

# U.S. FINANCIAL DATA

Week ending: March 7, 1973

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The money stock rose rapidly last December, then was unchanged during January, and on average, has increased at a 6.8 percent annual rate in the past three months. This rate compares with the 7.3 increase over the past twelve months, and the trend rate of 6.2 percent in the previous five years.

The monetary base, a reserve aggregate whose growth underlies the growth of the money stock, has increased at an 8.1 percent rate in the past three months, the same as in the past twelve months. For comparison, this measure increased at a rapid trend rate of 5.9 percent on average from early 1967 to early 1972. Federal Reserve credit, a major source component of the monetary base, has risen at a rapid 20 percent rate in the past three months. However, an increase in Treasury deposits at the Federal Reserve in recent months (which reduces the base) resulted in a slower rate of increase in the base.

Large increases in business loans have occurred in recent months, while commercial paper has shown no net growth. Business loans adjusted to include loans sold to affiliates increased from about \$90 billion in November to about \$98 billion in the past four weeks, an increase at a 38 percent annual rate. Meanwhile, the volume of commercial paper (not seasonally adjusted) remained at about its November level of \$34 billion. Interest rate differentials explain part of the rapid growth in business loans. For example, the prime bank loan rate was 5-3/4 percent last November, 50 basis points above the commercial paper rate, compared with 20 basis points below the commercial paper rate in recent days.

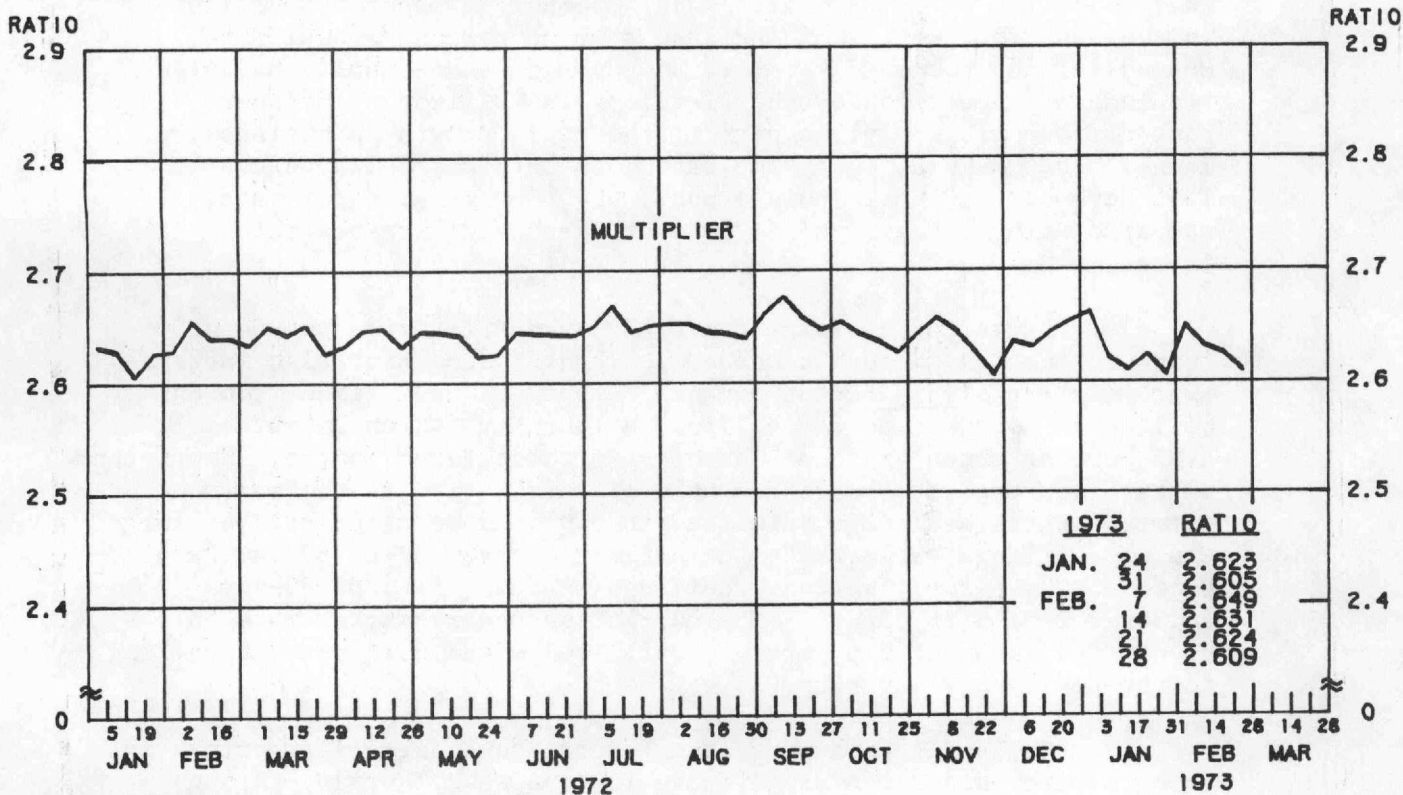
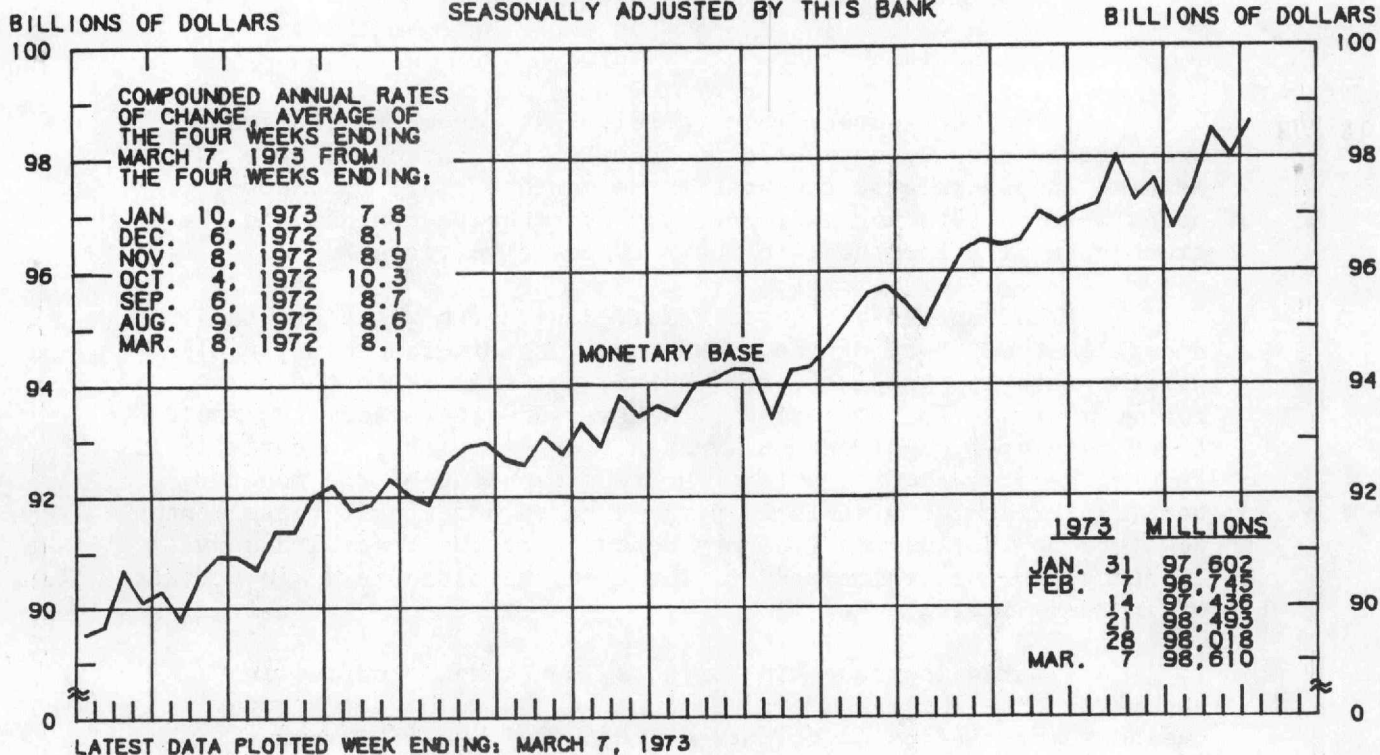
Large CDs at large commercial banks (a prime source of funds to meet an increased demand for bank loans) have also increased extremely rapidly in recent months. Large CDs have risen from \$41 billion in November to \$49 billion in February, which represents a 95 percent annual rate of increase in these three months. Short-term market interest rates have recently risen relative to the maximum interest rates banks are permitted to pay on some maturities of large CDs. Ceilings on large CDs of maturities from 30-to 89-days are presently suspended; however, ceilings on maturities of 90-days and over remain in effect. The current secondary market rate on 90-day CDs is about 6.6 percent, still below the 6.75 percent ceiling for 90-to 179-day maturity CDs.

Beginning this week, the Federal funds rate is reported in this release as a seven-day average for the week Thursday through Wednesday. Previously the rate quoted was a five-day average for the week ending Friday.

Prepared by Federal Reserve Bank of St. Louis

Released: March 9, 1973

# MONETARY BASE <sup>1/</sup> MULTIPLIER <sup>2/</sup> 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/

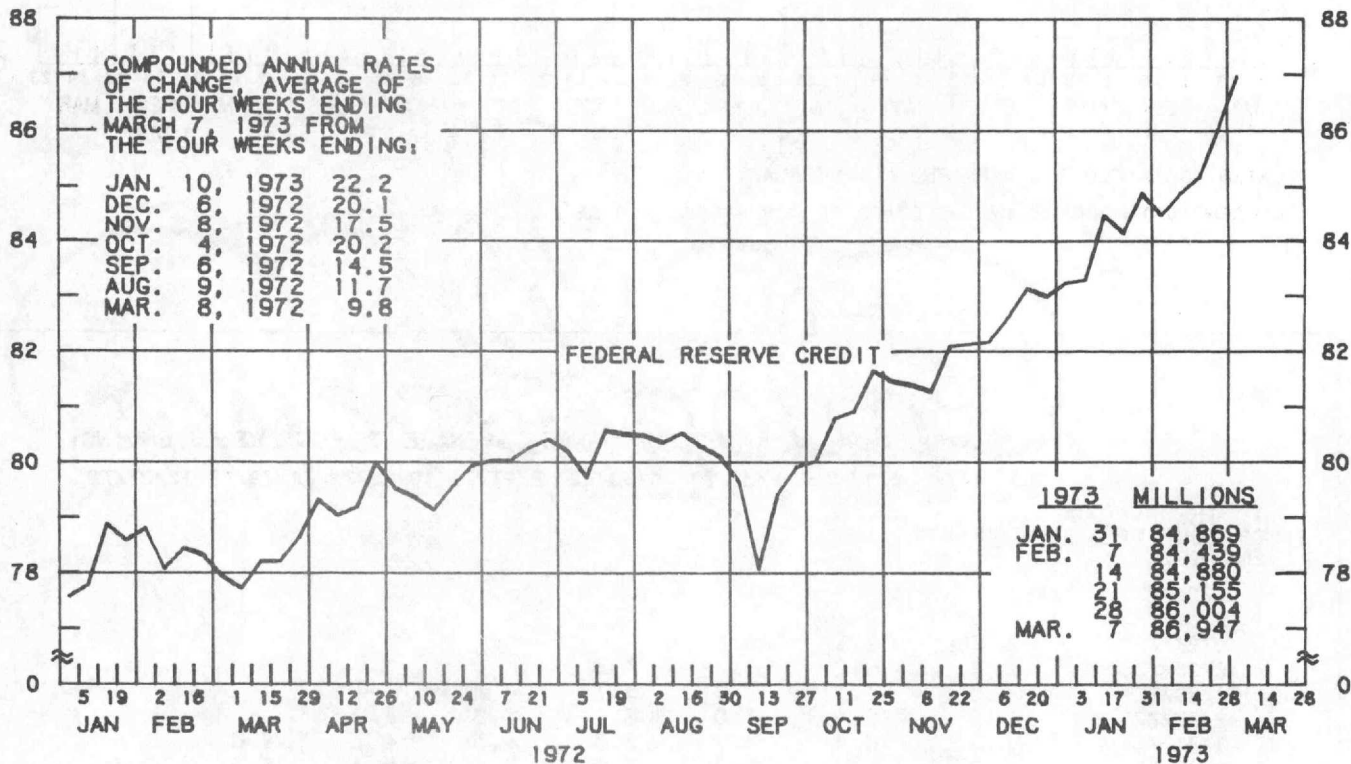
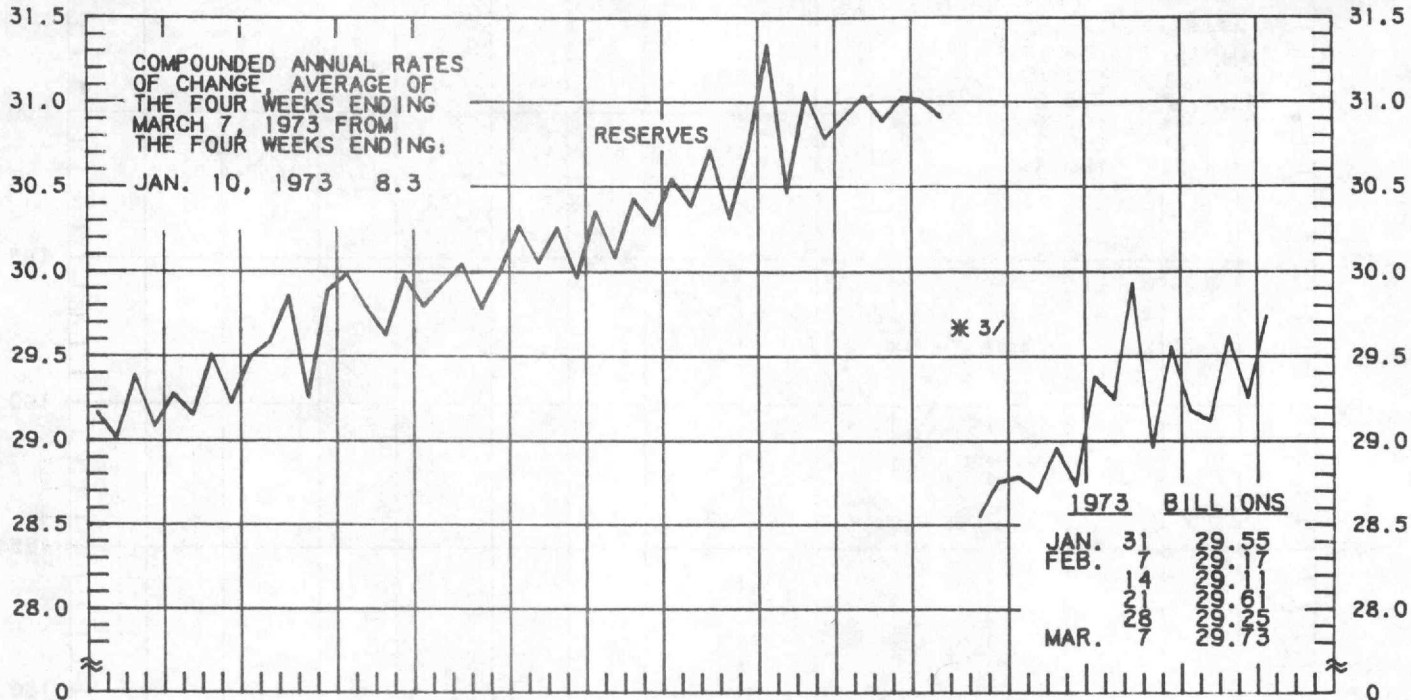
ALL MEMBER BANKS

# FEDERAL RESERVE CREDIT 2/

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 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.

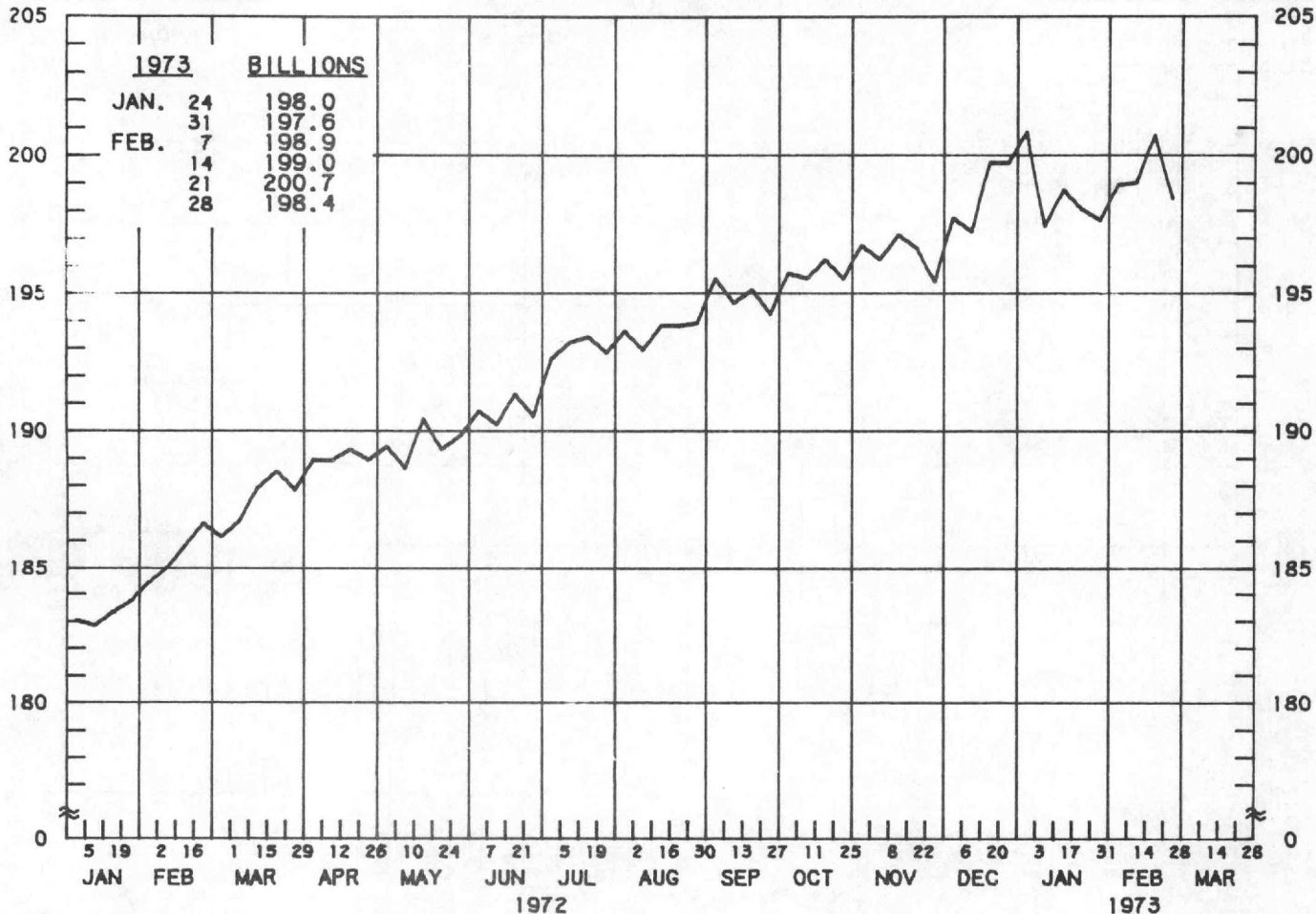


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 1973

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

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

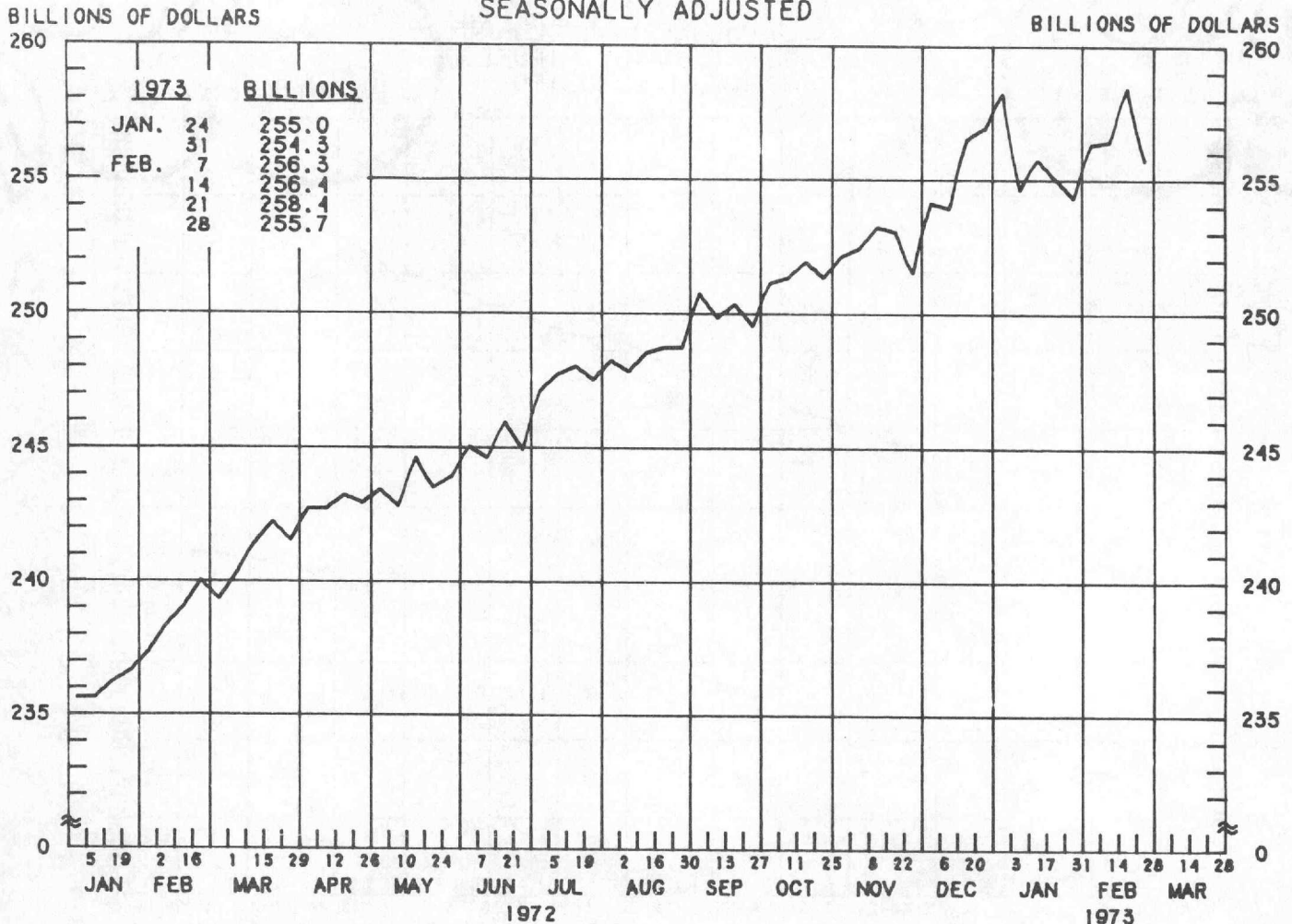
3/1/72 6/28/72 7/26/72 8/30/72 9/27/72 10/25/72 11/29/72 12/27/72

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

7/26/72	9.7							
8/30/72	8.5	9.1						
9/27/72	8.5		5.8					
10/25/72	8.2	8.2	5.7	7.3				
11/29/72	7.5	7.1	5.0	5.7	4.2			
12/27/72	8.3	8.5	7.0	8.1	7.8	8.9		
1/31/73	7.0	6.4	4.9	5.3	4.5	4.2	4.8	
2/28/73	7.2	6.8	5.5	6.0	5.4	5.4	6.3	2.1

# MONEY STOCK

## AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

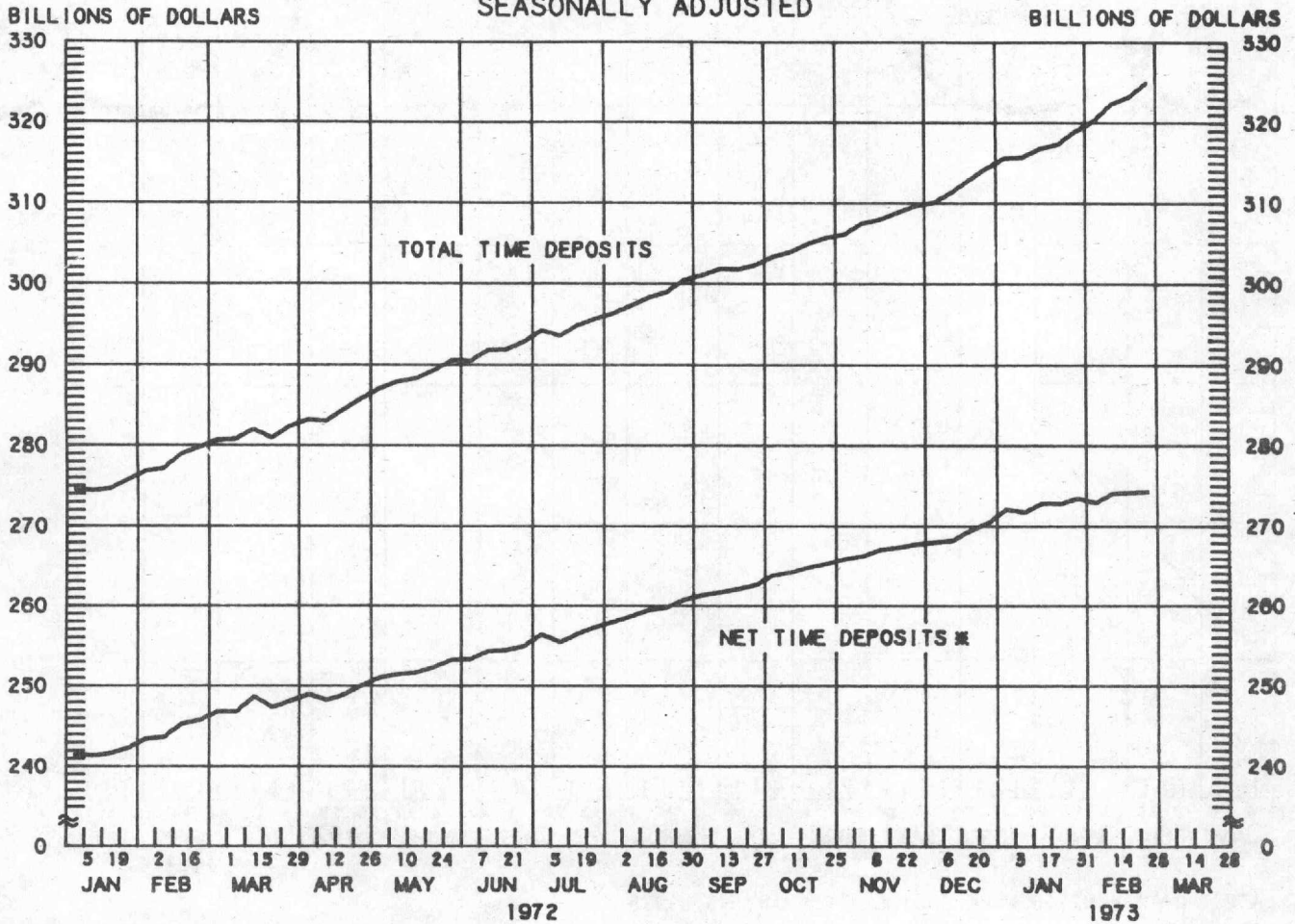


LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 1973  
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	3/1/72	6/28/72	7/28/72	8/30/72	9/27/72	10/25/72	11/29/72	12/27/72
TO THE AVERAGE OF FOUR WEEKS ENDING:								
7/28/72		8.9						
8/30/72		7.8	8.0					
9/27/72		8.0	8.4	6.0				
10/25/72		7.9	8.1	6.3	8.1			
11/29/72		7.5	7.3	5.8	6.8	5.7		
12/27/72		8.2	8.6	7.6	8.9	8.7	9.5	
1/31/73		7.1	6.8	5.8	6.3	5.6	5.3	5.6
2/28/73		7.3	7.1	6.2	6.8	6.4	6.2	6.8
								3.0

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



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 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:

3/1/72    6/28/72    7/26/72    8/30/72    9/27/72    10/25/72    11/29/72    12/27/72

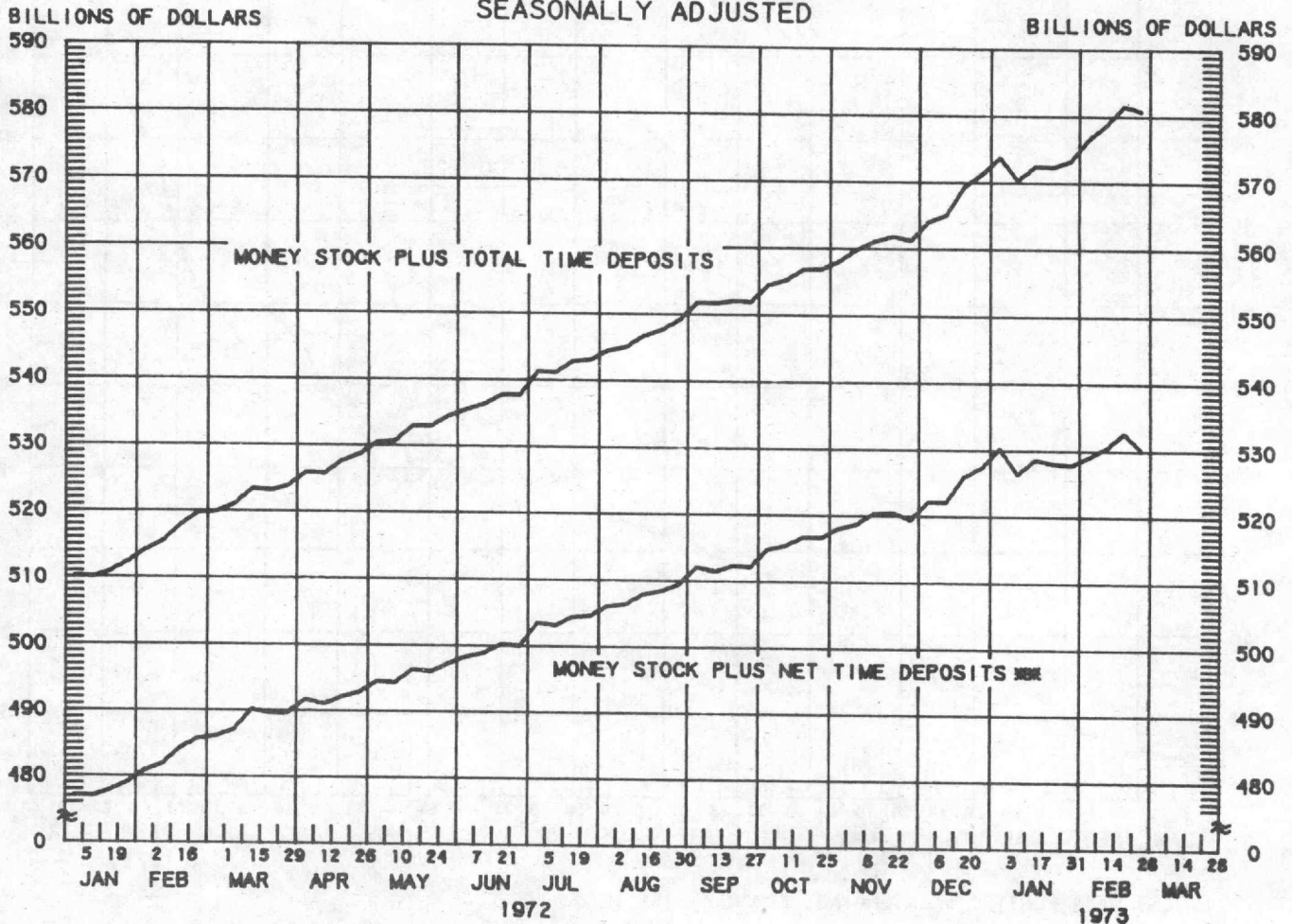
TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

7/26/72	11.5							
8/30/72	12.0	12.9						
9/27/72	12.0	12.7	13.3					
10/25/72	12.2	12.9	13.4	12.9				
11/29/72	12.1	12.5	12.8	12.2	12.3			
12/27/72	11.8	12.0	12.1	11.5	11.3	10.2		
1/31/73	12.1	12.4	12.6	12.2	12.3	11.9	12.3	
2/28/73	11.6	11.7	11.7	11.2	11.1	10.5	10.3	10.8



# MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 1973

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

NOTE: 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:

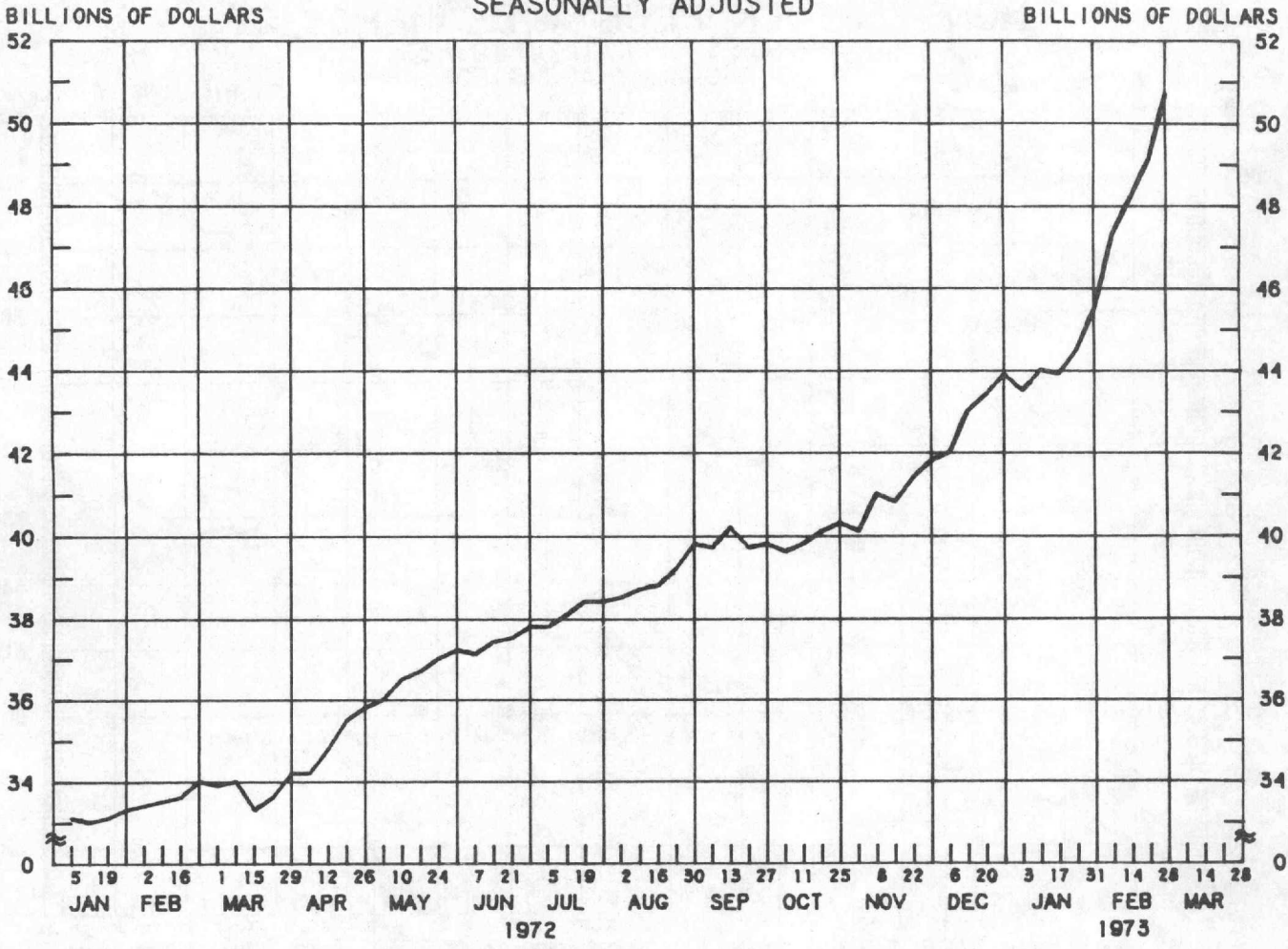
3/1/72    6/28/72    7/26/72    8/30/72    9/27/72    10/25/72    11/29/72    12/27/72

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

7/26/72	10.2								
8/30/72	9.9	10.5							
9/27/72	10.0	10.5	9.5						
10/25/72	10.1	10.5	9.9	10.6					
11/29/72	9.8	9.9	9.3	9.5	9.1				
12/27/72	10.0	10.3	9.8	10.1	10.0	9.8			
1/31/73	9.7	9.7	9.3	9.4	9.1	8.7	9.1		
2/28/73	9.5	9.4	9.0	9.1	8.8	8.4	8.6	7.0	

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 1973

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

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

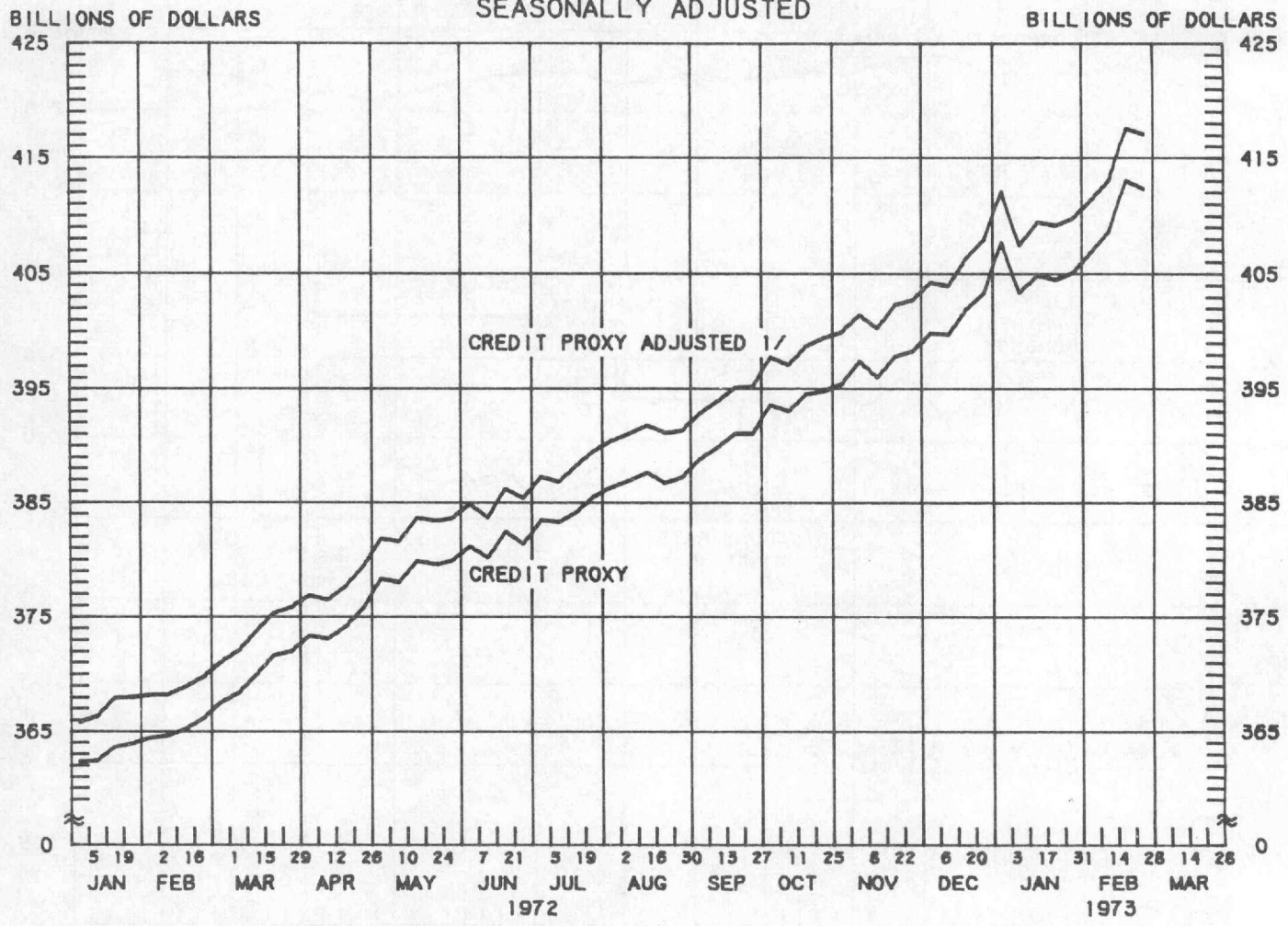
MONEY AND TIME DEPOSIT DATA			
1973	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 **
JAN. 3	43.5	272.0	530.2
10	44.0	271.6	526.2
17	43.9	272.8	528.5
24	44.5	272.7	527.8
31	45.5	273.4	527.7
FEB. 7	47.3	272.8	529.0
14	48.2	274.0	530.4
21	49.1	274.1	532.5
28	50.7	274.2	529.9
MAR. 7			
14			
21			
28			

\* 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: FEBRUARY 28, 1973

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

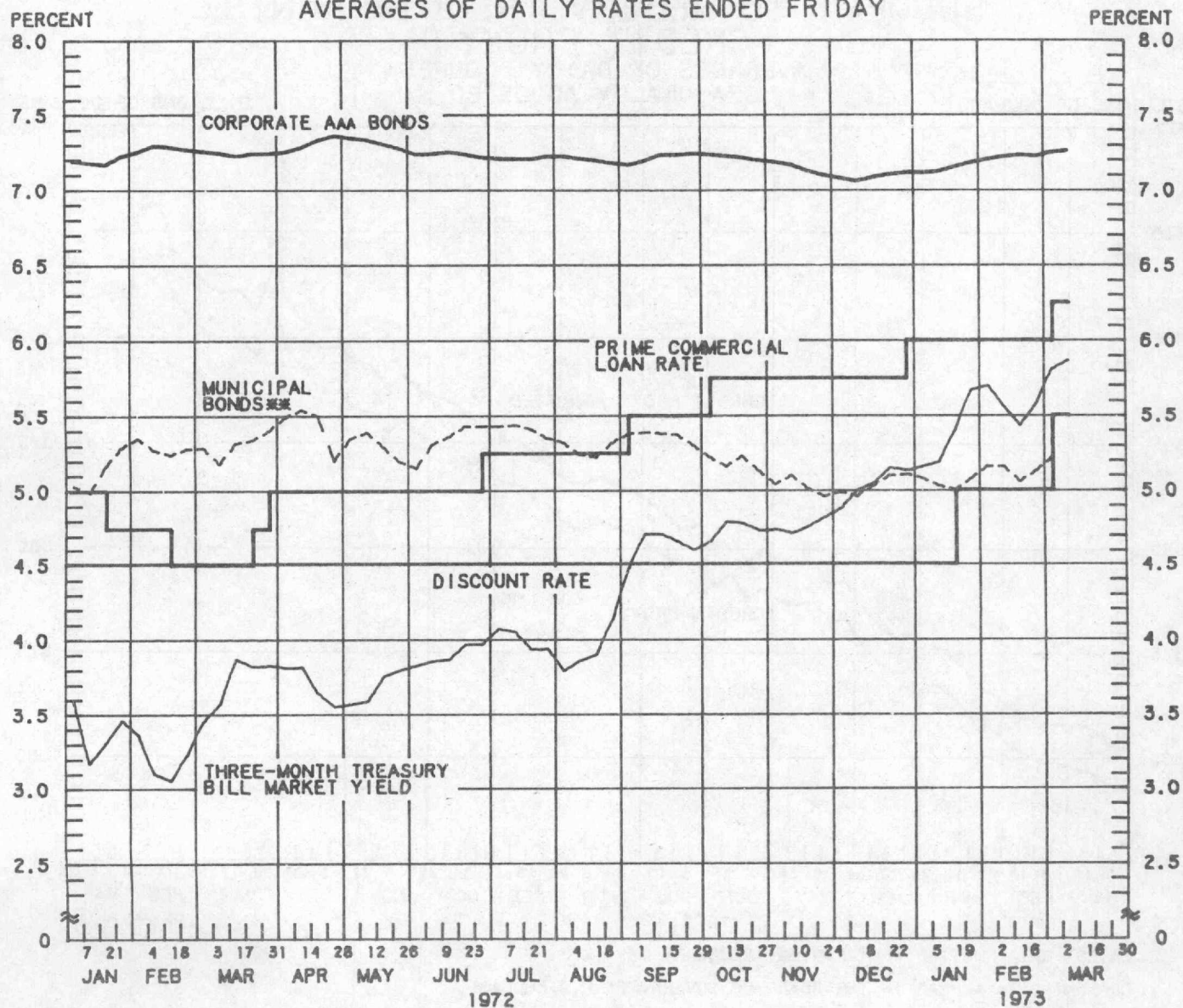
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1973		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	24	404.4	409.1
	31	405.1	409.8
FEB.	7	406.8	411.3
	14	408.6	413.0
	21	413.0	417.5
	28	412.2	417.0

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING FEBRUARY 28, 1973 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
DEC.	27, 1972	13.7	13.7
NOV.	29, 1972	13.5	13.6
OCT.	25, 1972	12.4	12.4
SEP.	27, 1972	12.5	12.7
AUG.	30, 1972	12.3	12.3
JUL.	26, 1972	11.7	11.9
MAR.	1, 1972	12.1	12.2

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 9, 1973

1973	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS <sup>***</sup>
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	7.25	5.81	6.76	6.16	5.22
9 <sup>*</sup>	7.26	5.87	6.82	6.17	N.A.
16					
23					
30					

<sup>\*</sup> AVERAGES OF RATES AVAILABLE.

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

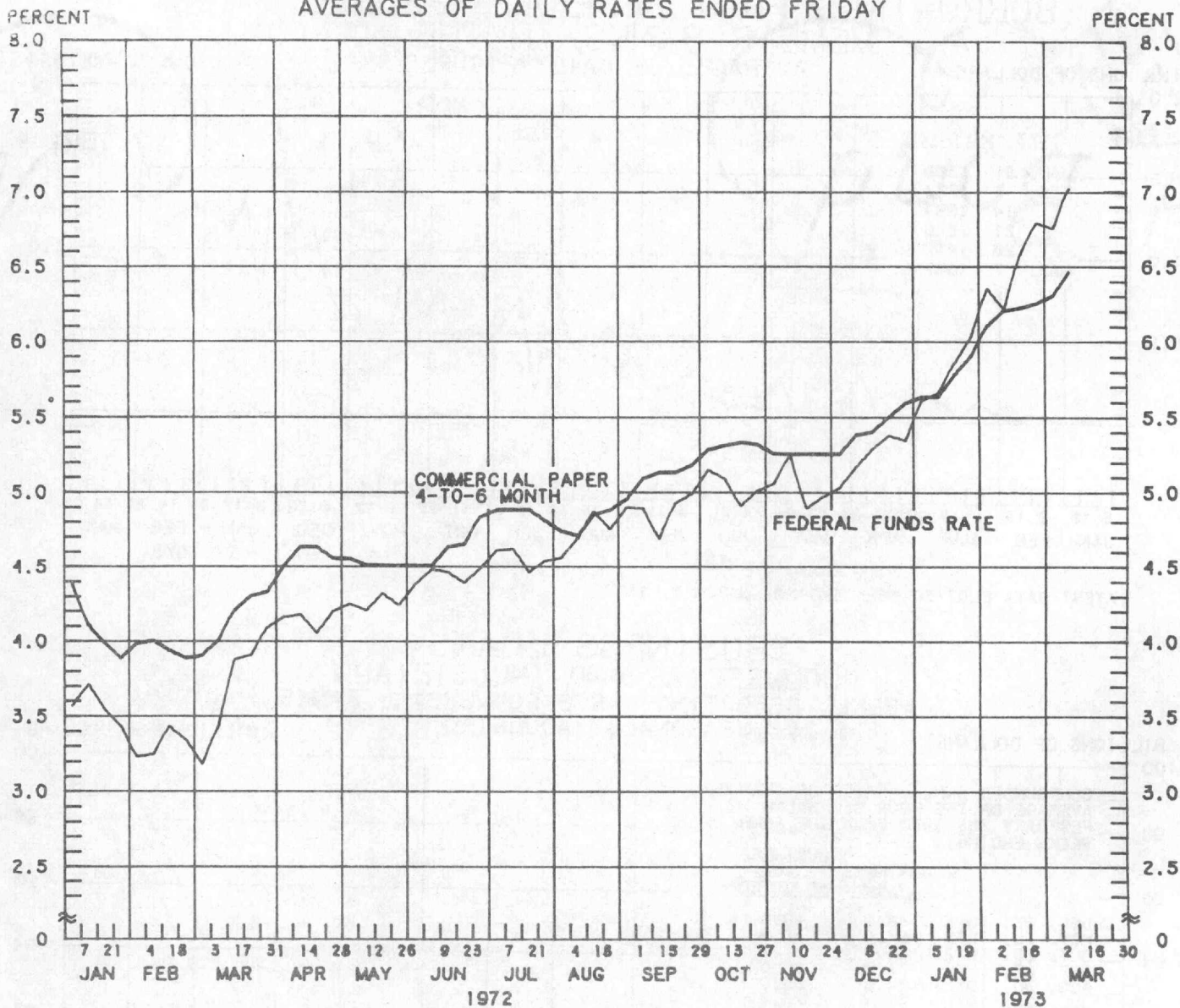
N.A. - NOT AVAILABLE

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: MARCH 9, 1973

1973	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS %	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S %
JAN. 5	5.63	5.61	5.38	5.60
12	5.63	5.66	5.43	5.68
19	5.78	5.86	5.58	5.72
FEB. 26	5.90	6.03	5.80	5.83
2	6.10	6.35	5.98	5.98
9	6.20	6.21	6.13	6.15
16	6.22	6.58	6.13	6.28
MAR. 23	6.25	6.79	6.13	6.31
2	6.30	6.75	6.30	6.38
9 *	6.46	7.02	6.63	6.60
16				
23				
30				

\* AVERAGES OF RATES AVAILABLE.

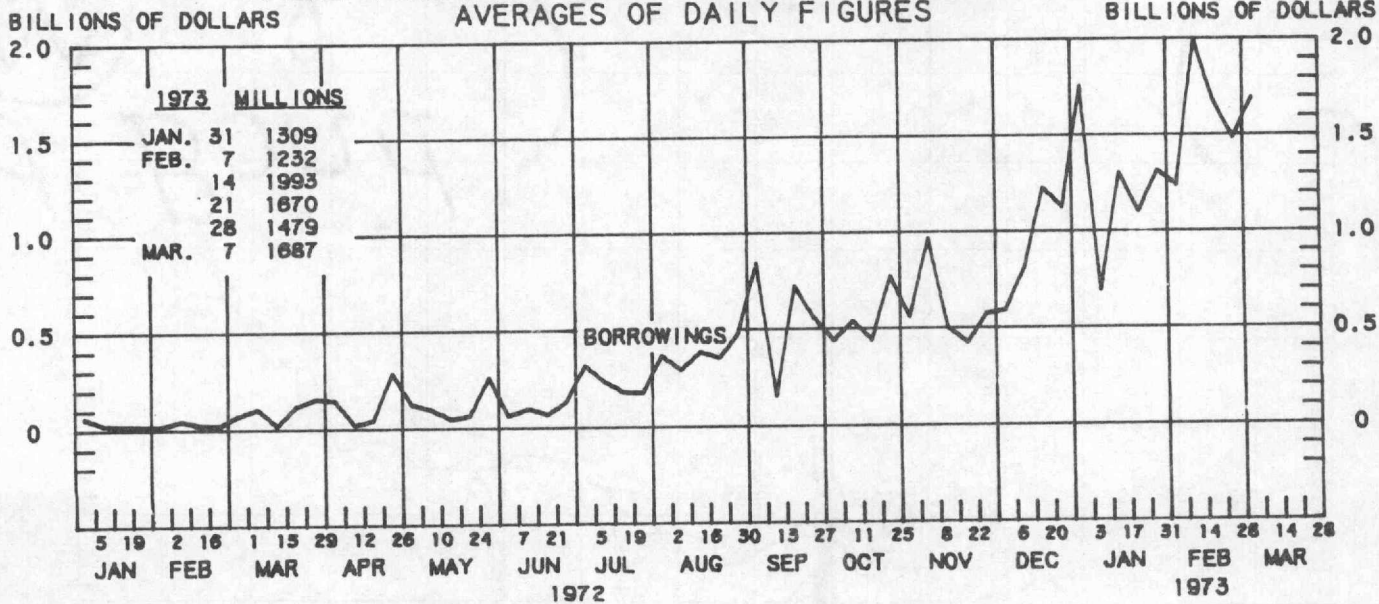
\*\* FEDERAL FUNDS AND CD RATES ARE SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

CD DATA ARE SECONDARY MARKET RATES.

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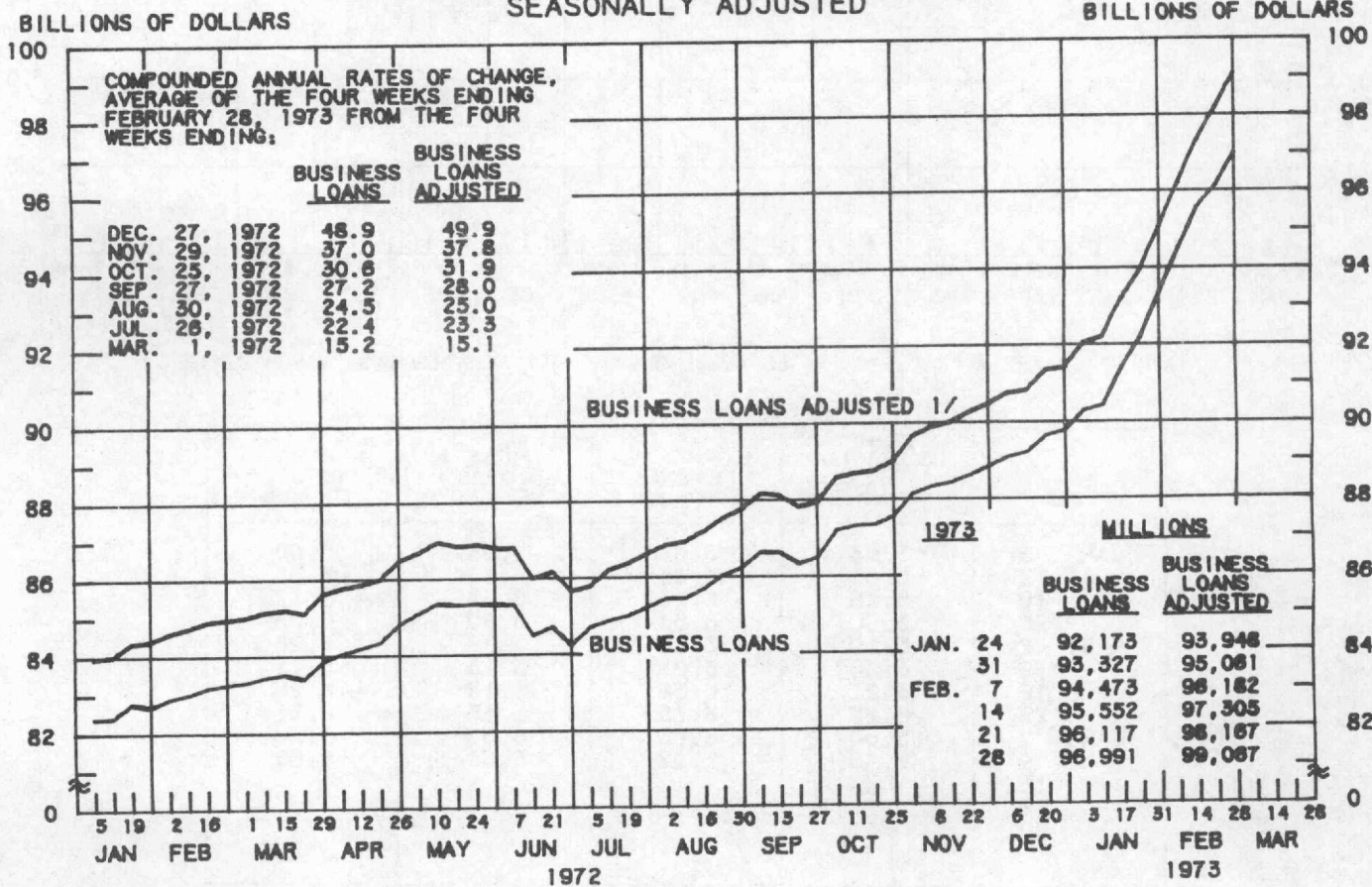


## BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 1973

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



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 28, 1973

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS