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Week ending: August 23, 1972

The nation's money stock has expanded at a rapid 8.9 percent annual rate in the past seven months, after rising at an average 5.9 percent rate in the previous five years. Although considerable slowing of the money stock occurred in the second quarter, a surge in July has boosted recent growth rates. Nevertheless, money growth in the past four months, a 7.5 percent rate, has not been as rapid as the 10.7 percent rate in the previous three months.

Net time deposits (total time deposits minus large certificates of deposit at large commercial banks) have risen at a 12.6 percent annual rate in the past seven months. This growth rate is only slightly slower than the 13.6 percent rate in the previous two years, a period heavily influenced by the reintermediation of savings funds into financial institutions. Recent growth is about at the same rate as the 11.1 percent trend growth rate from 1964 to 1971.

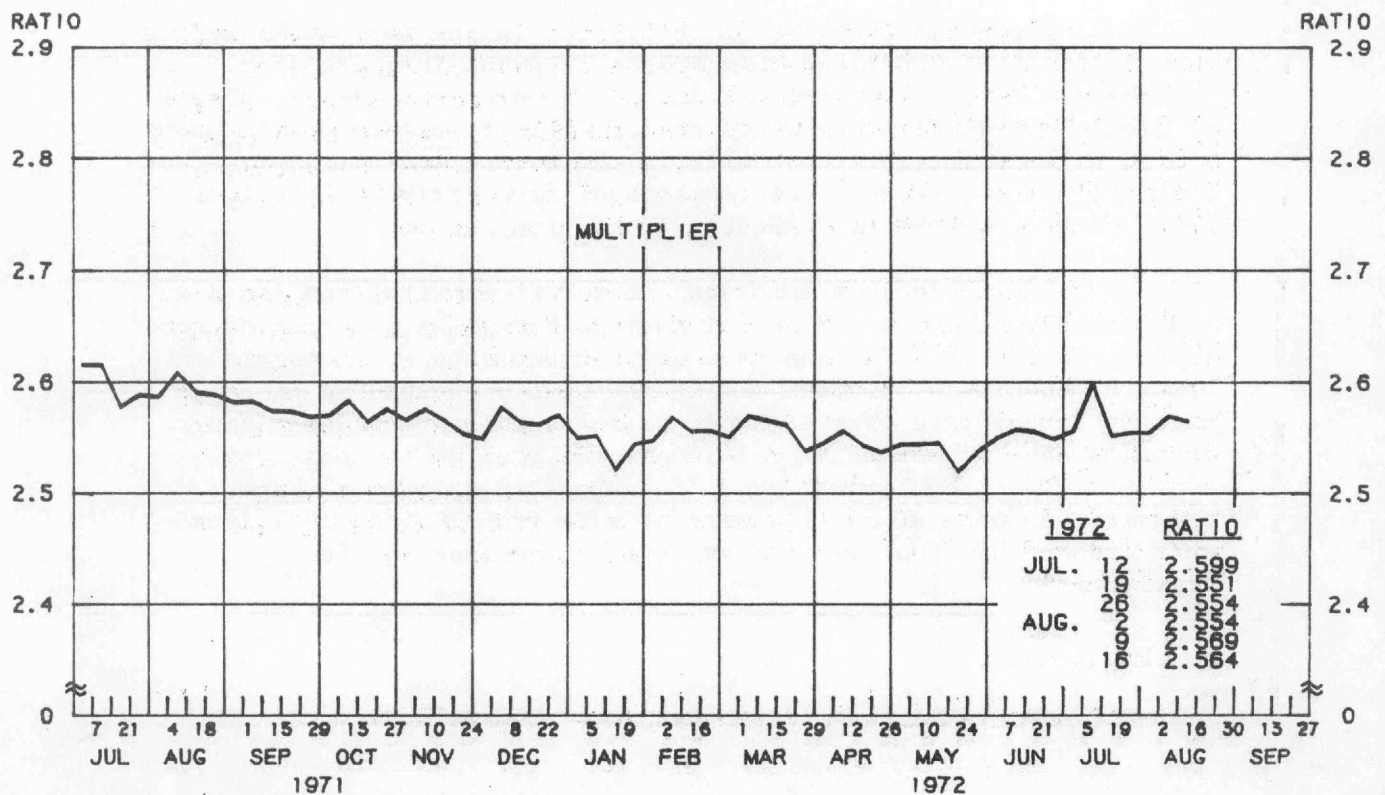
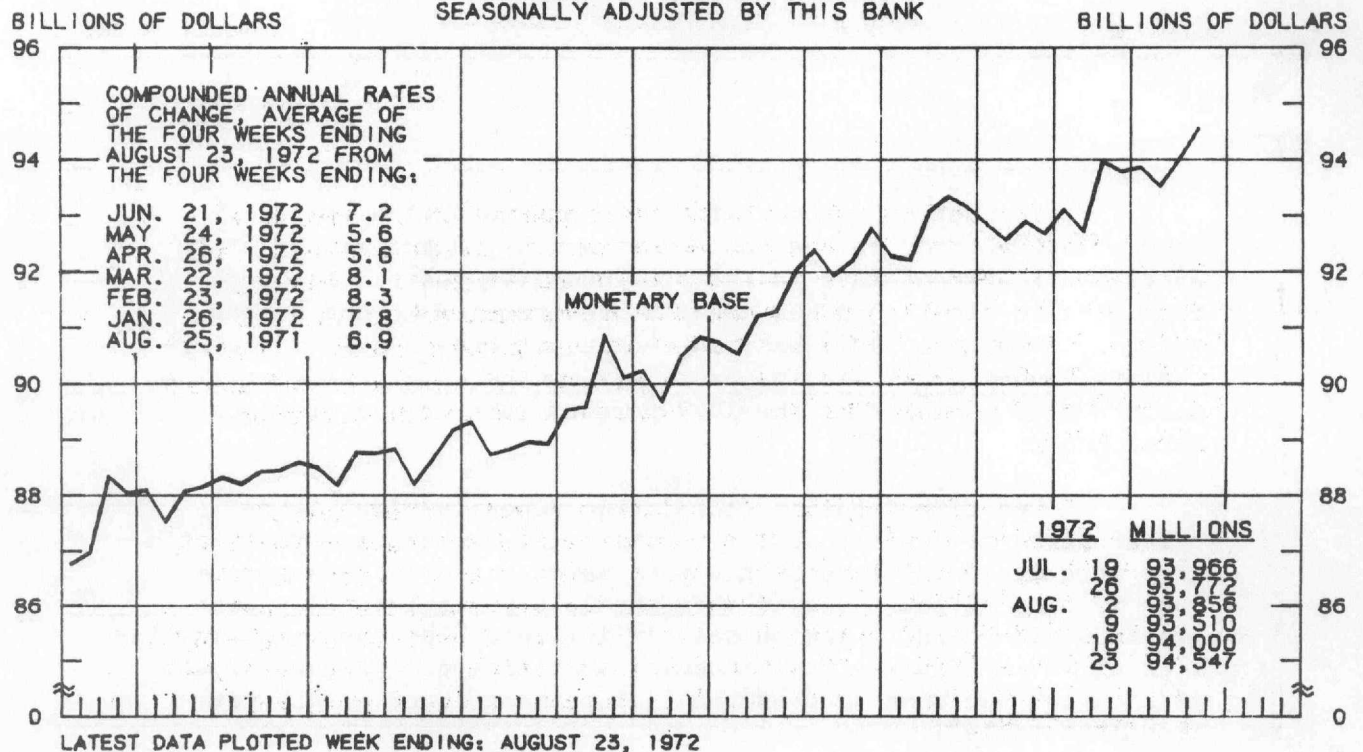
Large CDs averaged \$38.6 billion in the four weeks ending August 16, up \$5.2 billion over March, after no increase from December to March. On average, large CDs have increased at a rate of about \$690 million per month so far in 1972, compared with about a \$930 million increase per month in the reintermediation period of the previous two years. For comparison, from early 1964 to late 1971, large CDs increased about \$240 million per month.

Saving inflows into nonbank thrift institutions (savings and loan associations and mutual savings banks) have increased more rapidly so far in 1972 than have savings deposits at commercial banks. Deposits at nonbank thrift institutions expanded at an 18.5 percent annual rate from December to July, while total bank time deposits have increased at a 14.4 percent rate in the past seven months\*. The trend growth rate of savings at commercial banks, however, has been at an 11.4 percent rate from 1964 to 1971, somewhat faster than the 7.6 percent rate for nonbank thrift institutions.

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\* Four weeks ending 1/19/72 to four weeks ending 8/16/72.

MONETARY BASE <sup>1/</sup>  
MULTIPLIER <sup>2/</sup>  
AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: AUGUST 16, 1972

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 AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS 1/

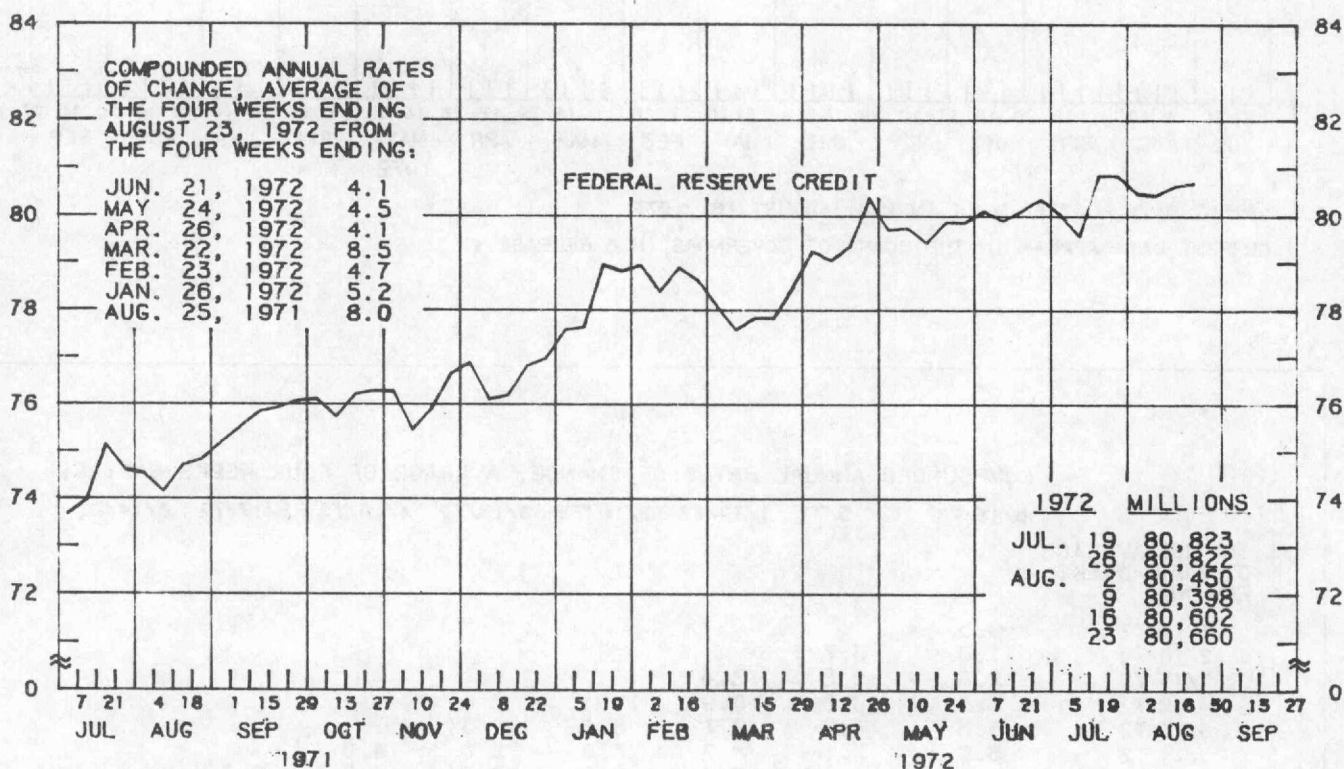
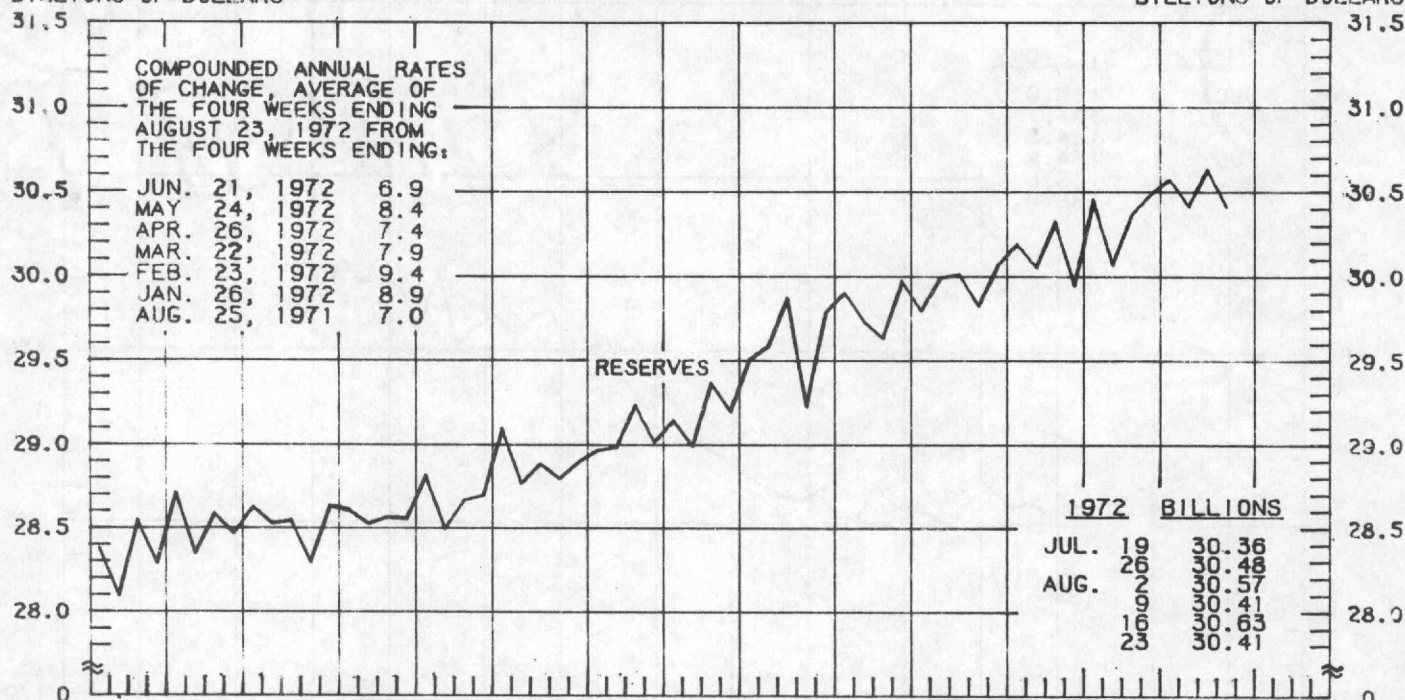
3

## ALL MEMBER BANKS FEDERAL RESERVE CREDIT 2/

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 23, 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.

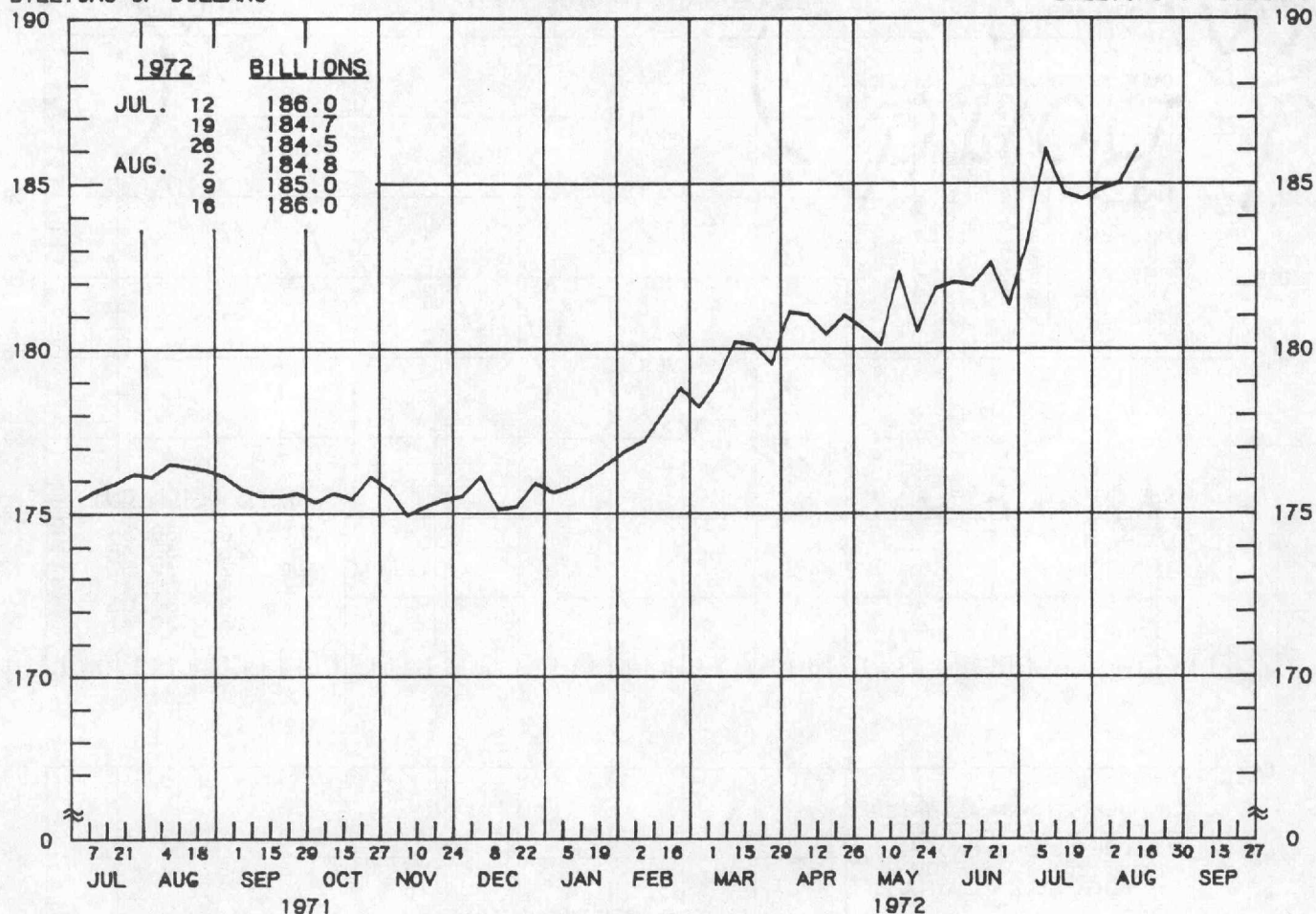


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



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

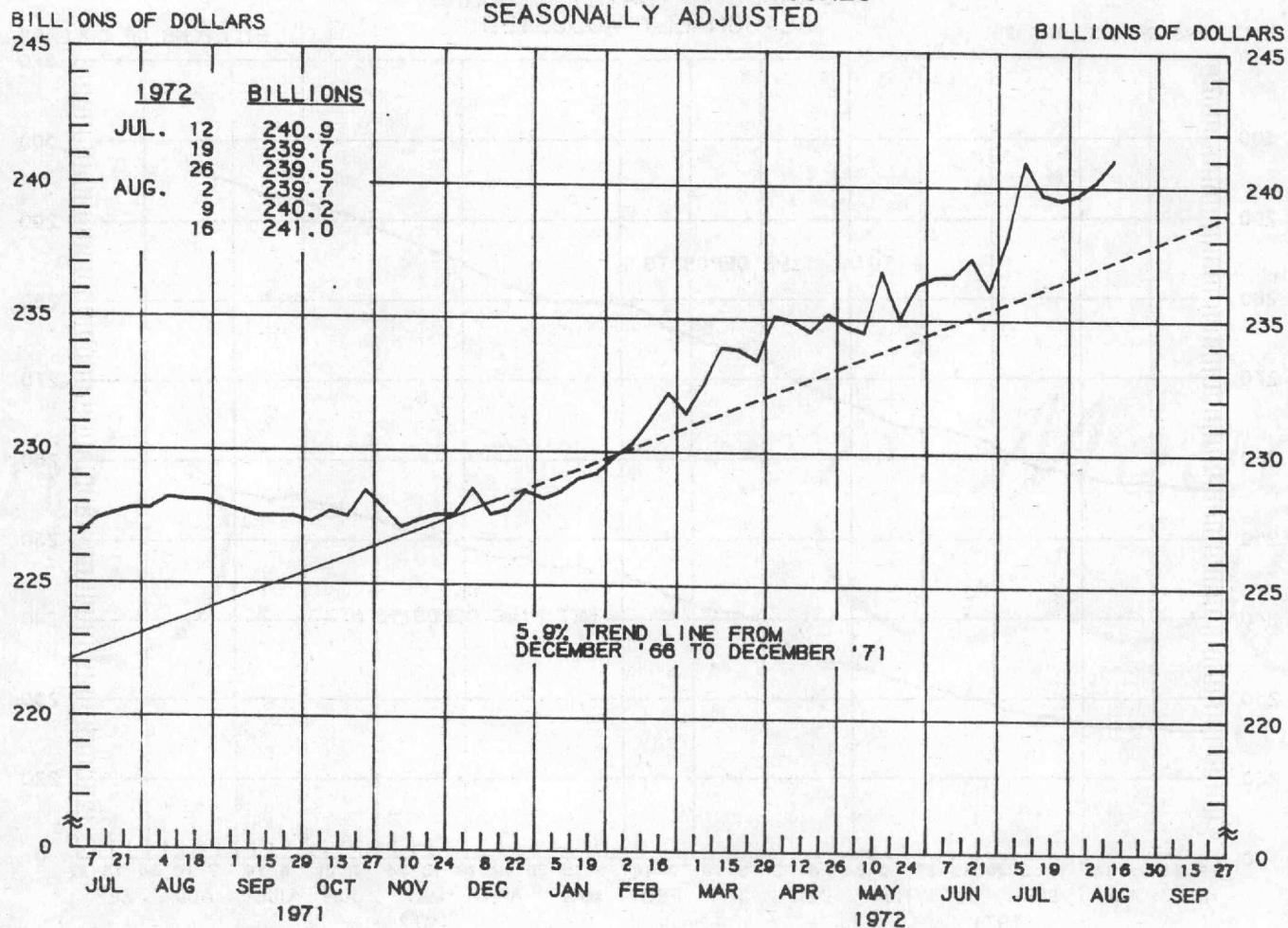
8/18/71 12/15/71 1/19/72 2/16/72 3/15/72 4/19/72 5/17/72 6/14/72

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

1/19/72	-0.5						
2/16/72	1.0	5.7					
3/15/72	2.8	8.5	12.4				
4/19/72	3.6	8.5	10.9	11.3			
5/17/72	3.6	7.6	9.1	8.9	6.3		
6/14/72	3.6	7.1	8.2	7.8	5.7	4.0	
7/19/72	4.6	8.1	9.2	9.0	7.8	7.5	9.3
8/16/72	5.0	8.2	9.2	9.1	8.1	8.0	9.4 11.7

# MONEY STOCK

## AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

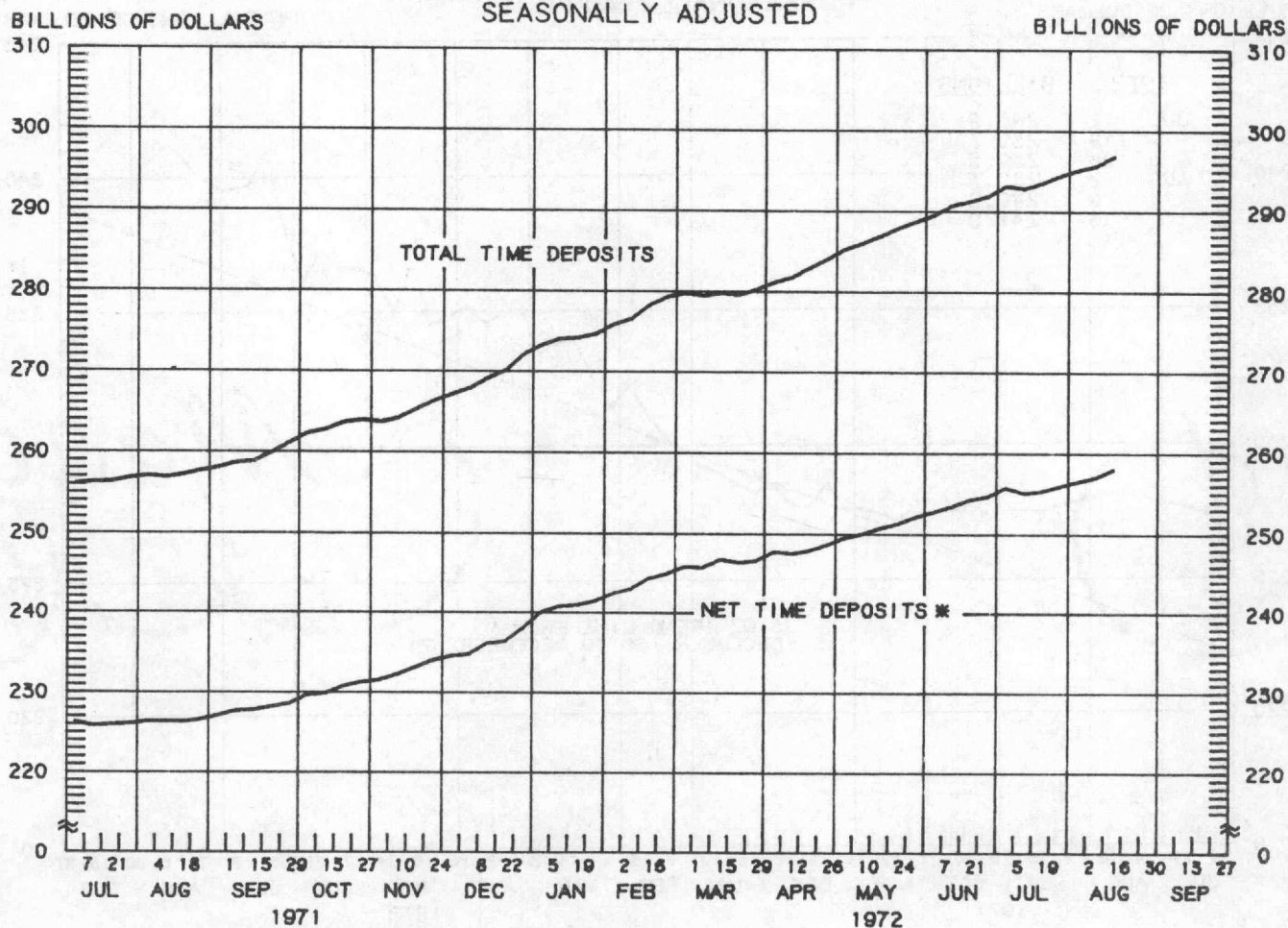


### COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

	8/18/71	12/15/71	1/19/72	2/16/72	3/15/72	4/19/72	5/17/72	6/14/72
1/19/72	0.6							
2/16/72	1.9	5.7						
3/15/72	3.4	8.3	11.6					
4/19/72	4.3	8.6	10.7	11.6				
5/17/72	4.3	7.8	9.2	9.4	7.2			
6/14/72	4.3	7.3	8.3	8.2	6.3	4.5		
7/19/72	5.1	8.1	9.0	9.1	7.9	7.4	8.6	
8/16/72	5.3	8.1	8.9	8.9	7.9	7.5	8.4	10.2

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



LATEST DATA PLOTTED WEEK ENDING: AUGUST 16, 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:

8/18/71 12/15/71 1/19/72 2/16/72 3/15/72 4/19/72 5/17/72 6/14/72

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

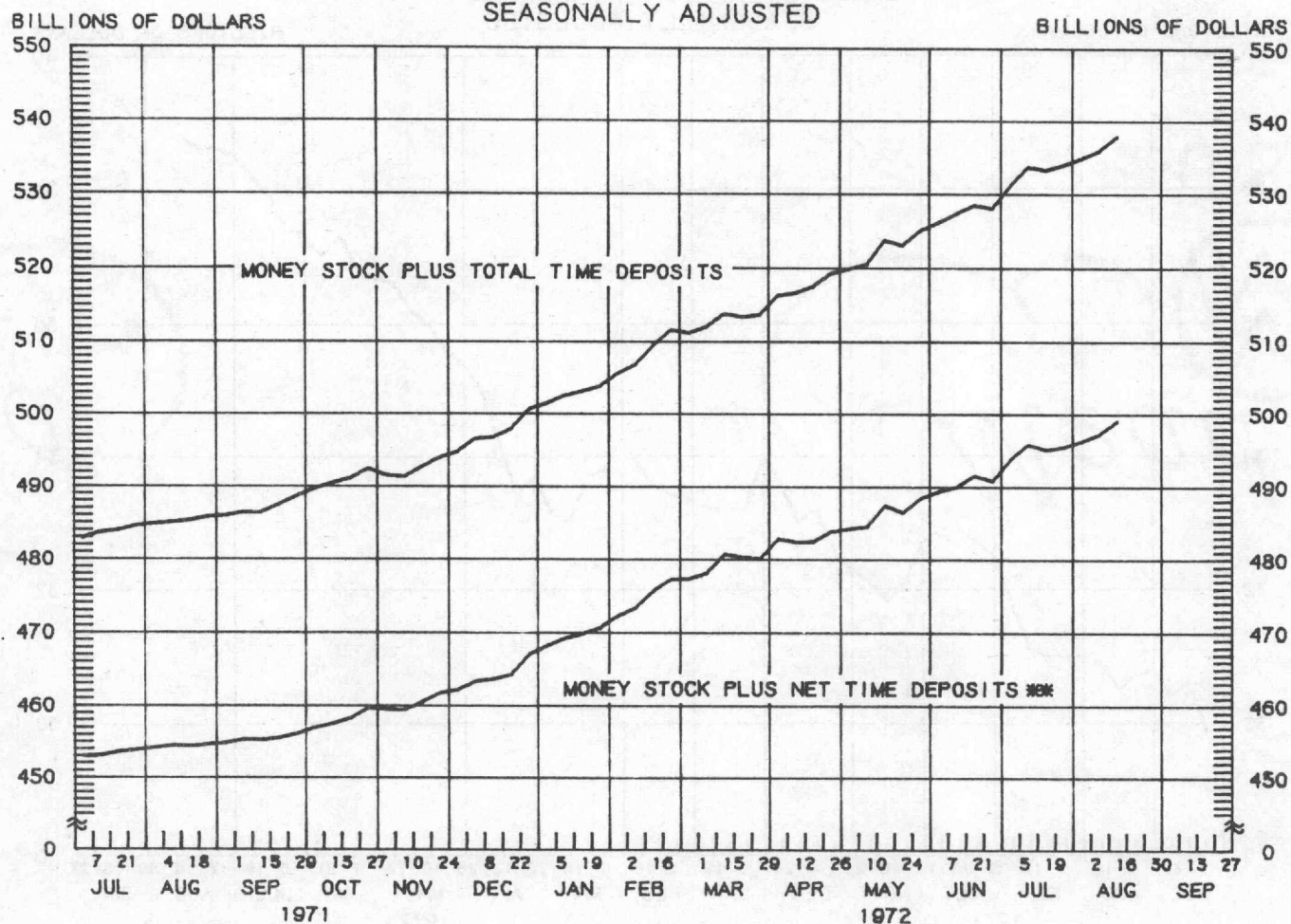
1/19/72	14.9						
2/16/72	15.2	21.4					
3/15/72	15.6	20.3	17.4				
4/19/72	14.2	16.3	13.1	11.5			
5/17/72	14.1	15.7	13.0	11.9	9.3		
6/14/72	14.2	15.6	13.4	12.6	11.0	13.9	
7/19/72	14.0	15.0	13.2	12.5	11.3	13.2	13.4
8/16/72	13.6	14.3	12.6	12.0	10.9	12.2	12.0
							10.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS



# MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 16, 1972

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:

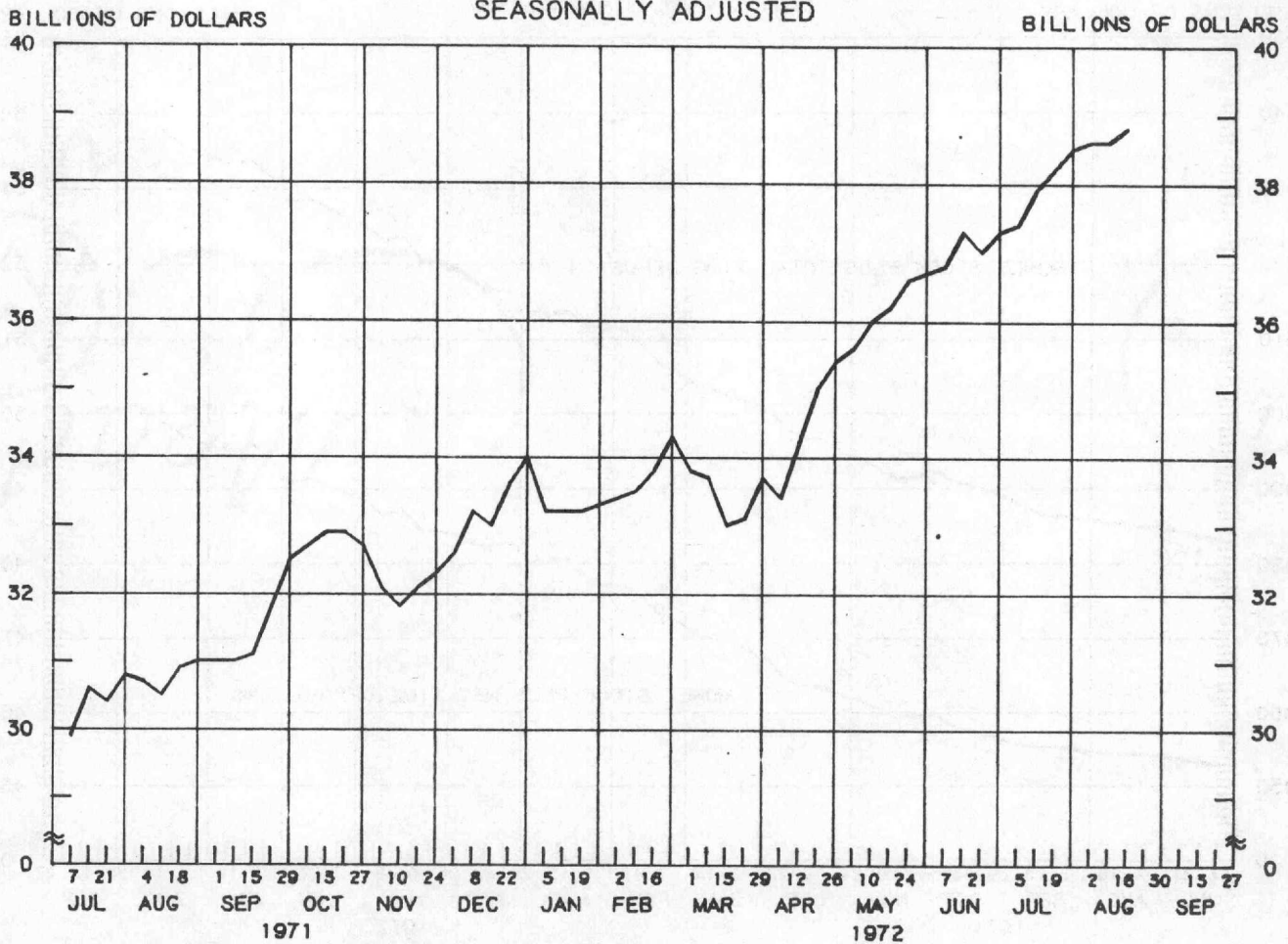
8/18/71 12/15/71 1/19/72 2/16/72 3/15/72 4/19/72 5/17/72 6/14/72

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

1/19/72	7.7						
2/16/72	8.4	13.4					
3/15/72	9.4		14.2				
4/19/72	9.2	12.5	11.8	11.5			
5/17/72	9.1	11.8	11.1	10.6	8.4		
6/14/72	9.2	11.5	10.8	10.4	8.8	9.2	
7/19/72	9.5	11.5	11.0	10.8	9.7	10.2	10.9
8/16/72	9.4	11.2	10.7	10.5	9.5	9.9	10.3 10.5

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 16, 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 ***
JULY 5	37.4	255.7	493.7
12	37.9	255.0	495.8
19	38.2	255.3	495.0
26	38.5	255.9	495.4
AUG. 2	38.6	256.5	496.2
9	38.6	257.0	497.2
16	38.8	258.0	499.0
23			
30			
SEP. 6			
13			
20			
27			

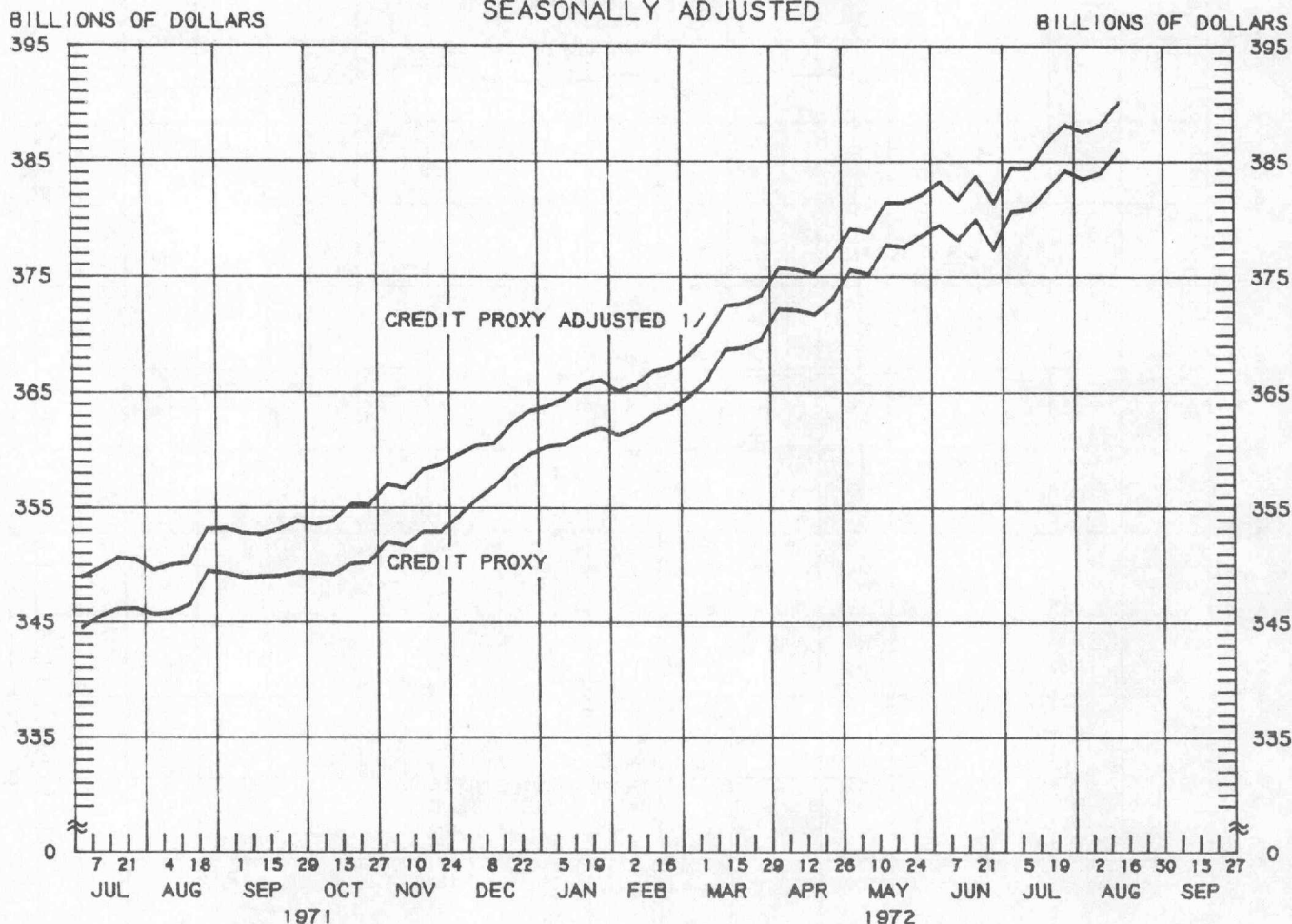
\* SEE FOOTNOTE PAGE 6.

\*\*\* 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: AUGUST 16, 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.

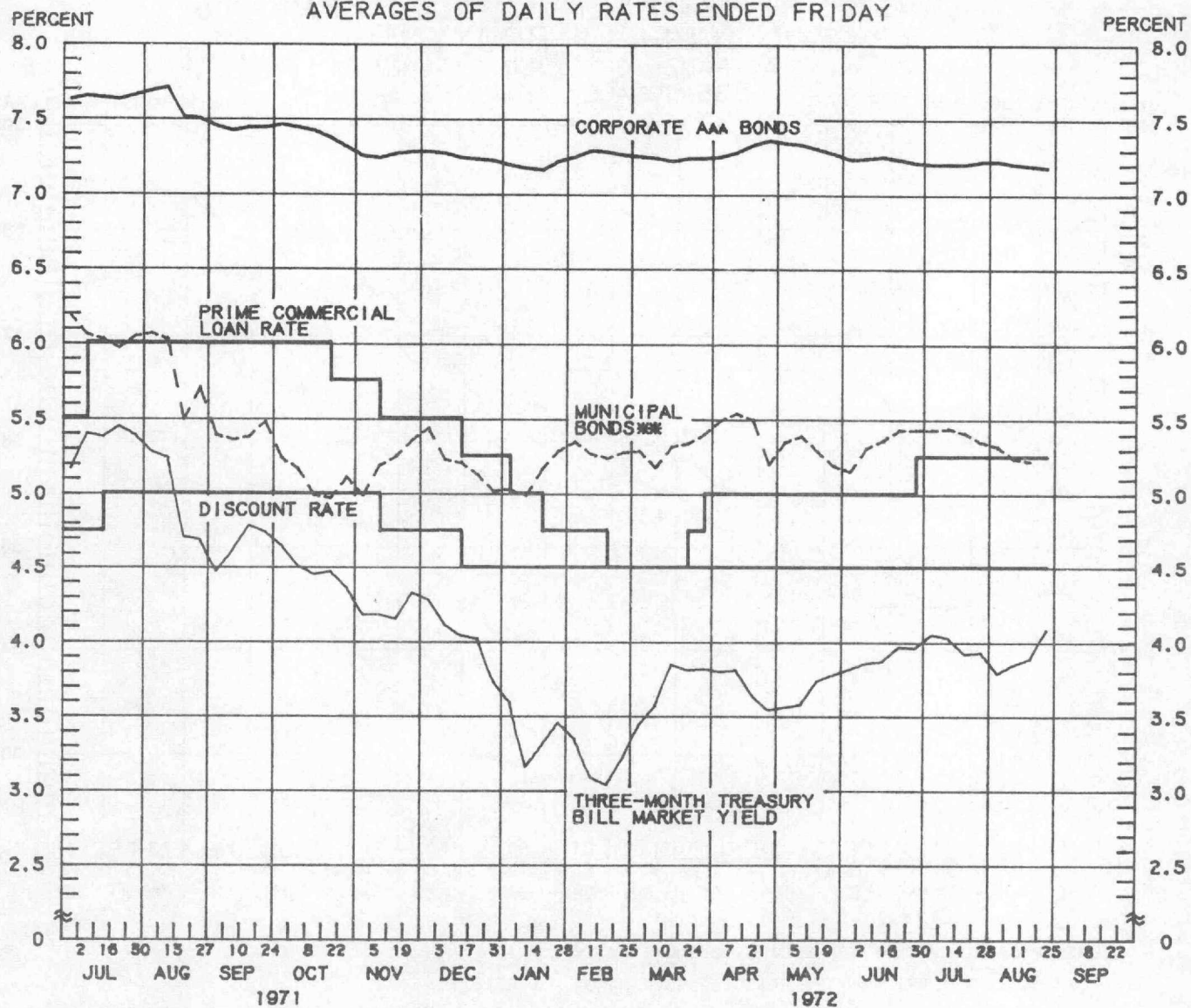
1972		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUL.	12	380.8	384.4
	19	382.5	386.6
	26	384.2	388.2
AUG.	2	383.4	387.5
	9	384.0	388.2
	16	386.0	390.1

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING AUGUST 16, 1972 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUN.	14, 1972	9.5	10.1
MAY	17, 1972	9.9	10.4
APR.	19, 1972	11.1	11.4
MAR.	15, 1972	12.4	12.6
FEB.	16, 1972	12.7	12.7
JAN.	19, 1972	11.8	11.7
AUG.	18, 1971	11.1	11.0

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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: AUGUST 25, 1972

1972	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ***
JULY 7	7.20	4.05	5.86	5.61	5.43
14	7.20	4.03	5.85	5.59	5.44
21	7.20	3.92	5.84	5.56	5.41
28	7.22	3.93	5.87	5.54	5.35
AUG. 4	7.22	3.79	5.85	5.51	5.32
11	7.20	3.85	5.85	5.48	5.24
18	7.19	3.89	5.87	5.53	5.22
25 *	7.18	4.08	5.89	5.52	N.A.
SEP. 1					
8					
15					
22					
29					

\* AVERAGES OF RATES AVAILABLE.

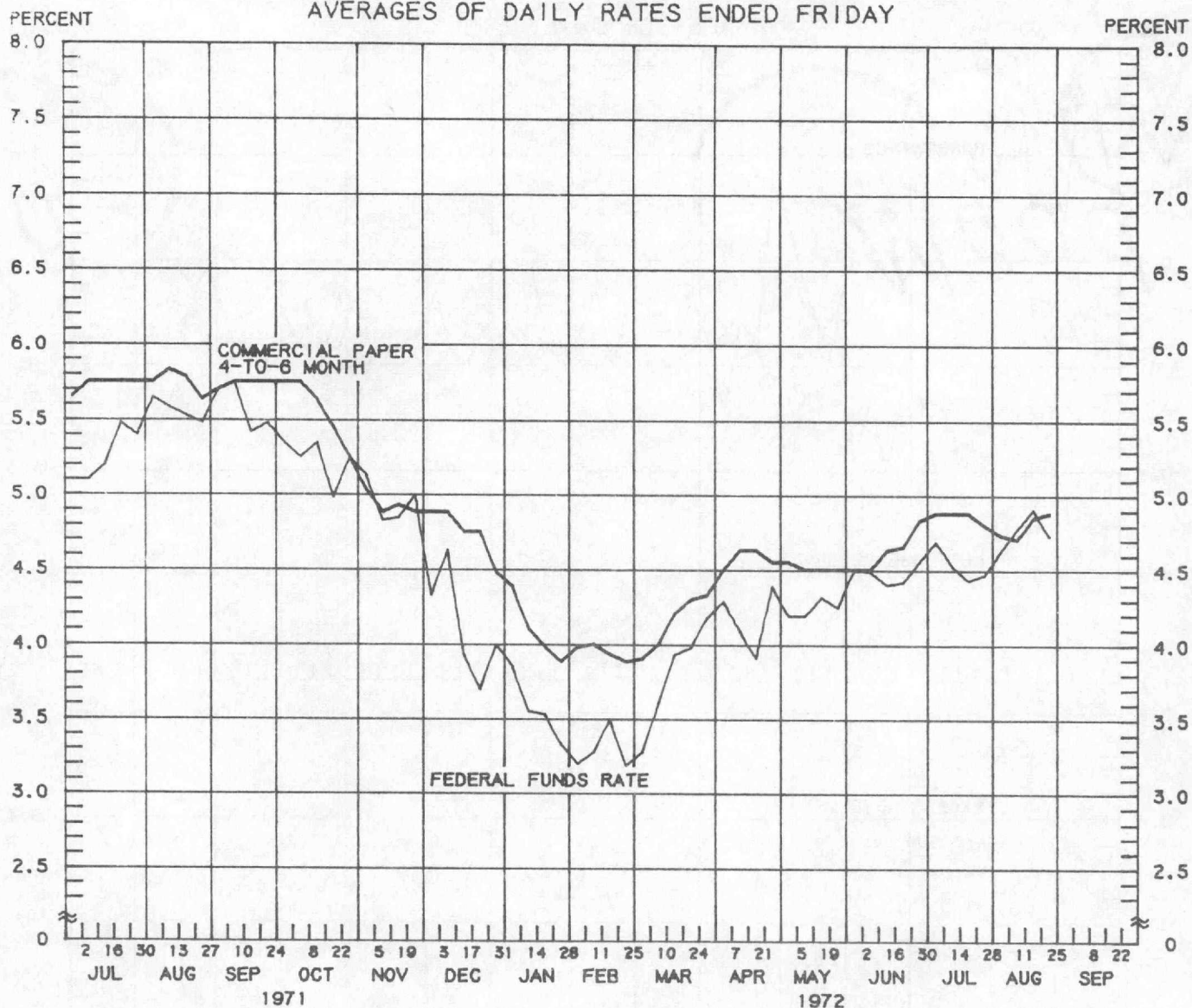
\*\*\* BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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: AUGUST 25, 1972

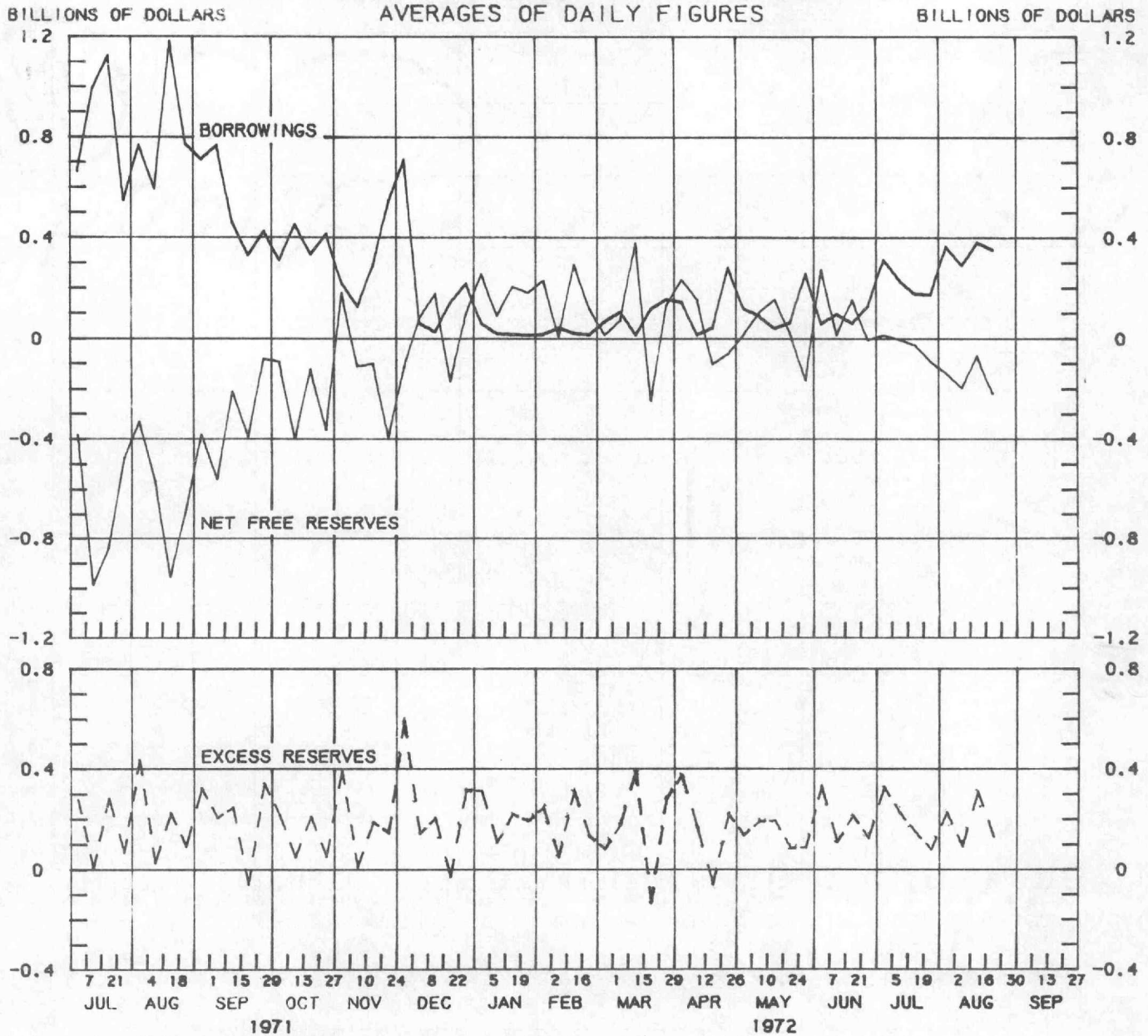
1972	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S ***
JULY 7	4.88	4.69	4.75	4.78
14	4.88	4.53	4.75	4.93
21	4.88	4.43	4.75	4.89
28	4.80	4.47	4.68	4.80
AUG. 4	4.73	4.63	4.63	4.72
11	4.70	4.78	4.63	4.70
18	4.85	4.91	4.63	4.76
25 *	4.88	4.73	4.75	4.84
SEP. 1				
8				
15				
22				
29				

\* 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



LATEST DATA PLOTTED WEEK ENDING: AUGUST 23, 1972

1972	MILLIONS		
	EXCESS RESERVES	BORROWINGS	FREE RESERVES
JULY 5	328	312	16
12	223	227	- 4
19	147	173	- 26
26	79	172	- 93
AUG. 2	227	364	- 137
9	90	287	- 197
16	311	381	- 70
23	131	350	- 219
30			
SEP. 6			
13			
20			
27			

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