



Week ending: February 28, 1973

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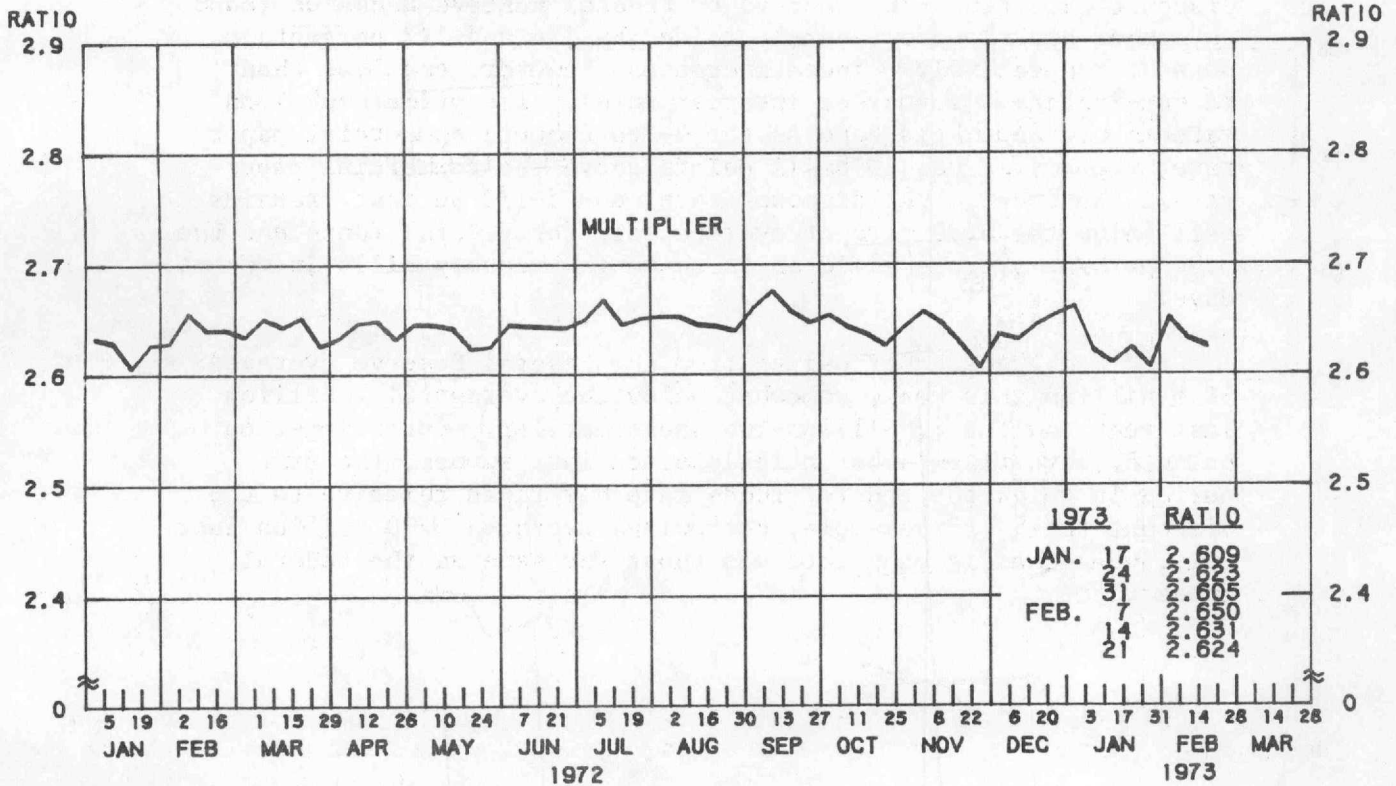
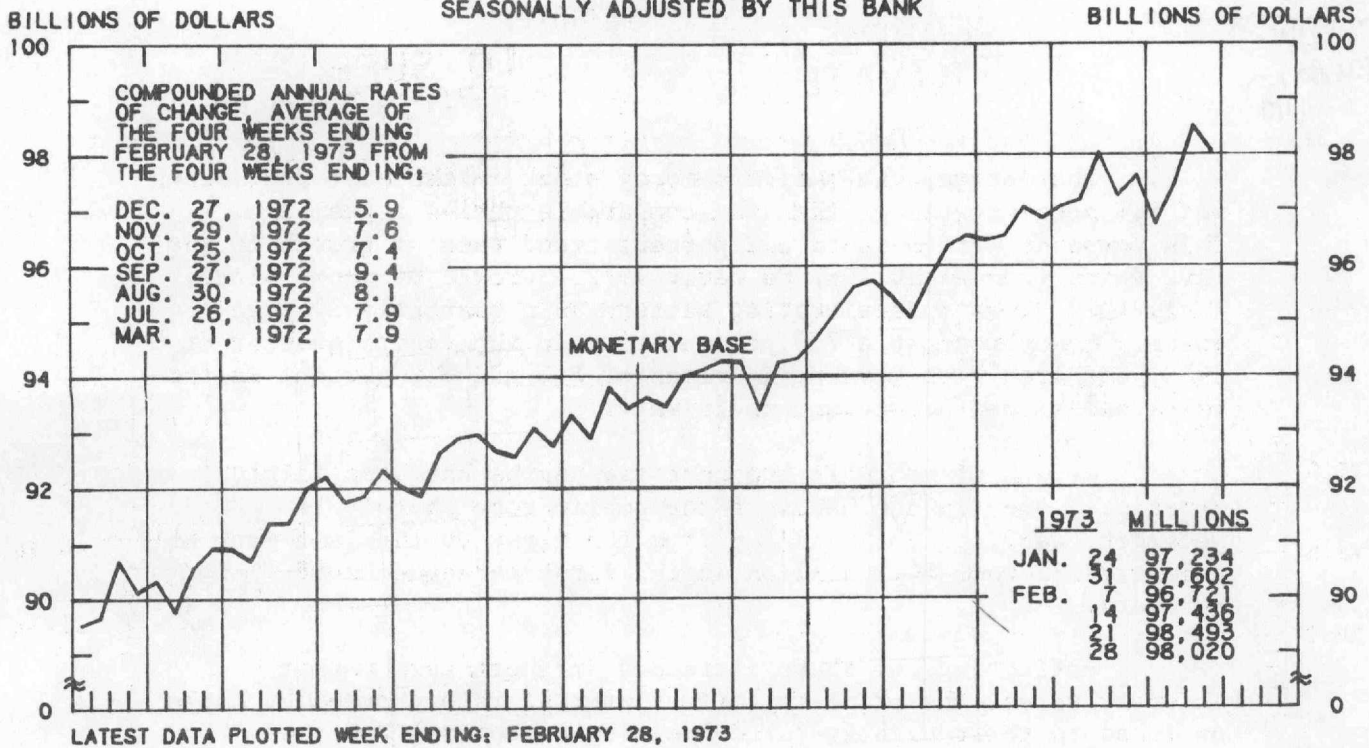
On average, the nation's money stock in the past four weeks was 7.4 percent greater than the comparable period a year ago. This compares with a rapid 6.2 percent trend rate of growth in the five years from early 1967 to early 1972. Growth of money since early 1972 shows a decelerating pattern on a quarterly average basis. Money rose at a 7.4 percent rate in the fourth quarter of 1972, compared with more rapid rates of 8.1 and 8.8 percent in the third and second quarters respectively.

Growth of money in the past few months has been fairly erratic. Money in the hands of the public rose sharply in December, declined \$3.9 billion from the first to the last week of January, and rose \$4.1 billion in the first three weeks of February.

Reflecting the sharp increases in short-term market interest rates, the prime rate (the interest rate charged by banks on loans to their highest-rated business customers) and the discount rate (the rate charged by Federal Reserve Banks on loans to member banks) were recently raised by 1/4 and 1/2 percentage points, respectively. These increases, however, are less than recent increases in market interest rates. The prime bank loan rate is now about the same as the 4- to 6-month commercial paper rate, whereas it was 50 basis points above the commercial paper rate in November. The discount rate, now 5-1/2 percent, remains well below the 6.90 percent average rate for Federal funds and the 5.84 percent average yield on three-month Treasury bills in recent days.

Member bank borrowings from the Federal Reserve averaged \$1.5 billion this week, somewhat below the average \$1.7 billion last week and the \$2 billion two weeks earlier. Borrowings, on balance, have risen substantially since last summer, the same period in which the Federal funds rate has risen relative to the discount rate. For example, borrowings averaged \$200 million last July, when the discount rate was about the same as the Federal funds rate.

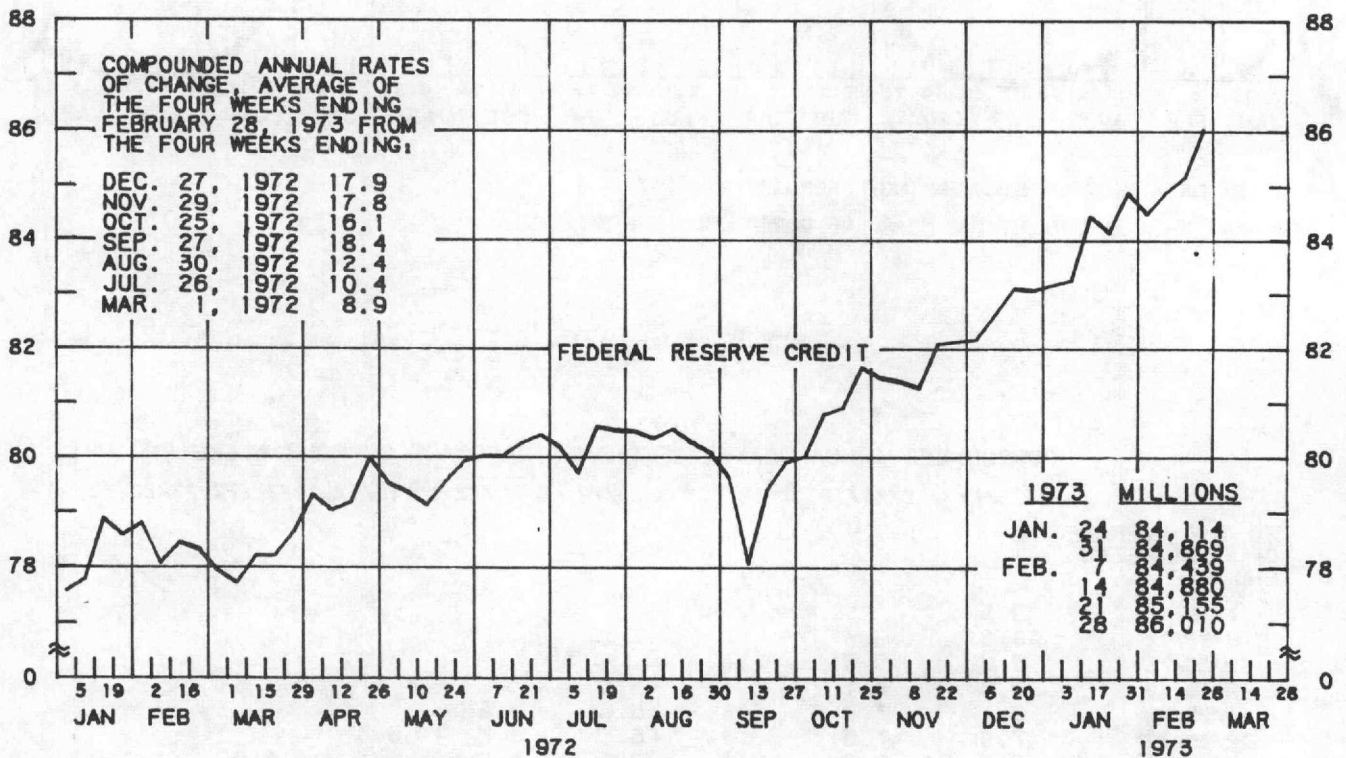
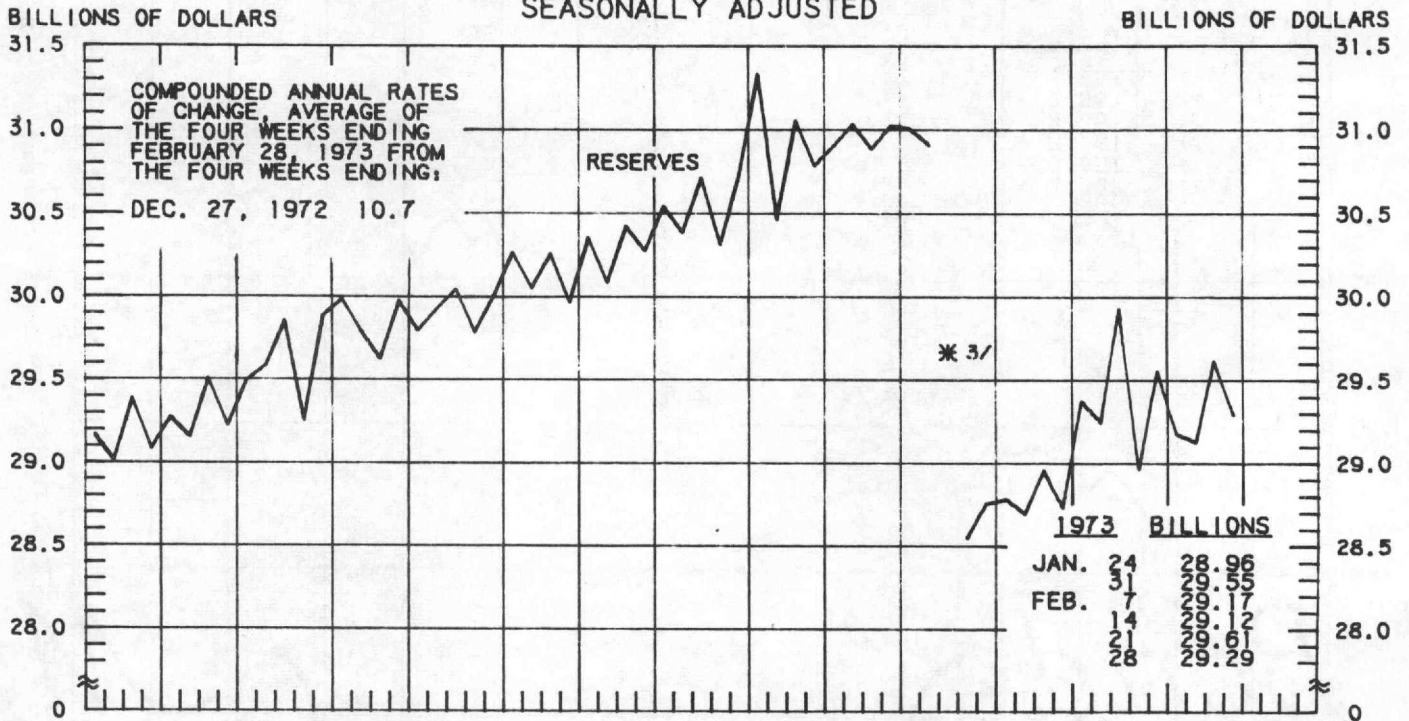
MONETARY BASE ^{1/} MULTIPLIER ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK



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 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: FEBRUARY 28, 1973

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.

3/ BEGINNING NOVEMBER 9, 1972 DATA ARE ADJUSTED DUE TO WAIVERS ASSOCIATED WITH THE EFFECTS OF A CHANGE IN REGULATION J.

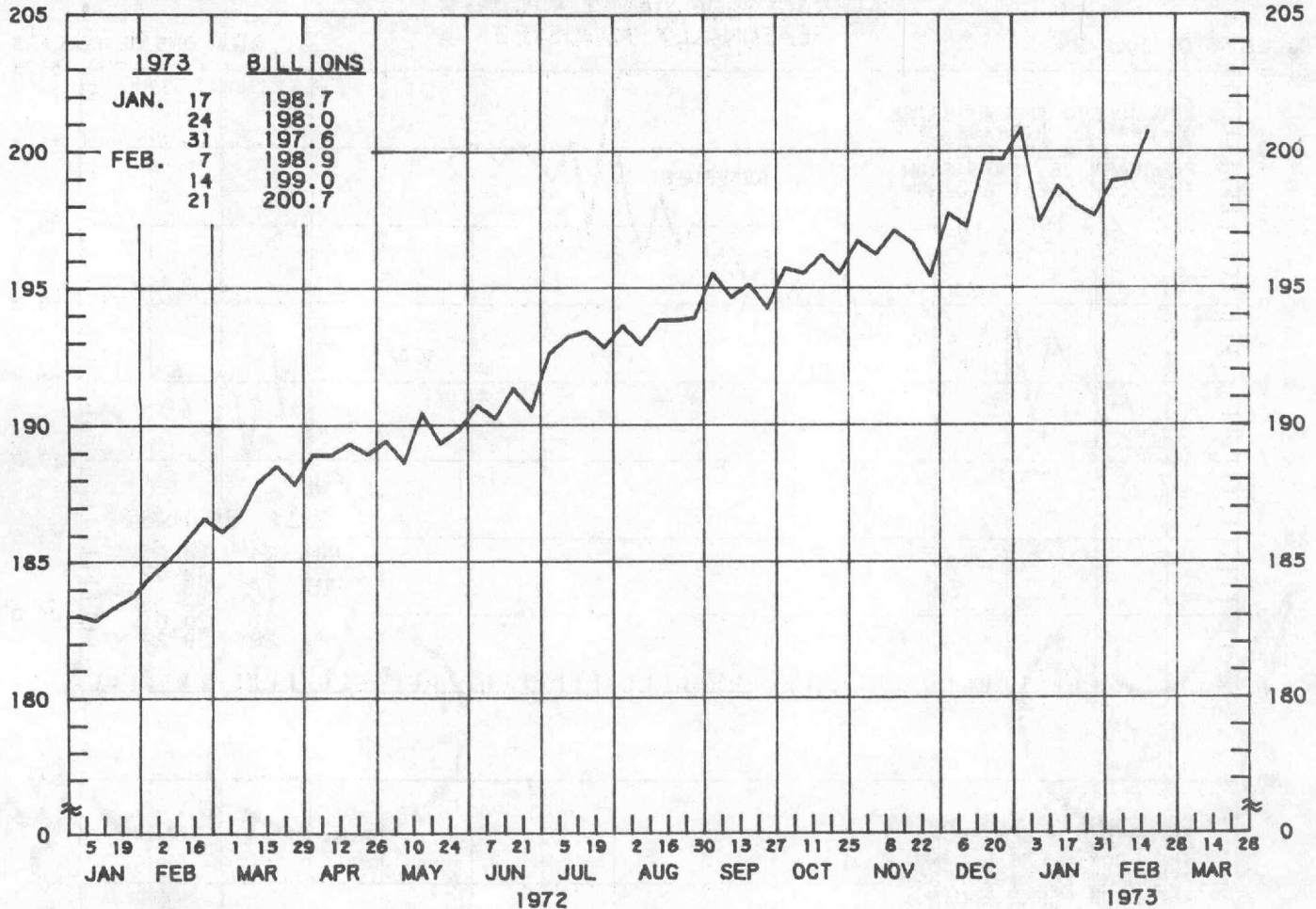
* BREAK IN SERIES DUE TO THE EFFECT OF CHANGES IN REGULATION D.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
2/23/72 6/21/72 7/19/72 8/23/72 9/20/72 10/18/72 11/22/72 12/20/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

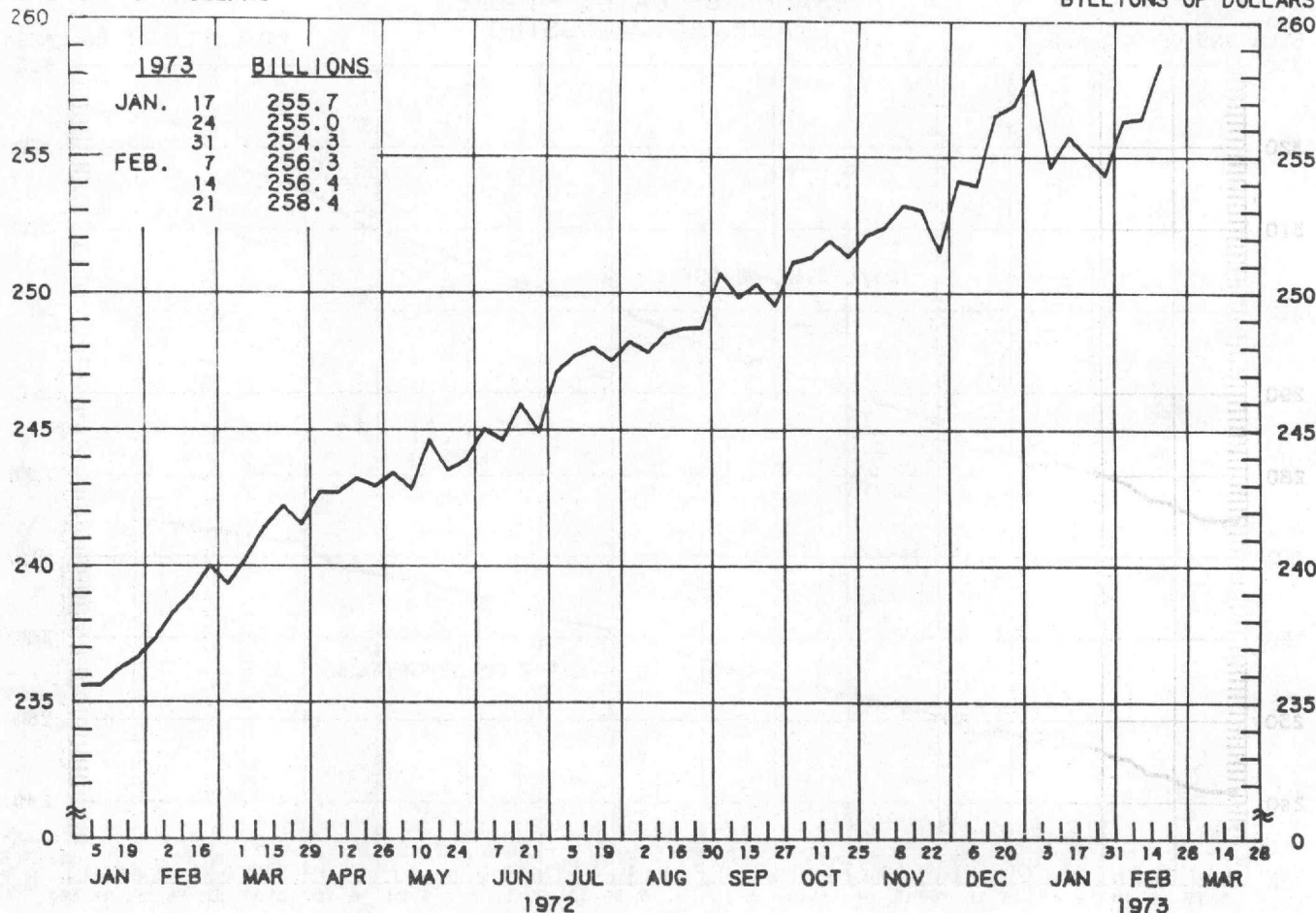
7/19/72	9.5								
8/23/72	8.8	9.4							
9/20/72	8.8	9.3	7.4						
10/18/72	8.3	8.1	6.4	6.6					
11/22/72	8.1	7.9	6.6	6.8	5.8				
12/20/72	7.9	7.5	6.4	6.5	5.7	6.4			
1/24/73	7.7	7.3	6.4	6.5	5.9	6.4	6.0		
2/21/73	7.3	6.8	5.9	5.9	5.3	5.6	5.0	4.8	

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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

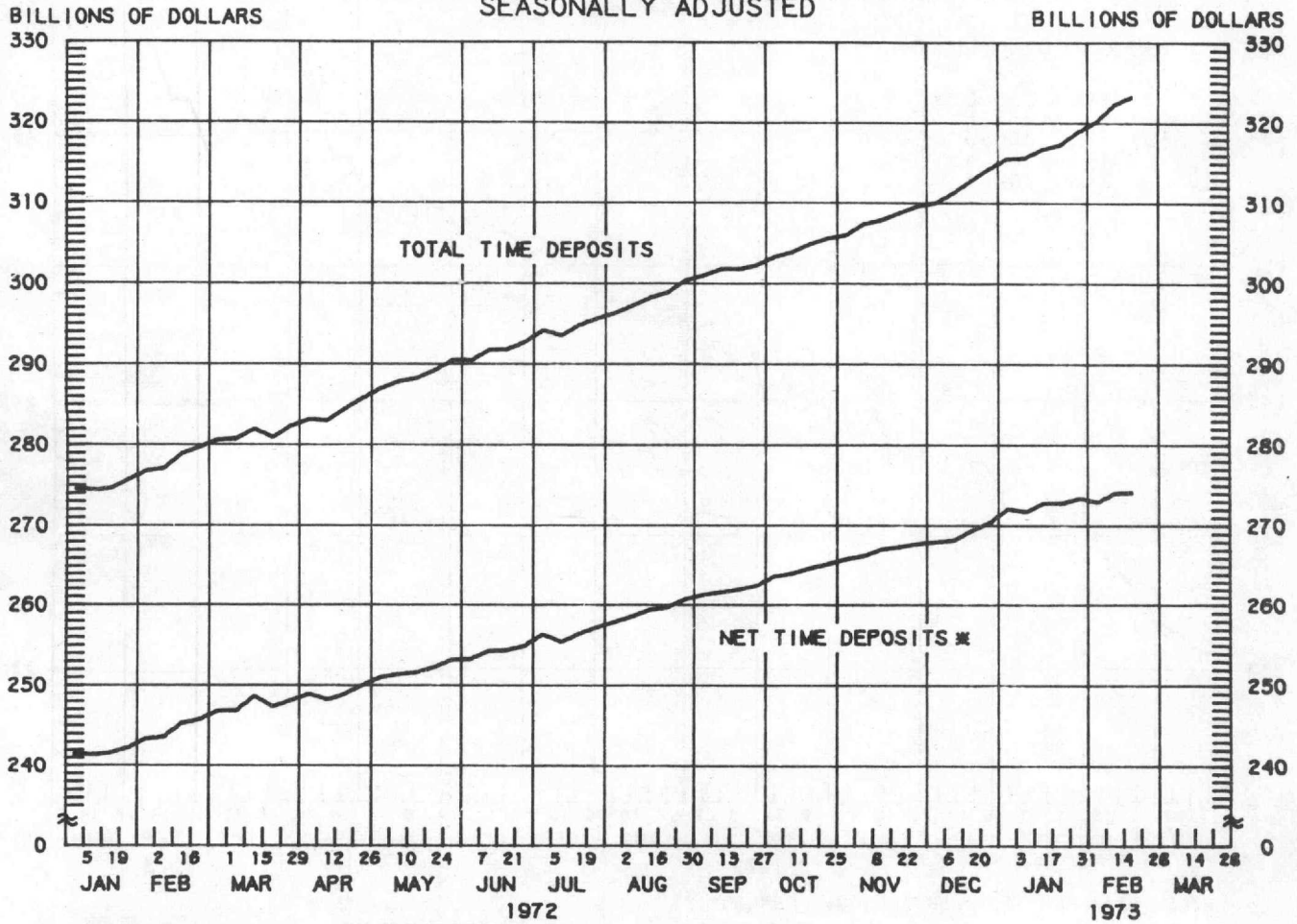
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
 2/23/72 6/21/72 7/19/72 8/23/72 9/20/72 10/18/72 11/22/72 12/20/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/19/72	8.7							
8/23/72	8.2	8.3						
9/20/72	8.3	8.4	7.2					
10/18/72	8.0	7.8	6.8	7.3				
11/22/72	7.9	7.7	6.9	7.3	6.6			
12/20/72	7.8	7.6	6.9	7.2	6.7	7.1		
1/24/73	7.8	7.6	7.1	7.4	7.1	7.4	7.5	
2/21/73	7.4	7.1	6.5	6.6	6.3	6.3	6.0	5.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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

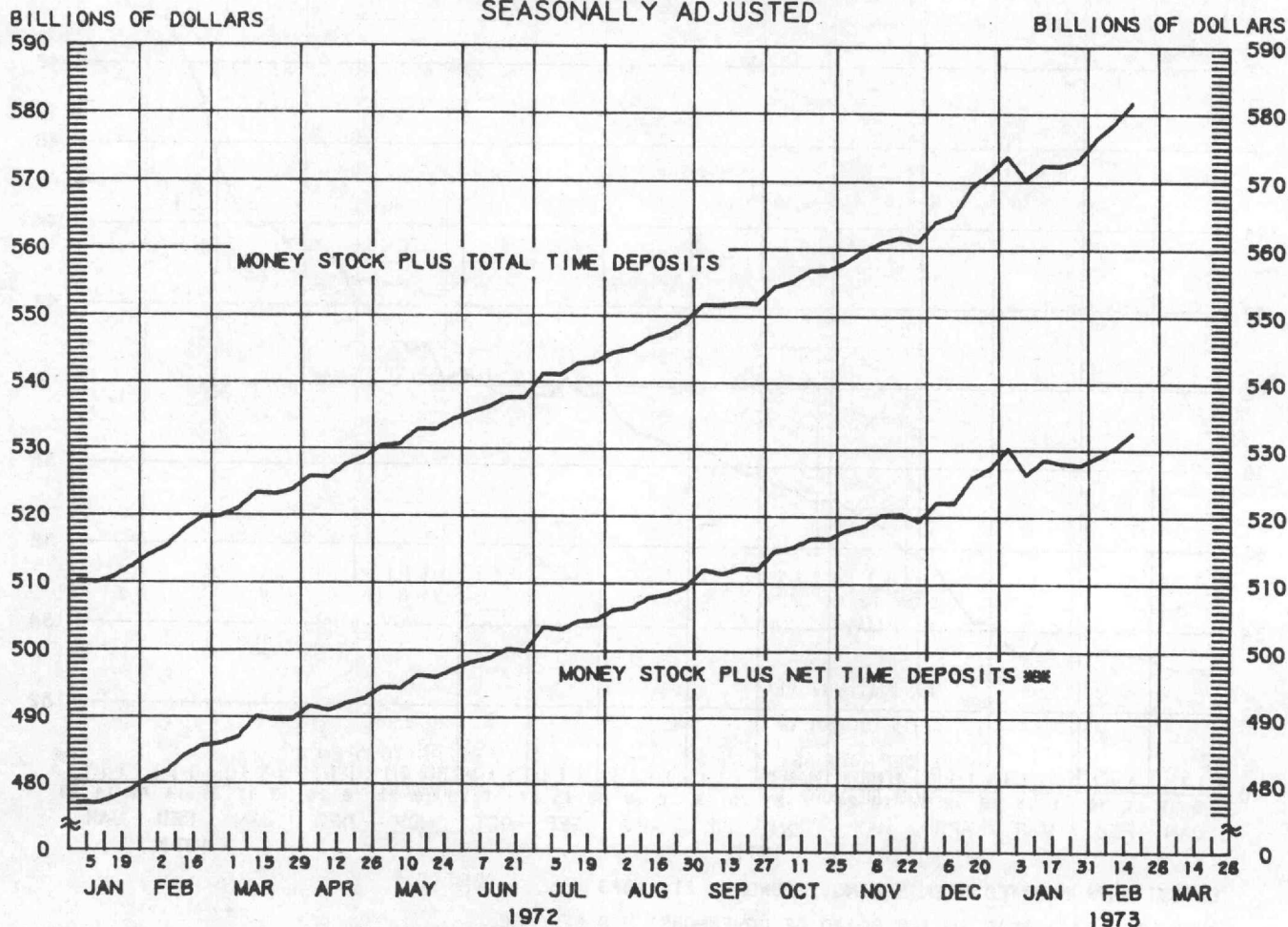
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
2/23/72 6/21/72 7/19/72 8/23/72 9/20/72 10/18/72 11/22/72 12/20/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/19/72	11.7							
8/23/72	12.1	12.2						
9/20/72	12.3	12.5	13.6					
10/18/72	12.3	12.5	13.3	13.0				
11/22/72	12.3	12.4	12.9	12.6	12.3			
12/20/72	11.9	11.8	12.1	11.7	11.1	10.5		
1/24/73	12.4	12.5	12.9	12.7	12.5	12.5	12.8	
2/21/73	11.9	11.8	12.0	11.7	11.4	11.1	10.8	11.7

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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

~~M2~~ M₂ IS DEFINED AS: CURRENCY, DEMAND DEPOSITS PLUS NET TIME DEPOSITS (SEE PAGE 8).

MONEY STOCK PLUS NET TIME DEPOSITS (M₂)

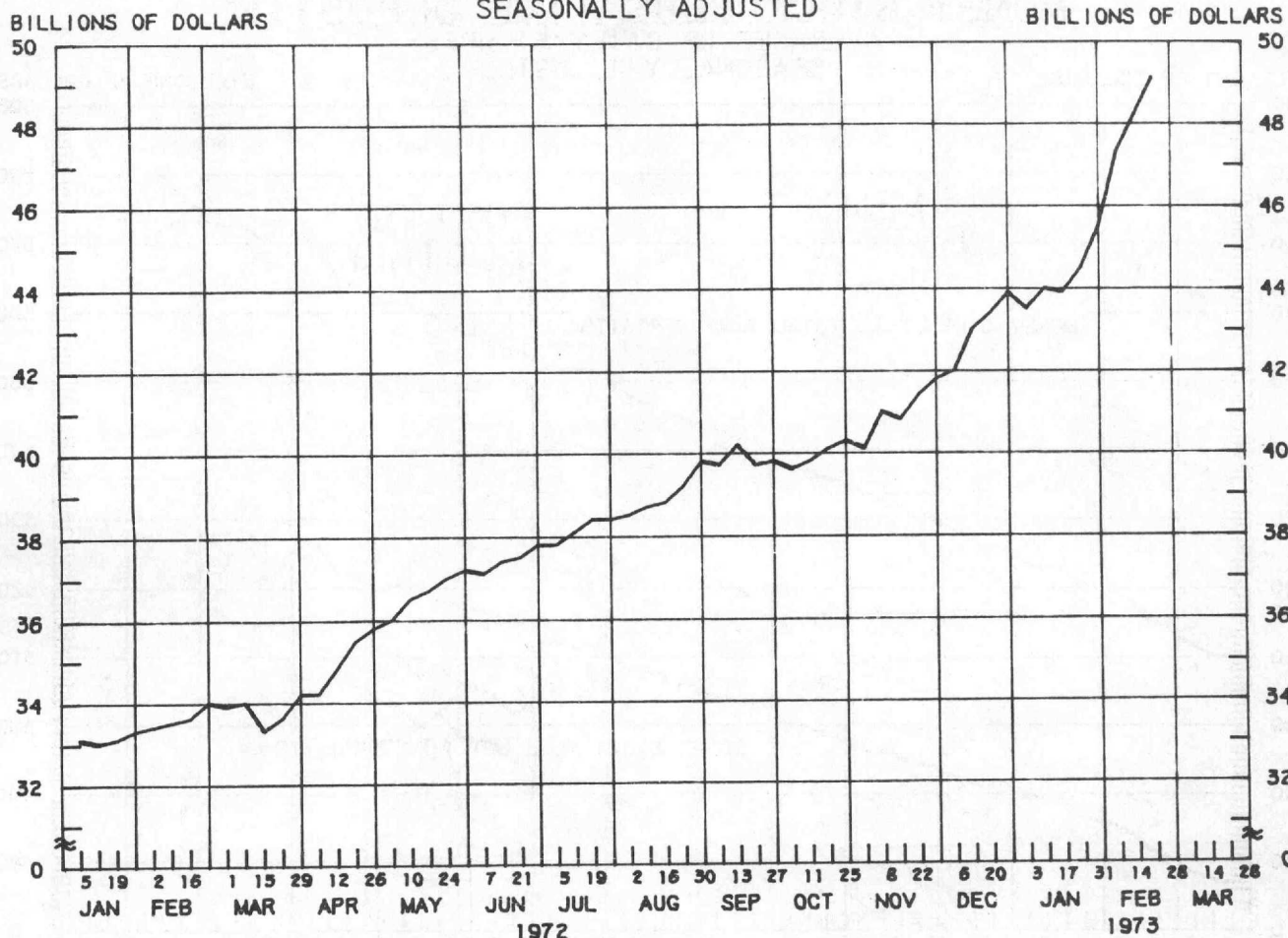
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
2/23/72 6/21/72 7/19/72 8/23/72 9/20/72 10/18/72 11/22/72 12/20/72

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/19/72	10.3								
8/23/72	10.2	10.3							
9/20/72	10.3	10.5	10.3						
10/18/72	10.2	10.1	9.9	10.0					
11/22/72	10.1	10.1	9.9	10.0	9.5				
12/20/72	9.9	9.7	9.5	9.4	8.9	8.8			
1/24/73	10.2	10.1	10.0	10.1	9.8	10.1	10.2		
2/21/73	9.7	9.4	9.2	9.2	8.8	8.8	8.3	8.7	

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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

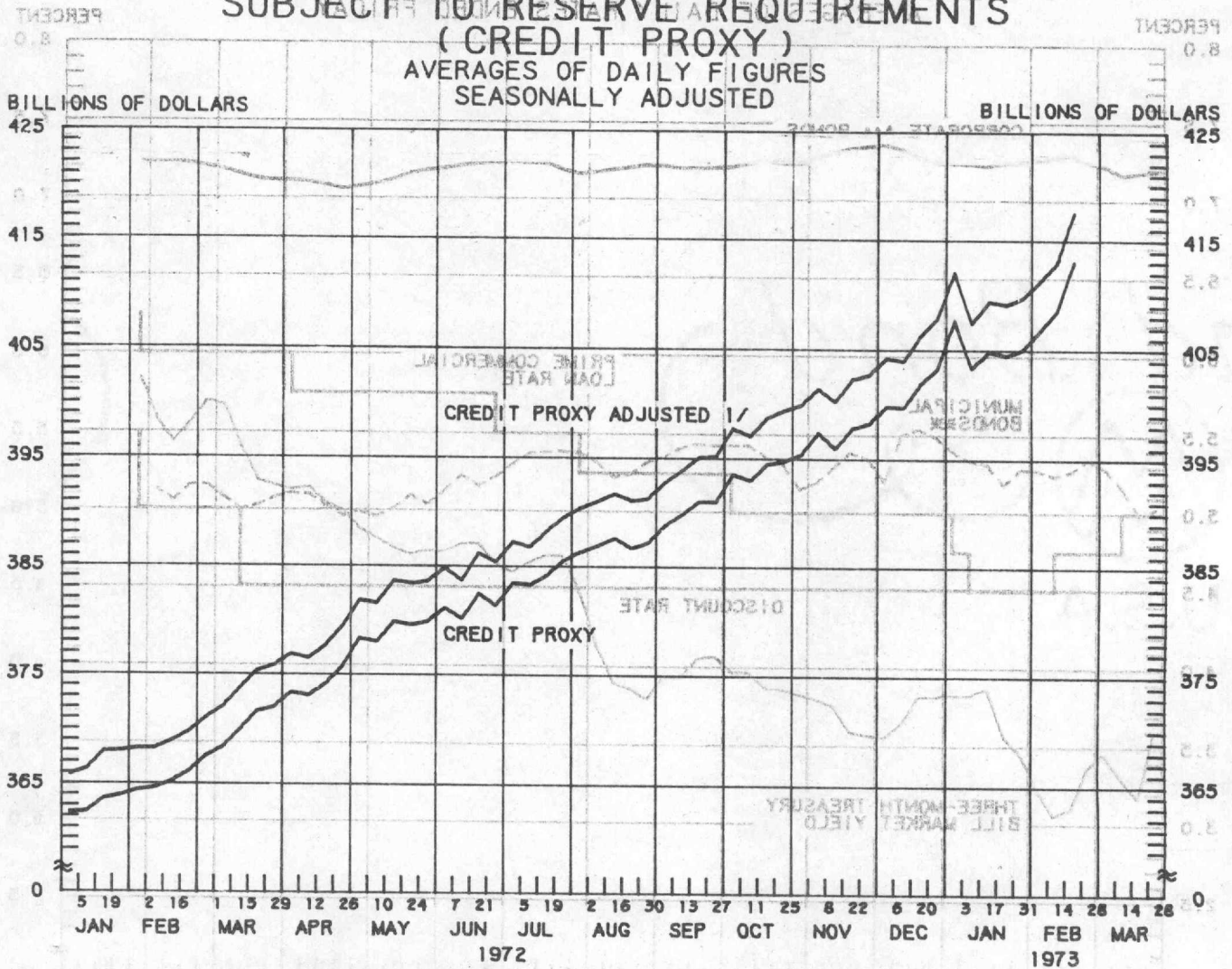
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1973	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS*	M 2**
JAN. 3	43.5	272.0	530.2
10	44.0	271.6	526.2
17	43.9	272.8	528.5
24	44.5	272.7	527.8
31	45.5	273.4	527.7
FEB. 7	47.3	272.8	529.0
14	48.2	274.0	530.4
21	49.1	274.1	532.5
28			
MAR. 7			
14			
21			
28			

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

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



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 21, 1973

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.

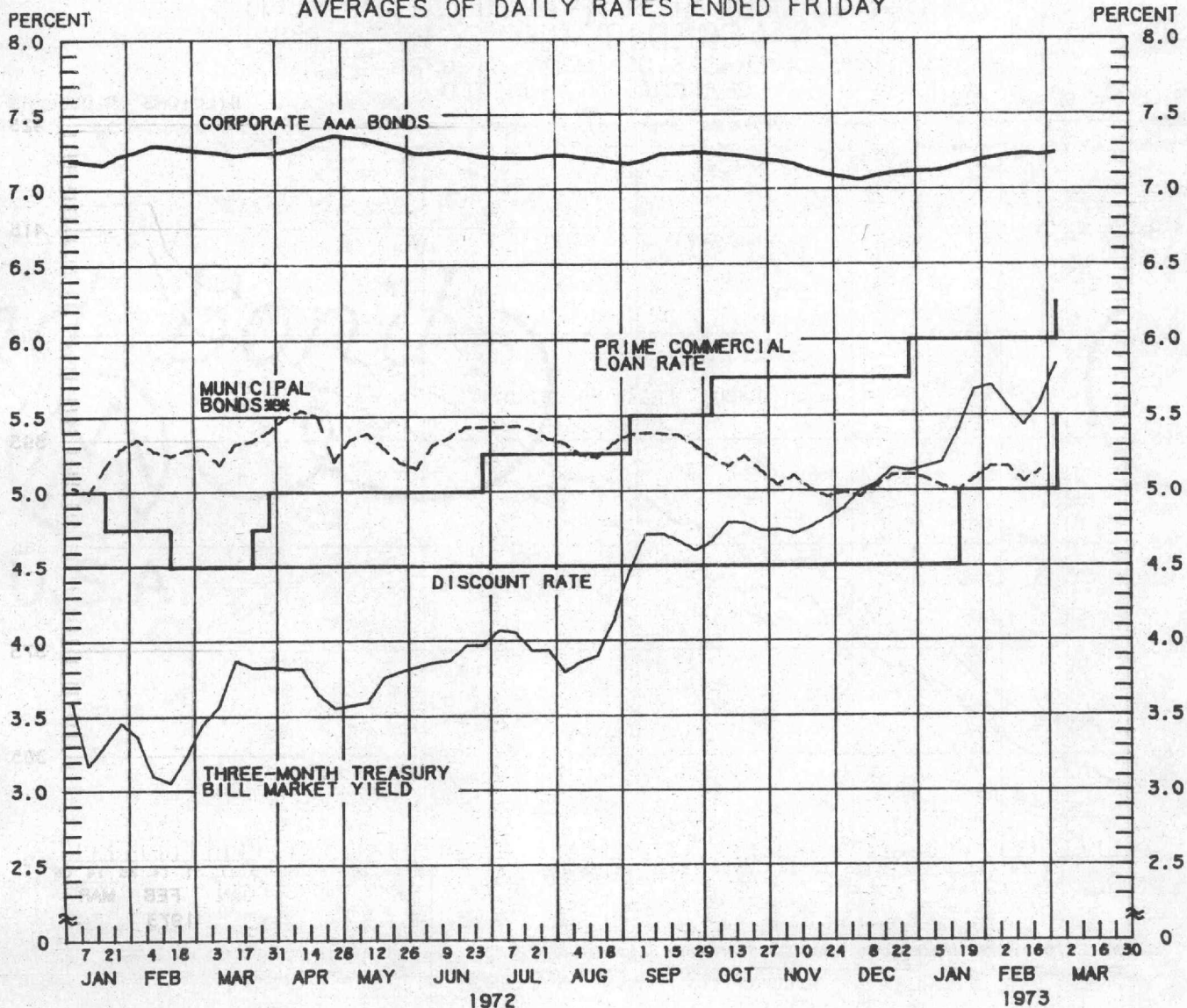
BANK DEPOSITS SUBJECT TO RESERVE REQUIREMENTS (CREDIT PROXY)			COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING, FEBRUARY 21, 1973 FROM THE FOUR WEEKS ENDING:		
DATE	CREDIT PROXY (BILLIONS)	CREDIT PROXY ADJUSTED (BILLIONS)	CREDIT PROXY (%)	CREDIT PROXY ADJUSTED (%)	
JAN. 17, 1973	404.8	409.4	12.9	12.9	
JAN. 24, 1973	404.4	409.1	12.4	12.4	
JAN. 31, 1973	405.1	409.8	12.4	12.4	
FEB. 7, 1973	406.8	411.3	11.7	11.9	
FEB. 14, 1973	408.6	413.0	12.1	12.2	
FEB. 21, 1973	413.0	417.5	11.4	11.5	
FEB. 23, 1972			11.4	11.5	
FEB. 20, 1972			11.9	12.0	

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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: MARCH 2, 1973

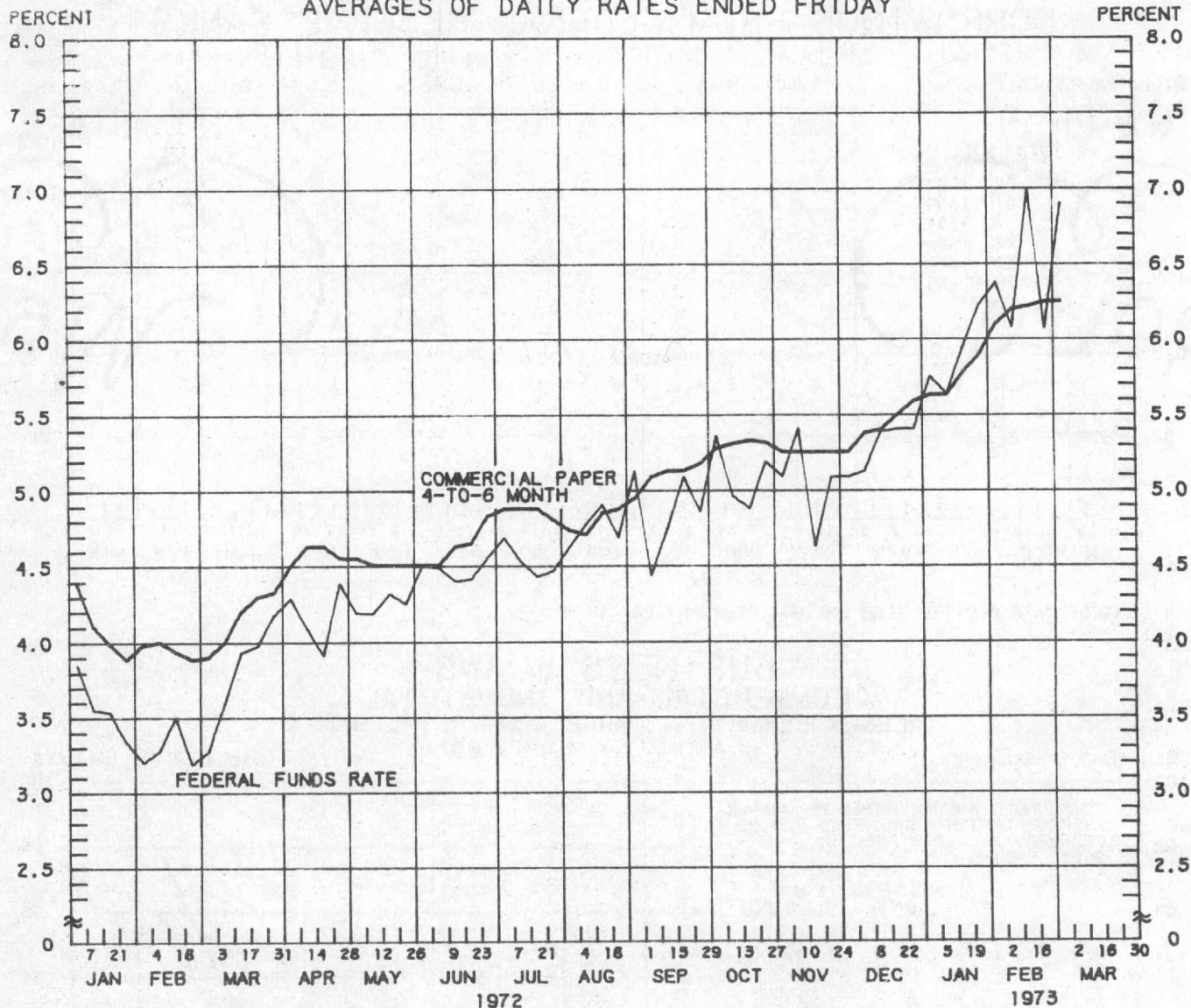
1973	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ^{***}
JAN. 5	7.11	5.16	6.16	5.72	5.08
12	7.12	5.19	6.22	5.83	5.03
19	7.15	5.40	6.27	5.98	5.00
26	7.18	5.67	6.38	6.08	5.08
FEB. 2	7.20	5.70	6.50	6.13	5.16
9	7.22	5.56	6.55	6.16	5.16
16	7.23	5.43	6.53	6.10	5.06
23	7.22	5.58	6.67	6.15	5.13
MAR. 2 [*]	7.24	5.84	6.75	6.16	N.A.
9					
16					
23					
30					

^{*} 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



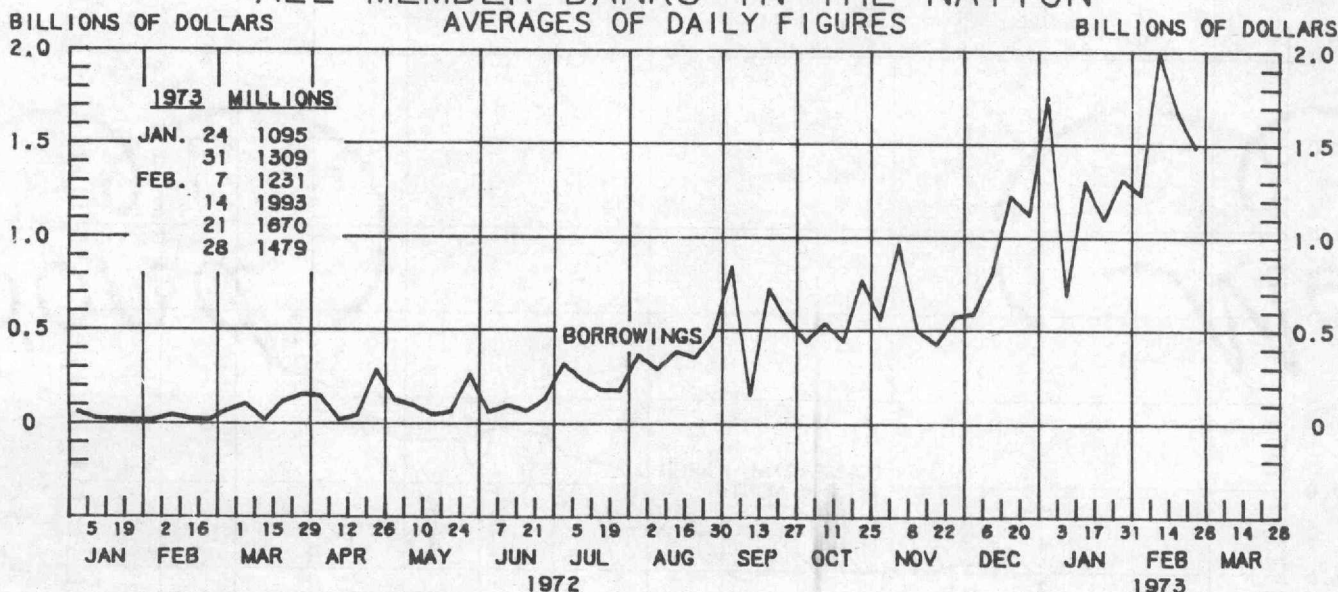
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 2, 1973

1973	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S ^{***}
JAN. 5	5.63	5.75	5.38	5.60
12	5.63	5.63	5.43	5.68
19	5.78	5.95	5.58	5.72
26	5.90	6.23	5.80	5.83
FEB. 2	6.10	6.38	5.98	5.98
9	6.20	6.08	6.13	6.15
16	6.22	6.99	6.13	6.28
23	6.25	6.07	6.13	6.30
MAR. 2 [*]	6.25	6.90	6.25	6.38
9				
16				
23				
30				

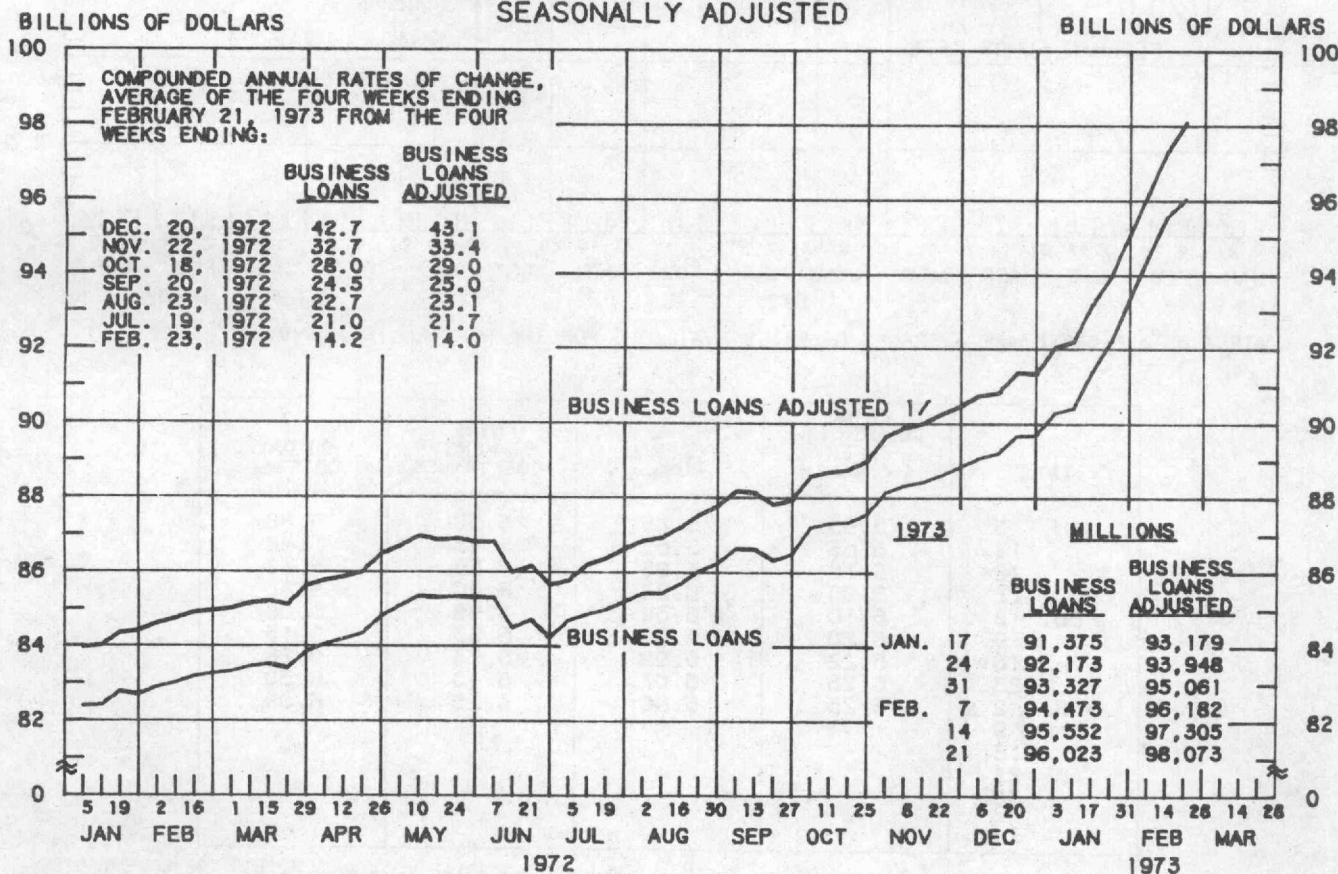
^{*} AVERAGES OF RATES AVAILABLE. FEDERAL FUNDS LAST FIVE DAYS AVAILABLE
^{***} DATA ARE SECONDARY MARKET RATES, WEEKLY AVERAGES ENDING WEDNESDAY TWO DAYS EARLIER. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



1/ INCLUDES LOANS SOLD OUTRIGHT BY COMMERCIAL BANKS TO OWN SUBSIDIARIES, FOREIGN BRANCHES, HOLDING COMPANIES, AND OTHER AFFILIATES.

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