



U.S. FINANCIAL DATA

Week ending: September 6, 1972

LIBRARY

JUN 05 1979

Growth of the money stock has increased at a relatively rapid rate so far this year. In the eight months since the four weeks ending December 29, money has increased at an 8.3 percent annual rate. This rate compares with a 5.9 percent trend rate from late 1966 to late 1971, and a 2.3 percent rate from 1952 to 1966. The current trend growth rate can be a useful reference for judging the impact of recent monetary growth on economic activity. ^{1/}

Accompanying the rapid growth of money have been similar rates of growth in the underlying reserve aggregates. For example, reserves available to support private nonbank deposits (RPDs) ^{2/} have increased at a 10.1 percent annual rate in the past eight months. For comparison, this aggregate increased at a 6.1 percent annual rate from late 1966 to late 1971. The monetary base has increased at an 8.9 percent rate in the past eight months, compared with a trend rate of 5.8 percent from late 1966 to late 1971.

Part of the increase in reserve aggregates during the past eight months has resulted from an increase in member bank borrowings, although most of the increase has been due to an increase in Federal Reserve holdings of U.S. Government securities. Member bank borrowings have increased from about an average \$110 million last December to an average \$512 million in the most recent four weeks, while Federal Reserve holdings have increased about \$2.6 billion over the same period.

The Federal funds rate has averaged 4.85 percent in the past four weeks, compared with 4.14 percent last December. Meanwhile, the discount rate has remained at 4-1/2 percent since last December. In the past, as the Federal funds rate has risen relative to the discount rate, member bank borrowings from the Federal Reserve have tended to increase (see chart on p. 9 of "U.S. Financial Data," 8/30/72). An increase in borrowings provides reserves for further deposit creation if not offset by other factors, such as system holdings of securities.

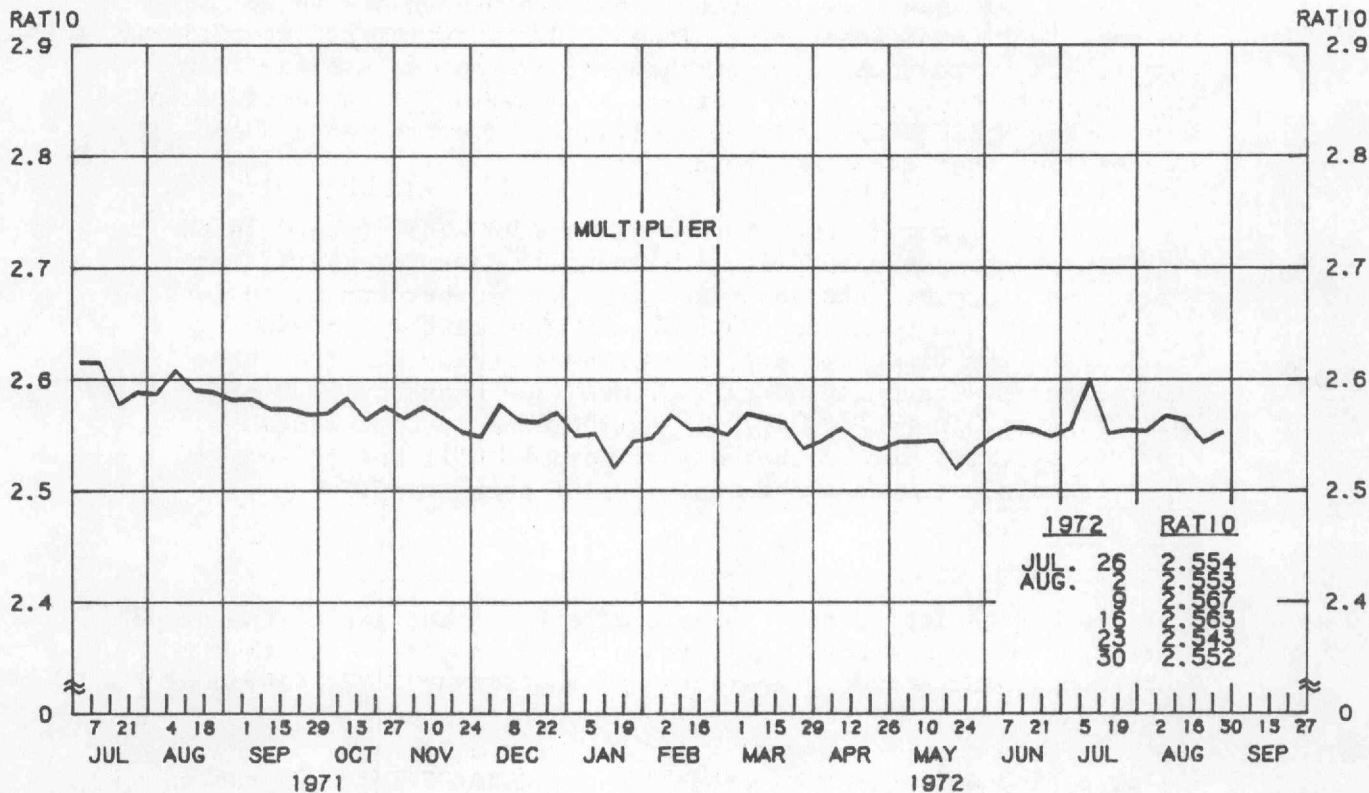
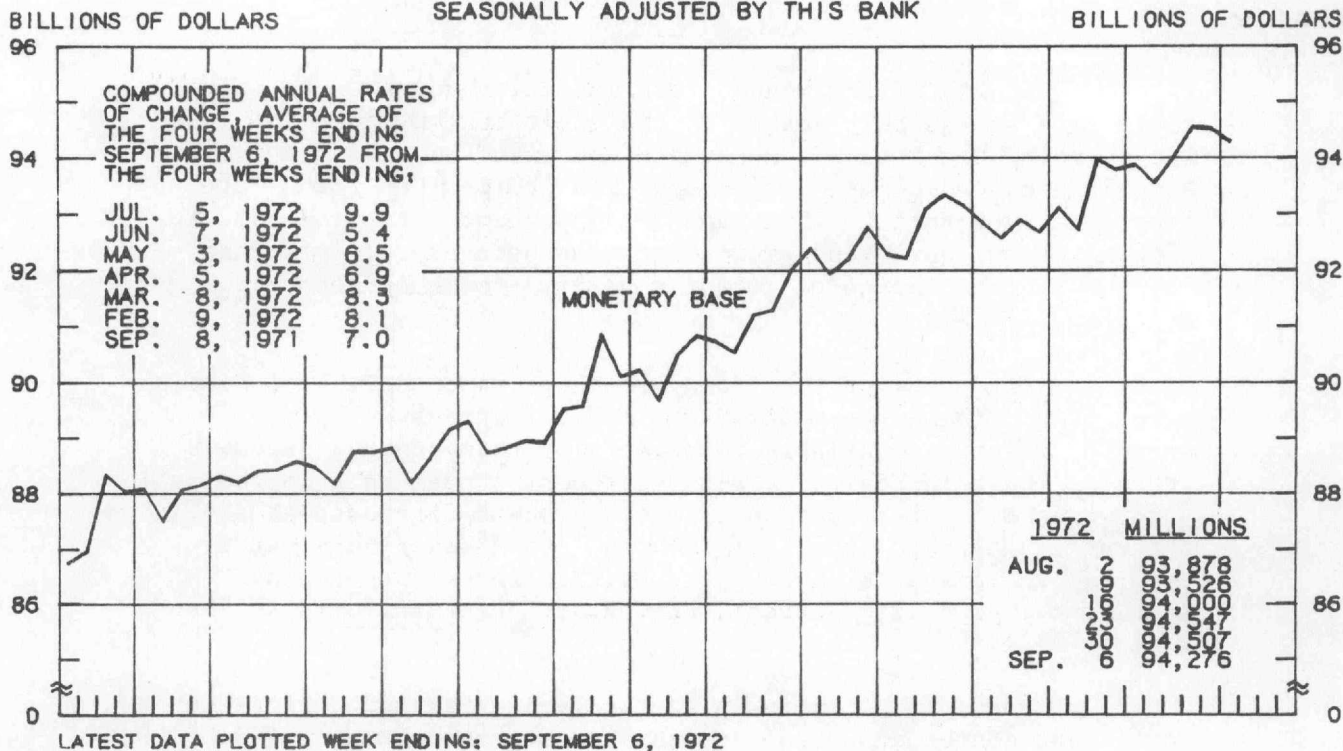
^{1/} For a discussion of the economic effects of changes in the trend rate of money and movements around the trend, see "Government Debt, Money, and Economic Activity" in the January 1972 Review of this Bank.

^{2/} For a discussion of RPDs see "RPDs and Other Reserve Operating Targets," in the August 1972 Review of this Bank.

Prepared by Federal Reserve Bank of St. Louis

Released: September 8, 1972

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

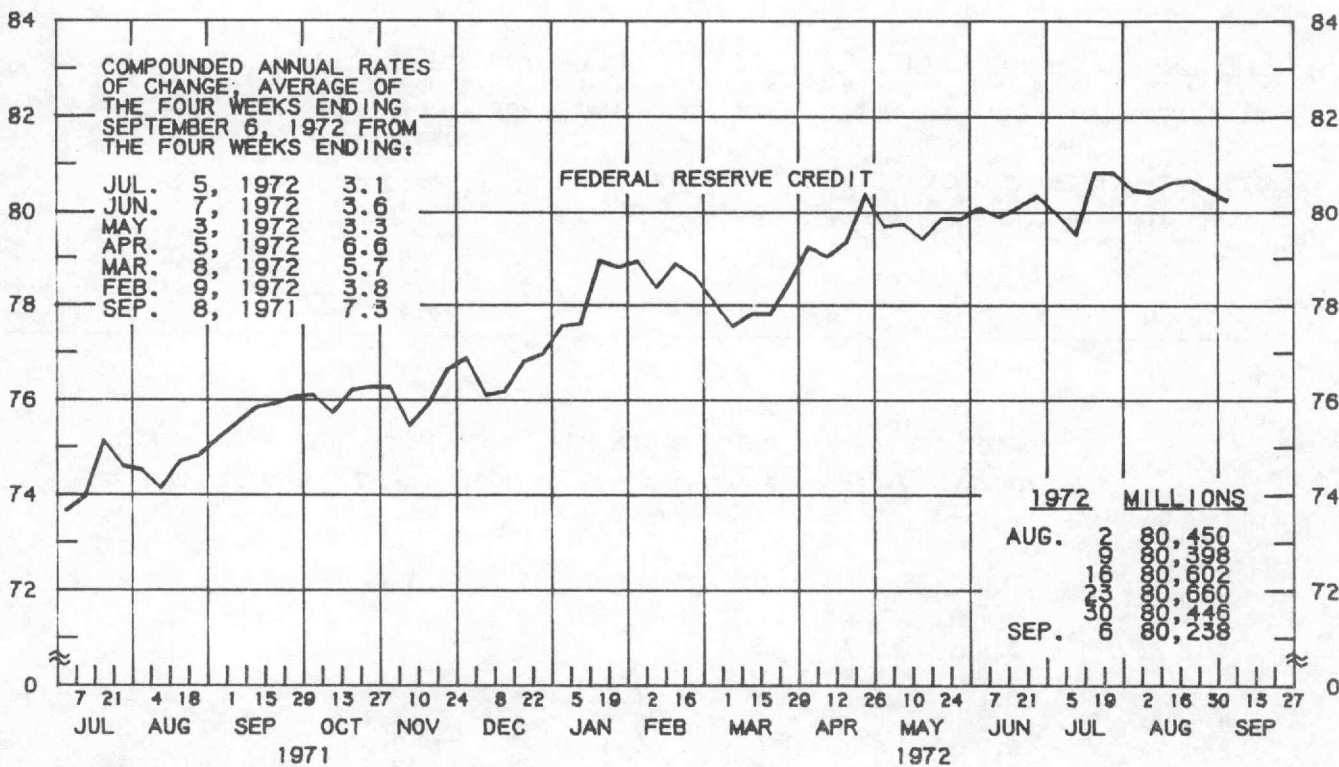
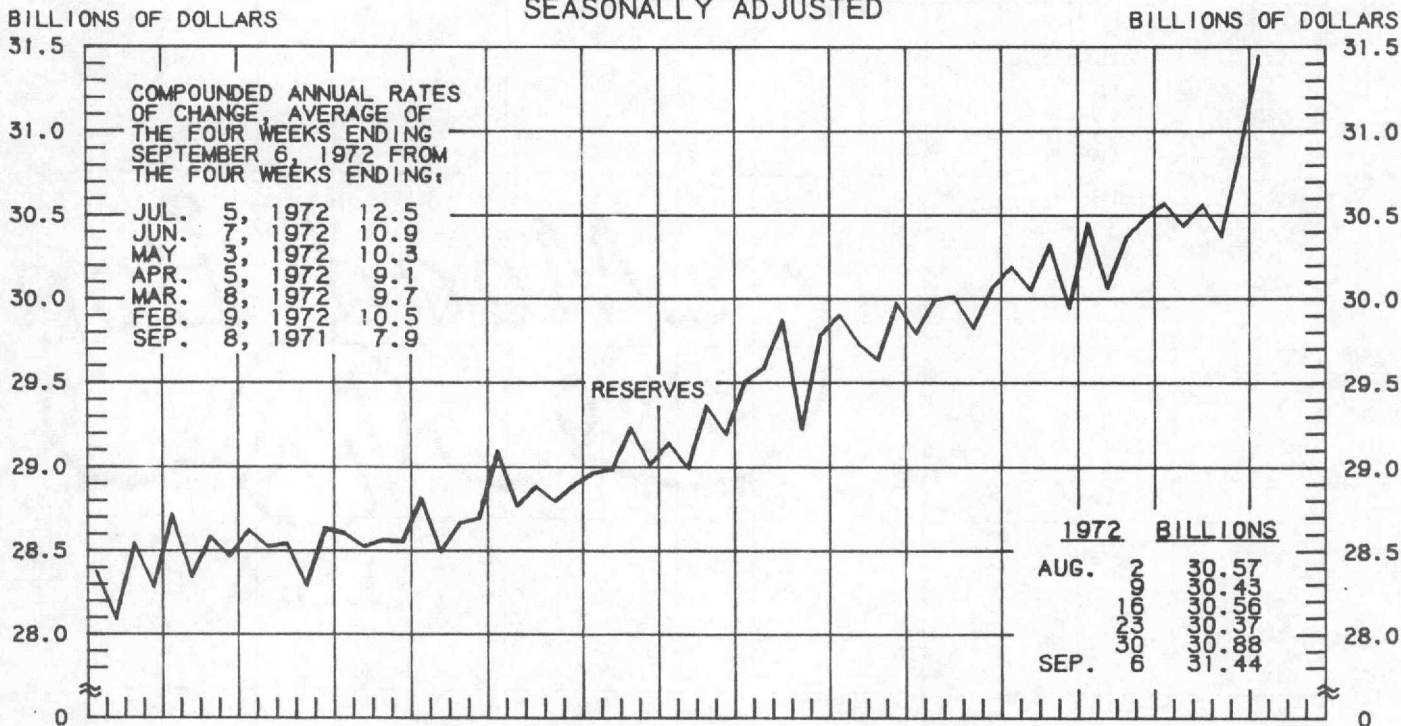


LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972

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/ ALL MEMBER BANKS FEDERAL RESERVE CREDIT 2/ AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 6, 1972

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

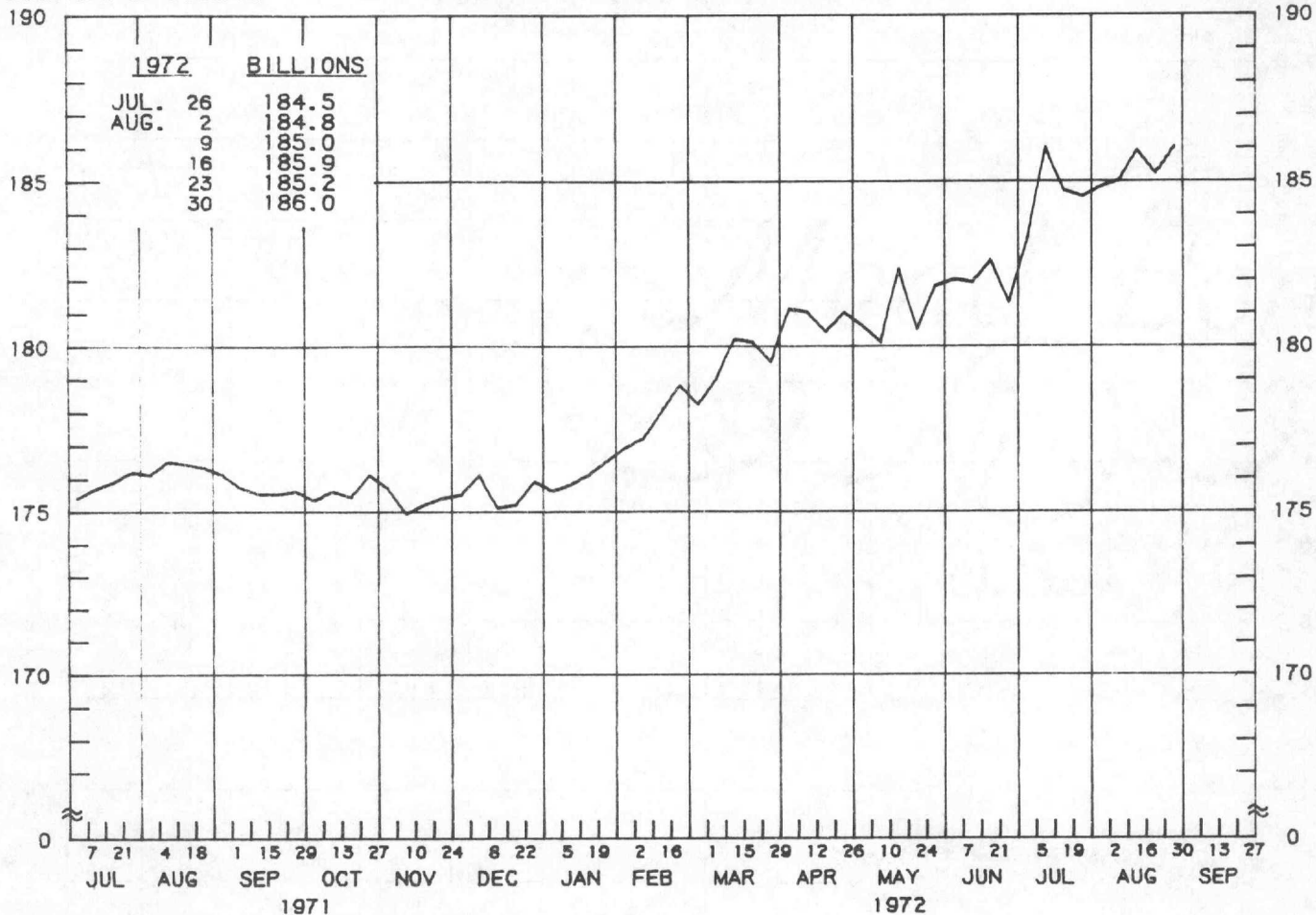
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972

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

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

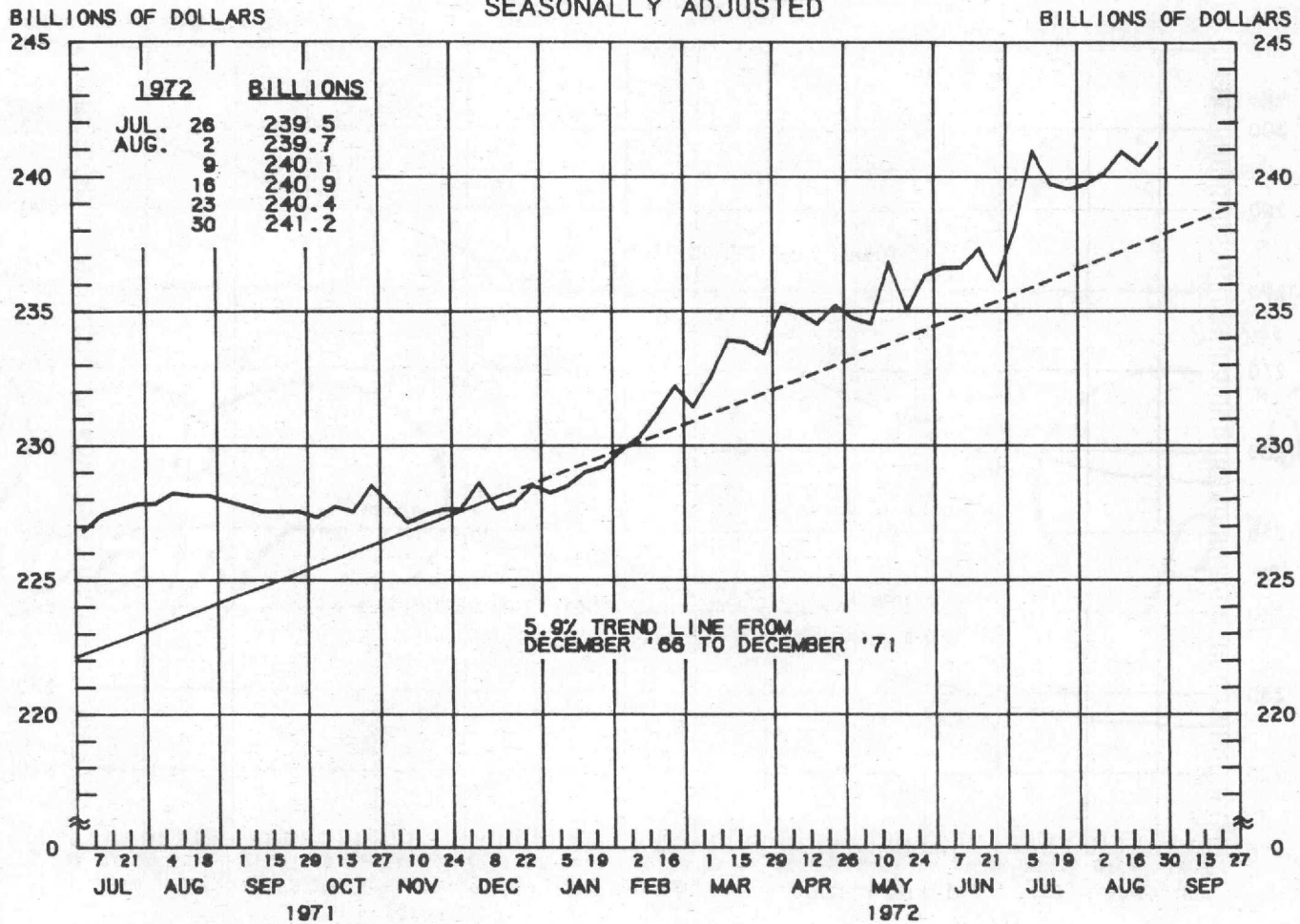
9/1/71 12/29/71 2/2/72 3/1/72 3/29/72 5/3/72 5/31/72 6/28/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/ 2/72	0.0							
3/ 1/72	2.1	8.5						
3/29/72	3.4	9.7	13.2					
5/ 3/72	3.8	8.8	10.6	9.1				
5/31/72	3.7	7.7	8.7	7.1	4.9			
6/28/72	3.9	7.4	8.2	6.9	5.2	4.4		
8/ 2/72	5.4	9.1	10.1	9.4	8.8	9.6	12.7	
8/30/72	5.2	8.5	9.2	8.5	7.8	8.2	9.8	11.6

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

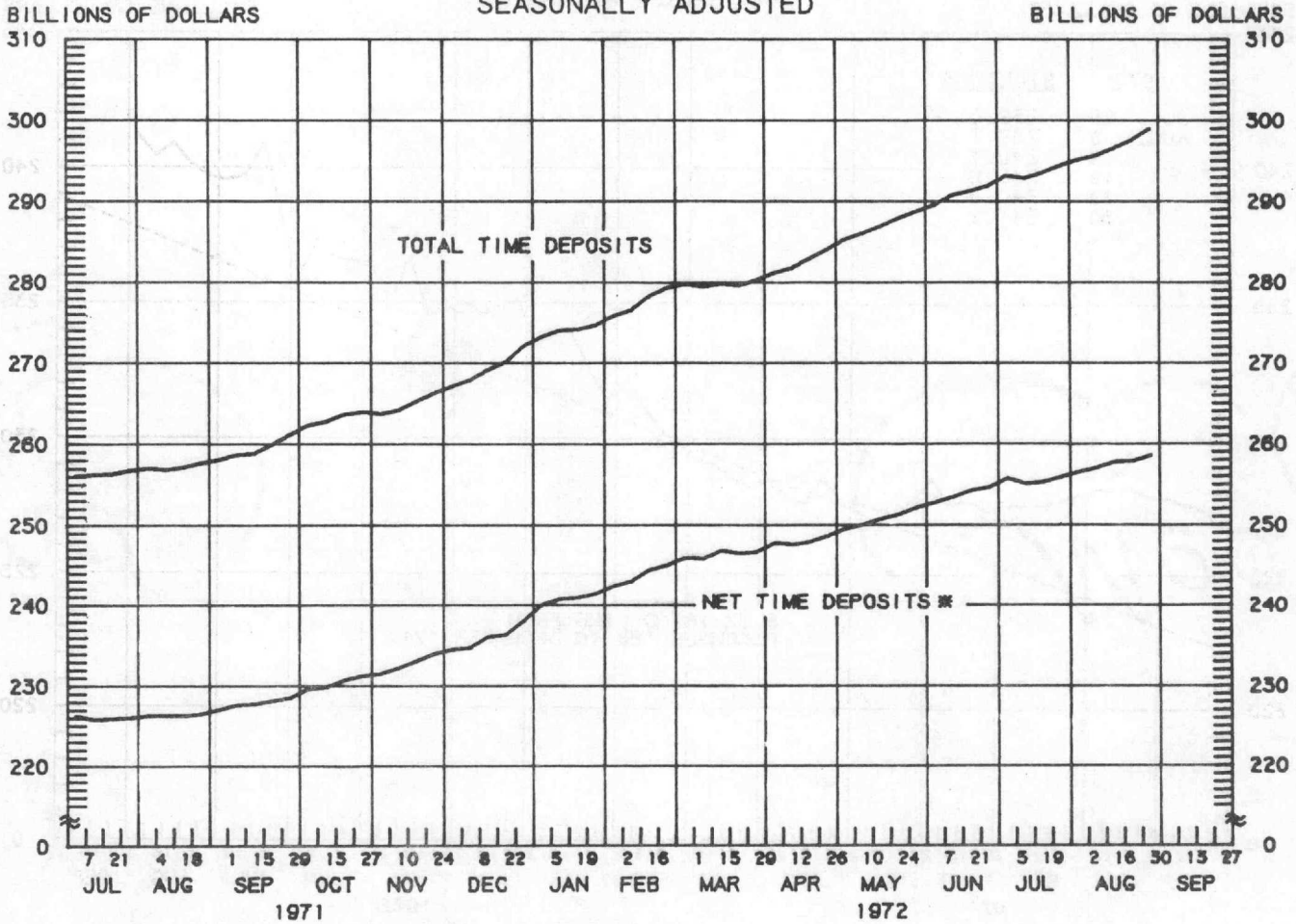


LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	9/1/71	12/29/71	2/2/72	3/1/72	3/29/72	5/3/72	5/31/72	6/28/72
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/ 2/72	1.0							
3/ 1/72	2.8	8.4						
3/29/72	4.1	9.6	12.8					
5/ 3/72	4.4	8.7	10.3	9.1				
5/31/72	4.5	8.1	9.1	7.8	5.8			
6/28/72	4.6	7.7	8.4	7.3	5.8	5.4		
8/ 2/72	5.7	8.9	9.7	9.1	8.4	9.2	11.0	
8/30/72	5.5	8.3	8.9	8.3	7.6	7.9	8.8	10.2

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972

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

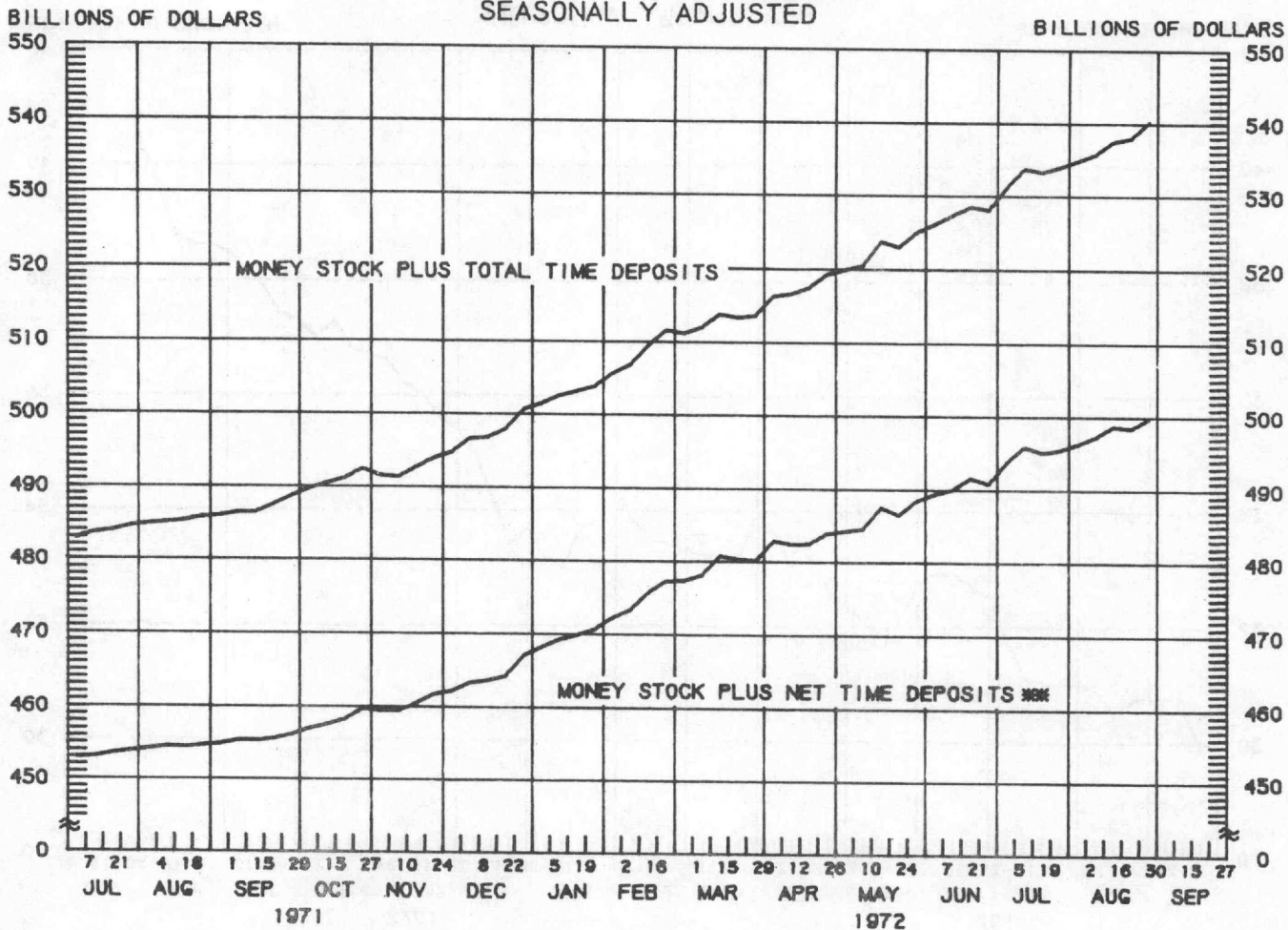
* NET TIME DEPOSITS ARE DEFINED AS: SAVINGS DEPOSITS, TIME DEPOSITS OPEN ACCOUNT PLUS TIME CERTIFICATES OF DEPOSIT OTHER THAN NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

NET TIME DEPOSITS

	COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:							
	9/1/71	12/29/71	2/2/72	3/1/72	3/29/72	5/3/72	5/31/72	6/28/72
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/ 2/72	16.3							
3/ 1/72	16.6	22.1						
3/29/72	15.7	18.2	14.3					
5/ 3/72	14.7	15.5	12.1	9.3				
5/31/72	14.7	15.3	12.7	10.9	11.3			
6/28/72	14.7	15.3	13.1	11.8	12.4	14.7		
8/ 2/72	14.0	14.2	12.2	11.1	11.3	12.3	11.3	
8/30/72	13.8	13.8	12.1	11.1	11.3	12.0	11.3	9.7

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972

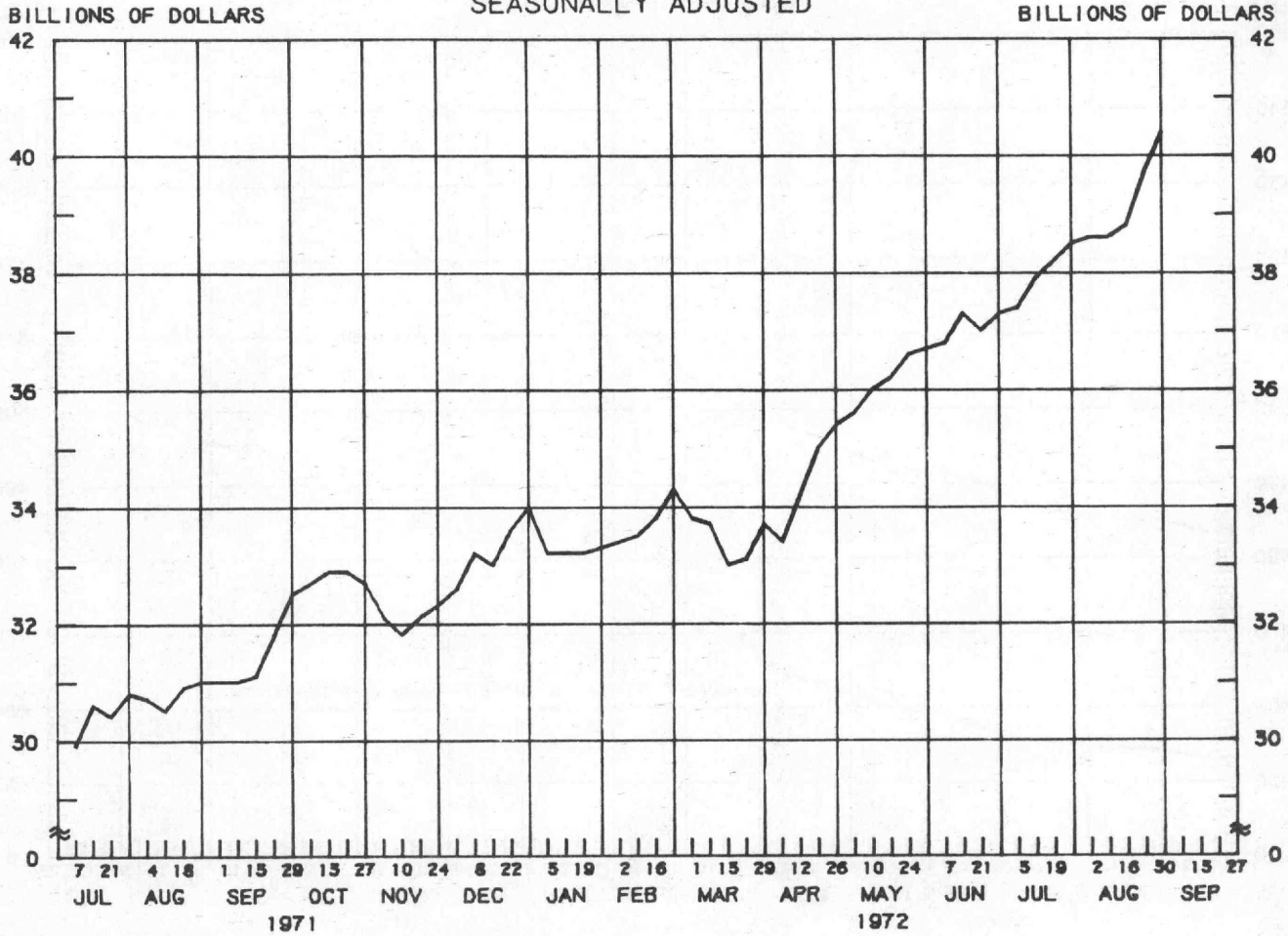
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

MONEY STOCK PLUS NET TIME DEPOSITS (M ₂)									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	9/1/71	12/29/71	2/2/72	3/1/72	3/29/72	5/3/72	5/31/72	6/28/72	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
2/ 2/72		8.5							
3/ 1/72		9.6	15.0						
3/29/72		9.8	13.8	13.6					
5/ 3/72		9.5	12.1	11.2	9.2				
5/31/72		9.6	11.7	10.9	9.4	8.6			
6/28/72		9.6	11.5	10.8	9.6	9.1	10.1		
8/ 2/72		9.8	11.5	11.0	10.1	9.8	10.7	11.0	
8/30/72		9.7	11.1	10.5	9.7	9.5	10.0	10.1	9.9

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 30, 1972

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

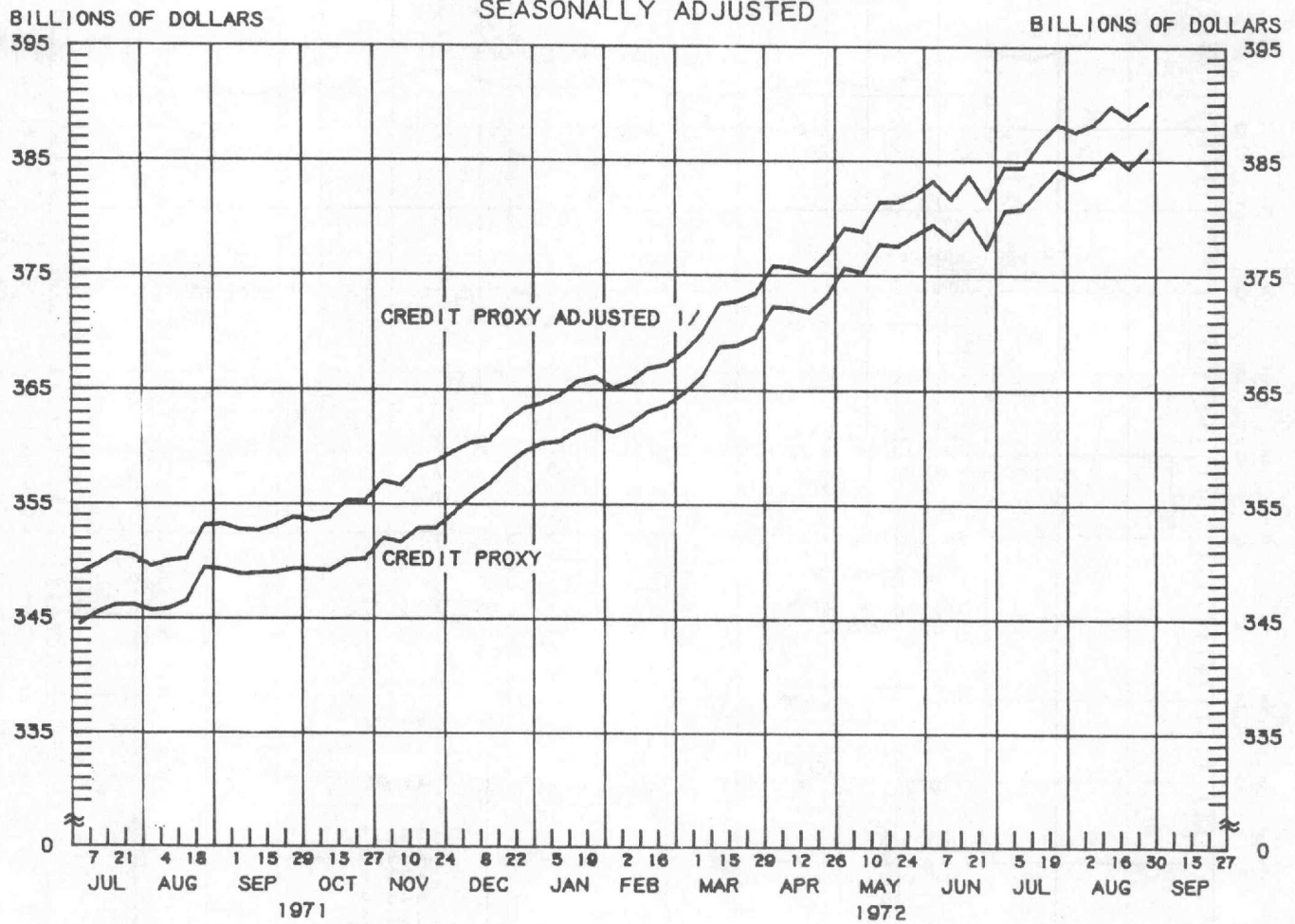
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

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	257.7	498.6
23	39.7	257.8	498.3
30	40.4	258.5	499.7
SEP. 6			
13			
20			
27			

* 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: AUGUST 30, 1972

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

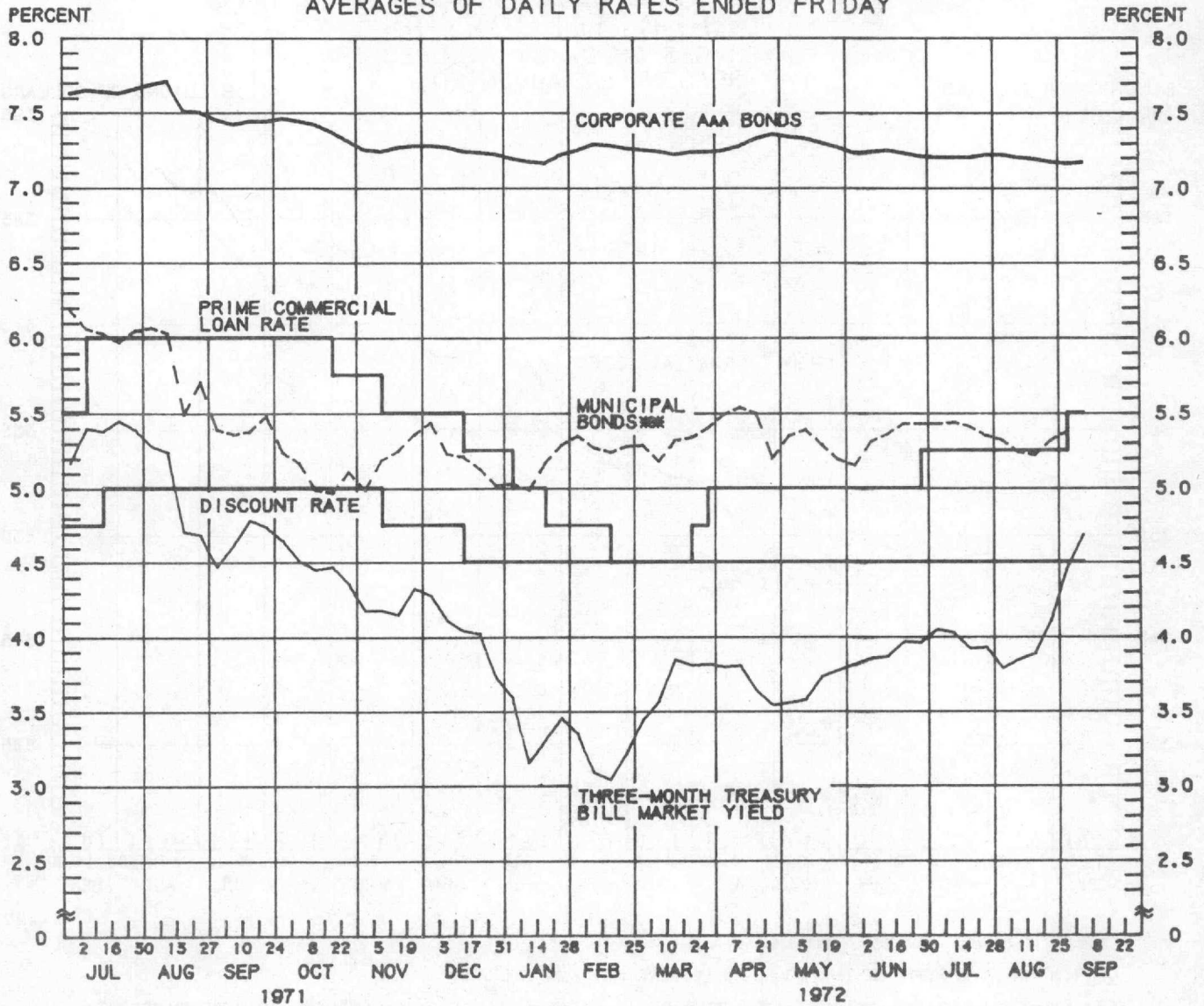
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1972		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUL.	26	384.2	388.2
AUG.	2	383.4	387.5
	9	384.0	388.2
	16	385.7	389.8
	23	384.3	388.7
	30	386.0	390.1

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING AUGUST 30, 1972 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JUN.	28, 1972	10.0	10.6
MAY	31, 1972	8.5	9.0
MAY	3, 1972	10.1	10.5
MAR.	29, 1972	11.0	11.2
MAR.	1, 1972	12.2	12.5
FEB.	2, 1972	11.6	11.6
SEP.	1, 1971	10.7	10.7

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 8, 1972

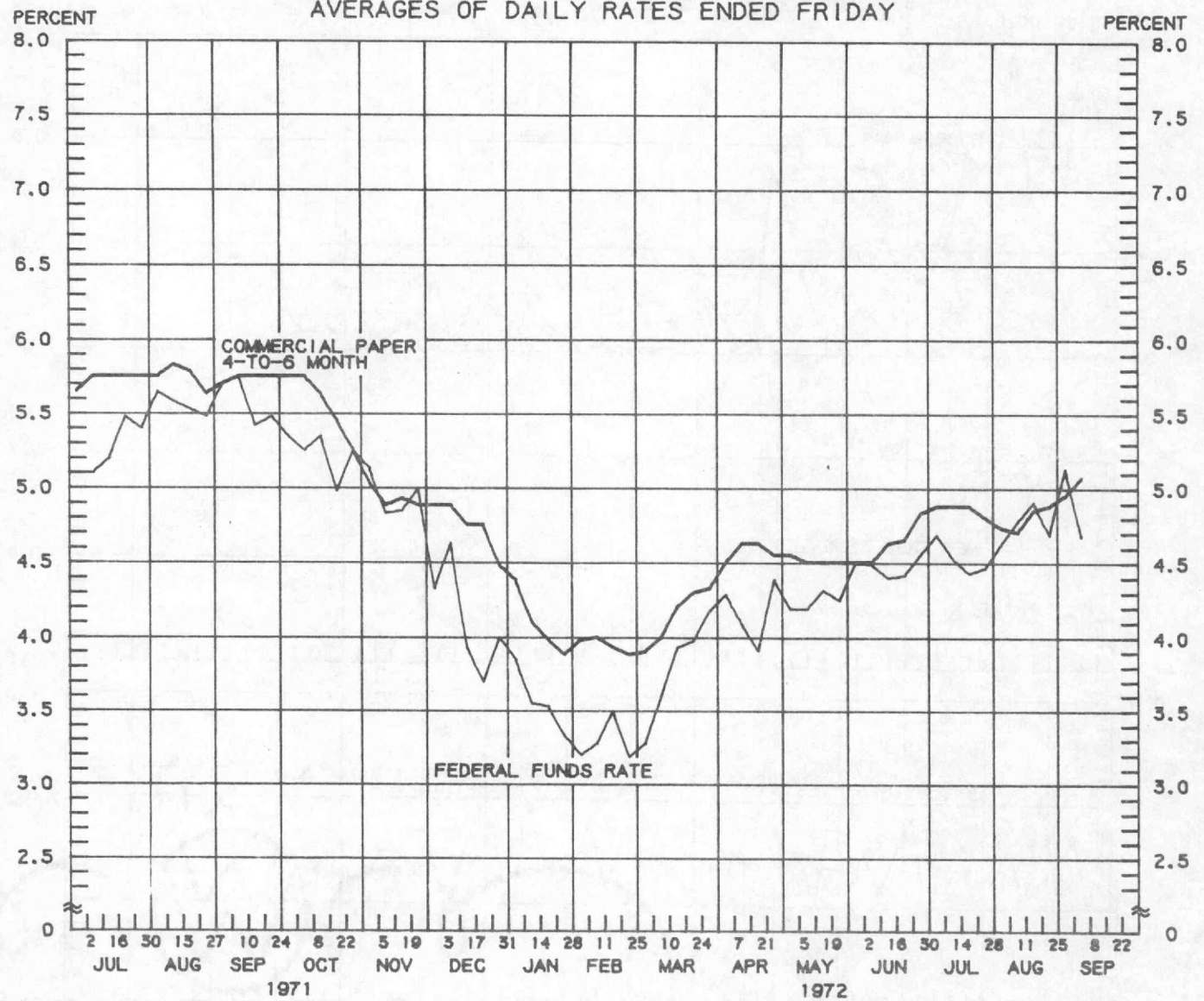
1972	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ^{***}
JULY 7	7.20	4.05	5.86	5.61	5.43
14	7.20	4.03	5.85	5.59	5.44
21	7.20	3.92	5.84	5.56	5.41
28	7.22	3.93	5.87	5.54	5.35
AUG. 4	7.22	3.79	5.85	5.51	5.32
11	7.20	3.85	5.85	5.48	5.24
18	7.19	3.89	5.87	5.53	5.22
25	7.17	4.11	5.94	5.56	5.32
SEP. 1	7.16	4.46	6.11	5.62	5.38
8 *	7.17	4.69	6.18	5.66	N.A.
15					
22					
29					

* 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



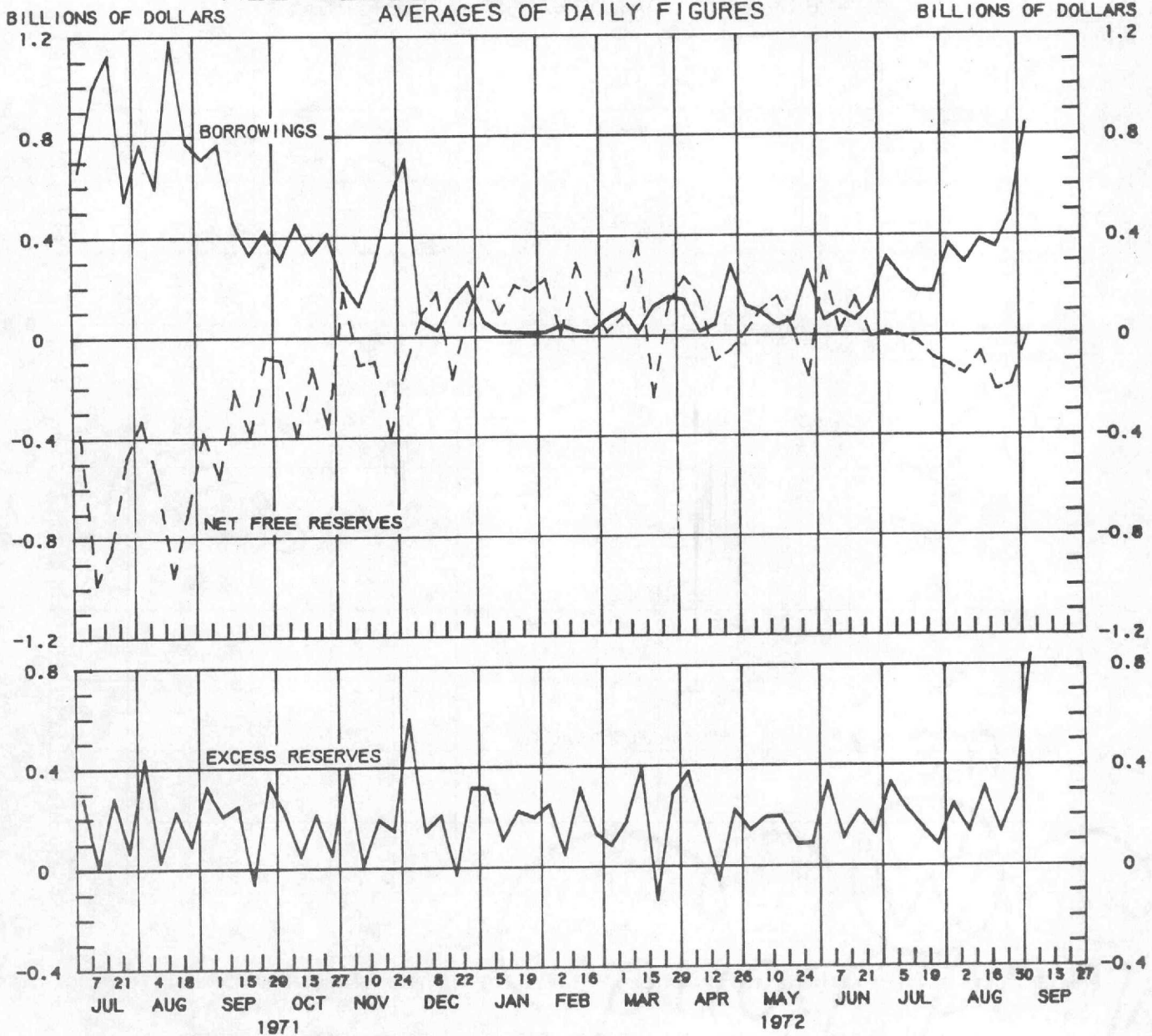
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 8, 1972

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	4.69	4.75	4.84
SEP. 1	4.95	5.13	4.75	4.92
8 *	5.07	4.68	4.75	4.98
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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS AND EXCESS RESERVES ALL MEMBER BANKS IN THE NATION



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	242	363	121
9	130	287	157
16	311	381	70
23	131	350	219
30	280	477	197
SEP. 6	835	838	3
13			
20			
27			

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS