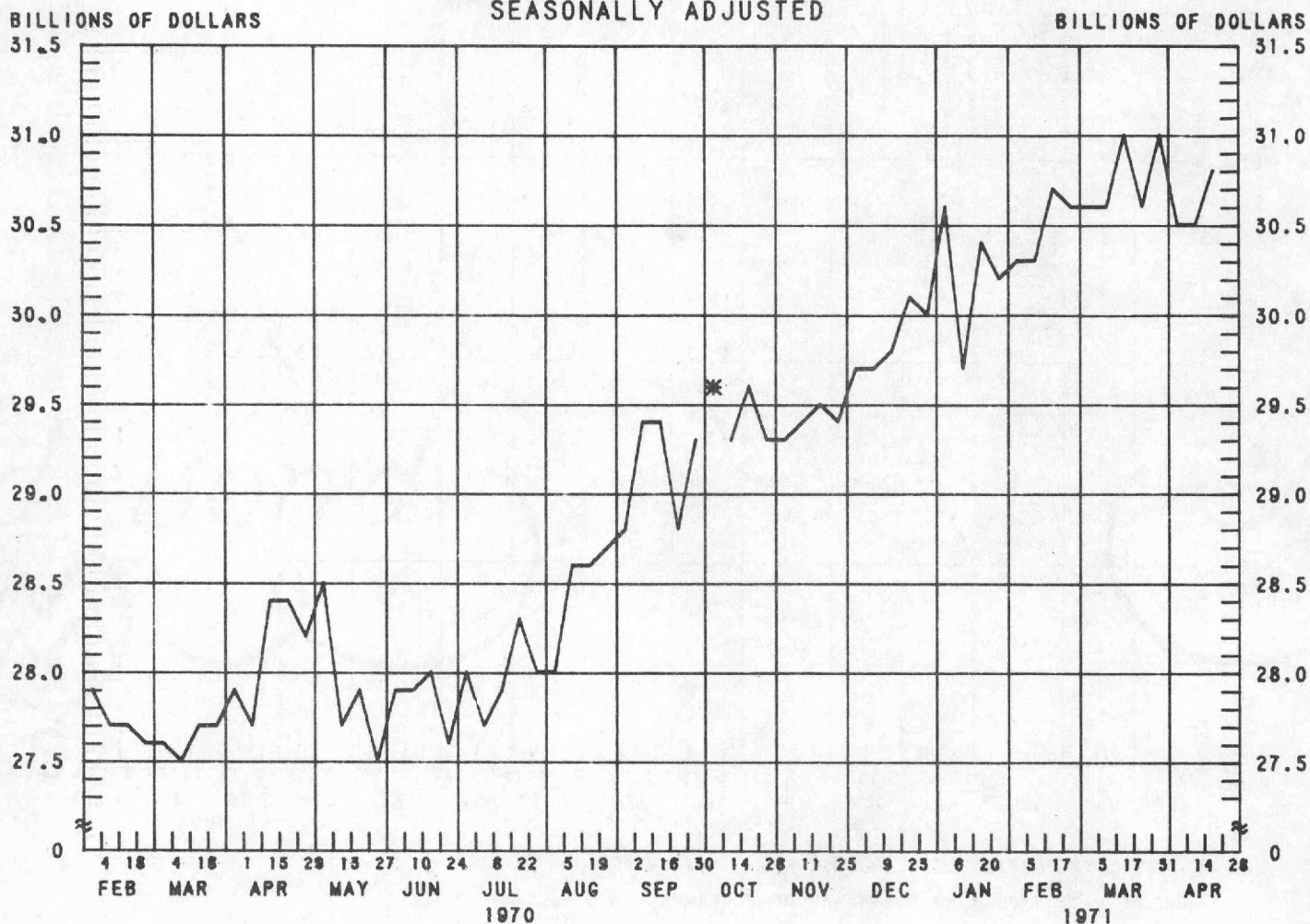
LATEST DATA PLOTTED WEEK ENDING: APRIL 21, 1971

- 1/ USES OF 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.

RESERVES

ALL MEMBER BANKS IN THE NATION

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 21, 1971

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

* BREAK IN SERIES DUE TO CHANGES IN REGULATION D EFFECTIVE OCTOBER 1, 1970.

1971	BILLIONS
MAR. 17	31.0
24	30.6
31	31.0
APR. 7	30.5
14	30.5
21	30.8

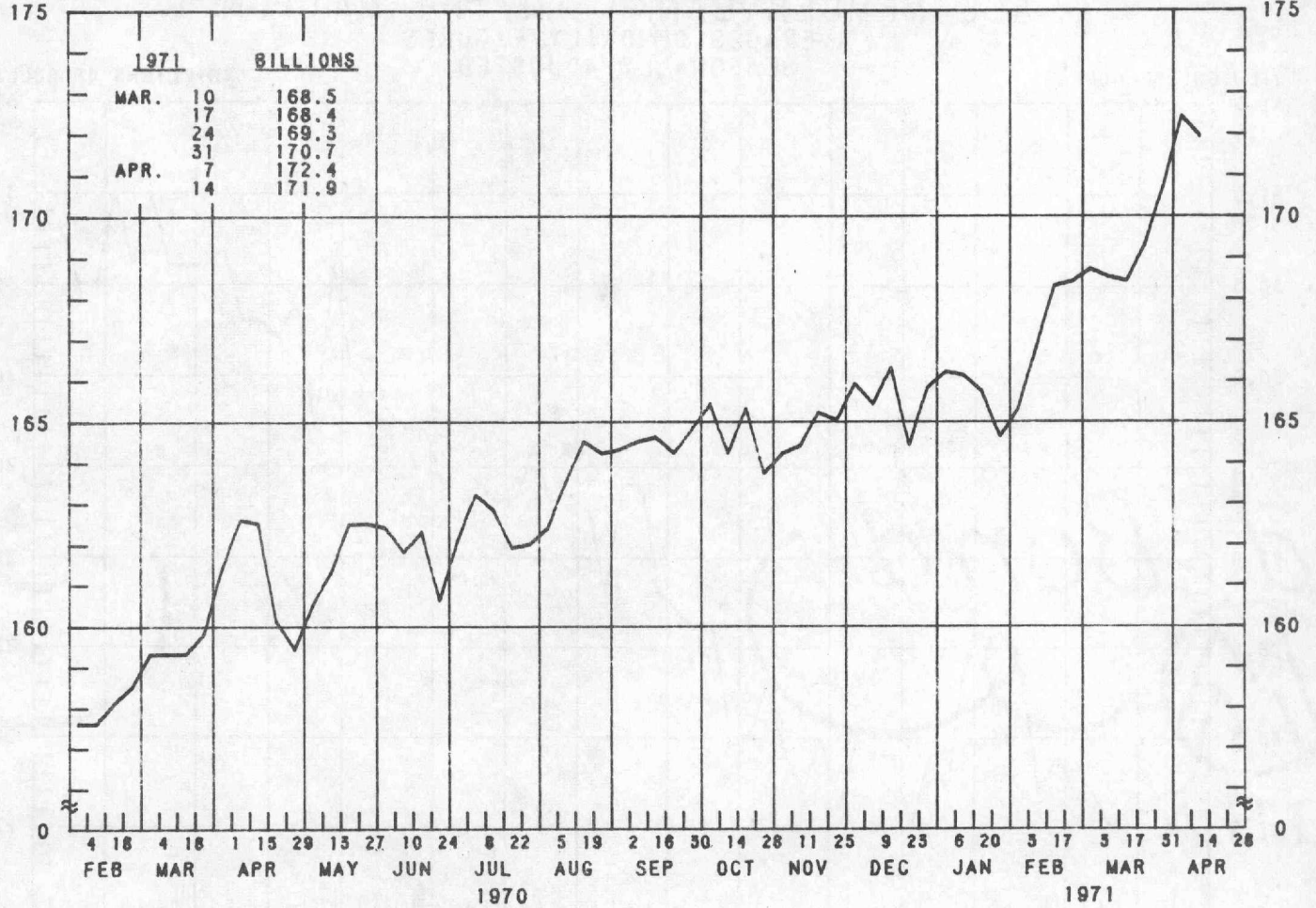
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING APRIL 21, 1971 FROM THE FOUR WEEKS ENDING:	
FEB. 24, 1971	4.5
JAN. 20, 1971	6.8
DEC. 23, 1970	9.5
NOV. 18, 1970	10.8
OCT. 21, 1970	8.3
SEP. 23, 1970	9.7
AUG. 19, 1970	12.9

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 14, 1971

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

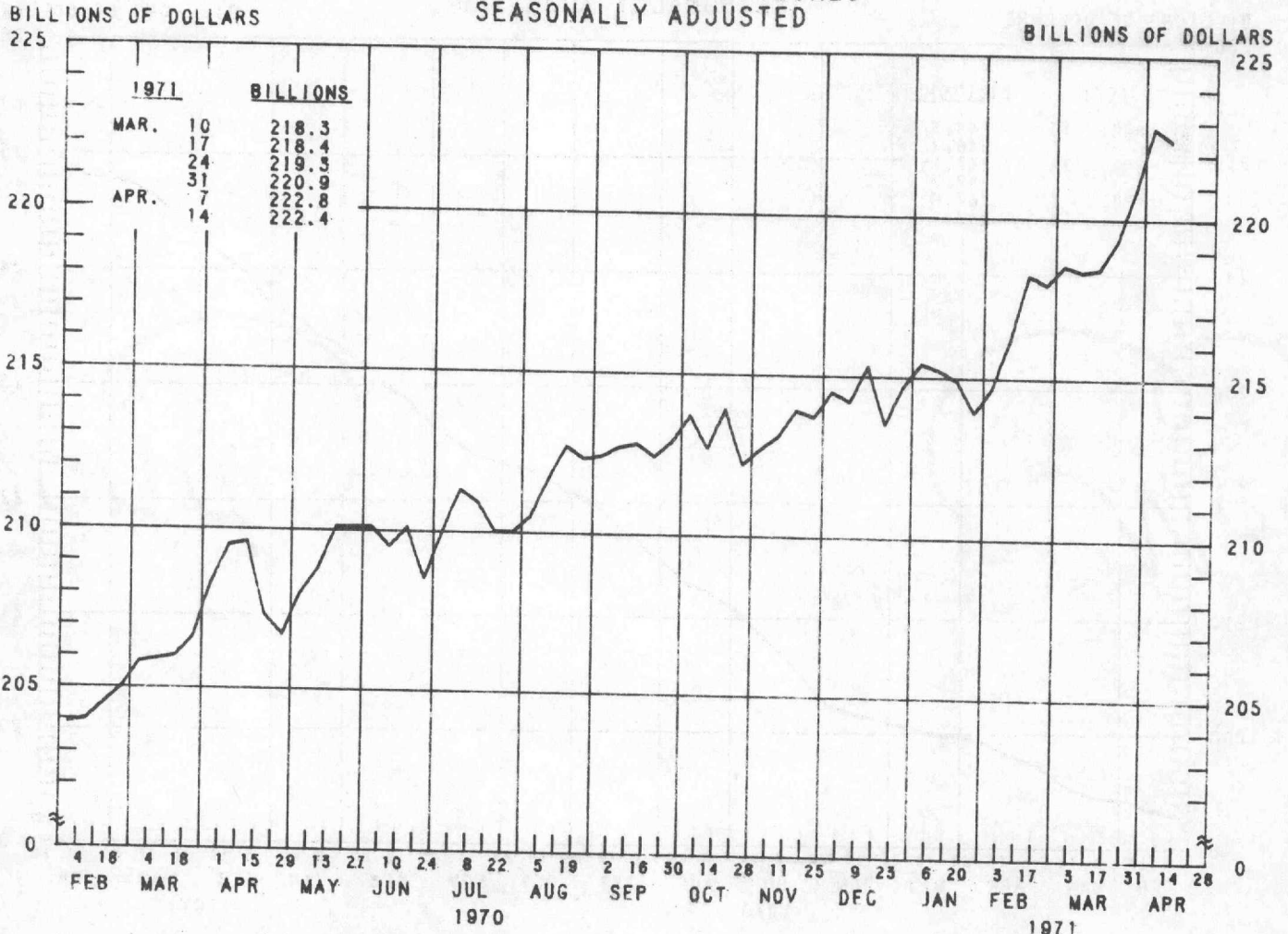
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
7/15/70 8/12/70 9/16/70 10/14/70 11/11/70 12/16/70 1/13/71 2/17/71

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/16/70	8.1							
10/14/70	6.3	8.1						
11/11/70	4.2	4.8	0.0					
12/16/70	5.2	5.8	3.2	3.6				
1/13/71	4.2	4.6	2.2	2.2	4.3			
2/17/71	4.3	4.6	2.8	2.8	4.4	2.1		
3/17/71	5.8	6.3	5.0	5.5	7.4	6.9	10.6	
4/14/71	7.4	8.0	7.2	7.9	9.9	10.3	14.0	20.3

MONEY STOCK

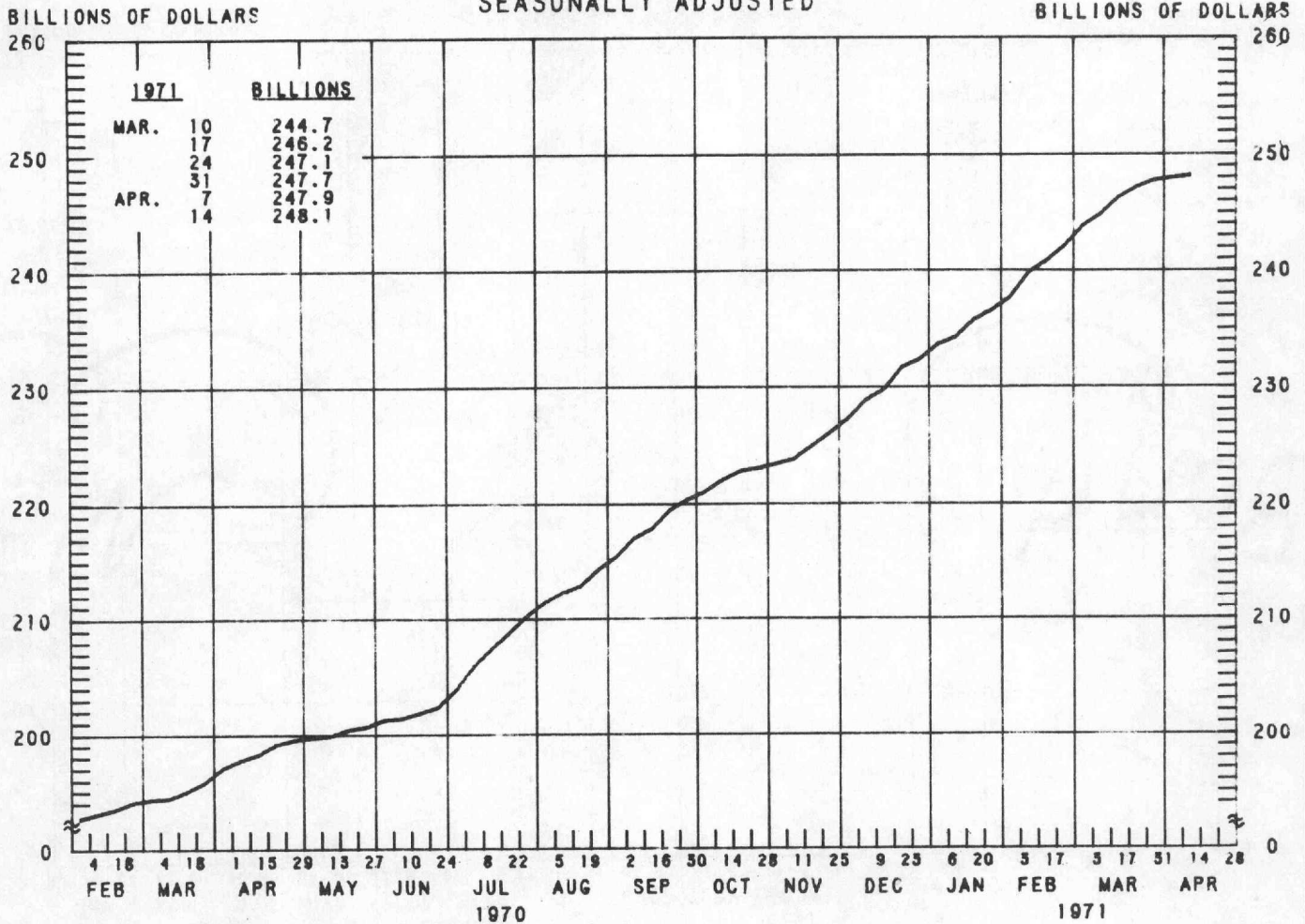
AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	2/25/70	8/12/70	9/16/70	10/14/70	11/11/70	12/16/70	1/13/71	2/17/71
9/16/70	7.4							
10/14/70	6.7	6.5						
11/11/70	6.0	4.6	1.2					
12/16/70	6.1	5.3	3.4	4.1				
1/13/71	5.7	4.7	3.1	3.4	4.7			
2/17/71	5.7	4.8	3.6	4.0	5.0	3.8		
3/17/71	6.4	6.2	5.4	6.1	7.4	7.5	10.1	
4/14/71	7.3	7.7	7.3	8.1	9.6	10.3	13.1	18.1

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

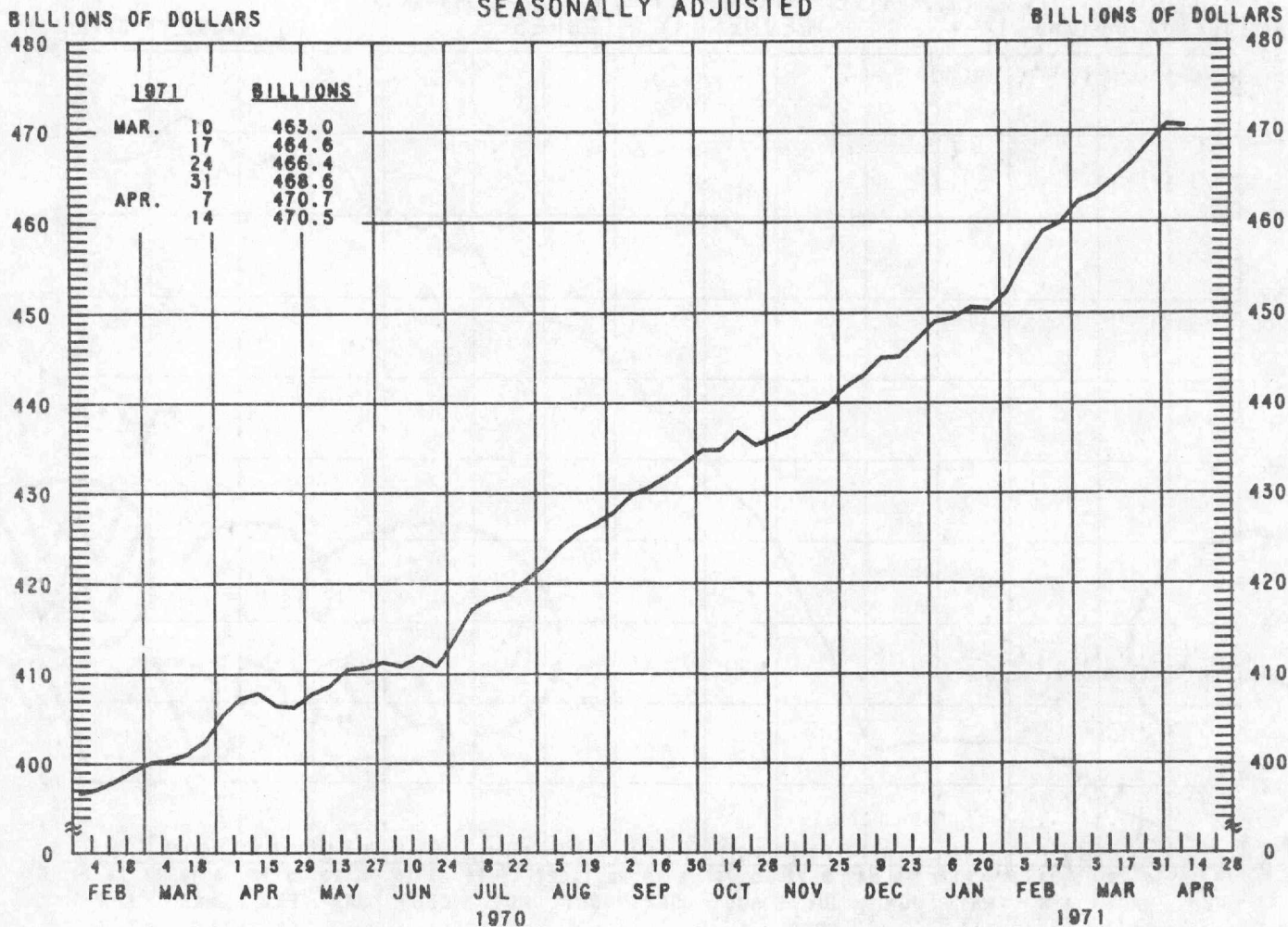


LATEST DATA PLOTTED WEEK ENDING: APRIL 14, 1971
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	7/15/70	8/12/70	9/16/70	10/14/70	11/11/70	12/16/70	1/13/71	2/17/71	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
9/16/70	36.4								
10/14/70	34.9	30.7							
11/11/70	30.3	26.2	23.7						
12/16/70	28.7	25.4	23.7	20.4					
1/13/71	29.3	26.7	25.7	24.0	27.5				
2/17/71	29.2	27.1	26.4	25.3	27.9	30.4			
3/17/71	29.9	28.1	27.7	27.0	29.5	31.8	31.5		
4/14/71	28.9	27.2	26.7	26.0	27.8	29.0	27.9	27.5	

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 14, 1971

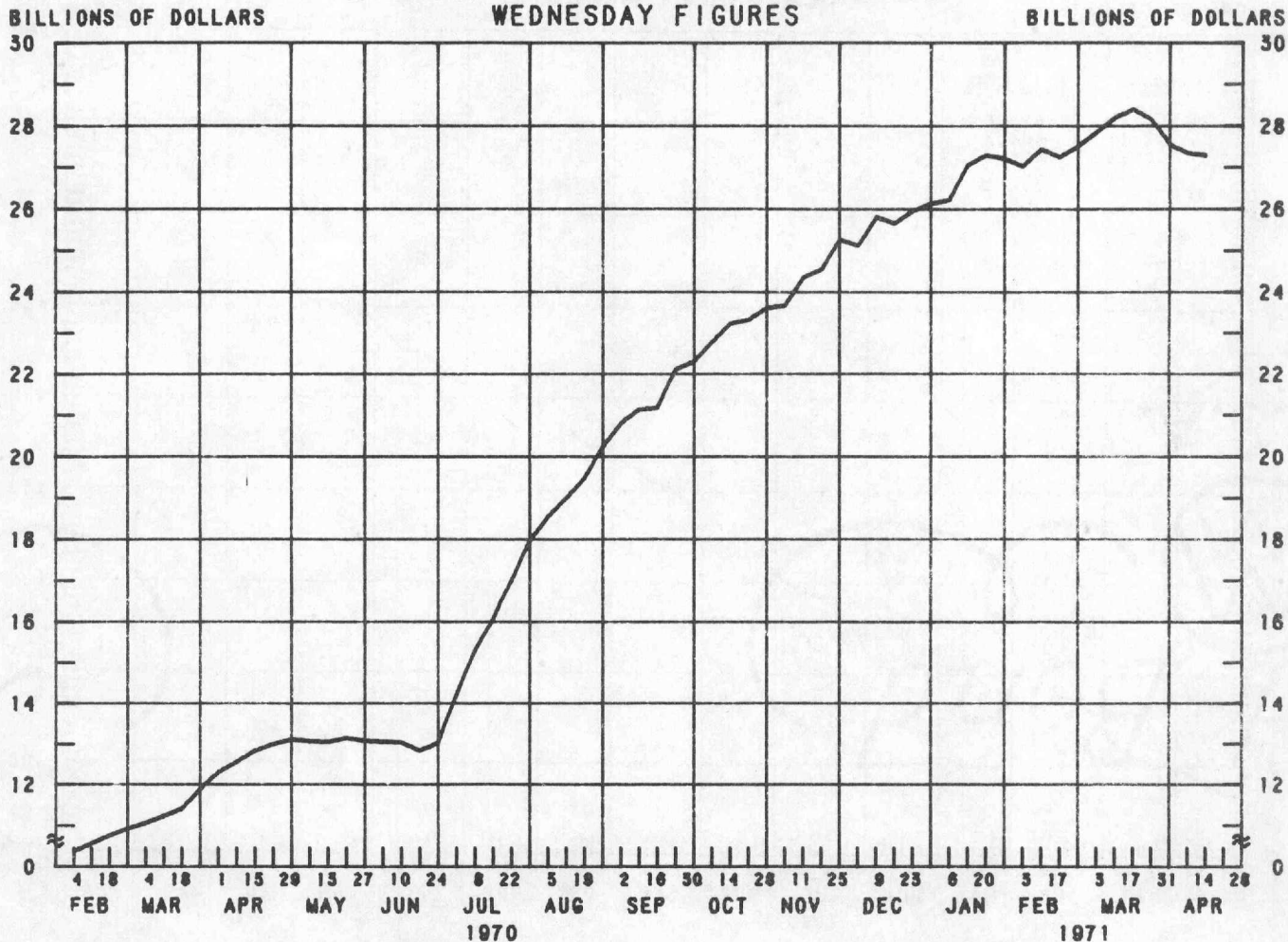
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
7/15/70 8/12/70 9/16/70 10/14/70 11/11/70 12/16/70 1/13/71 2/17/71

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/16/70	20.6								
10/14/70	19.2	18.2							
11/11/70	16.5	15.0	11.9						
12/16/70	16.3	15.2	13.4	12.3					
1/13/71	16.3	15.5	14.1	13.6	16.1				
2/17/71	16.4	15.7	14.8	14.5	16.4	16.7			
3/17/71	17.4	16.9	16.3	16.4	18.4	19.5	20.7		
4/14/71	17.7	17.4	16.9	17.0	18.8	19.6	20.6	23.0	

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS WEDNESDAY FIGURES



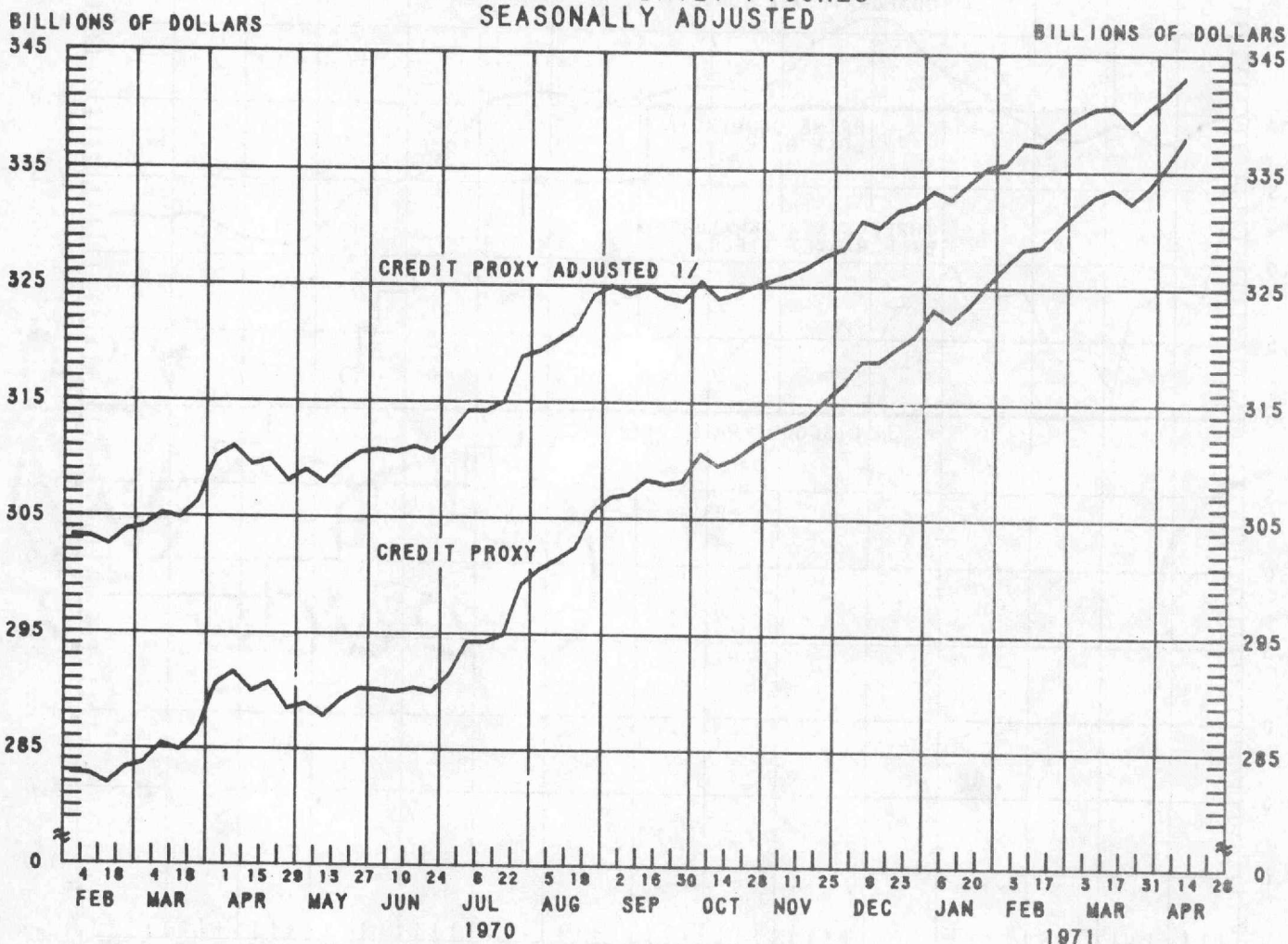
LATEST DATA PLOTTED WEEK ENDING: APRIL 14, 1971

CURRENT AND YEAR AGO DATA APPEAR IN THE BOARD OF GOVERNORS' H.4.2 RELEASE.

NEGOTIABLE TIME CERTIFICATES OF DEPOSIT IN DENOMINATIONS OF \$100,000 OR MORE.

<u>1971</u>		<u>MILLIONS</u>
MAR.	10	28,179
	17	28,591
	24	28,128
	31	27,523
APR.	7	27,315
	14	27,272

MEMBER BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS (CREDIT PROXY) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 14, 1971

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

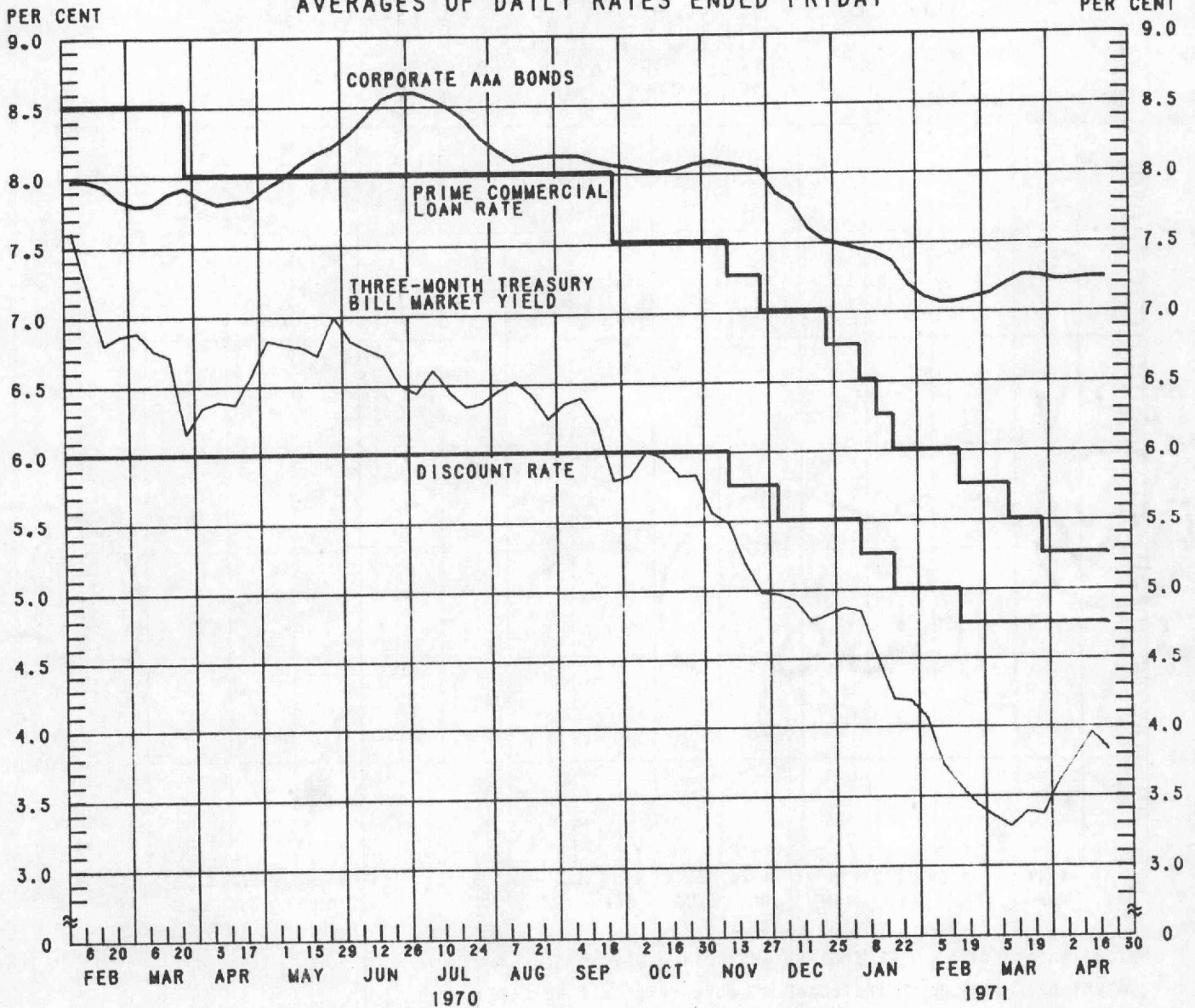
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1971		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
MAR.	10	332.9	340.4
	17	333.5	340.5
	24	332.3	338.9
	31	333.7	340.4
APR.	7	335.6	341.5
	14	337.9	343.0

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING APRIL 14, 1971 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
FEB.	17	16.3	9.2
JAN.	13	17.9	10.8
DEC.	16	18.0	11.4
NOV.	11	18.5	11.9
OCT.	14	17.4	10.6
SEP.	16	16.3	8.9
AUG.	12	18.3	10.7

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 23, 1971

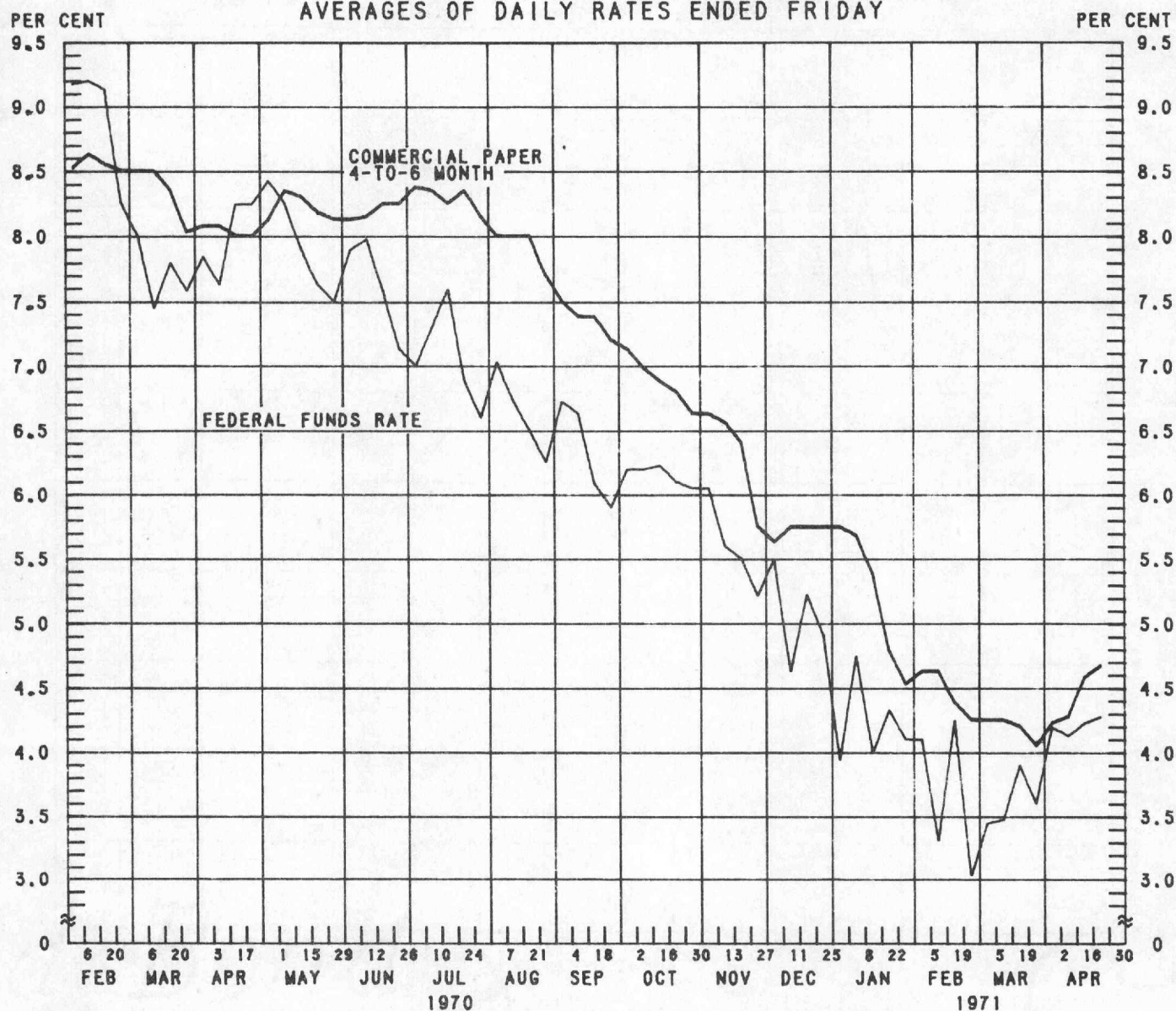
1971	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
FEB. 5	7.10	4.06	5.49	5.80
12	7.06	3.71	5.33	5.78
19	7.07	3.56	5.24	5.83
26	7.10	3.43	5.15	5.92
MAR. 5	7.13	3.35	5.07	5.94
12	7.20	3.28	4.75	5.77
19	7.26	3.39	4.55	5.65
26	7.25	3.37	4.56	5.54
APR. 2	7.22	3.61	4.85	5.64
9	7.23	3.78	5.08	5.66
16	7.24	3.96	5.37	5.73
23*	7.24	3.83	5.54	5.81
30				

* AVERAGES OF RATES AVAILABLE.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED SHORT-TERM INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



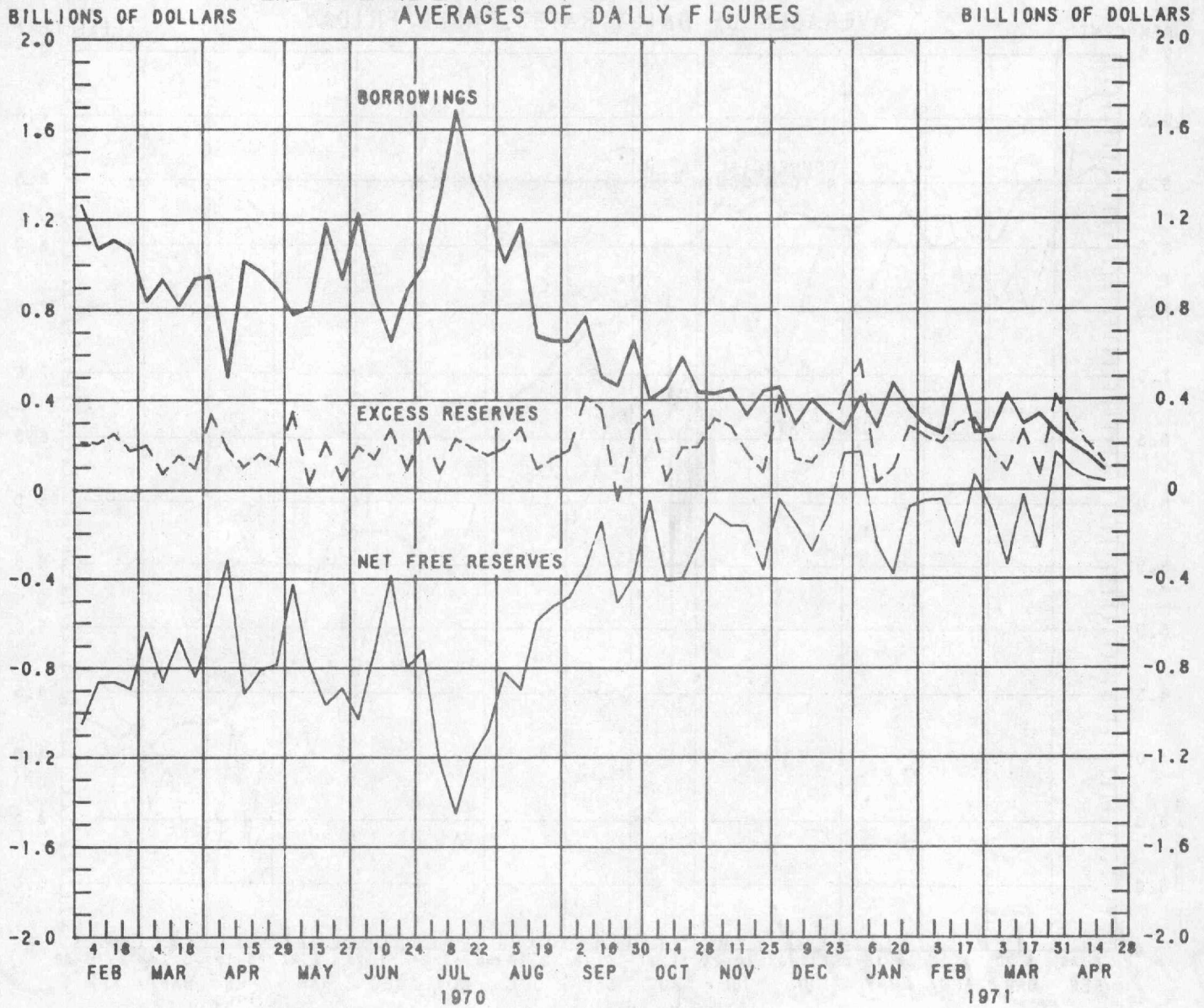
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 23, 1971

1971	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S **
FEB. 5	4.63	4.10	4.35	4.73
12	4.63	3.31	4.13	4.55
19	4.38	4.25	4.03	4.42
MAR. 26	4.25	3.03	3.85	4.21
5	4.25	3.45	3.75	4.04
12	4.25	3.48	3.70	3.89
19	4.20	3.90	3.83	3.81
MAR. 26	4.05	3.60	3.80	3.83
APR. 2	4.23	4.20	4.00	3.87
9	4.28	4.13	4.13	3.94
16	4.58	4.23	4.38	4.13
23*	4.67	4.28	4.42	4.46
30				

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS AND EXCESS RESERVES ALL MEMBER BANKS IN THE NATION



1971	MILLIONS		
	EXCESS RESERVES	BORROWINGS	FREE RESERVES
FEB. 3	237	283	- 46
10	205	247	- 42
17	297	561	- 264
24	317	250	67
MAR. 3	170	258	88
10	82	421	- 339
17	265	290	25
24	68	333	- 265
31	420	257	163
APR. 7	287	198	89
14	201	150	51
21	122	85	37
28			

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