



# U.S. FINANCIAL DATA

Week ending: July 21, 1971

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Monetary aggregates have risen at unprecedented rates in recent months. For instance, the nation's money stock has expanded at an 11.5 per cent annual rate in the past six months (page 5), ranking in the highest percentile of all consecutive six-month periods since World War II. Money plus net time deposits (called  $M_2$ ) has risen at a 16 per cent rate (page 7), ranking in the 99th percentile. Growth of aggregates in the last six months have greatly exceeded those rates of 1967 and 1968, the last period of rapid monetary expansion (see table below). This period was one of accelerating inflation and sharply rising interest rates.

Growth of other monetary aggregates, such as the monetary base and Federal Reserve credit which are largely under the control of monetary authorities, has been primarily responsible for the rapid growth of money. The monetary base has risen at a 9.4 per cent annual rate in the past six months (page 2), ranking in the 100th percentile. Federal Reserve credit has risen at a 13 per cent rate in the past six months, which is in the 89th percentile. In 1969, the base grew only 3 per cent, and the growth of the money stock slowed to about the same rate. In 1970 growth of the base accelerated to a 6.2 per cent rate of increase, resulting in a 5.4 per cent increase in the money stock.

## Selected Monetary Aggregates (annual rates of change)

	1957 to 1970	12/66 to 12/68	12/68 to 12/69	12/69 to 12/70	4 wks. ending 1/20/71 to 4 wks. ending 7/21/71
Money Stock	3.4	7.2	3.1	5.4	11.5*
Demand Deposits	3.1	7.4	2.4	5.1	11.9*
Money + net time deposits	5.8	9.7	2.4	8.2	15.9*
Monetary base	3.7	6.3	3.0	6.2	9.4
F. R. Credit	7.6	10.2	5.1	4.8	13.3

\* Four weeks ending 1/13/71 to the four weeks ending 7/14/71.

Prepared by Federal Reserve Bank of St. Louis

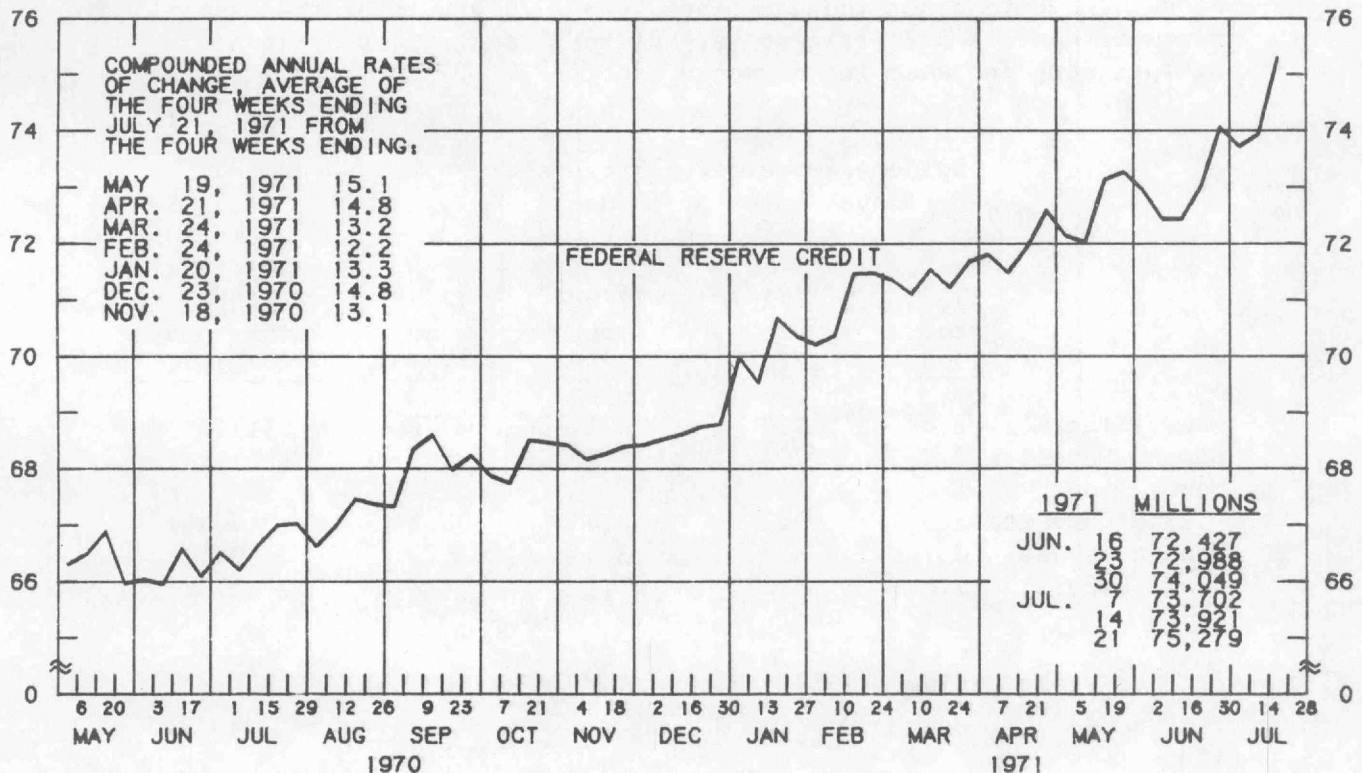
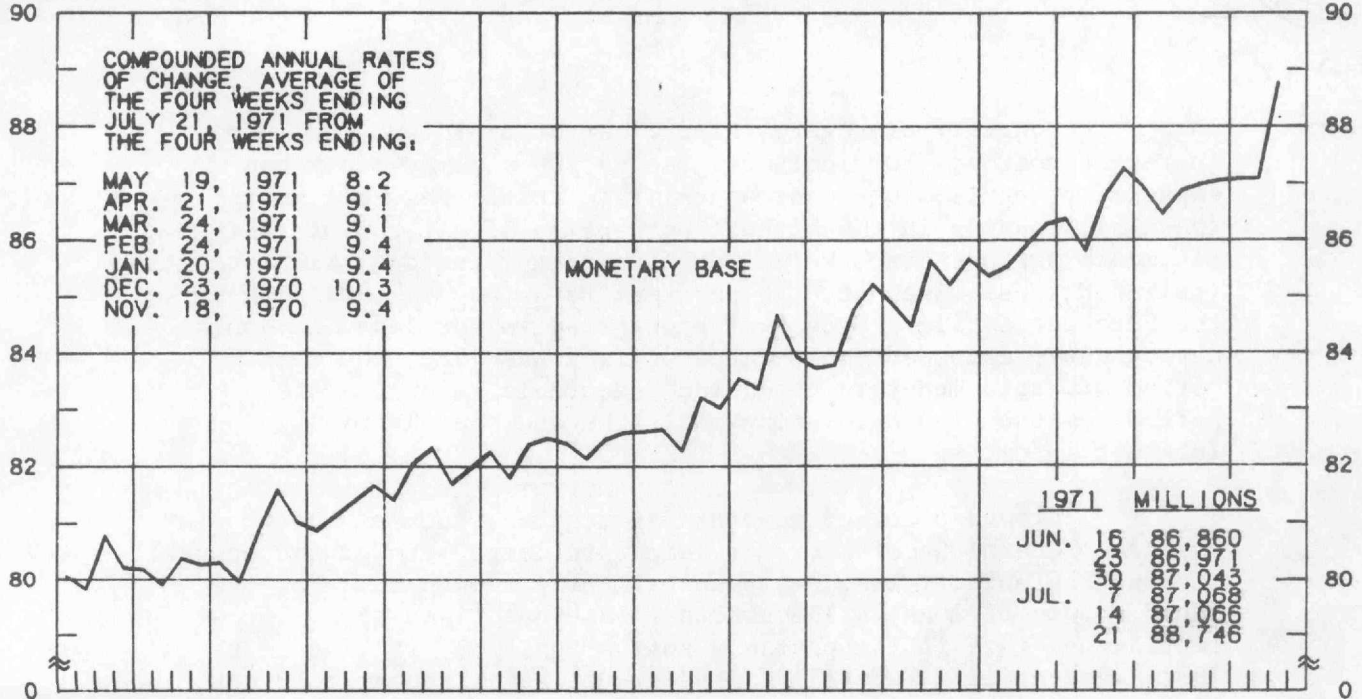
Released: July 23, 1971

# MONETARY BASE <sup>1/</sup> FEDERAL RESERVE CREDIT <sup>2/</sup>

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



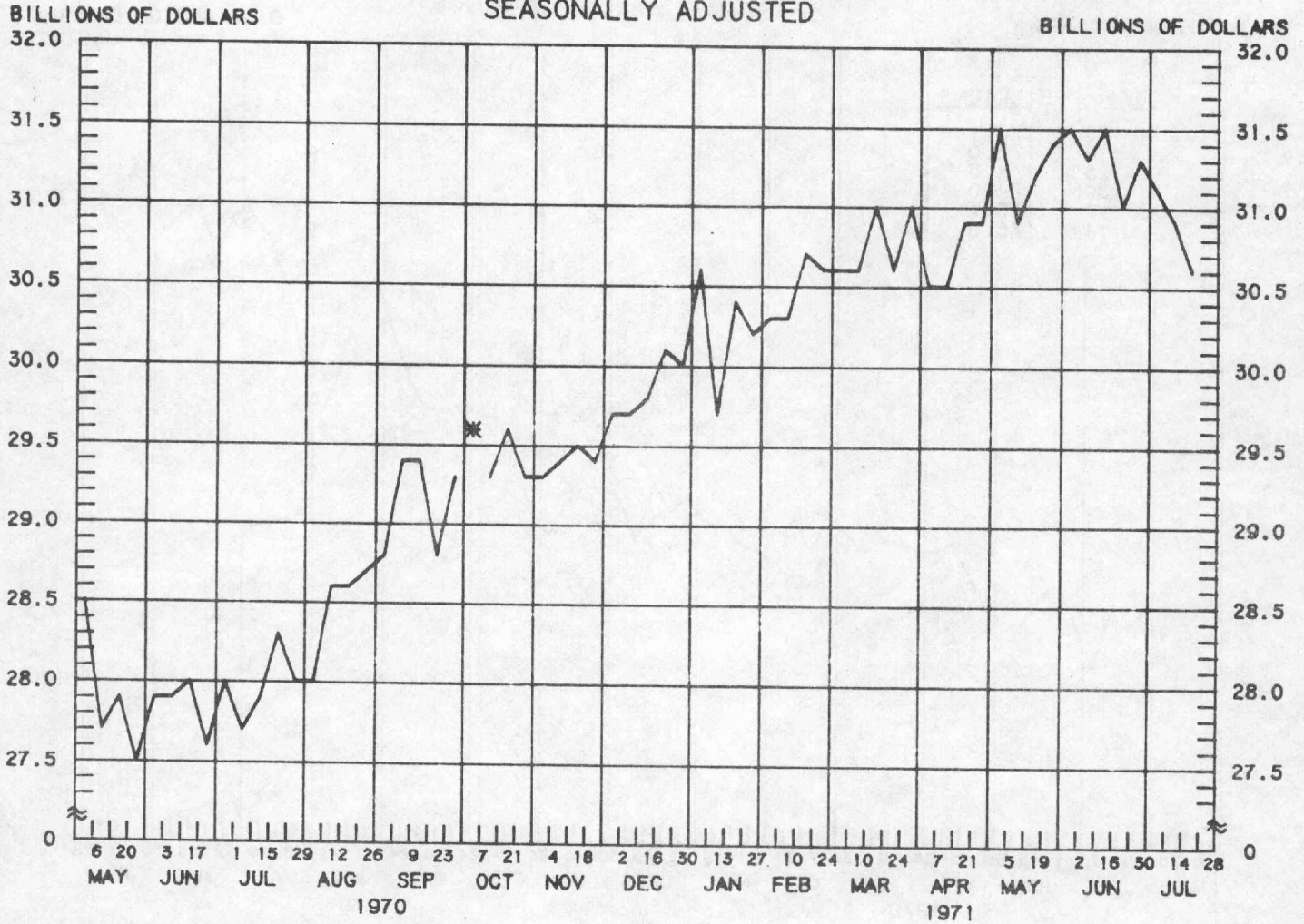
LATEST DATA PLOTTED WEEK ENDING: JULY 21, 1971

- 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: JULY 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.

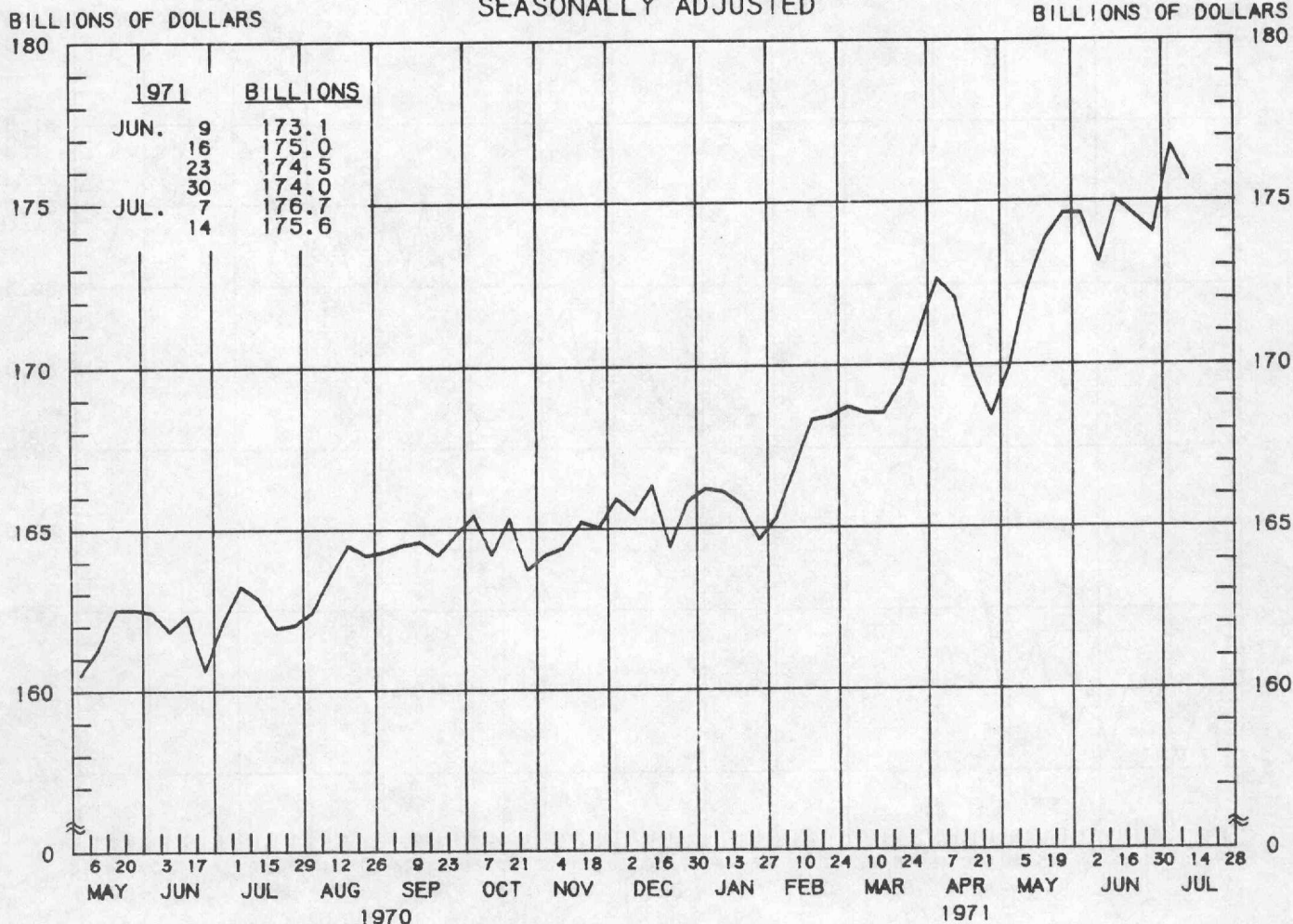
1971		BILLIONS
JUN.	16	31.5
	23	31.0
	30	31.3
JUL.	7	31.1
	14	30.9
	21	30.6

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING JULY 21, 1971 FROM THE FOUR WEEKS ENDING:	
MAY 19, 1971	-1.8
APR. 21, 1971	4.0
MAR. 24, 1971	3.0
FEB. 24, 1971	4.1
JAN. 20, 1971	5.4
DEC. 23, 1970	7.1
NOV. 18, 1970	8.2



# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971

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

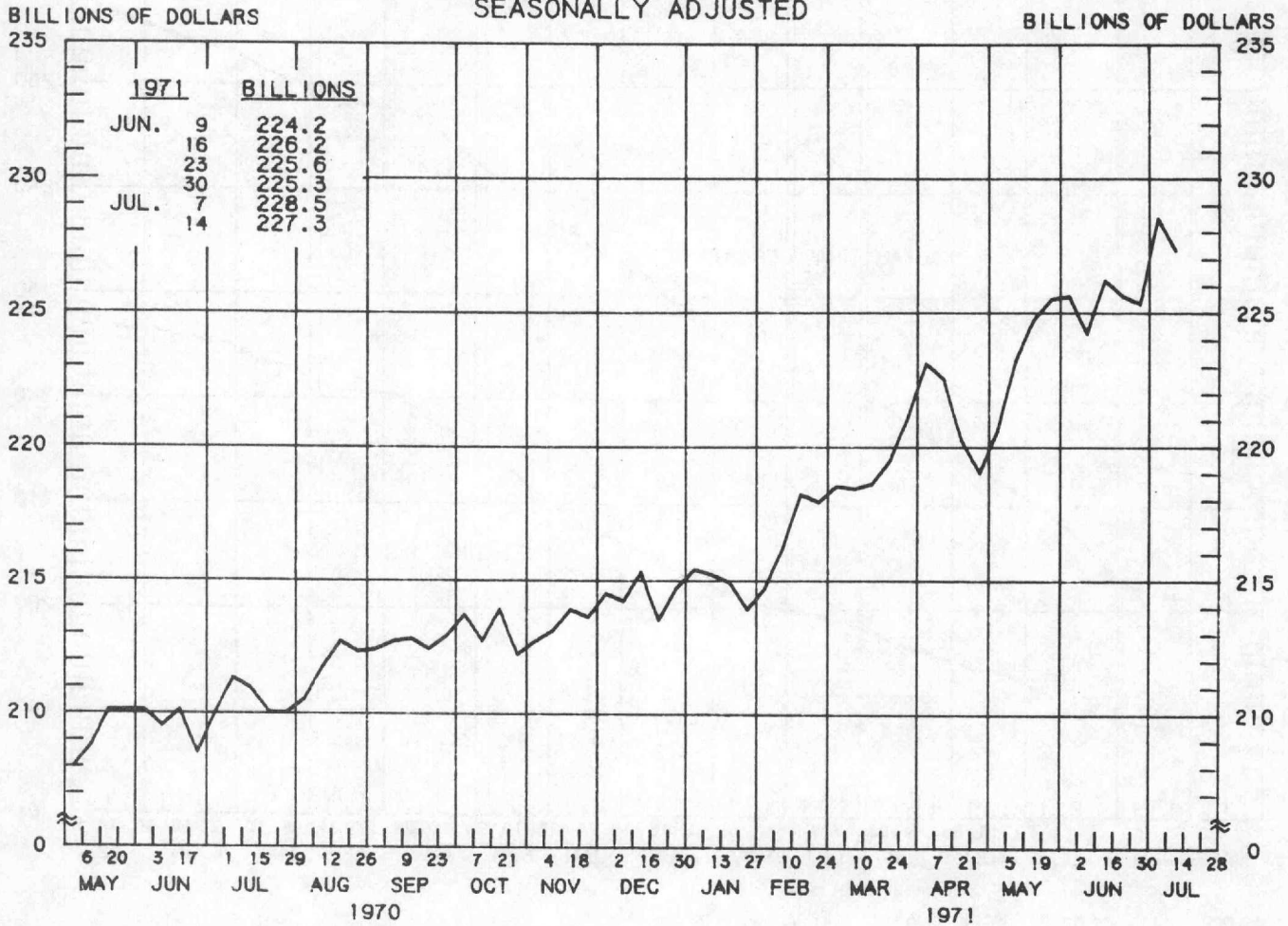
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:  
7/15/70 11/11/70 12/16/70 1/13/71 2/17/71 3/17/71 4/14/71 5/12/71

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

12/16/70	5.2							
1/13/71	4.2	4.3						
2/17/71	4.3	4.4	2.1					
3/17/71	5.8	7.4	6.9	10.6				
4/14/71	7.5	10.2	10.7	14.5	21.2			
5/12/71	5.9	7.1	6.7	8.5	10.3	6.3		
6/16/71	8.1	10.3	10.6	12.9	15.5	14.5	10.6	
7/14/71	8.0	9.9	10.1	11.9	13.8	12.7	9.4	18.6

# MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

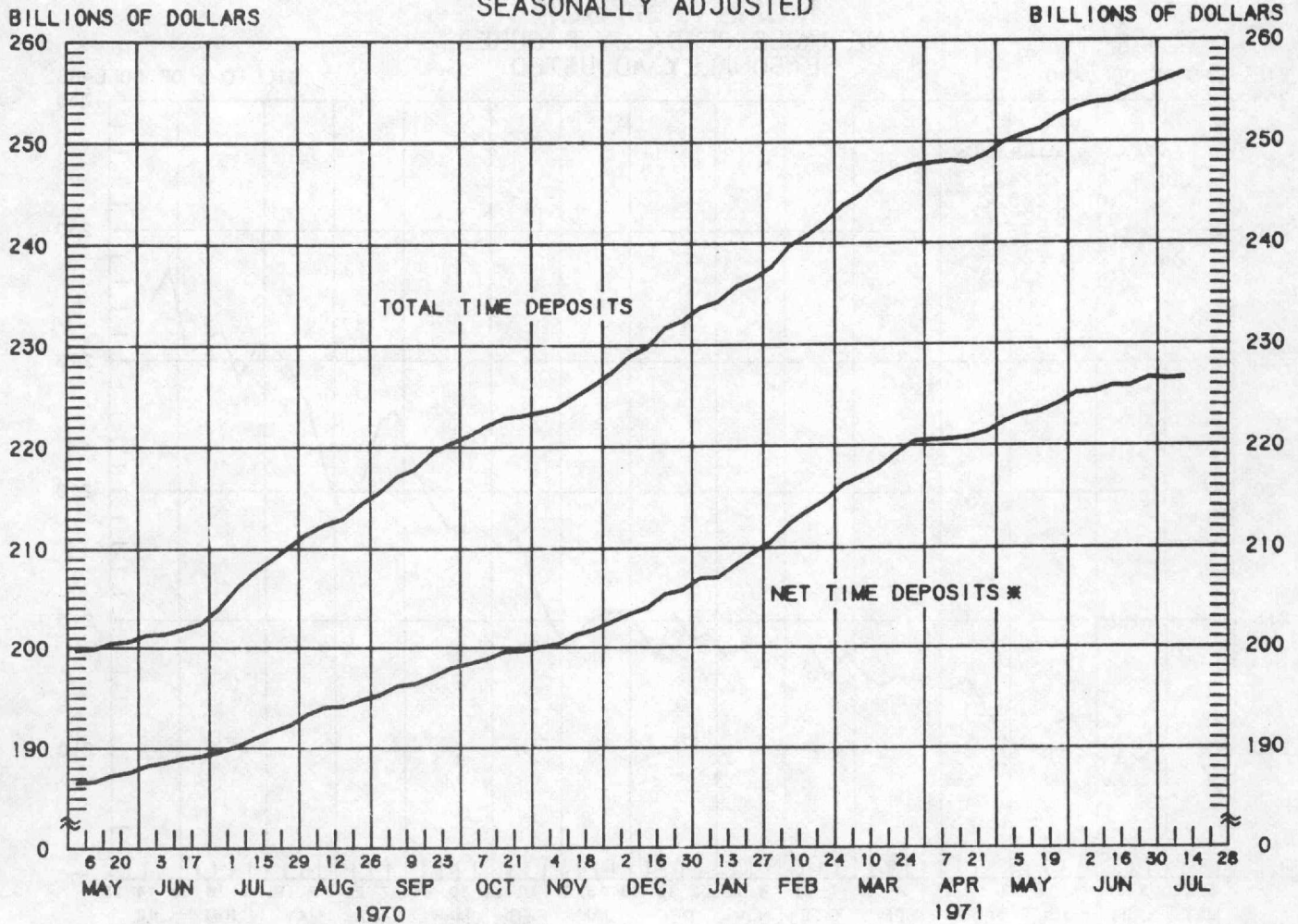


LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971  
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	7/15/70	11/11/70	12/16/70	1/13/71	2/17/71	3/17/71	4/14/71	5/12/71
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/16/70	4.8							
1/13/71	4.3	4.7						
2/17/71	4.5	5.0	3.8					
3/17/71	5.9	7.5	7.7	10.4				
4/14/71	7.3	9.8	10.6	13.5	18.8			
5/12/71	6.1	7.5	7.6	8.9	10.4	7.4		
6/16/71	7.9	10.0	10.5	12.2	14.2	13.5	10.3	
7/14/71	7.8	9.7	10.2	11.5	13.0	12.1	9.5	16.5

# TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971

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

\* NET TIME DEPOSITS ARE DEFINED AS: SAVINGS DEPOSITS, TIME DEPOSITS OPEN ACCOUNT PLUS TIME CERTIFICATES OF DEPOSIT OTHER THAN NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

### NET TIME DEPOSITS

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

7/15/70    11/11/70    12/16/70    1/13/71    2/17/71    3/17/71    4/14/71    5/12/71

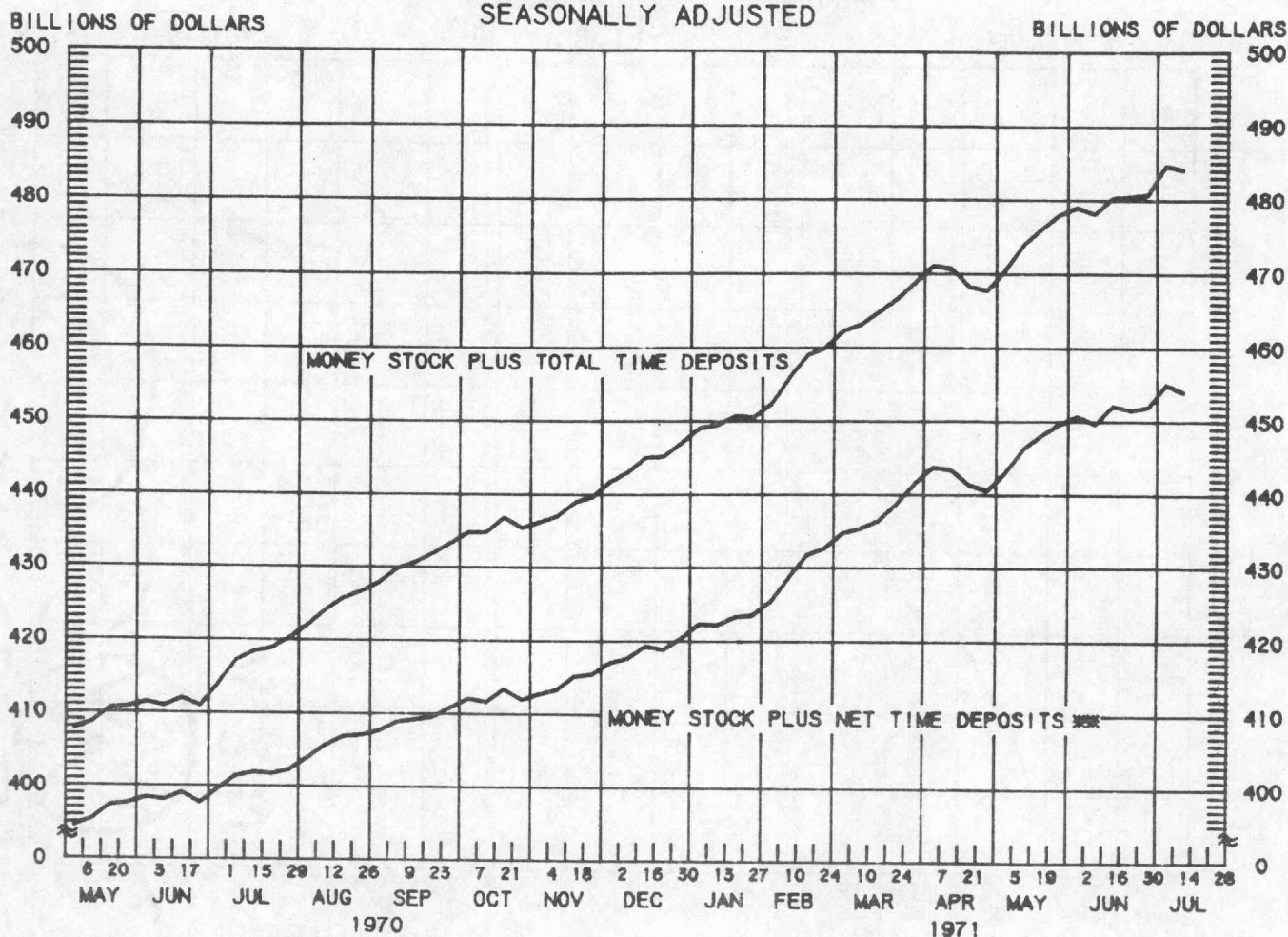
TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

12/16/70	16.9							
1/13/71	17.8	19.3						
2/17/71	19.8	23.3	27.1					
3/17/71	21.4	25.7	29.4	32.5				
4/14/71	21.8	25.7	28.4	30.3	30.0			
5/12/71	20.7	23.2	24.8	25.4	23.1	17.7		
6/16/71	20.2	22.0	23.1	23.2	21.0	17.1	13.6	
7/14/71	19.2	20.3	20.9	20.7	18.4	14.8	11.7	12.3



# MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971

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

\*\* M<sub>2</sub> IS DEFINED AS: CURRENCY, DEMAND DEPOSITS PLUS NET TIME DEPOSITS (SEE PAGE 6).

## MONEY STOCK PLUS NET TIME DEPOSITS (M<sub>2</sub>)

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

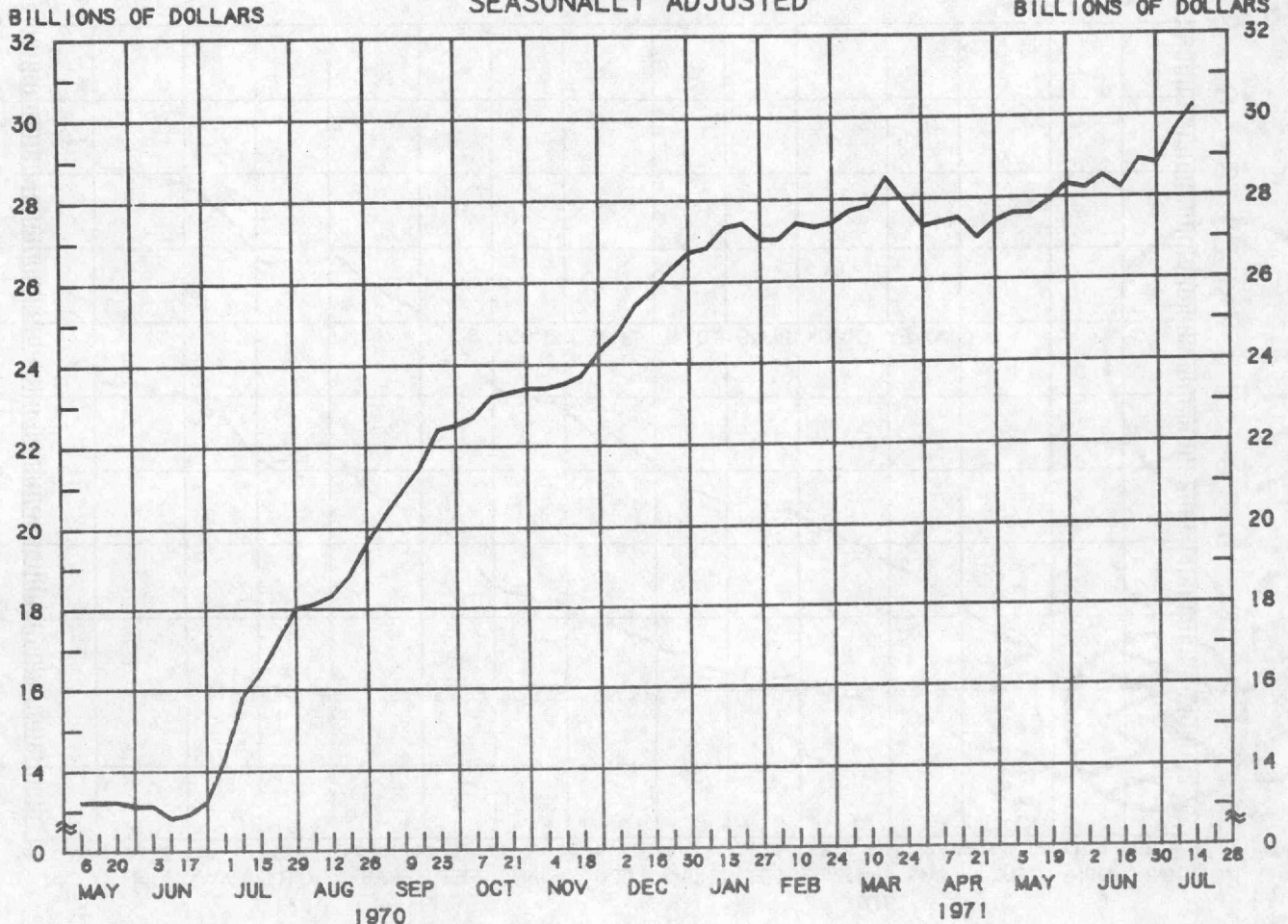
7/15/70 11/11/70 12/16/70 1/13/71 2/17/71 3/17/71 4/14/71 5/12/71

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

12/16/70	10.5						
1/13/71	10.6	11.7					
2/17/71	11.7	13.7	14.7				
3/17/71	13.1	16.1	17.8	20.7			
4/14/71	14.1	17.4	19.1	21.5	24.2		
5/12/71	13.0	15.0	15.8	16.8	16.6	12.6	
6/16/71	13.7	15.7	16.5	17.4	17.5	15.2	11.8
7/14/71	13.2	14.8	15.3	15.9	15.6	13.5	10.6 14.4

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971

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

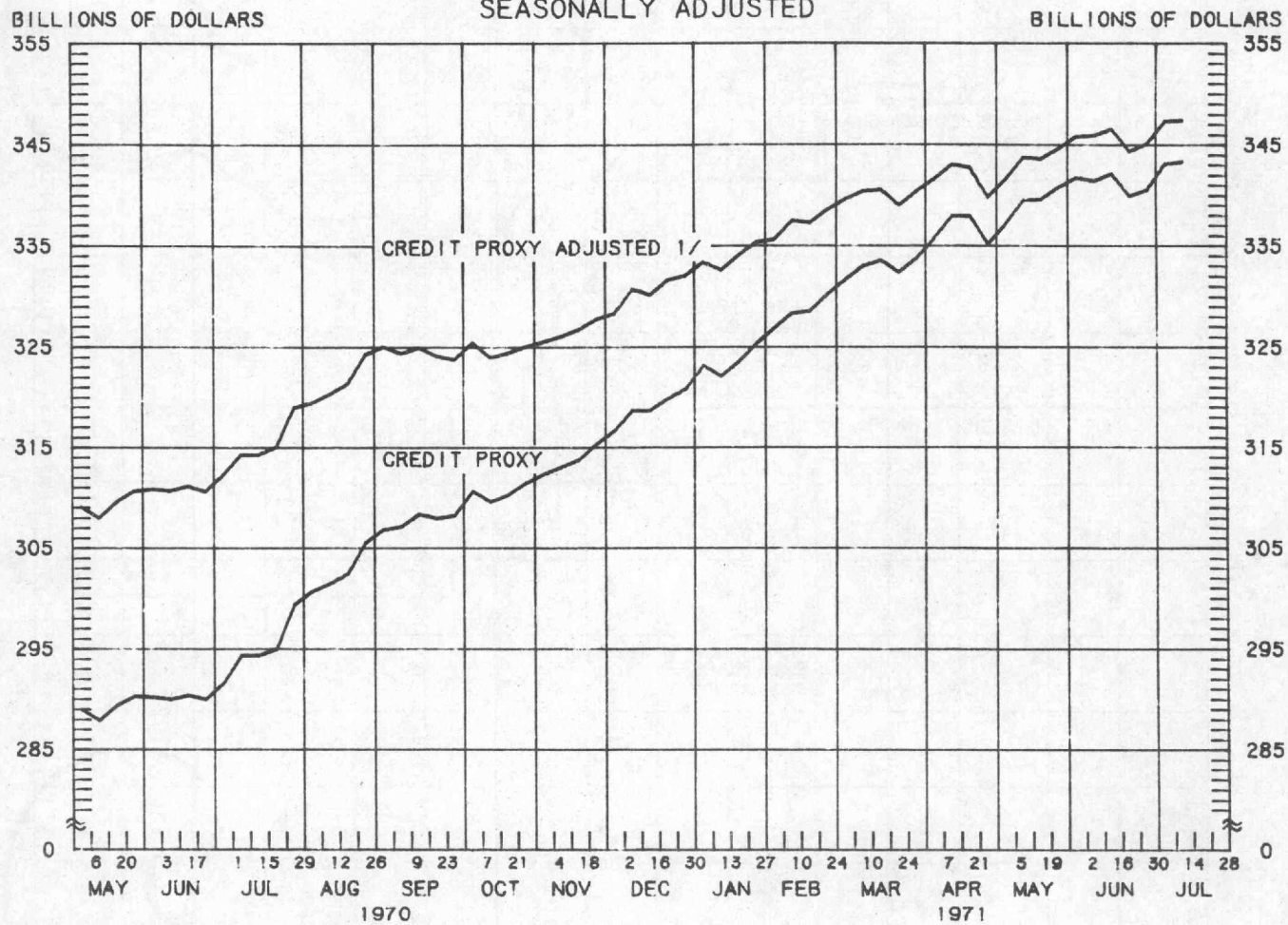
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1971	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 **
MAY 5	27.6	222.3	442.9
12	27.6	223.0	446.2
19	27.9	223.3	448.0
JUNE 26	28.3	224.1	449.5
JUNE 2	28.2	225.1	450.6
9	28.5	225.2	449.5
16	28.2	225.8	452.0
23	28.9	225.8	451.4
30	28.8	226.6	451.9
JULY 7	29.6	226.5	455.0
14	30.2	226.6	453.9
21			
28			

\* SEE FOOTNOTE PAGE 6.  
\*\* SEE FOOTNOTE PAGE 7.



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



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1971

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

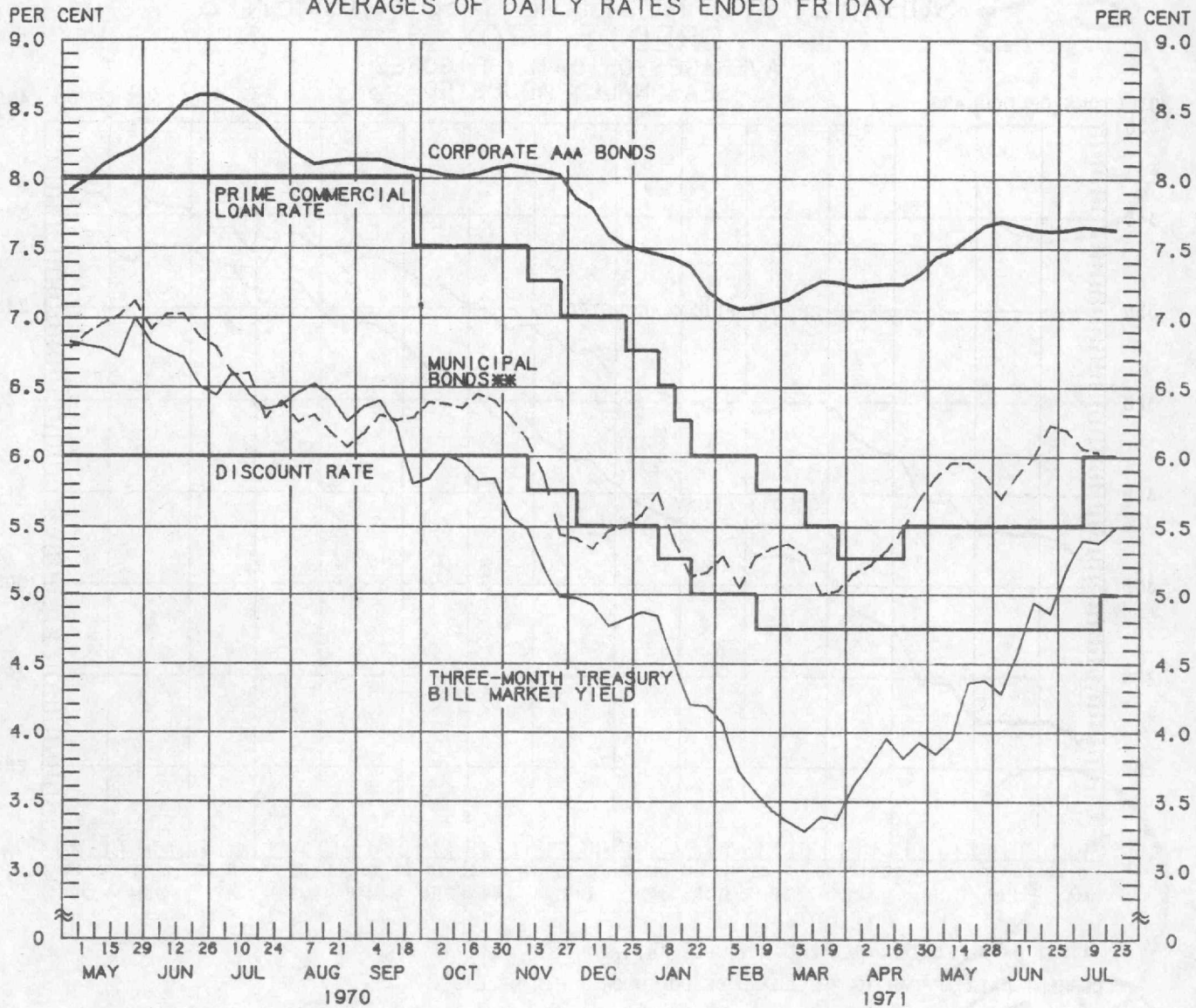
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1971		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUN.	9	341.4	345.9
	16	342.1	346.5
	23	339.9	344.3
JUL.	30	340.5	345.1
	7	343.1	347.3
	14	343.3	347.4

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING JULY 14, 1971 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
MAY	12, 1971	7.6	6.9
APR.	14, 1971	8.4	6.0
MAR.	17, 1971	9.1	5.7
FEB.	17, 1971	11.3	7.2
JAN.	13, 1971	13.0	8.4
DEC.	16, 1970	13.7	9.0
NOV.	11, 1970	14.6	9.6

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



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

1971	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS **
MAY 7	7.43	3.84	5.92	5.92	5.85
14	7.48	3.96	5.98	5.96	5.96
21	7.57	4.36	6.20	6.04	5.96
28	7.66	4.38	5.97	5.90	5.86
JUNE 4	7.69	4.28	5.92	5.79	5.70
11	7.66	4.58	6.22	5.89	5.87
18	7.63	4.94	6.54	6.06	6.00
25	7.62	4.86	6.46	5.98	6.23
JULY 2	7.63	5.17	6.70	5.97	6.19
9	7.65	5.40	6.70	5.92	6.06
16	7.64	5.38	6.64	5.82	6.03
23 *	7.63	5.49	6.79	5.91	N.A.
30					

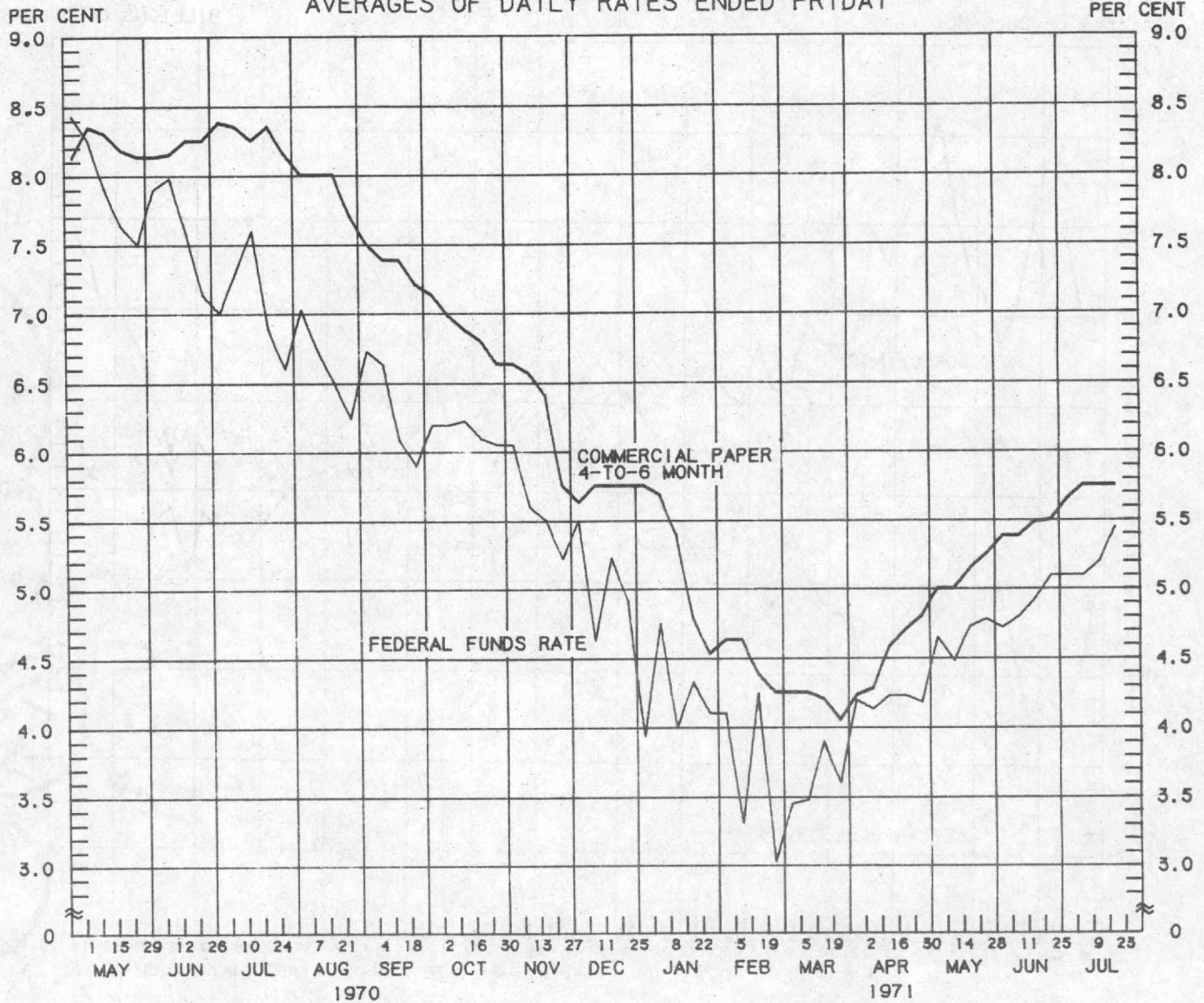
\* AVERAGES OF RATES AVAILABLE.  
 \*\* BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.  
 N.A. - NOT AVAILABLE

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: JULY 23, 1971

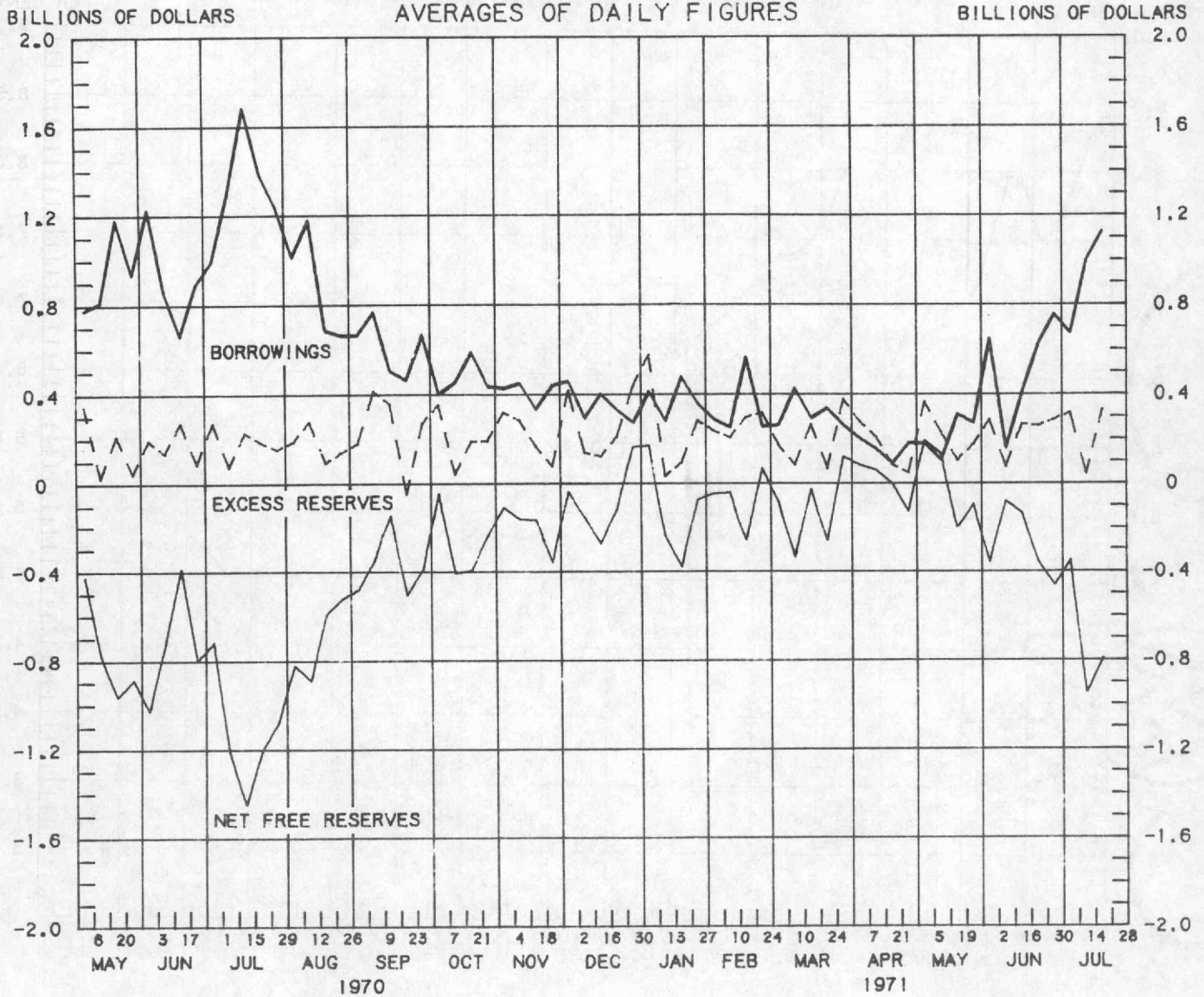
1971	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S **
MAY 7	5.00	4.65	4.83	4.82
14	5.00	4.48	4.88	4.83
21	5.15	4.73	4.95	4.91
28	5.25	4.78	5.00	5.12
JUNE 4	5.38	4.72	5.00	5.25
11	5.38	4.80	5.18	5.28
18	5.48	4.93	5.43	5.33
25	5.50	5.10	5.50	5.43
JULY 2	5.65	5.10	5.60	5.53
9	5.75	5.10	5.63	5.59
16	5.75	5.20	5.50	5.68
23 *	5.75	5.45	5.63	5.77
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
MAY 5	365	174	191
12	230	99	131
19	102	306	- 204
26	174	267	- 93
JUNE 2	285	646	- 361
9	73	153	- 80
16	266	403	- 137
23	258	618	- 360
30	286	752	- 466
JULY 7	316	667	- 351
14	41	993	- 952
21	329	1122	- 793
28			

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