

RESEARCH LIBRARY
Federal Reserve Bank
of St. Louis

Week ending: May 17, 1972

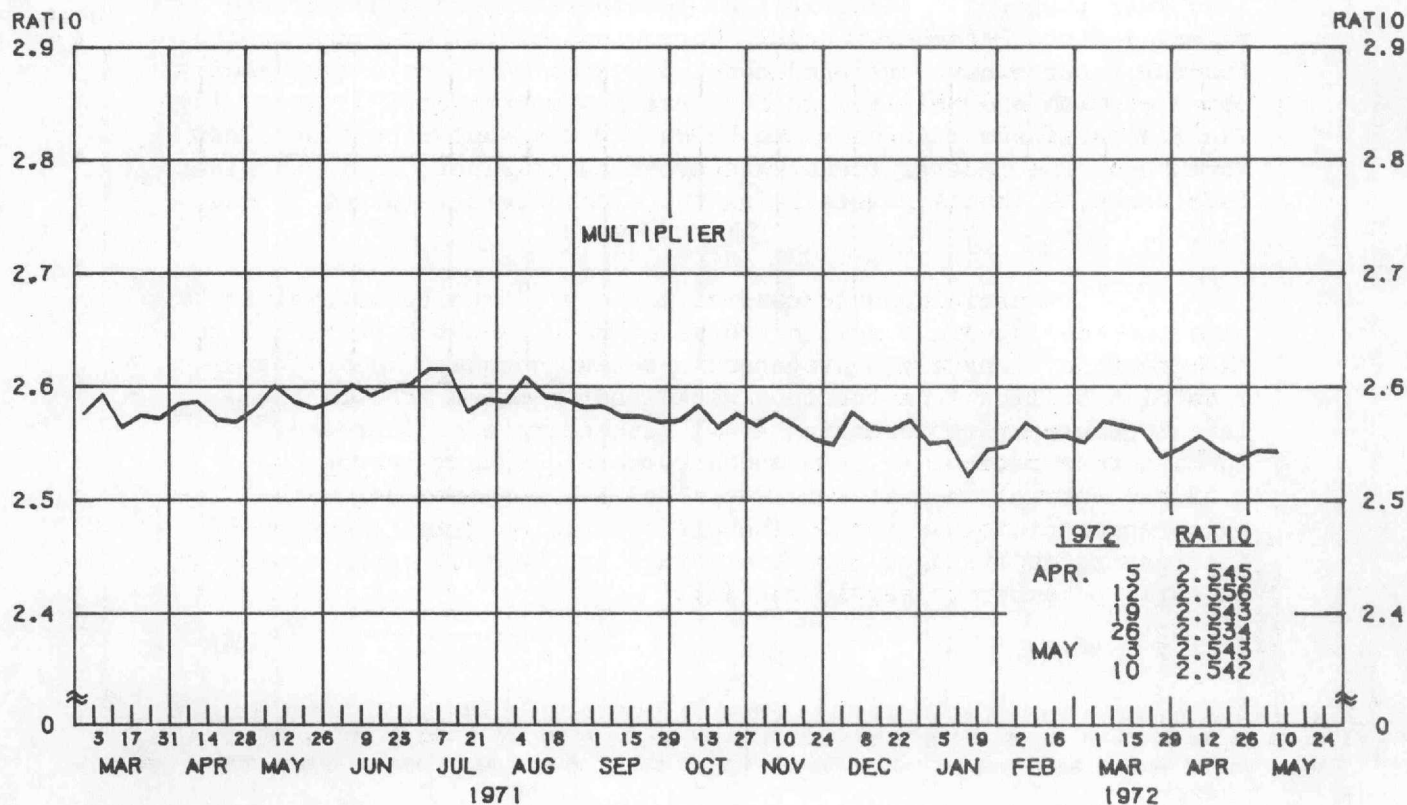
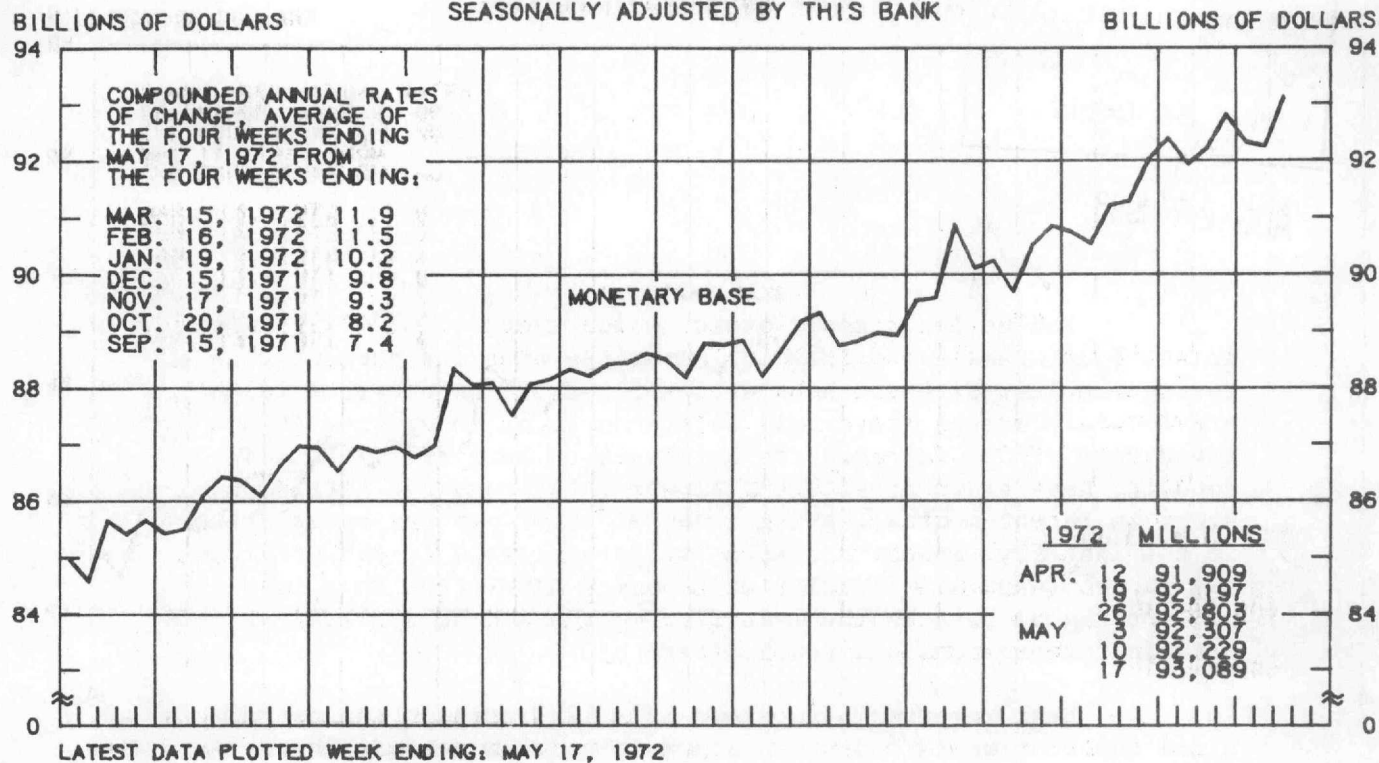
AUG 27 1998

The nation's money stock, which averaged \$234.7 billion in the four weeks ending May 10, has risen at a 7.3 percent rate during the last five months and at a 3 percent annual rate in the previous six months (page 5). For comparison, money grew at a trend rate of 5.9 percent from late 1966 to late 1971. Demand deposits have grown at slightly slower rates than the total money stock in recent months, having risen at a 6.7 percent annual rate in the last five months and at a 2.2 percent rate in the previous six months (page 4). Total time deposits have risen at a 16.6 percent annual rate in the last five months and at an 11.4 percent rate in the previous six months (page 6).

Bank reserves have grown at a 12.5 percent annual rate since the four weeks ending December 15 and 8.3 percent in the last year (page 3). Almost all of reserves have been unborrowed reserves since December. Weekly borrowings by member banks at the Federal Reserve have averaged about \$70 million since early January, compared with \$500 million in the last six months of 1971 (page 12). The Federal funds rate has been below the discount rate since last November. The Federal funds rate averaged 4.27 percent in the last four weeks, 23 basis points below the discount rate (pages 10 and 11).

Commercial and industrial loans at large commercial banks plus outstanding loans sold by these banks have not kept pace with the growth of monetary aggregates in recent months. These loans rose \$1.5 billion from the four weeks ending December 8 to the last four weeks, representing a 4.1 percent rate of increase. The interest rate on 4- to 6-month commercial paper averaged 4.53 percent in the last four weeks, 47 basis points below the prime commercial loan rate. The differential between these two interest rates averaged 61 basis points in the four weeks ending in early December (pages 10 and 11).

MONETARY BASE ^{1/} MULTIPLIER ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK



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/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

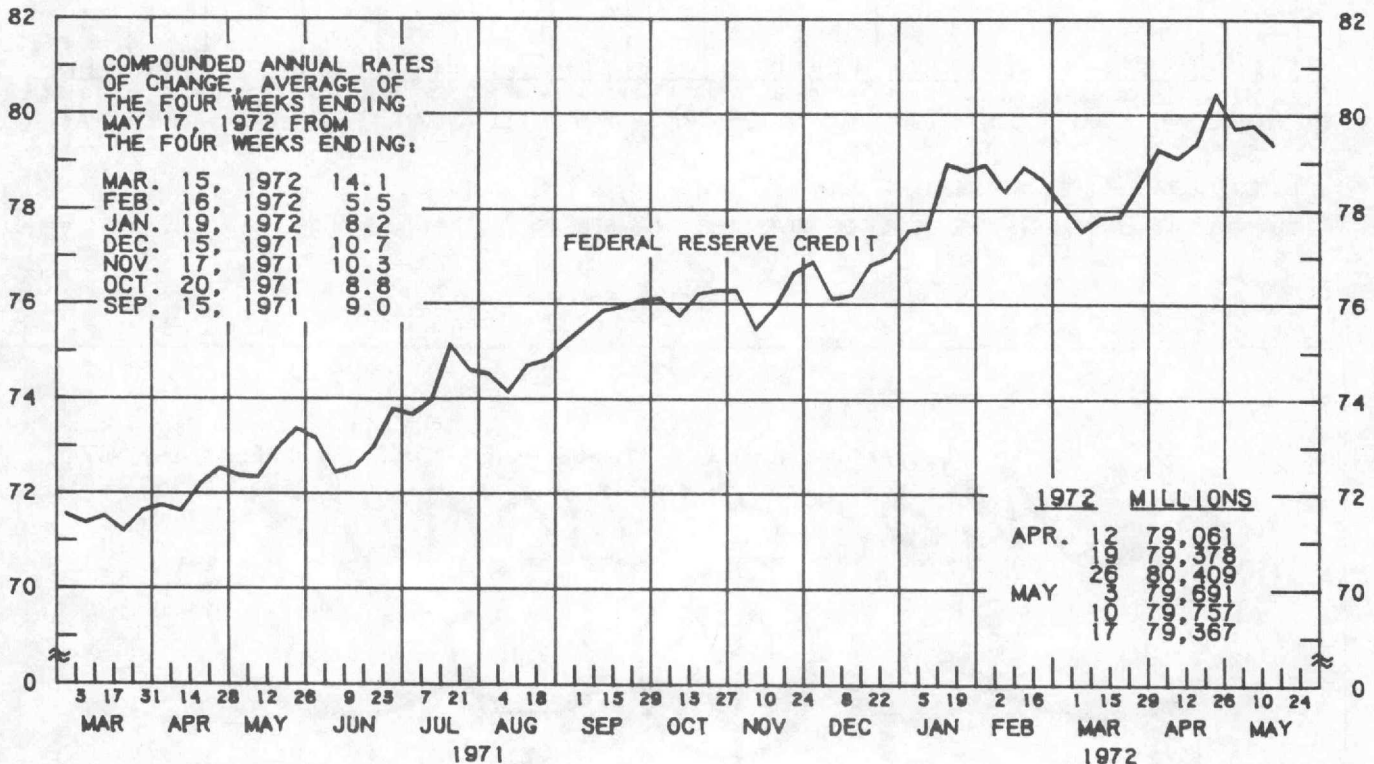
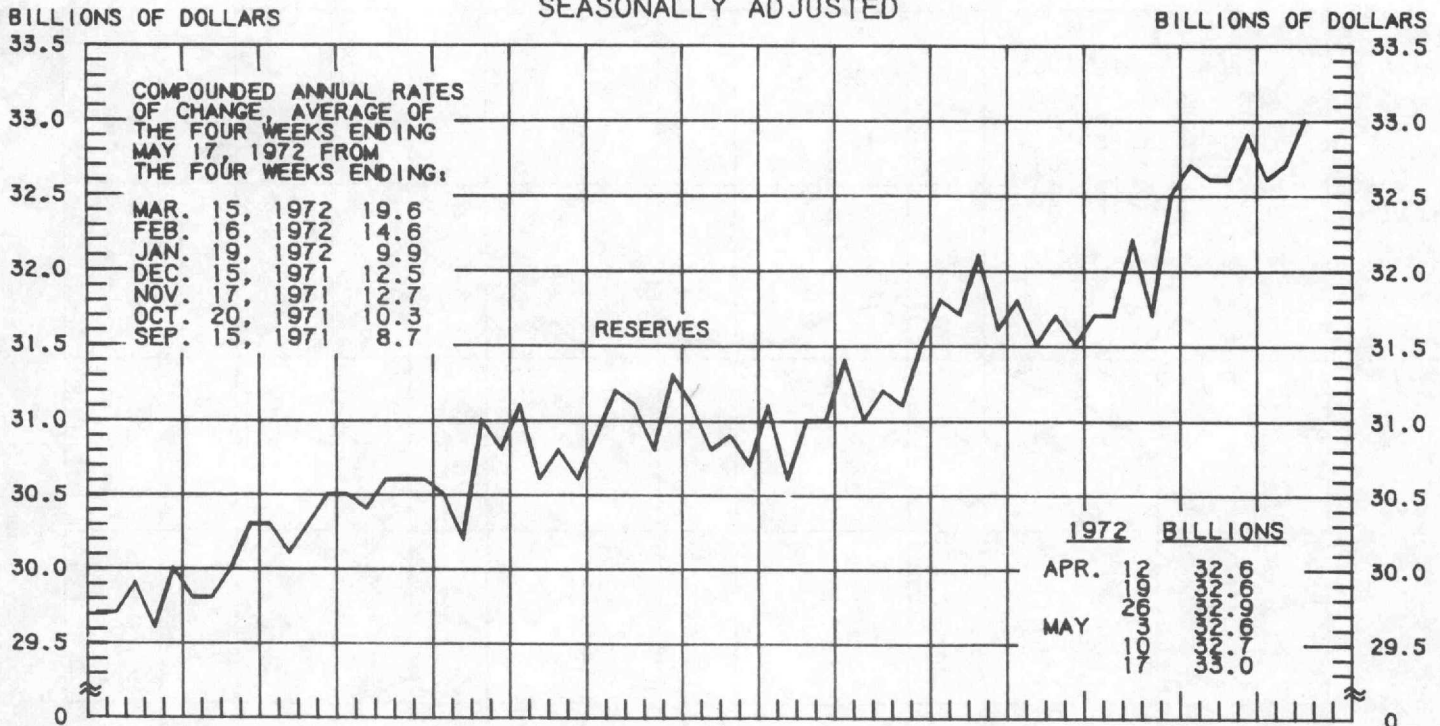
RESERVES 1/

ALL MEMBER BANKS IN THE NATION

FEDERAL RESERVE CREDIT 2/

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

3



LATEST DATA PLOTTED WEEK ENDING: MAY 17, 1972

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

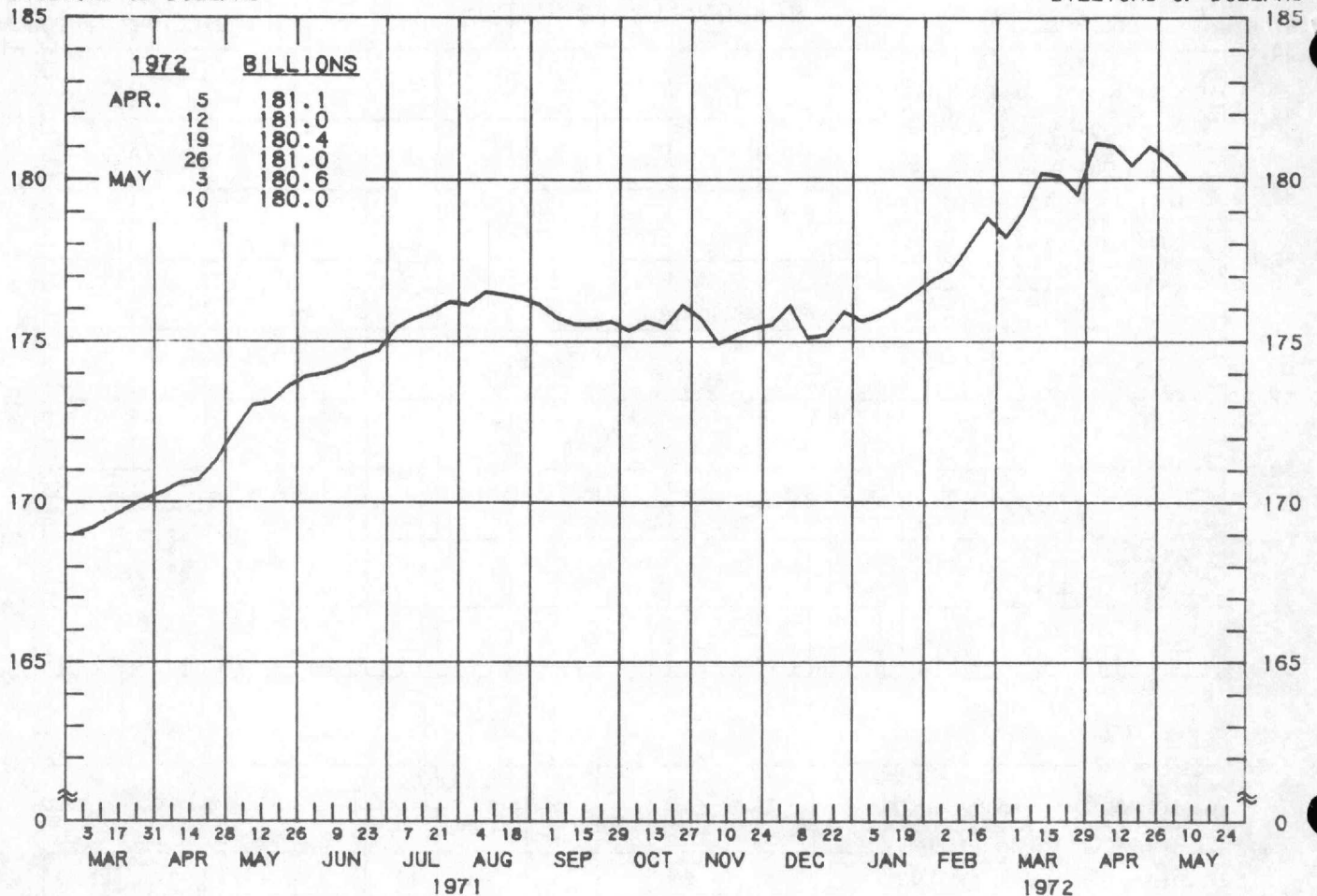
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MAY 10, 1972

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

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

5/12/71 9/8/71 10/13/71 11/10/71 12/8/71 1/12/72 2/9/72 3/8/72

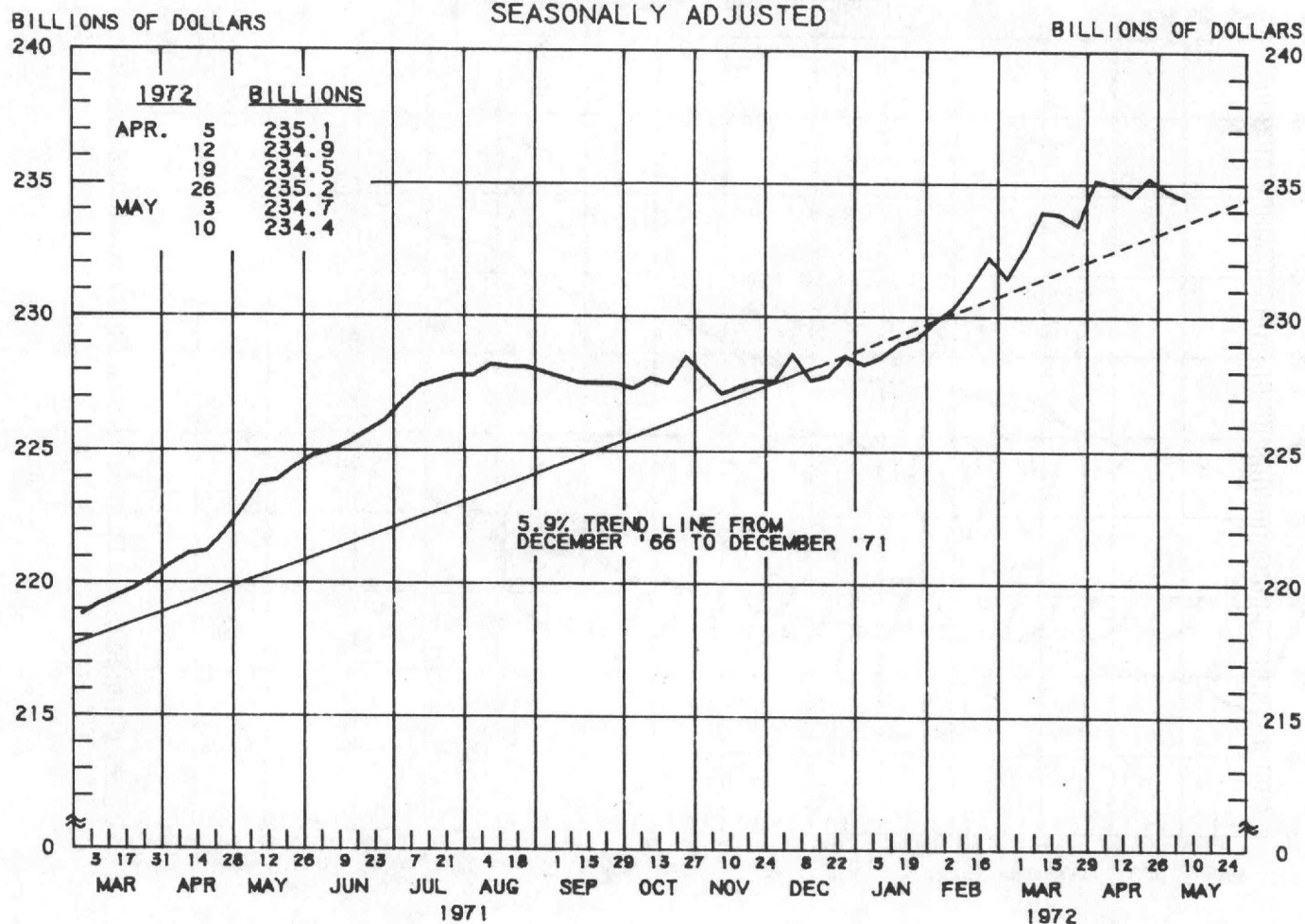
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

10/13/71	5.2						
11/10/71	4.4	-2.0					
12/ 8/71	3.9	-1.1	0.4				
1/12/72	3.3	-0.8	0.2	0.3			
2/ 9/72	3.8	0.8	2.1	2.8	3.7		
3/ 8/72	4.7	2.7	4.3	5.3	6.8	11.2	
4/12/72	5.4	4.1	5.7	6.7	8.1	11.4	12.7
5/10/72	5.1	3.7	5.0	5.8	6.7	8.8	8.9
							6.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 10, 1972

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

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

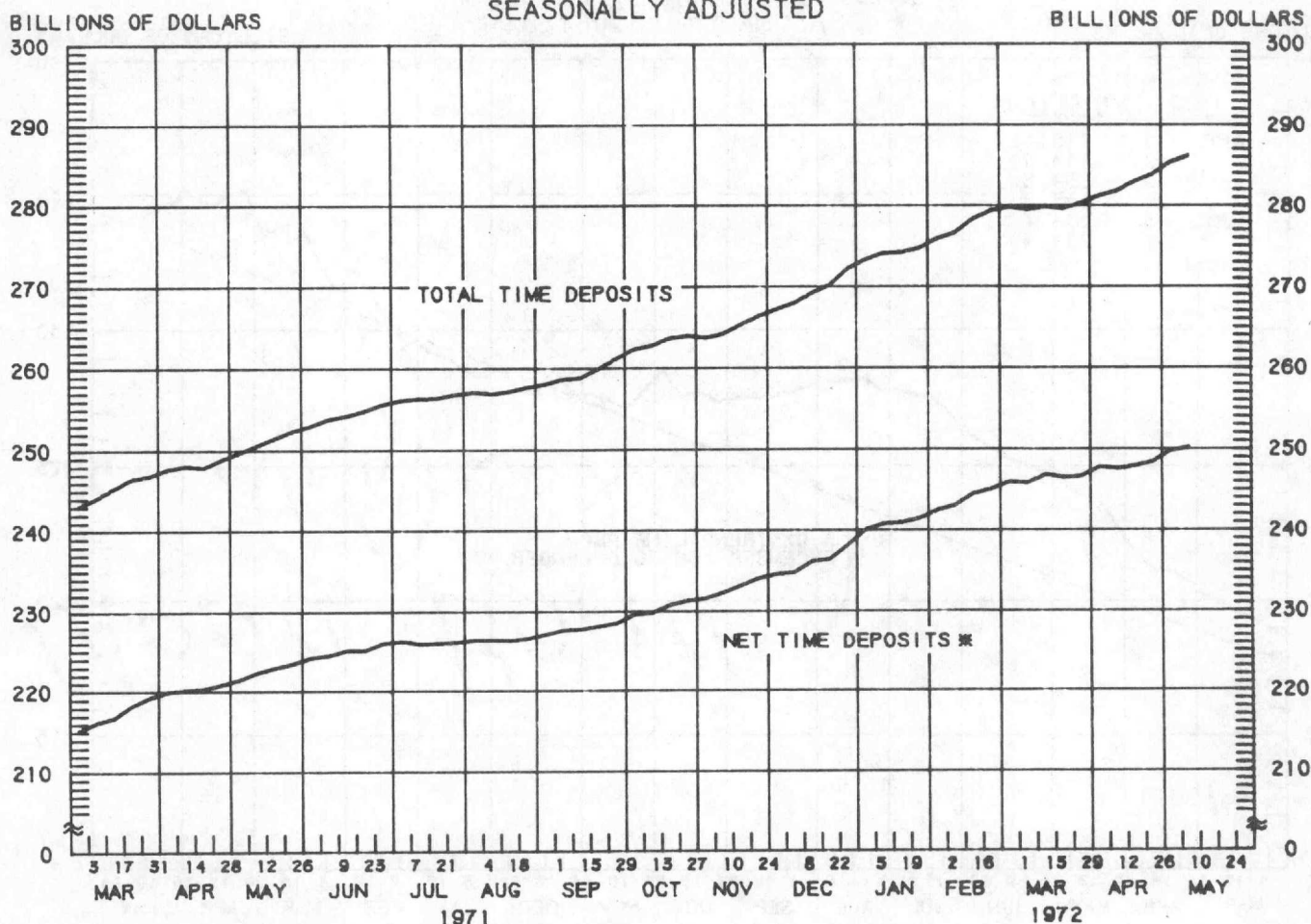
5/12/71 9/8/71 10/13/71 11/10/71 12/8/71 1/12/72 2/9/72 3/8/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

10/13/71	5.5						
11/10/71	4.8	-0.8					
12/ 8/71	4.2	-0.4	0.9				
1/12/72	4.0	0.4	1.4	1.5			
2/ 9/72	4.3	1.7	2.9	3.4	4.7		
3/ 8/72	5.1	3.4	4.7	5.6	7.2	10.4	
4/12/72	5.8	4.7	6.1	7.0	8.5	10.9	12.4
5/10/72	5.5	4.4	5.5	6.2	7.3	8.8	9.2 7.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 10, 1972

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

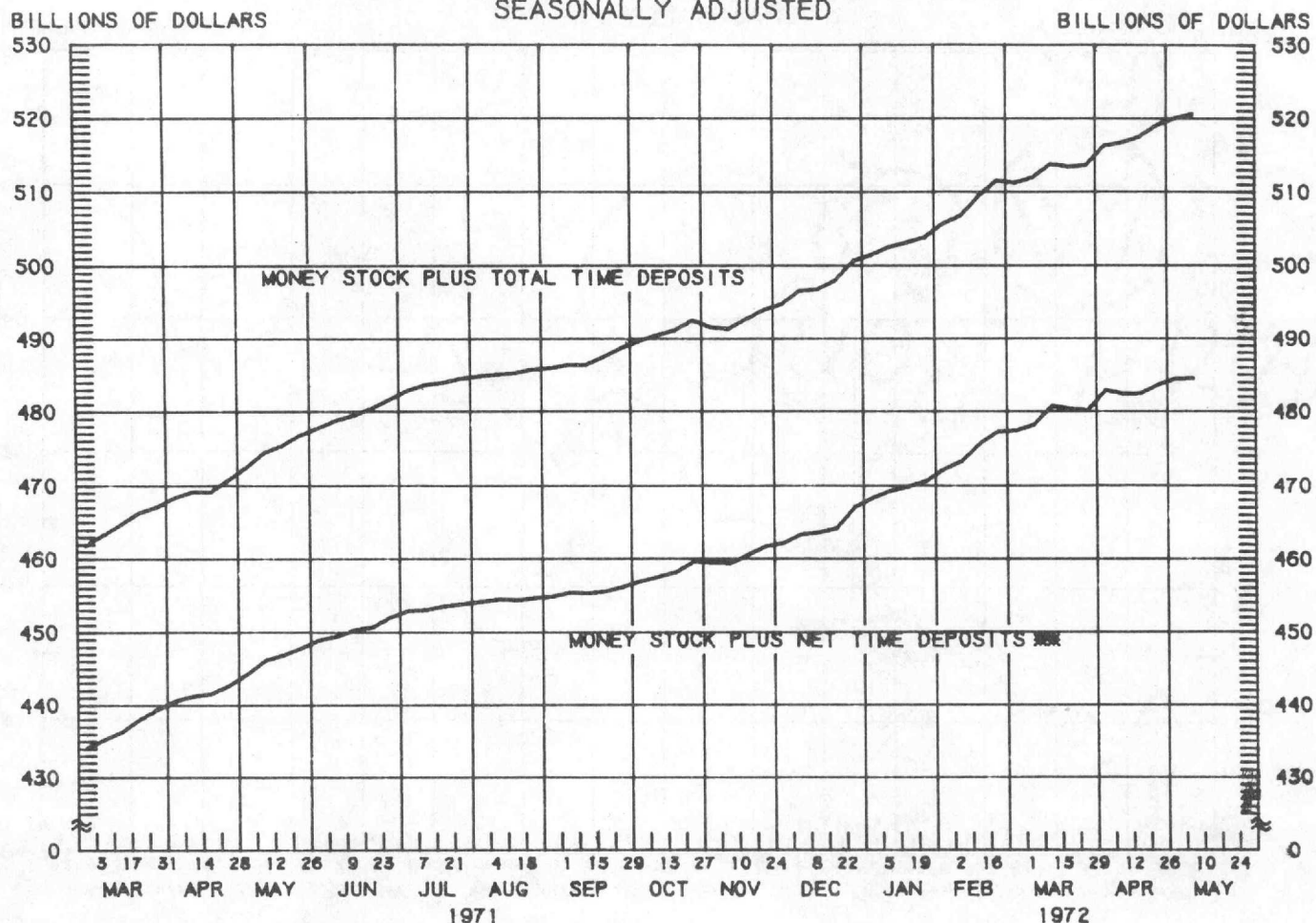
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	5/12/71	9/8/71	10/13/71	11/10/71	12/8/71	1/12/72	2/9/72	3/8/72
TO THE AVERAGE OF FOUR WEEKS ENDING:								
10/13/71	8.5							
11/10/71	9.4	12.3						
12/8/71	10.3	13.5	15.4					
1/12/72	12.0	16.1	18.2	19.9				
2/9/72	12.7	16.5	18.2	19.4	20.8			
3/8/72	13.3	17.0	18.6	19.5	20.6	19.1		
4/12/72	12.7	15.5	16.4	16.8	16.9	14.6	13.1	
5/10/72	12.6	14.9	15.6	15.8	15.7	13.6	12.3	9.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 10, 1972

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:

	5/12/71	9/8/71	10/13/71	11/10/71	12/8/71	1/12/72	2/9/72	3/8/72
TO THE AVERAGE OF FOUR WEEKS ENDING:								
10/13/71	7.0							
11/10/71	7.1	5.6						
12/ 8/71	7.3	6.4	7.9					
1/12/72	8.0	8.1	9.7	10.6				
2/ 9/72	8.5	8.9	10.4	11.2	12.6			
3/ 8/72	9.2	10.0	11.5	12.5	13.8	14.6		
4/12/72	9.2	10.0	11.2	11.8	12.6	12.6	12.6	
5/10/72	9.0	9.6	10.6	11.0	11.5	11.2	10.8	8.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 10, 1972

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.

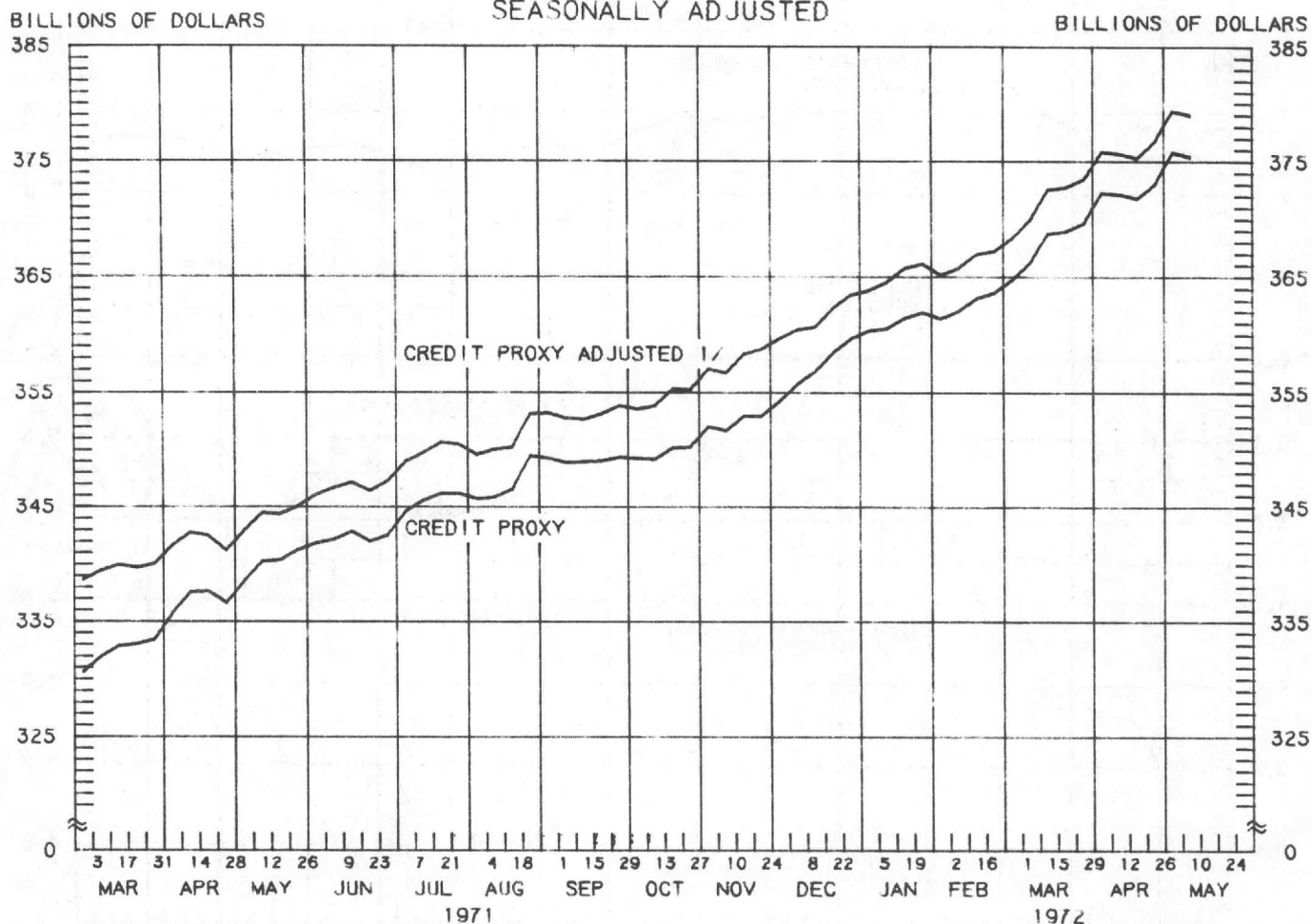
MONEY AND TIME DEPOSIT DATA			
1972	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS*	M 2 ***
MAR. 1	33.8	245.9	477.3
8	33.7	245.7	478.1
15	33.0	246.8	480.7
22	33.1	246.4	480.2
29	33.7	246.6	480.0
APR. 5	33.4	247.7	482.8
12	34.2	247.5	482.3
19	35.0	247.9	482.4
26	35.4	248.4	483.6
MAY 3	35.6	249.7	484.4
10	36.0	250.1	484.5
17			
24			
31			

* 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: MAY 10, 1972

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.

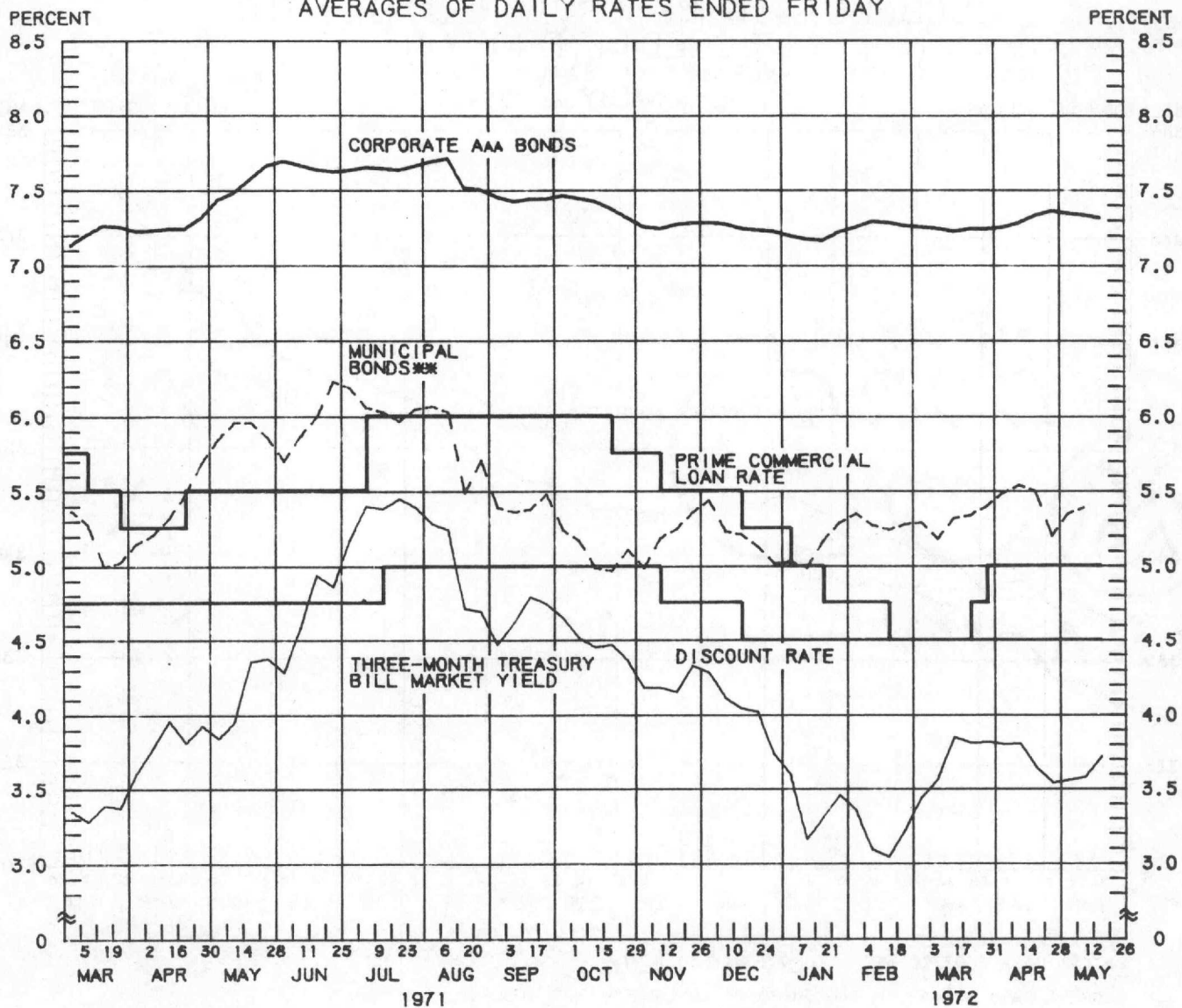
<u>1972</u>		<u>BILLIONS</u>	
		<u>CREDIT PROXY</u>	<u>CREDIT PROXY ADJUSTED</u>
APR.	5	372.2	375.8
	12	372.1	375.6
	19	371.7	375.2
	26	373.0	376.7
MAY	3	375.7	379.3
	10	375.3	378.9

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING MAY 10, 1972 FROM THE FOUR WEEKS ENDING:			
		<u>CREDIT PROXY</u>	<u>CREDIT PROXY ADJUSTED</u>
MAR.	8, 1972	16.0	15.7
FEB.	9, 1972	14.2	13.5
JAN.	12, 1972	12.6	12.3
DEC.	8, 1971	13.9	12.4
NOV.	10, 1971	13.5	12.4
OCT.	13, 1971	12.6	12.0
SEP.	8, 1971	11.0	10.8

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: MAY 19, 1972

1972	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ***
MAR. 3	7.25	3.44	5.50	5.62	5.29
10	7.24	3.57	5.57	5.62	5.18
17	7.22	3.85	5.84	5.67	5.32
24	7.24	3.81	5.83	5.68	5.34
31	7.24	3.82	5.92	5.69	5.40
APR. 7	7.25	3.80	6.07	5.73	5.49
14	7.28	3.81	6.08	5.76	5.54
21	7.33	3.64	6.02	5.76	5.50
28	7.36	3.54	5.86	5.71	5.20
MAY 5	7.34	3.56	5.72	5.69	5.35
12	7.33	3.58	5.73	5.69	5.39
19 *	7.31	3.72	5.68	5.66	N.A.
26					

* AVERAGES OF RATES AVAILABLE.

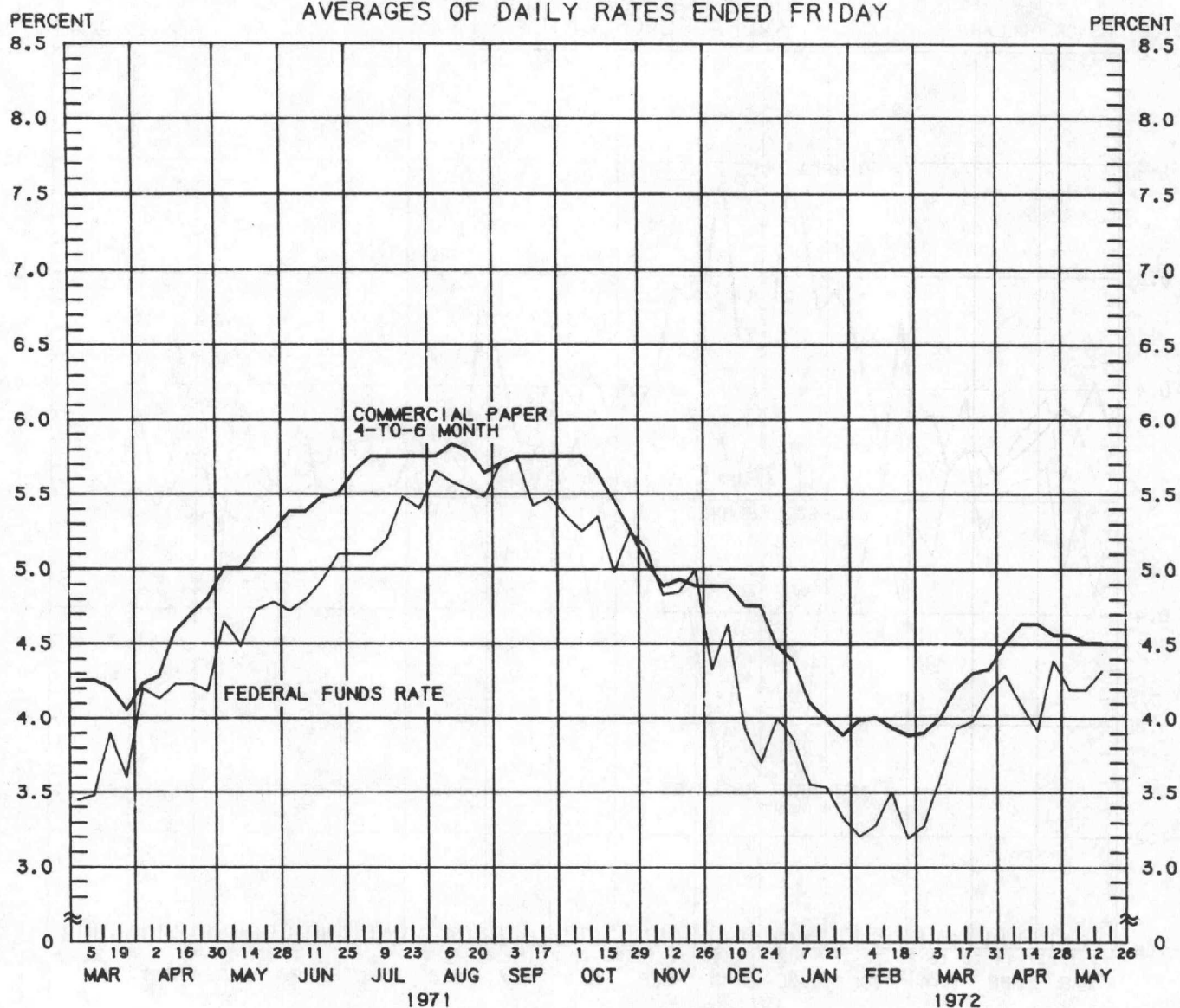
*** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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: MAY 19, 1972

1972	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S ***
MAR. 3	3.90	3.28	3.60	3.65
10	4.00	3.60	3.73	3.70
17	4.20	3.93	4.03	3.86
24	4.30	3.98	4.13	4.09
31	4.33	4.18	4.13	4.28
APR. 7	4.50	4.29	4.40	4.39
14	4.63	4.09	4.50	4.56
21	4.63	3.91	4.48	4.68
28	4.55	4.39	4.33	4.60
MAY 5	4.55	4.19	4.25	4.49
12	4.50	4.19	4.25	4.46
19 *	4.50	4.32	4.25	4.41
26				

* 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.

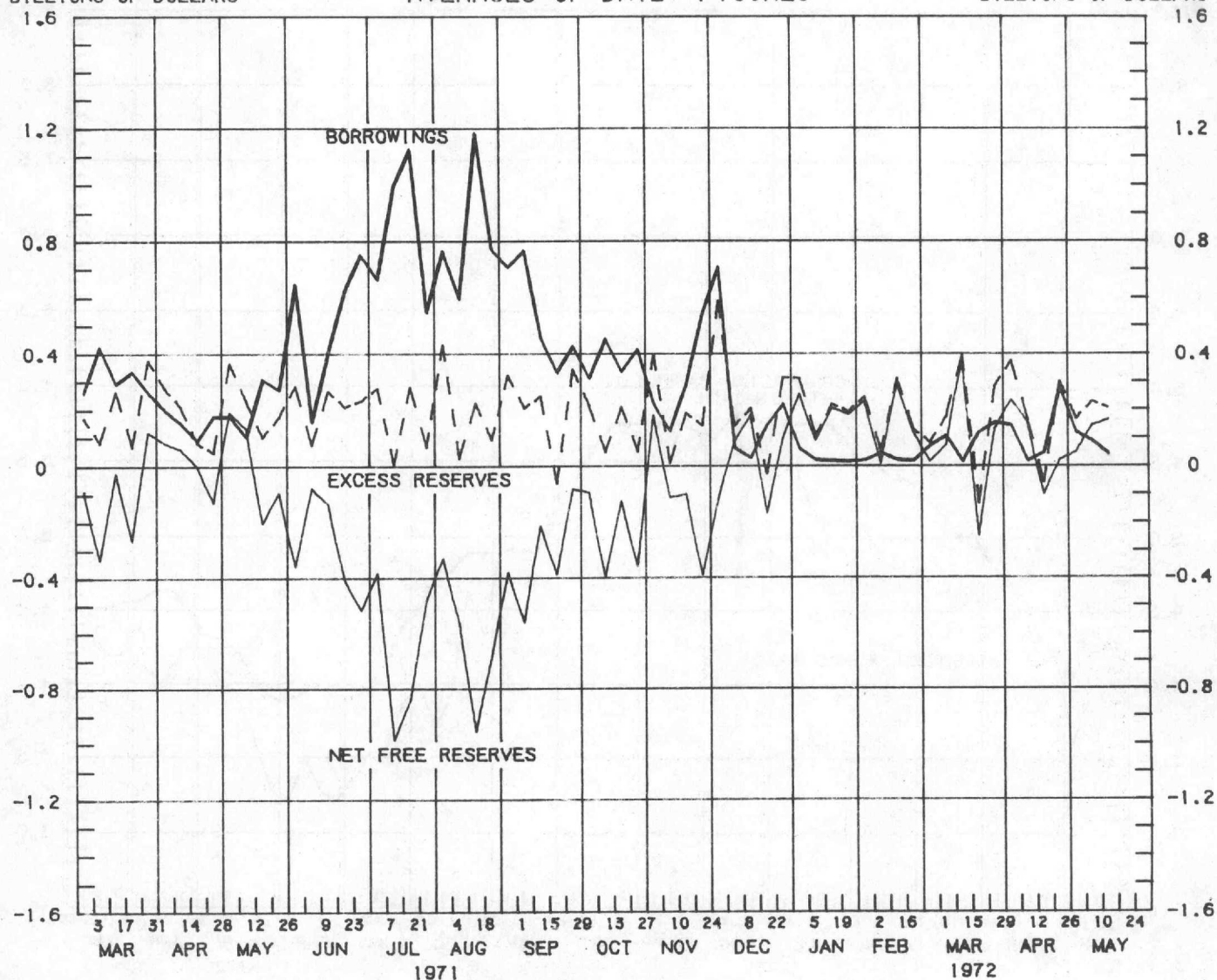
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS AND EXCESS RESERVES ALL MEMBER BANKS IN THE NATION

BILLIONS OF DOLLARS

AVERAGES OF DAILY FIGURES

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MAY 17, 1972

1972	MILLIONS		
	EXCESS RESERVES	BORROWINGS	FREE RESERVES
MAR. 1	82	67	15
8	176	103	73
15	393	13	380
22	- 133	115	- 248
29	285	153	132
APR. 5	374	141	233
12	166	14	152
19	- 59	43	- 102
26	301	279	22
MAY 3	167	117	50
10	229	85	144
17	205	39	166
24			
31			

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS