



Week ending: September 15, 1971

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The nation's money stock, defined as private demand deposits plus currency in the hands of the public, has increased at 10.6 per cent annual rate in the past seven months (page 5). In the past three months, the growth of money has slowed to a 5.1 per cent annual rate. These rates are rapid by historical standards; money grew at a 3.4 per cent trend rate from 1957 to 1970.

Many short- and long-term market interest rates remain below their August 13 levels, the week preceding the announcement of the new economic policies, after rising in the previous five months. Throughout 1971, most rates have remained below their levels of November 1970, the tentative trough month of the recent recession (pages 10 and 11). Yields on three-month Treasury bills averaged 4.82 per cent in the three days ending September 15, 42 basis points below the week of August 13 (see table below). The rates on three- to five-year Government securities averaged 6.03 per cent in the first half of this week, down 78 basis points from their August 13 level. Yields on seasoned corporate Aaa bonds averaged 7.43 per cent this week, down about 28 basis points from five weeks earlier.

SELECTED INTEREST RATES

	3 days ending 9/15/71	<u>Change in basis points since</u> week ending week ending		
		8/13/71	3/12/71	11/70
Three-month Treasury bills	4.82%	-42	+154	-46
Federal Funds	5.38	-20	+190	-22
Prime 4- to 6-month commercial paper	5.75	-08	+150	-55
3- to 5-year Government securities	6.03	-78	+128	-34
Long-term Government bonds	5.60	-30	- 17	-64
Aaa corporate bonds	7.43	-28	+ 23	-62
Discount rate	5.00	-0-	+ 25	-85

Prepared by Federal Reserve Bank of St. Louis

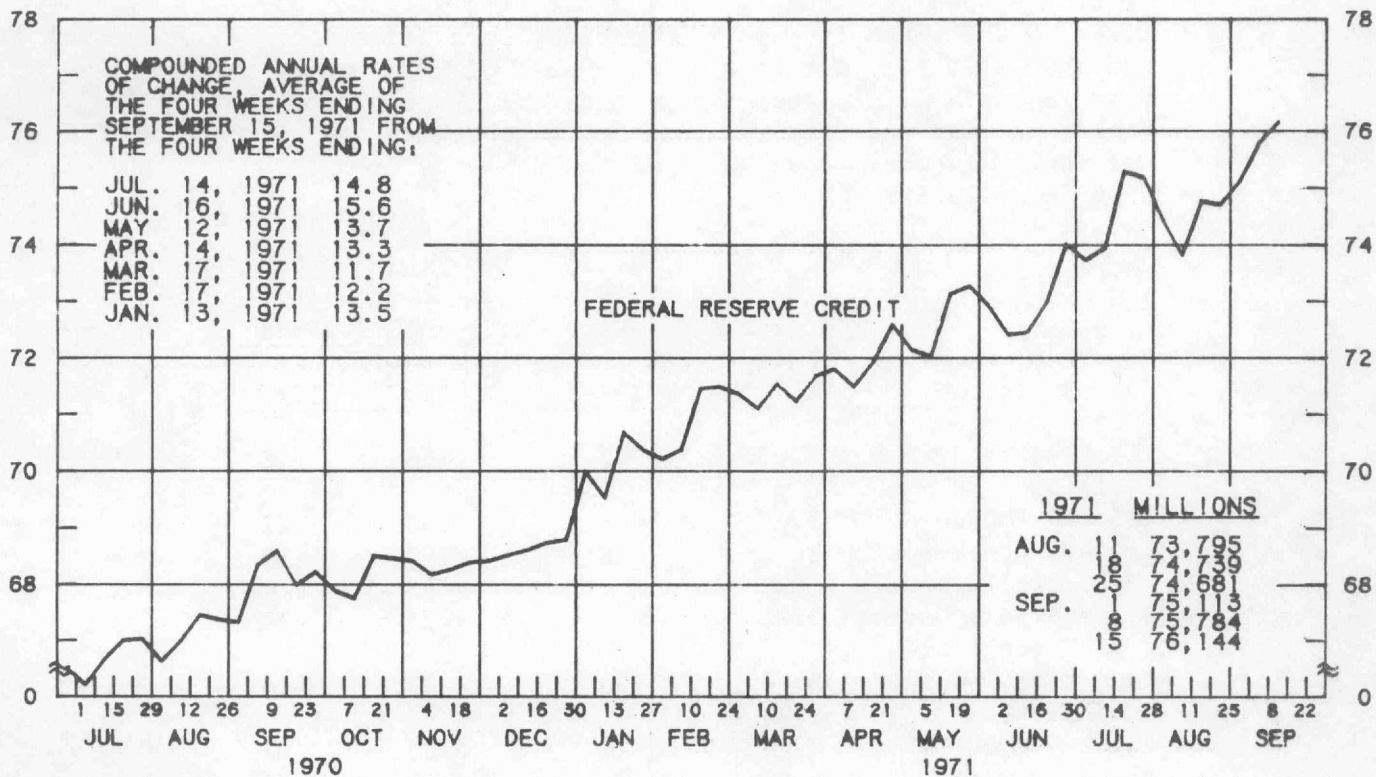
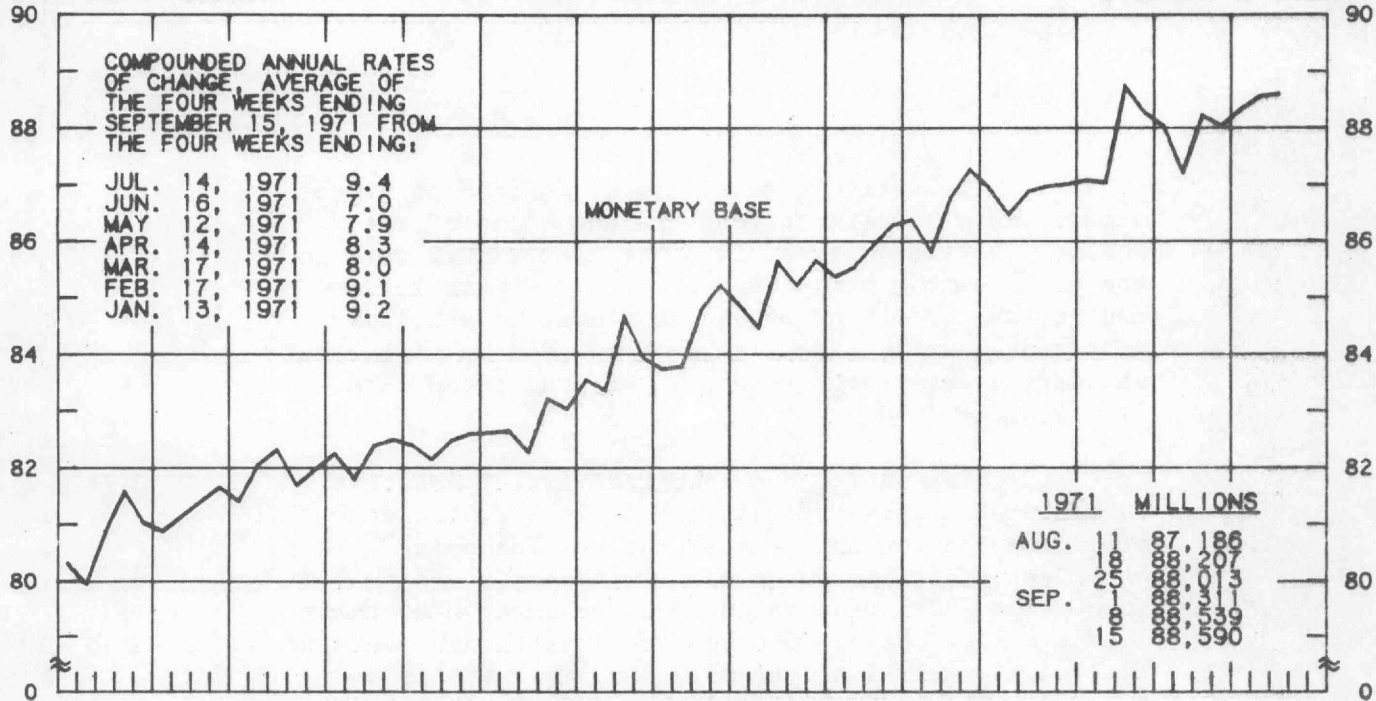
Released: September 17, 1971

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

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



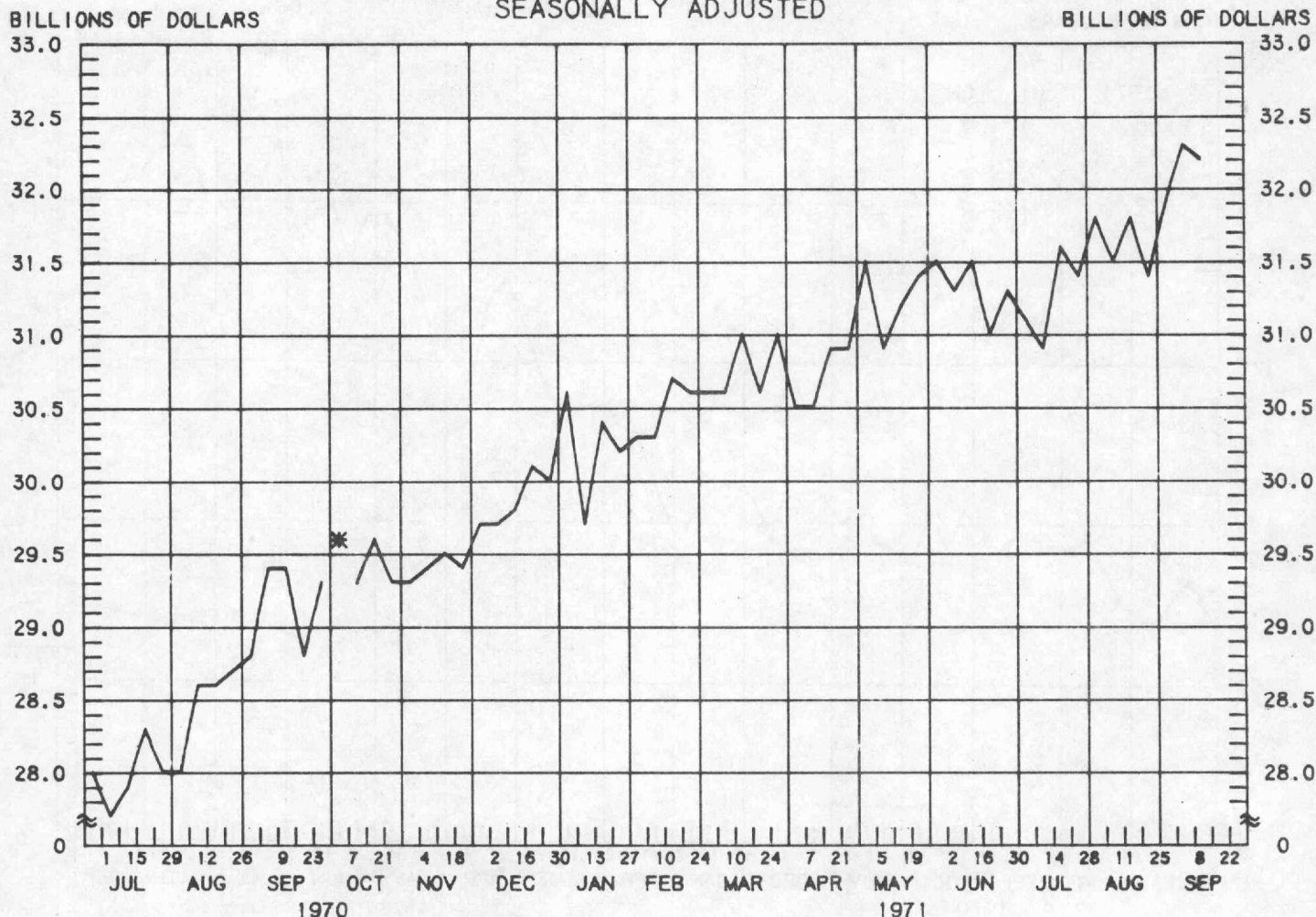
LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 15, 1971

- 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: SEPTEMBER 15, 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
AUG. 11	31.5
18	31.8
25	31.4
SEP. 1	31.9
8	32.3
15	32.2

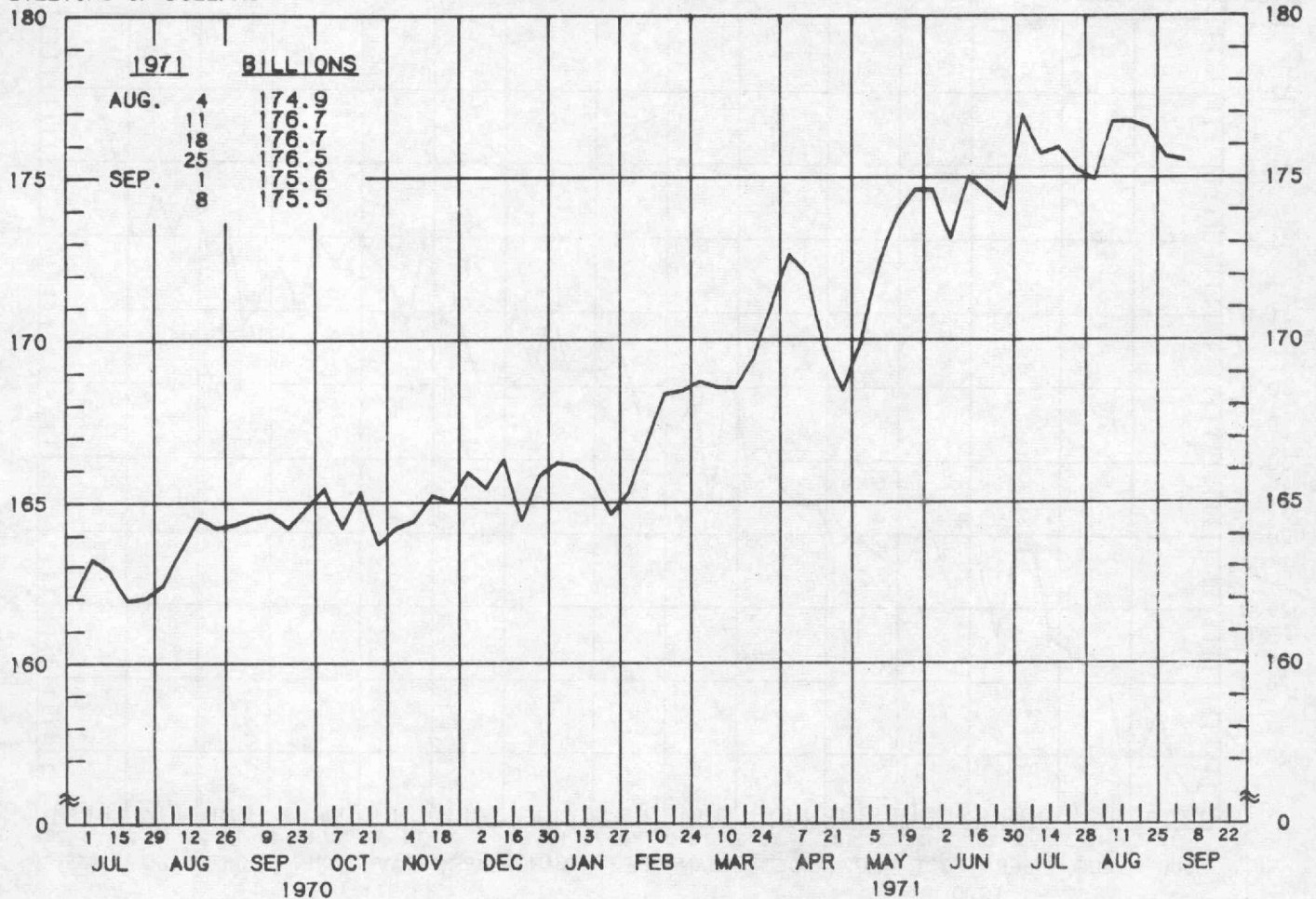
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING SEPTEMBER 15, 1971 FROM THE FOUR WEEKS ENDING:	
JUL. 14, 1971	17.9
JUN. 16, 1971	7.9
MAY 12, 1971	8.6
APR. 14, 1971	10.3
MAR. 17, 1971	8.6
FEB. 17, 1971	9.3
JAN. 13, 1971	9.5

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1971

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

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

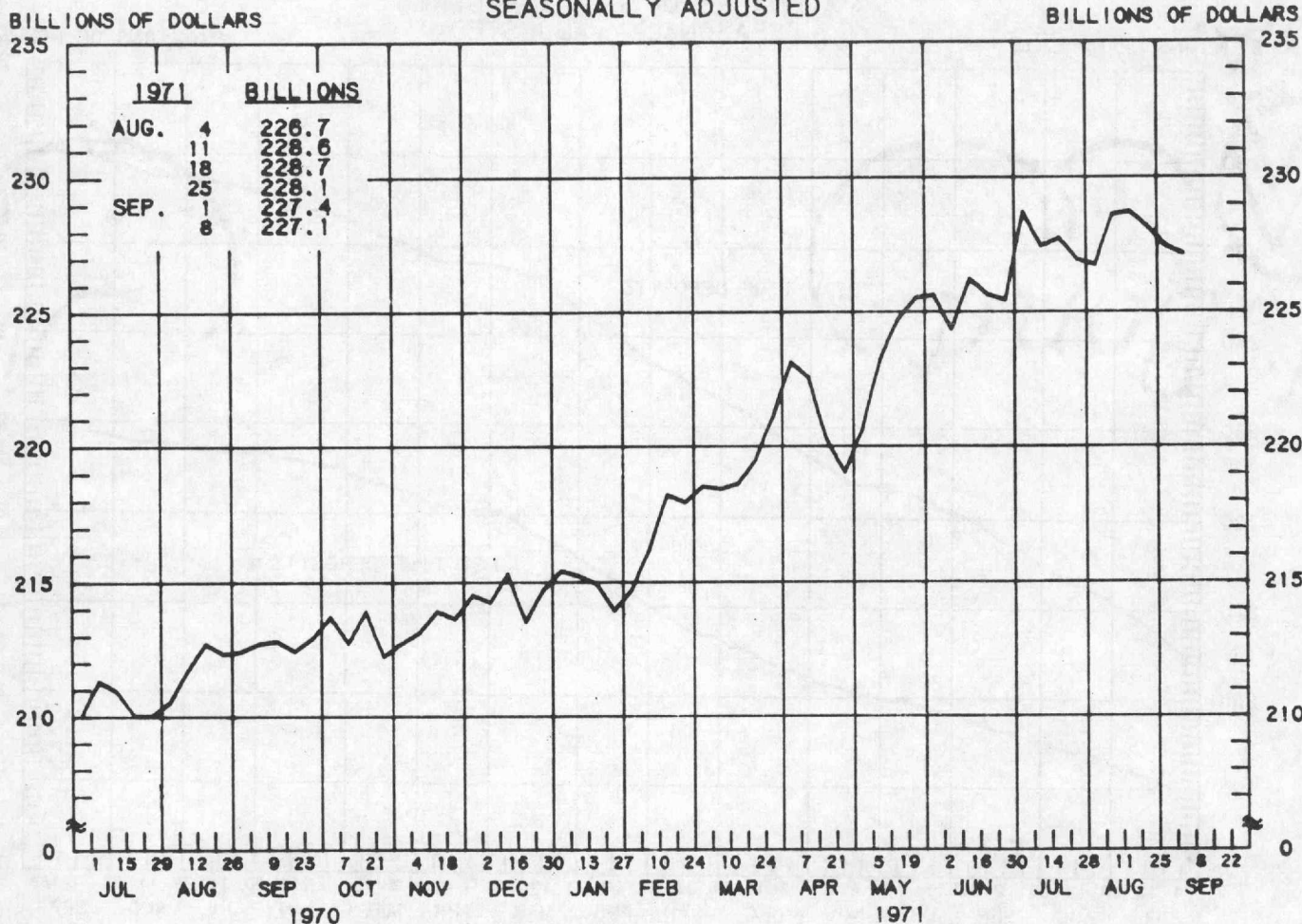
9/9/70 1/6/71 2/10/71 3/10/71 4/7/71 5/5/71 6/9/71 7/7/71

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/10/71	1.7								
3/10/71	5.1	10.2							
4/7/71	6.4	11.8	20.4						
5/5/71	5.3	8.2	12.0	5.9					
6/9/71	7.9	12.2	16.3	13.7	12.8				
7/7/71	7.9	11.7	14.8	12.5	11.5	18.6			
8/11/71	7.5	10.3	12.6	10.4	9.3	13.0	5.8		
9/8/71	7.1	9.5	11.2	9.2	8.1	10.7	4.9	3.3	

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

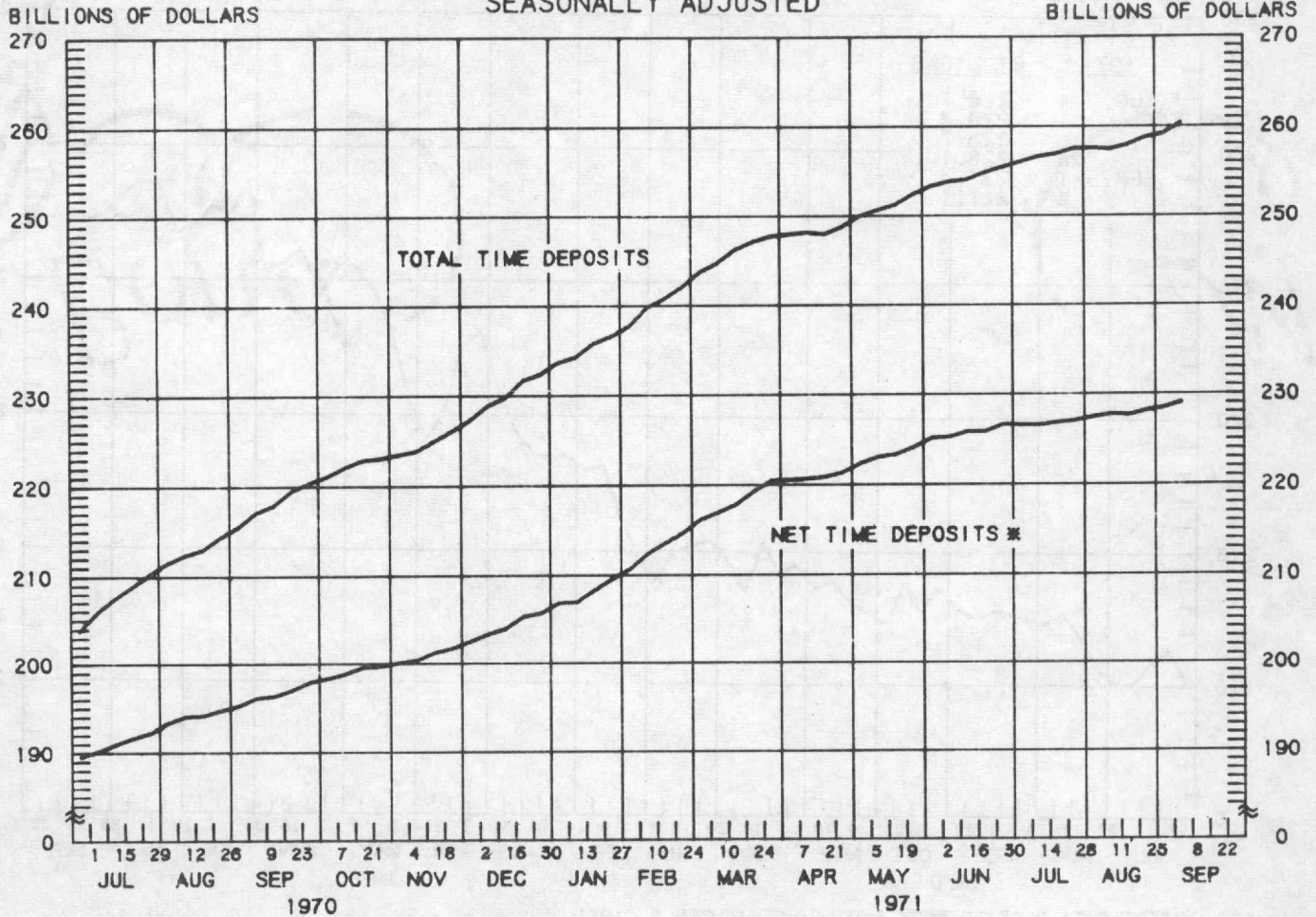


LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1971
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
	9/9/70	1/6/71	2/10/71	3/10/71	4/7/71	5/5/71	6/9/71	7/7/71
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/10/71	2.7							
3/10/71	5.5	10.1						
4/7/71	6.7	11.5	18.5					
5/5/71	5.9	8.6	12.0	7.0				
6/9/71	7.9	11.7	15.1	12.9	12.1			
7/7/71	8.0	11.3	13.9	11.9	11.1	16.5		
8/11/71	7.7	10.2	12.1	10.2	9.3	12.1	6.6	
9/8/71	7.2	9.2	10.6	8.9	7.9	9.7	5.1	3.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1971

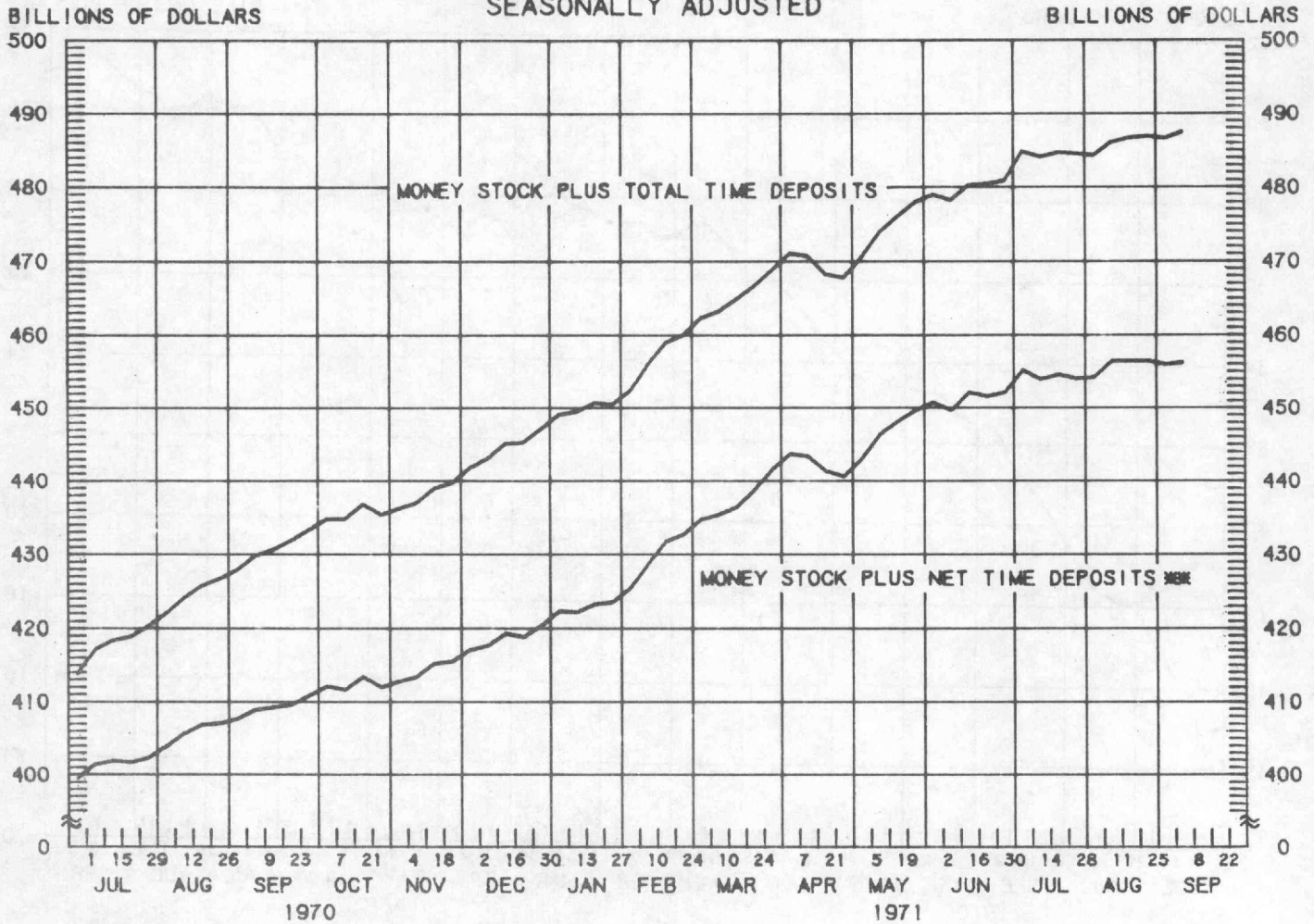
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

* 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:									
	9/9/70	1/6/71	2/10/71	3/10/71	4/7/71	5/5/71	6/9/71	7/7/71	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
2/10/71	19.4								
3/10/71	21.9	31.3							
4/7/71	22.8	30.4	32.5						
5/5/71	21.3	25.6	25.0	19.6					
6/9/71	20.6	23.3	22.1	18.0	13.6				
7/7/71	19.7	21.3	19.9	16.3	12.8	13.5			
8/11/71	18.0	18.4	16.8	13.6	10.5	10.3	7.4		
9/8/71	17.1	17.0	15.4	12.4	9.7	9.4	7.1	5.5	

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1971

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

** M₂ IS DEFINED AS: CURRENCY, DEMAND DEPOSITS PLUS NET TIME DEPOSITS (SEE PAGE 6).

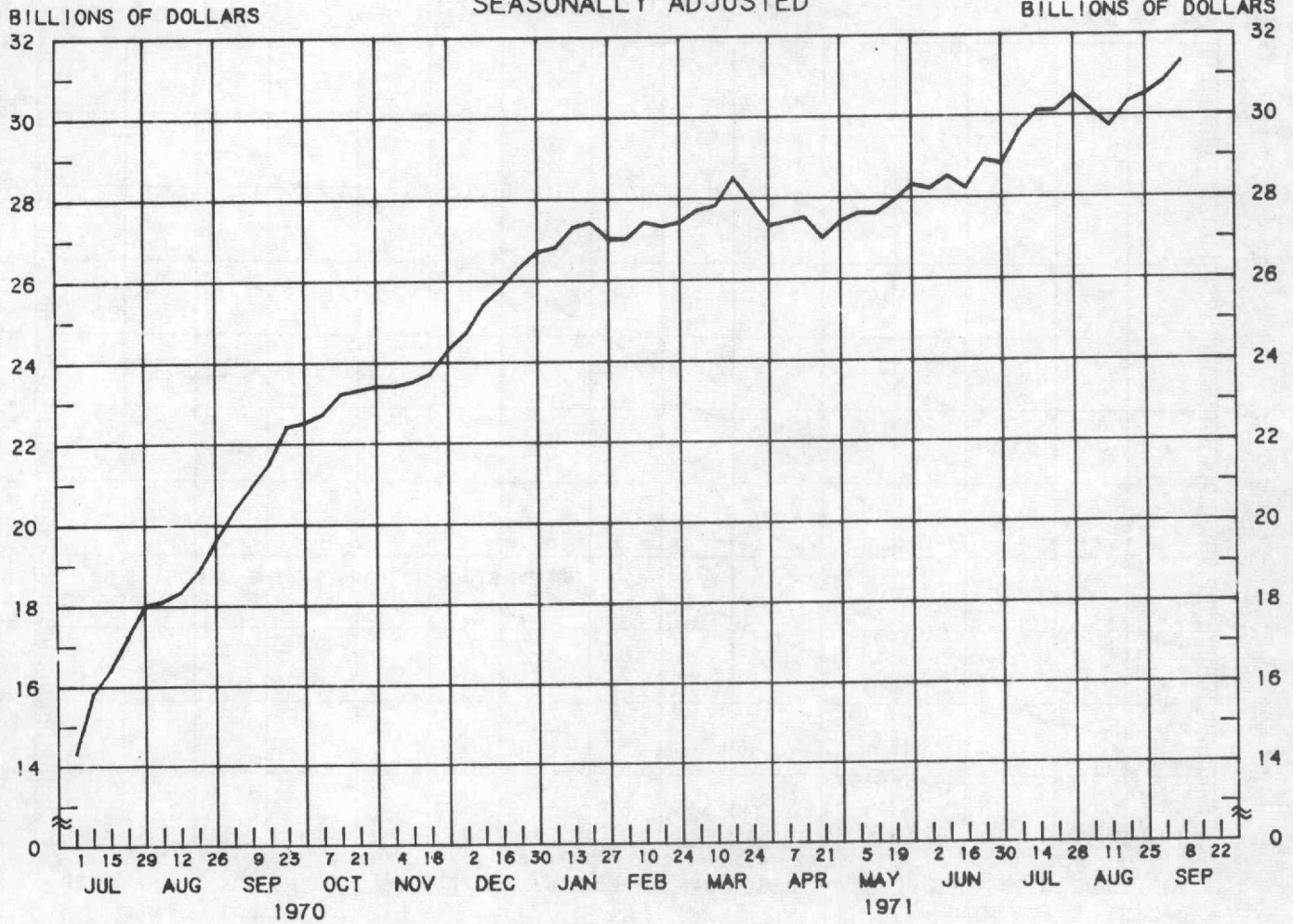
MONEY STOCK PLUS NET TIME DEPOSITS (M₂)

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

	9/9/70	1/6/71	2/10/71	3/10/71	4/7/71	5/5/71	6/9/71	7/7/71
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/10/71	10.4							
3/10/71	13.2	20.1						
4/7/71	14.2	20.3	25.1					
5/5/71	13.2	16.8	18.4	13.3				
6/9/71	13.9	17.3	18.5	15.4	13.0			
7/7/71	13.5	16.1	16.9	14.1	12.1	14.8		
8/11/71	12.6	14.2	14.4	11.9	10.0	11.1	7.0	
8/8/71	11.9	13.0	13.0	10.6	8.9	9.5	6.1	4.4

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1971

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

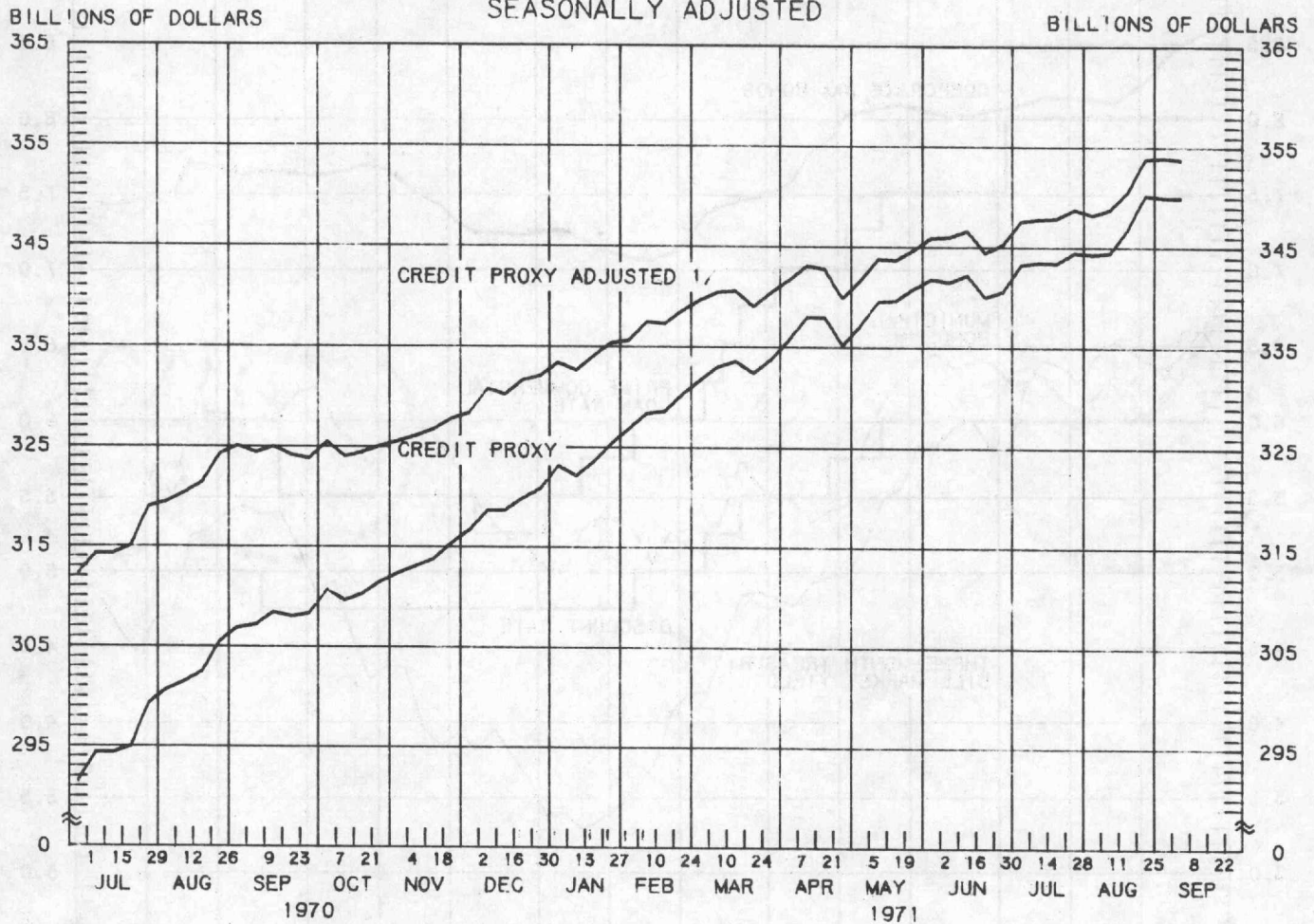
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1971	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 ***
JULY 7	29.6	226.5	455.1
14	30.1	226.5	453.8
21	30.1	226.8	454.5
28	30.5	227.0	453.9
AUG. 4	30.1	227.4	454.1
11	29.7	227.7	456.3
18	30.3	227.6	456.3
25	30.5	228.1	456.3
SEP. 1	30.8	228.4	455.8
8	31.3	229.0	456.1
15			
22			
29			

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 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
AUG.	4	344.2	348.1
	11	344.4	348.7
	18	346.8	350.5
	25	350.1	353.8
SEP.	1	349.9	353.9
	8	349.9	353.7

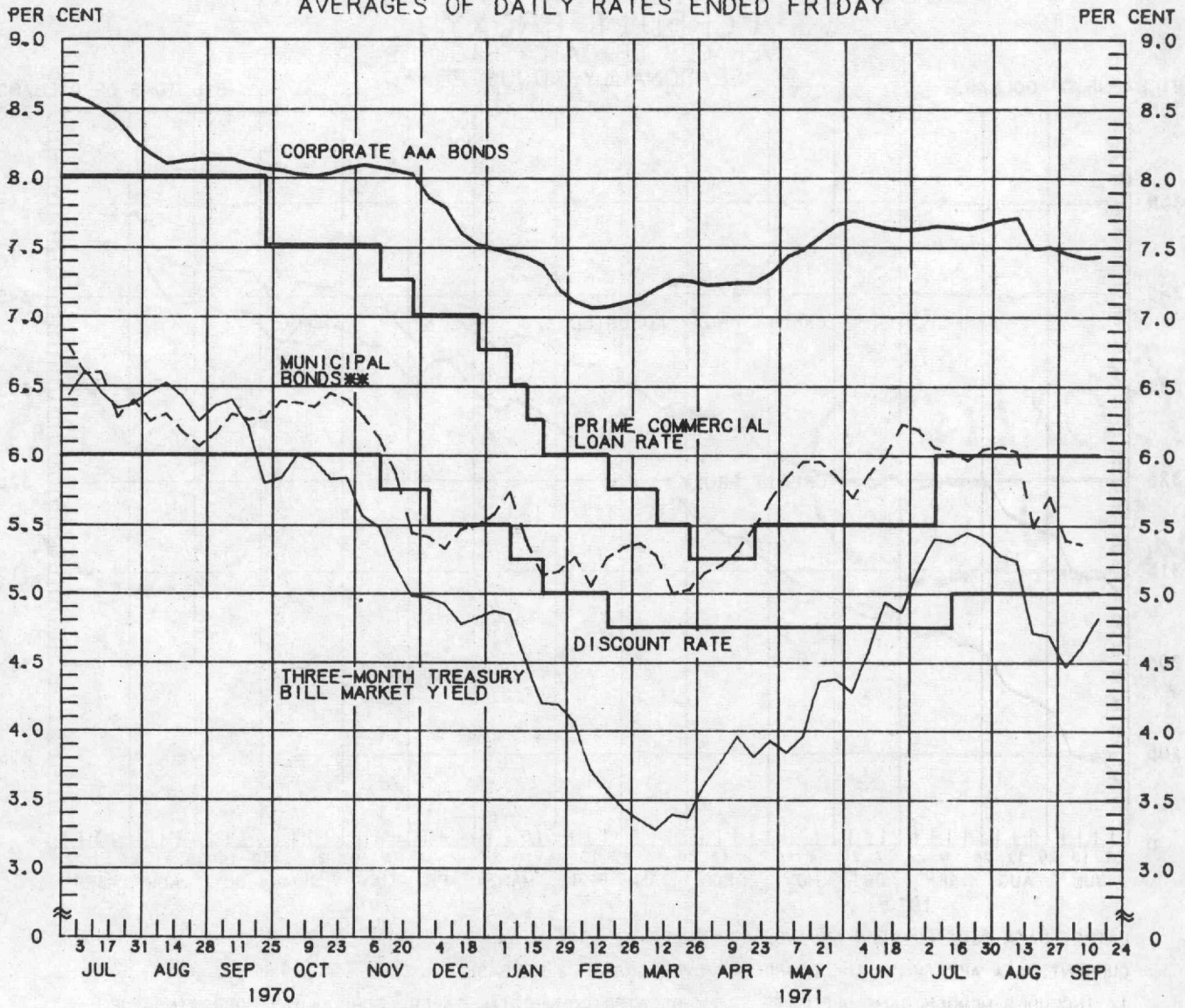
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING SEPTEMBER 8, 1971 FROM THE FOUR WEEKS ENDING:

		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUL.	7, 1971	13.9	12.5
JUN.	9, 1971	10.1	9.6
MAY	5, 1971	10.8	9.8
APR.	7, 1971	11.2	9.0
MAR.	10, 1971	11.4	8.5
FEB.	10, 1971	12.7	9.2
JAN.	6, 1971	13.5	9.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 17, 1971

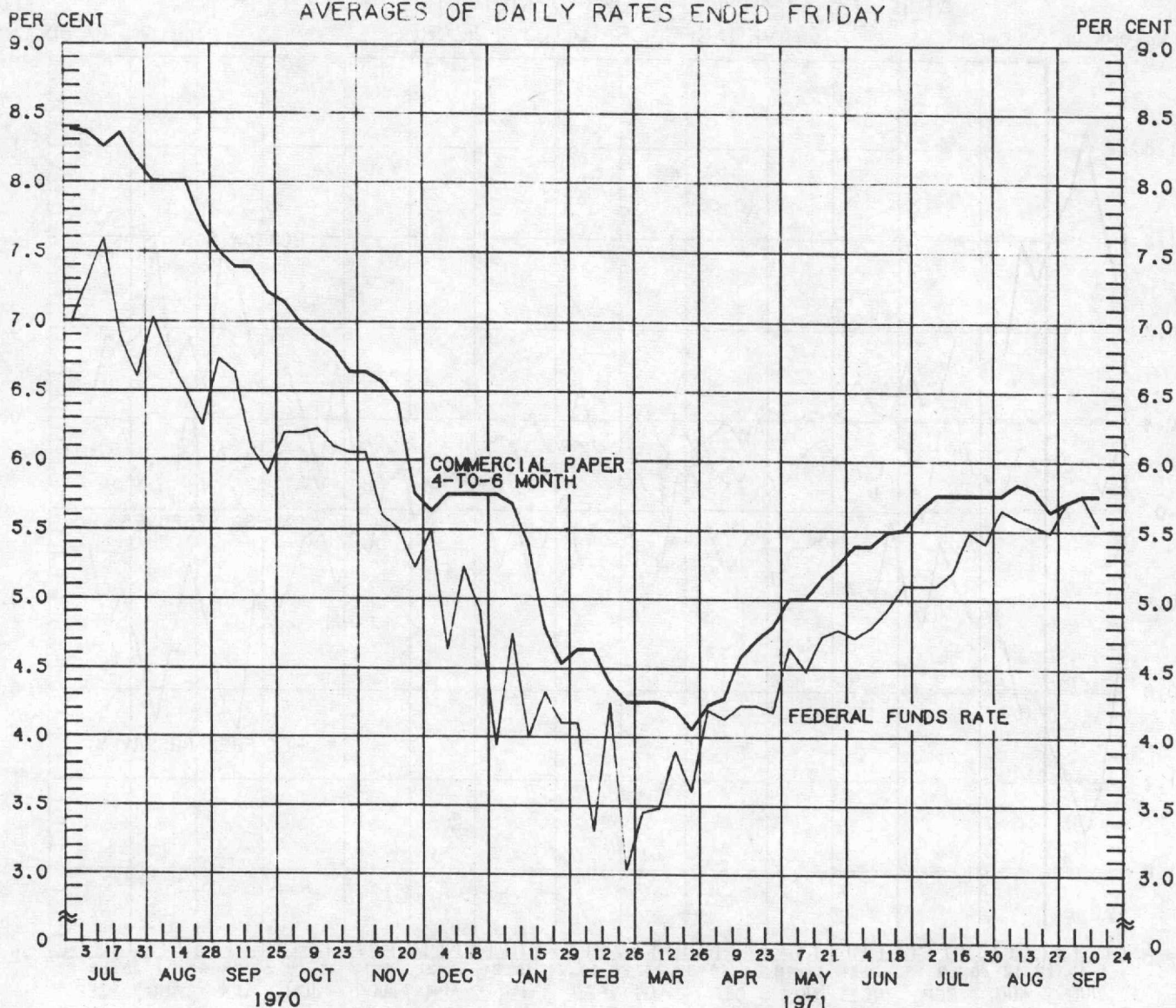
1971	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ***
JULY 2	7.63	5.17	6.70	5.97	6.19
9	7.65	5.40	6.70	5.92	6.06
16	7.64	5.38	6.64	5.82	6.03
23	7.63	5.45	6.82	5.91	5.97
30	7.66	5.39	6.92	5.96	6.05
AUG. 6	7.69	5.28	6.85	5.93	6.07
13	7.71	5.24	6.81	5.90	6.03
20	7.48	4.71	6.05	5.64	5.49
27	7.50	4.69	6.06	5.70	5.71
SEP. 3	7.45	4.47	5.89	5.58	5.39
10	7.42	4.62	5.94	5.51	5.36
17 *	7.43	4.82	6.03	5.60	N.A.
24					

* 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



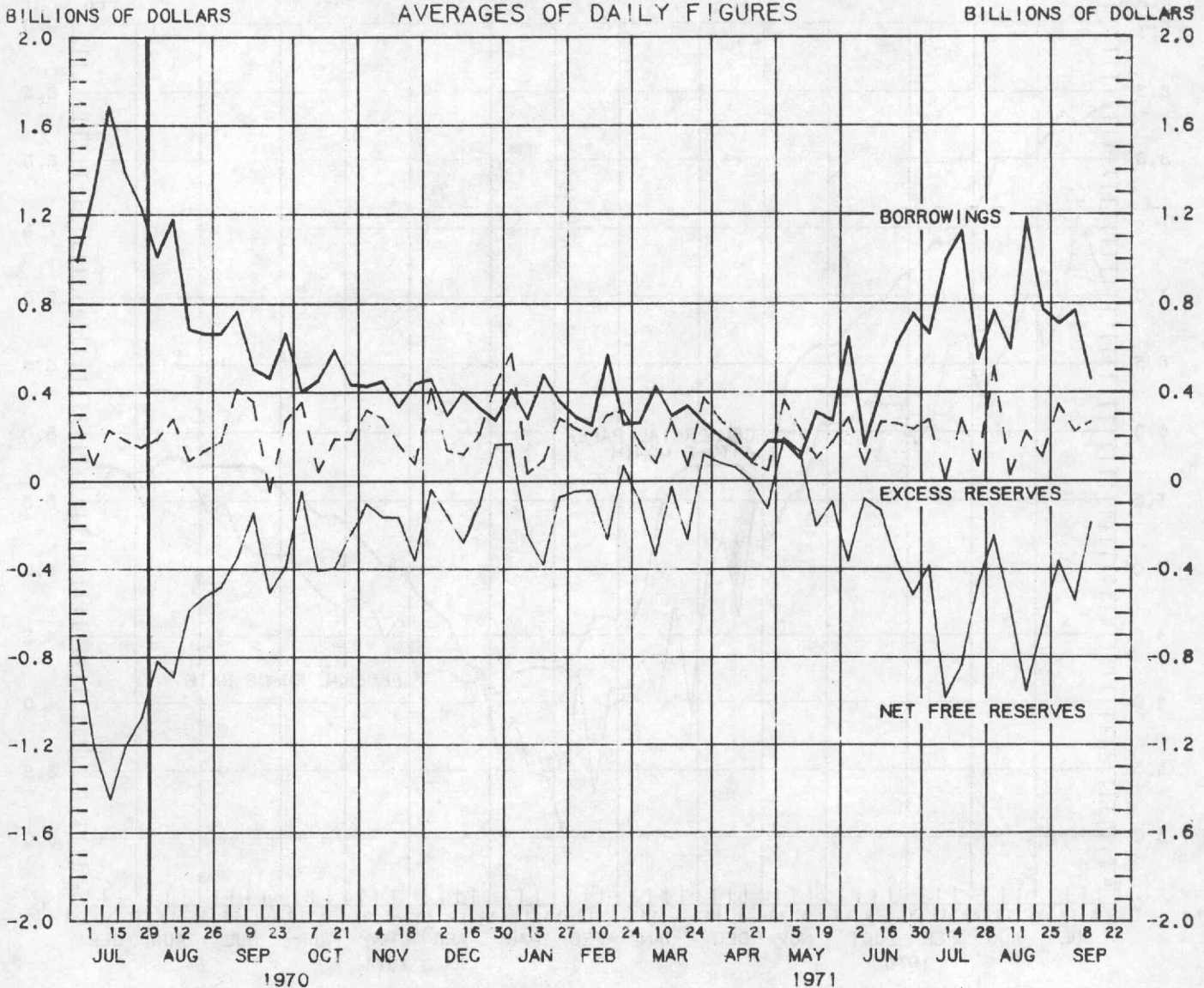
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 17, 1971

1971	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S ***
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	5.48	5.63	5.77
30	5.75	5.40	5.63	5.80
AUG. 6	5.75	5.65	5.63	5.80
13	5.83	5.58	5.63	5.82
20	5.78	5.53	5.55	5.88
27	5.63	5.48	5.53	5.75
SEP. 3	5.70	5.70	5.50	5.56
10	5.75	5.75	5.50	5.55
17 *	5.75	5.53	5.50	5.60
24				

* 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
JULY 7	277	661	- 384
14	5	991	- 986
21	282	1121	- 839
28	67	545	- 478
AUG. 4	517	764	- 247
11	27	593	- 566
18	224	1179	- 955
25	109	771	- 662
SEP. 1	345	708	- 363
8	224	765	- 541
15	266	457	- 191
22			
29			

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