



U.S. FINANCIAL DATA

Week ending: December 8, 1971

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The money stock, defined to include private demand deposits and currency in the hands of the public, has shown little change over the past four months, the longest such period since the second half of 1969 (page 5). For comparison, money grew at a very rapid 10.3 percent annual rate in the first seven months of 1971 and 5.4 percent in 1970.

The primary factor underlying the recent deceleration of money has been the slowing of the monetary base. For example the base has risen at only a 3 percent annual rate in the past four months, compared with a 10 percent rate in the first seven months of 1971 and 6 percent in 1970 (page 2).

Another monetary aggregate, money plus net time deposits (M_2), has also decelerated in recent months. For example, M_2 has advanced at a 5.1 percent annual rate in the past four months, compared with a 12 percent rate from February 1970 to July 1971 (page 7). In addition to the deceleration of money growth, a marked slowing of the reintermediation of time deposits into commercial banks has also contributed to the slowing of M_2 . For example, net time deposits have risen at about a 10.5 percent rate in the past four months, after increasing at a 16 percent rate from February 1970 to July 1971. Recent growth of net time deposits, however, is about the same as the trend growth rate of 10.1 percent from 1957 to 1970.

Yields on three-month Treasury bills averaged 4.10 percent this week, down several basis points from early last week and about 1.4 percentage points below their peak in late July (page 10). Downward pressure on these rates has been due partially to large foreign purchases of Treasury bills, as well as other factors such as a downward revision of price expectations by market participants. Highest-grade corporate bond rates averaged 7.28 percent this week, about 45 basis points below the level of early August.

Prepared by Federal Reserve Bank of St. Louis

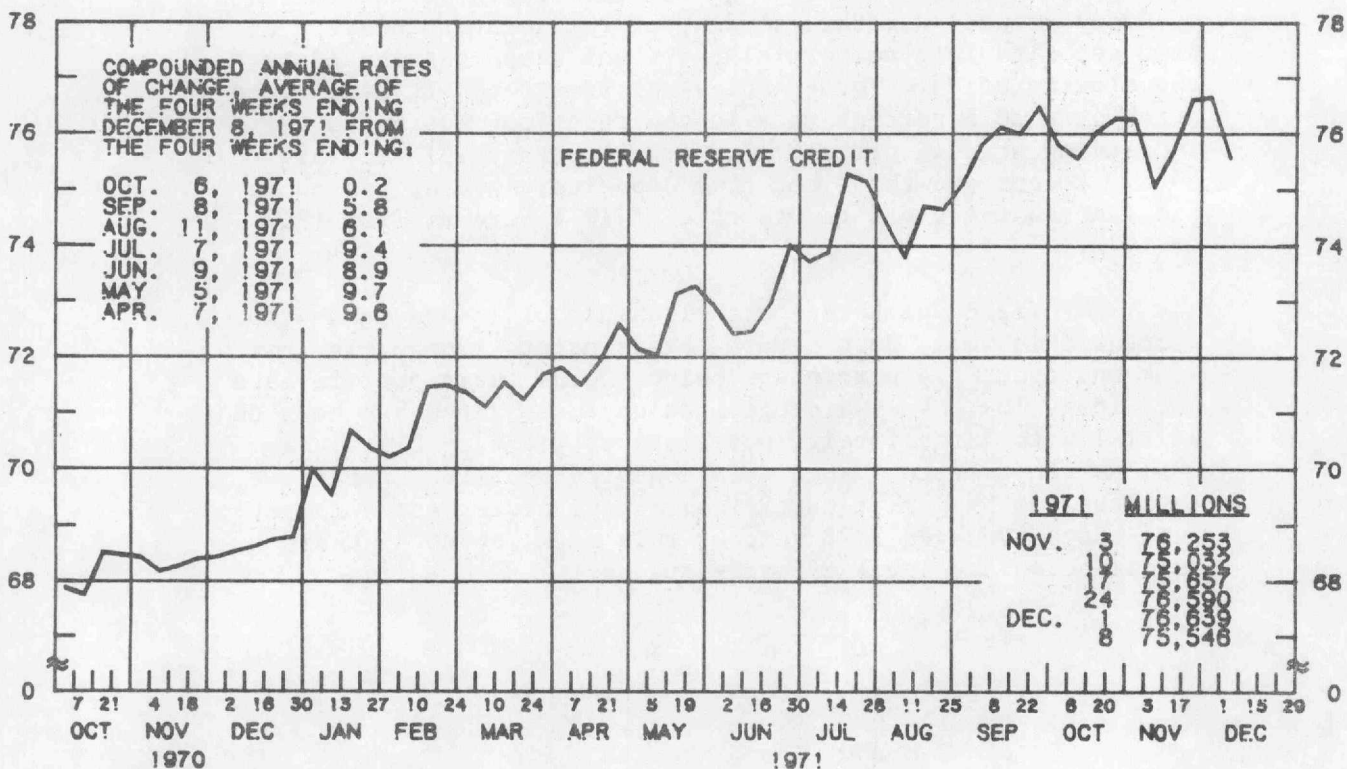
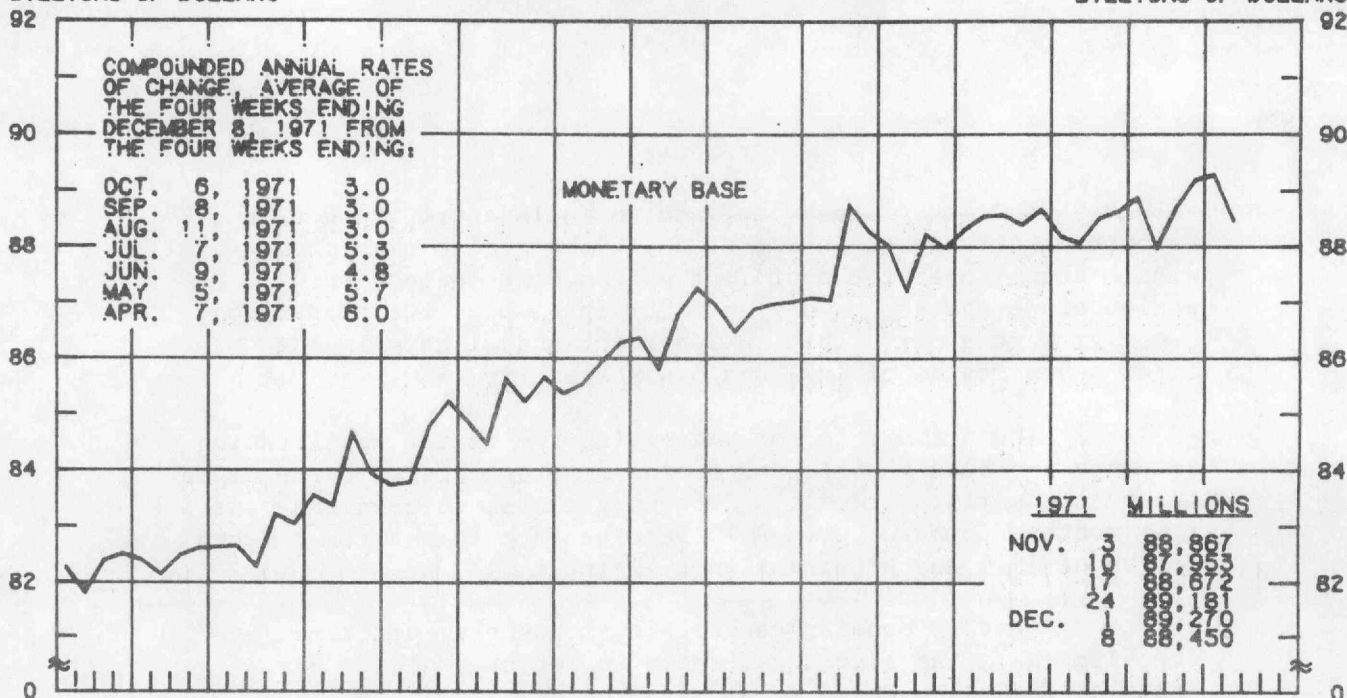
Released: December 10, 1971

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: DECEMBER 8, 1971

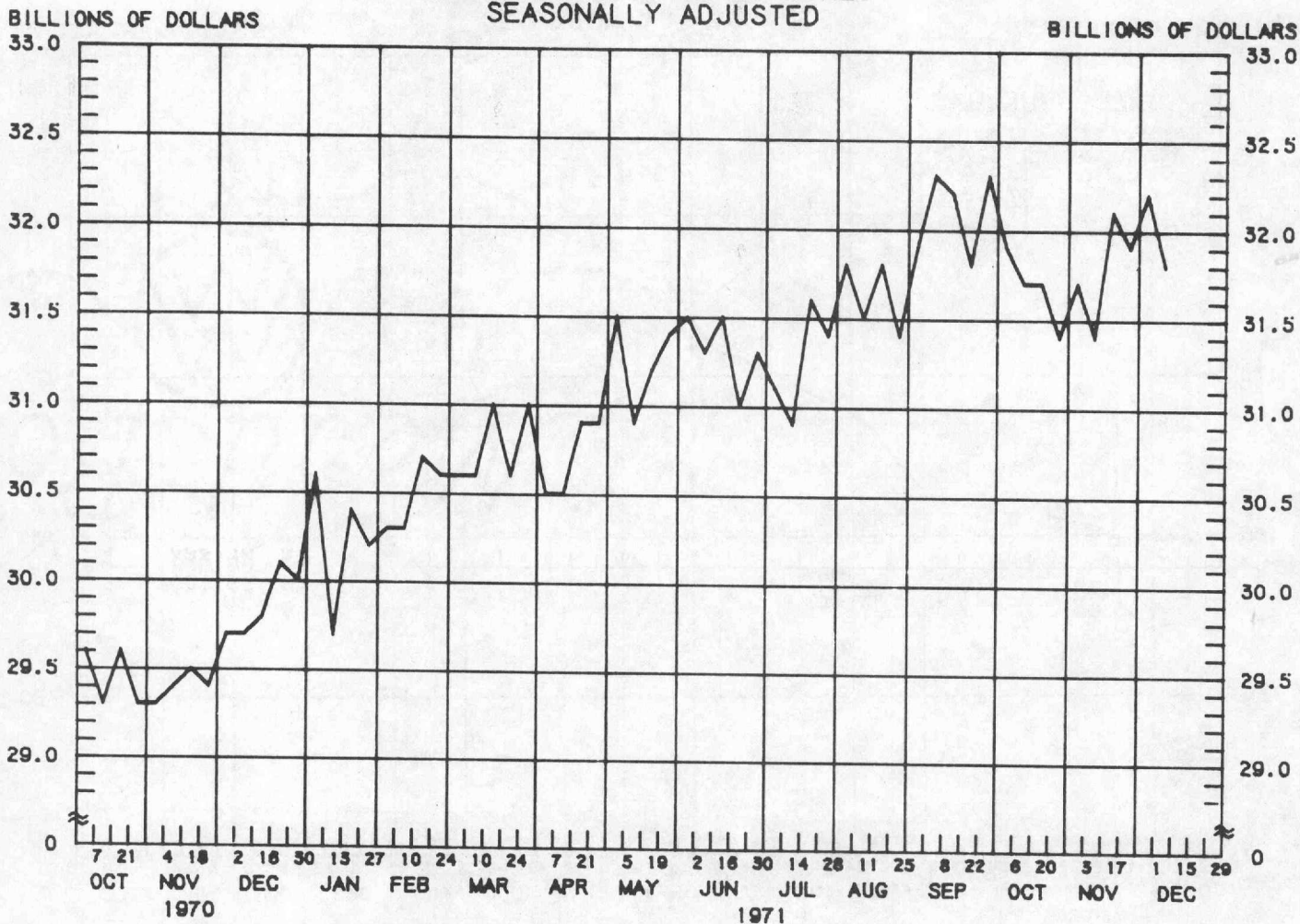
1/ USES OF MONETARY BASE ARE MEMBER BANK RESERVES AND CURRENCY HELD BY THE PUBLIC AND NONMEMBER BANKS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND SHIFTS IN DEPOSITS. FOR A DESCRIPTION OF THE BASE SEE THE AUGUST 1968 "REVIEW" OF THIS BANK.

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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

RESERVES ALL MEMBER BANKS IN THE NATION

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 8, 1971
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

1971		BILLIONS
NOV.	3	31.7
	10	31.4
	17	32.1
	24	31.9
DEC.	1	32.2
	8	31.8

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

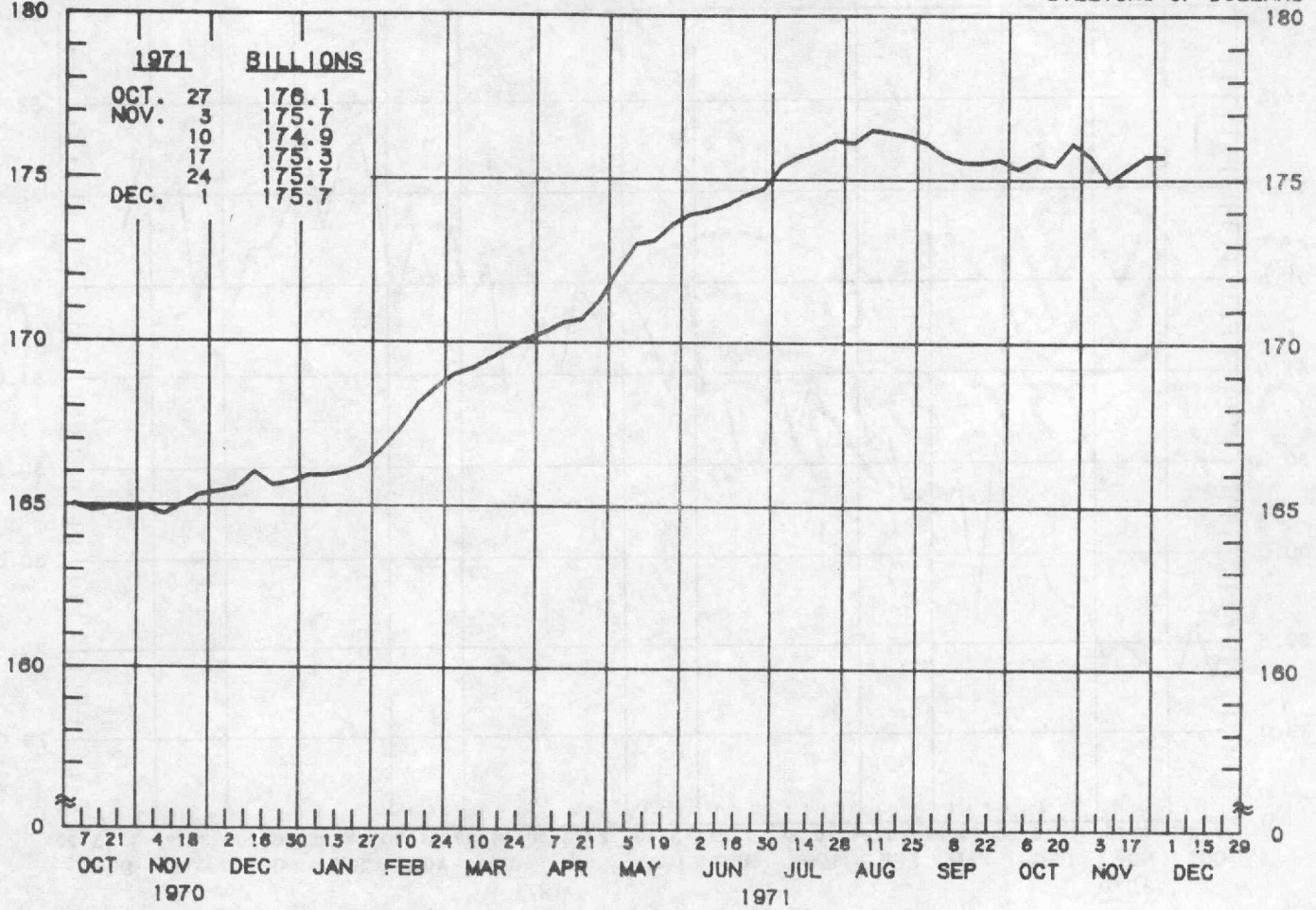
OCT.	6, 1971	-1.8
SEP.	8, 1971	1.3
AUG.	11, 1971	3.9
JUL.	7, 1971	6.2
JUN.	9, 1971	3.9
MAY	5, 1971	5.5
APR.	7, 1971	5.8

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



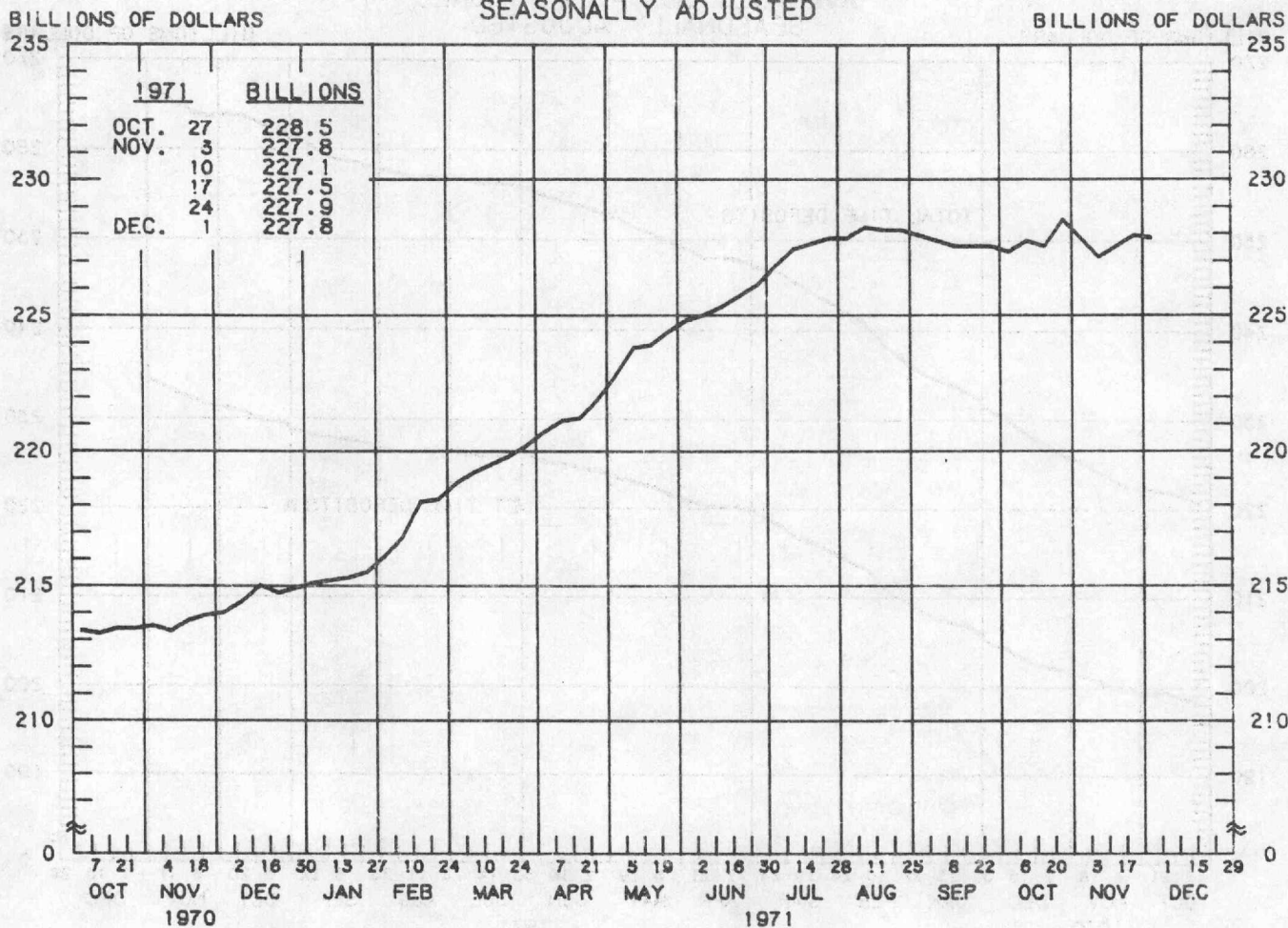
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 1971
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

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

	12/2/70	3/31/71	4/28/71	6/2/71	6/30/71	8/4/71	9/1/71	9/29/71
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/28/71	8.6							
6/ 2/71	10.3	13.3						
6/30/71	10.0	11.5	13.2					
8/ 4/71	10.0	11.1	12.0	9.0				
9/ 1/71	9.1	9.4	9.8	6.9	6.5			
9/29/71	7.7	7.1	6.9	3.9	2.8	-1.5		
11/ 3/71	7.0	6.0	5.7	3.2	2.2	-0.7	-2.0	
12/ 1/71	6.2	5.0	4.7	2.3	1.4	-1.0	-2.0	-0.7

MONEY STOCK

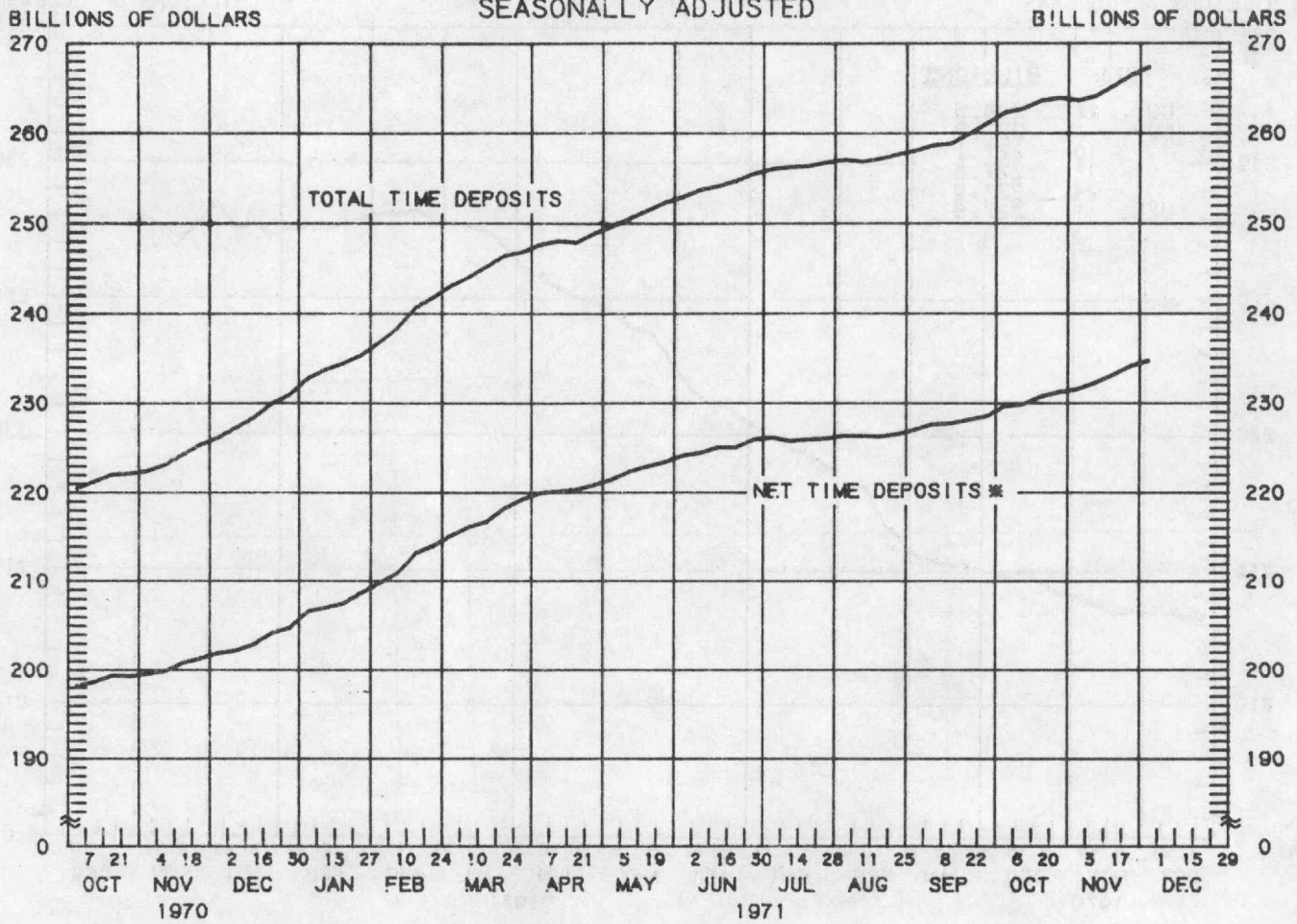
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 1971.
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	12/2/70	3/31/71	4/28/71	6/2/71	6/30/71	8/4/71	9/1/71	9/29/71	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
4/28/71		8.9							
6/2/71		10.1	12.4						
6/30/71		9.8	11.0	11.8					
8/4/71		9.9	10.9	11.4	9.4				
9/1/71		9.1	9.3	9.3	7.1	6.8			
9/29/71		7.9	7.3	7.0	4.7	3.8	-0.3		
11/3/71		7.2	6.3	5.9	3.9	3.1	0.4	-0.5	
12/1/71		6.5	5.4	4.9	3.1	2.2	-0.1	-0.9	0.0

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 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

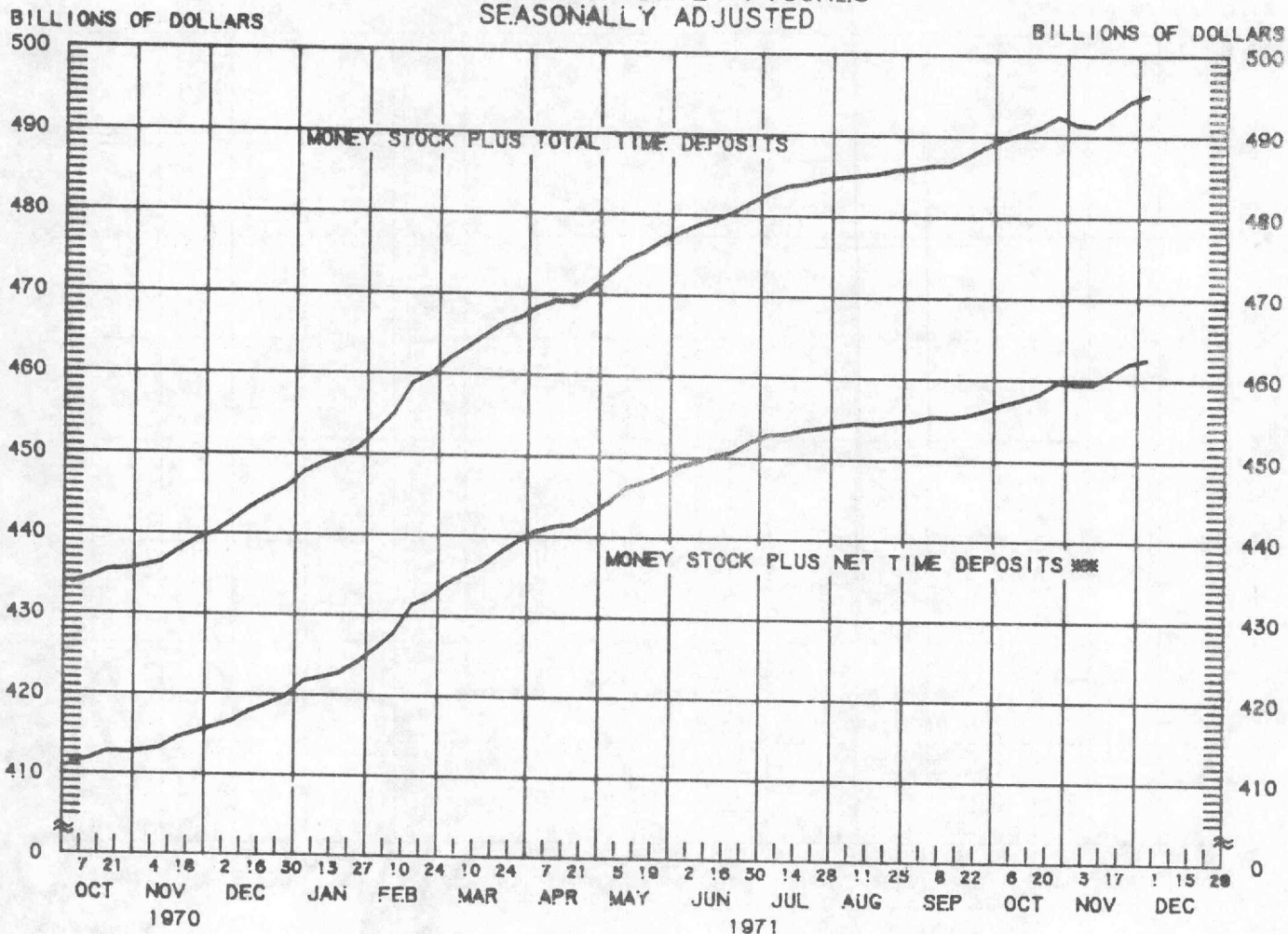
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	12/2/70	3/31/71	4/28/71	6/2/71	6/30/71	8/4/71	9/1/71	9/29/71
4/28/71	25.5							
6/2/71	23.3	15.8						
6/30/71	21.7	14.5	13.3					
8/4/71	19.0	11.6	10.0	7.5				
9/1/71	17.3	9.9	8.3	6.0	3.6			
9/29/71	16.5	9.8	8.5	6.7	5.3	5.9		
11/3/71	16.2	10.4	9.4	8.2	7.5	8.8	11.5	
12/1/71	16.2	11.0	10.3	9.4	9.0	10.5	12.9	14.8

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 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)

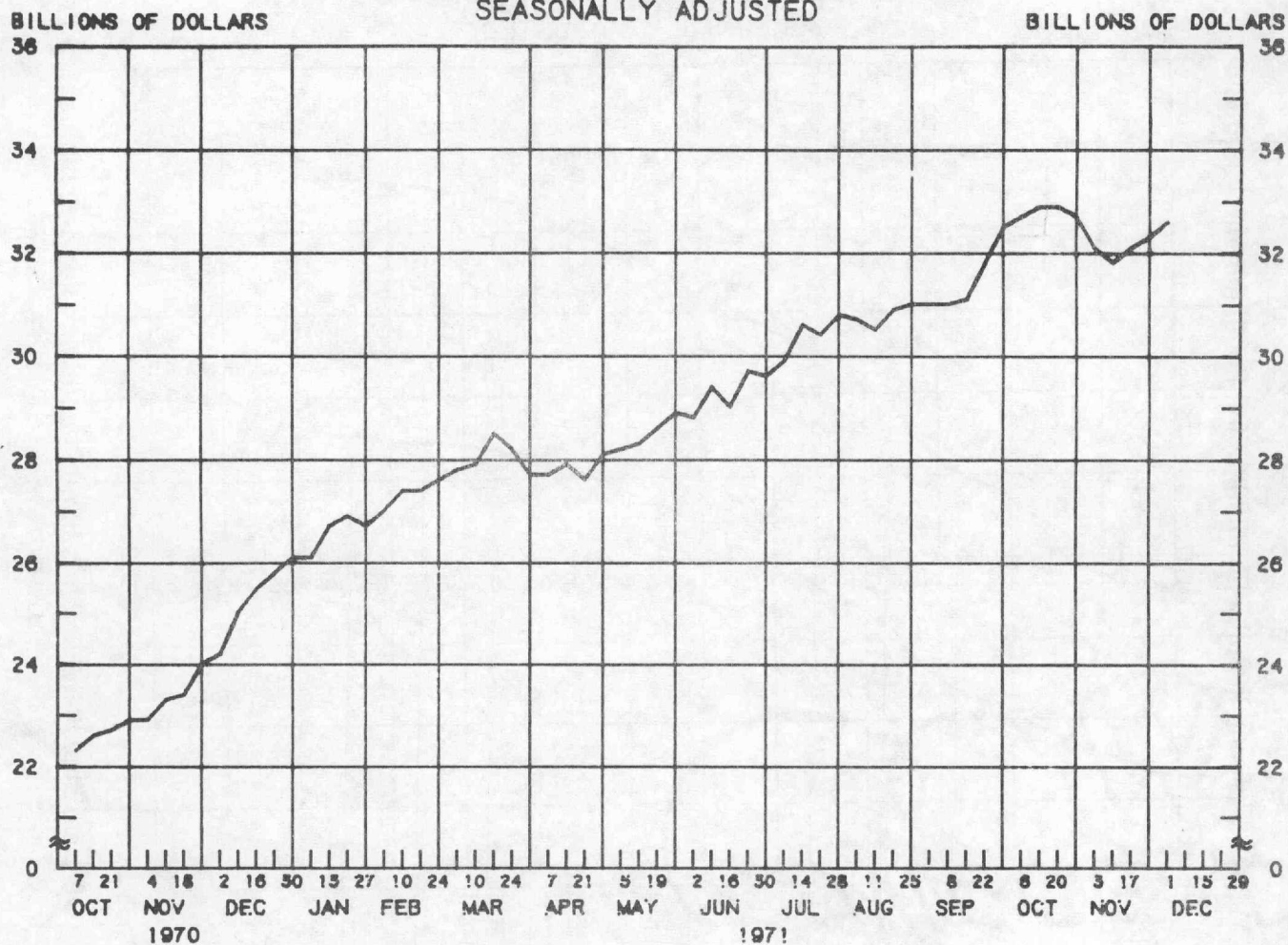
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	12/2/70	3/31/71	4/28/71	6/2/71	6/30/71	8/4/71	9/1/71	9/29/71
4/28/71	16.8							
6/2/71	16.4	14.3						
6/30/71	15.5	12.8	12.5					
8/4/71	14.2	11.2	10.6	8.3				
9/1/71	13.0	9.6	8.7	6.5	5.1			
9/29/71	12.0	8.5	7.7	5.6	4.4	2.8		
11/3/71	11.5	8.4	7.6	6.1	5.3	4.6	5.5	
12/1/71	11.2	8.2	7.6	6.2	5.6	5.1	5.9	7.3

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 1971

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

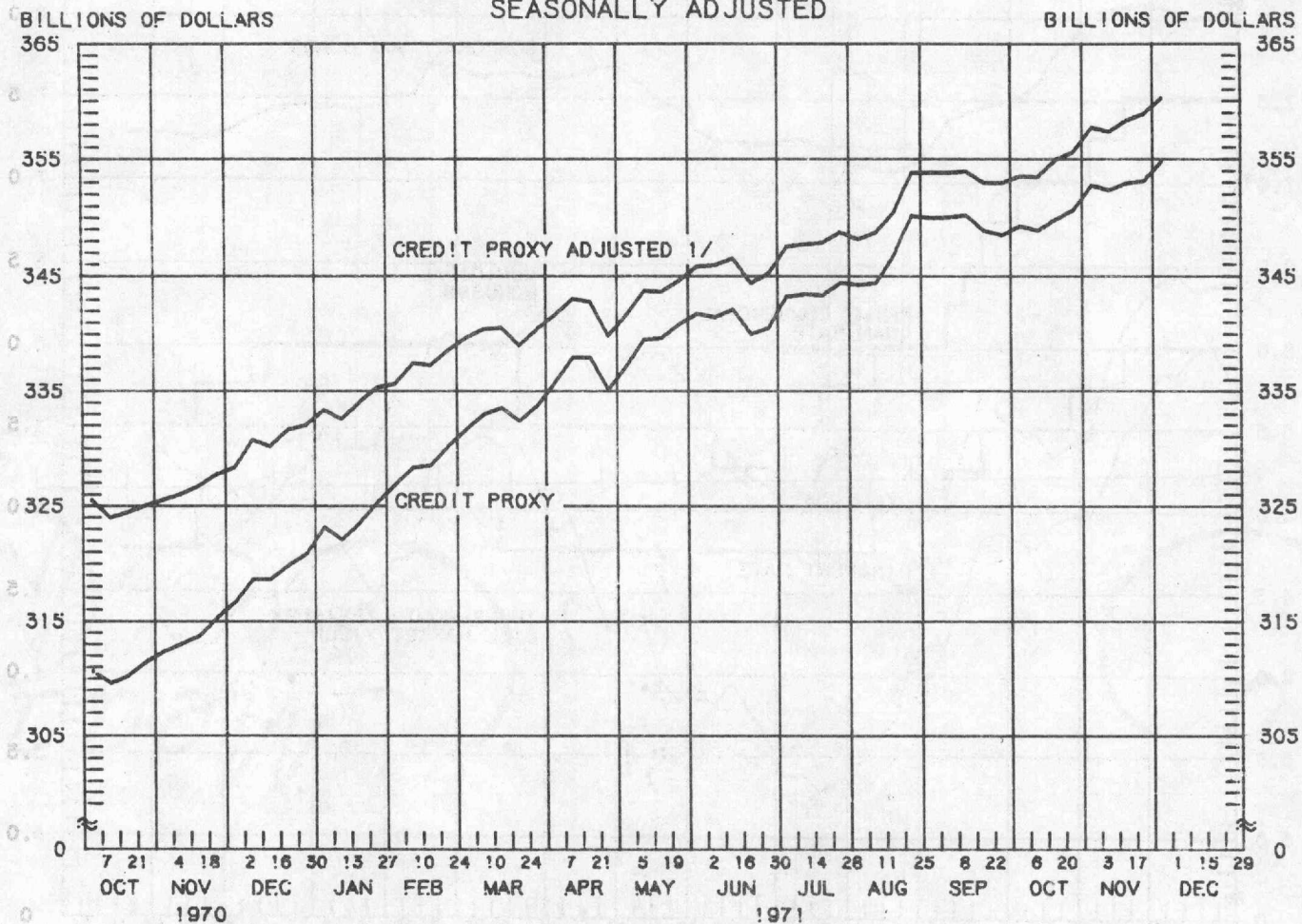
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1971	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M2 ***
OCT. 6	32.7	229.6	456.9
13	32.9	229.8	457.5
20	32.9	230.7	458.2
27	32.7	231.2	459.6
NOV. 3	32.1	231.5	459.4
10	31.8	232.2	459.4
17	32.1	233.1	460.6
24	32.3	234.1	462.0
DEC. 1	32.6	234.7	462.5
8			
15			
22			
29			

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

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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 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.

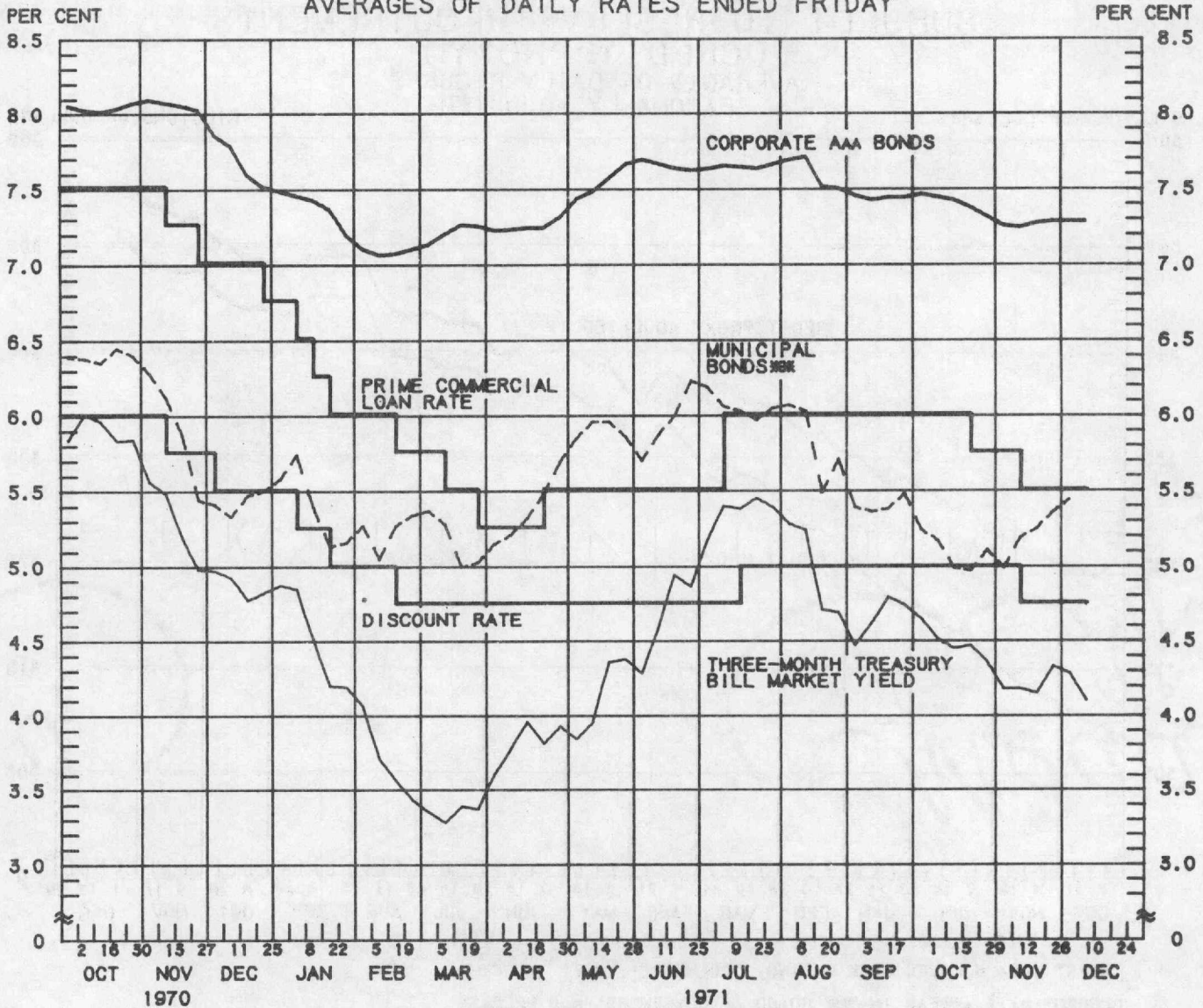
1971		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
OCT.	27	350.6	355.6
NOV.	3	352.7	357.7
	10	352.3	357.3
	17	352.9	358.3
	24	353.1	358.9
DEC.	1	354.8	360.2

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING DECEMBER 1, 1971 FROM THE FOUR WEEKS ENDING:		
	CREDIT PROXY	CREDIT PROXY ADJUSTED
SEP. 29, 1971	6.6	9.0
SEP. 1, 1971	6.5	8.2
AUG. 4, 1971	8.7	9.6
JUN. 30, 1971	8.7	9.3
JUN. 2, 1971	7.7	8.5
APR. 28, 1971	8.4	8.4
MAR. 31, 1971	9.1	8.2

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YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 10, 1971

1971	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ^{***}
OCT. 1	7.46	4.65	5.91	5.52	5.24
8	7.44	4.51	5.84	5.47	5.17
15	7.42	4.45	5.88	5.44	4.99
22	7.37	4.47	5.62	5.47	4.97
29	7.31	4.36	5.53	5.43	5.11
NOV. 5	7.25	4.18	5.41	5.33	4.99
12	7.24	4.18	5.47	5.37	5.19
19	7.27	4.15	5.47	5.46	5.25
26	7.28	4.33	5.63	5.56	5.36
DEC. 3	7.28	4.28	5.52	5.58	5.44
10 *	7.28	4.10	5.43	5.59	N.A.
17					
24					
31					

* AVERAGES OF RATES AVAILABLE.

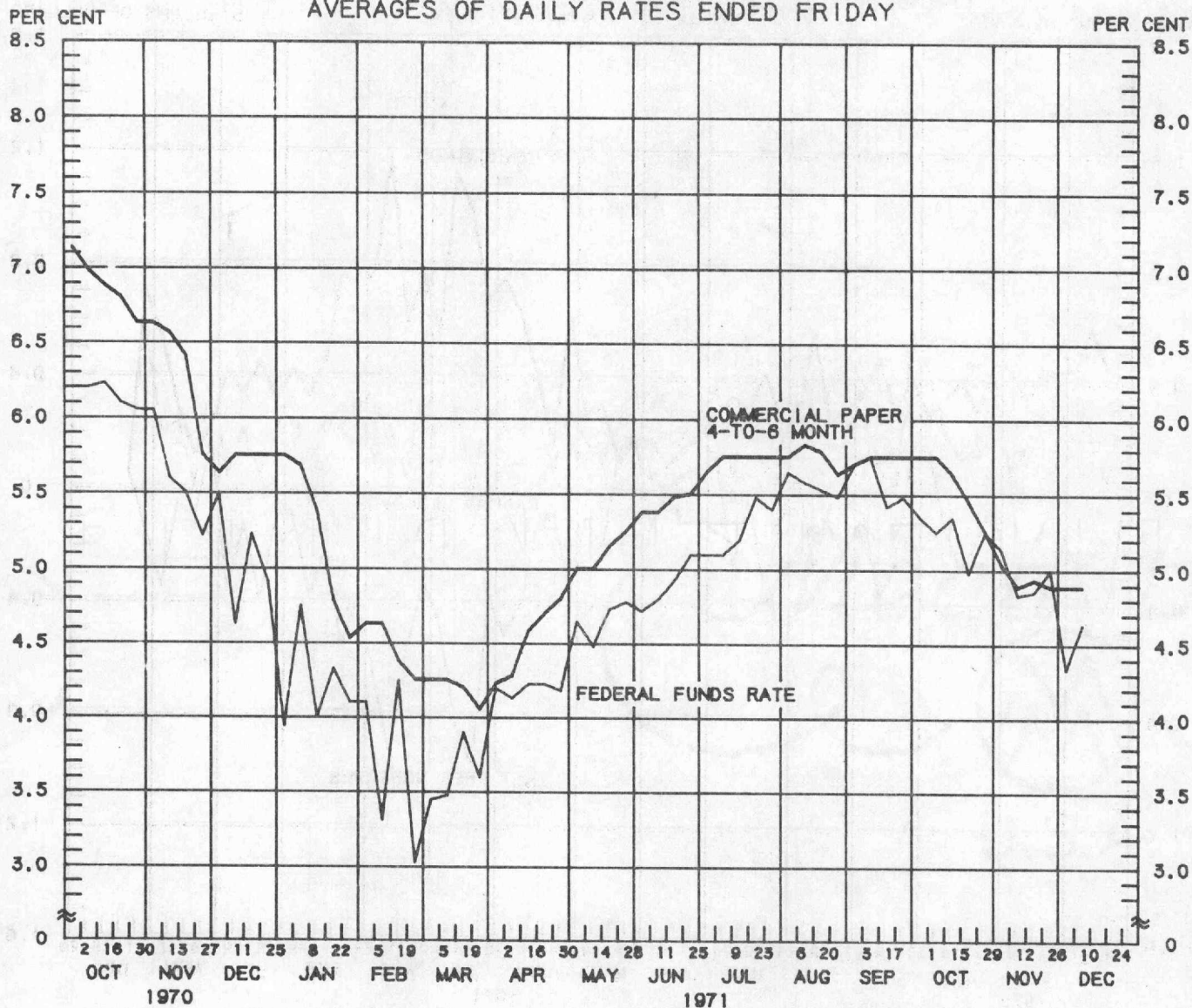
*** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

N.A. - NOT AVAILABLE

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SELECTED SHORT-TERM INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 10, 1971

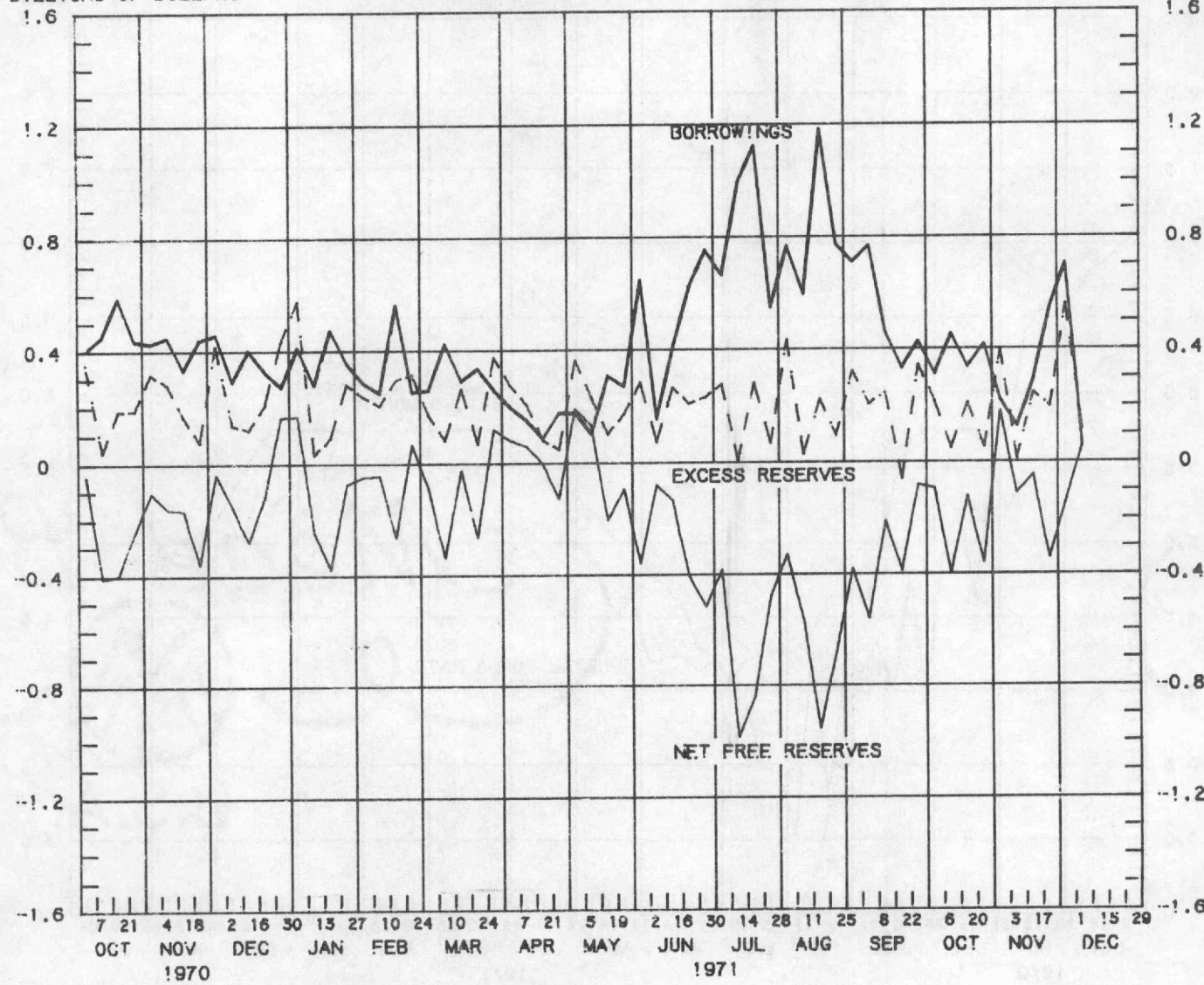
1971	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S <small>***</small>
OCT. 1	5.75	5.35	5.40	5.62
8	5.75	5.25	5.23	5.53
15	5.63	5.35	5.03	5.44
22	5.45	4.98	4.98	5.29
29	5.25	5.25	4.88	5.18
NOV. 5	5.03	5.13	4.78	4.99
12	4.88	4.83	4.75	4.91
19	4.93	4.85	4.75	4.88
26	4.88	5.00	4.82	4.89
DEC. 3	4.88	4.33	4.75	4.89
10 <small>*</small>	4.88	4.63	4.63	4.84
17				
24				
31				

* 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.

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BORROWINGS AND EXCESS RESERVES ALL MEMBER BANKS IN THE NATION

AVERAGES OF DAILY FIGURES



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 8, 1971

1971	MILLIONS		
	EXCESS RESERVES	BORROWINGS	FREE RESERVES
OCT. 6	214	309	- 95
13	49	449	- 400
20	210	332	- 122
27	51	413	- 362
NOV. 3	396	216	180
10	10	122	- 112
17	246	289	- 43
24	195	539	- 344
DEC. 1	558	701	- 143
8	114	60	54
15			
22			
29			

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