



LIBRARY

Week ending: March 14, 1973

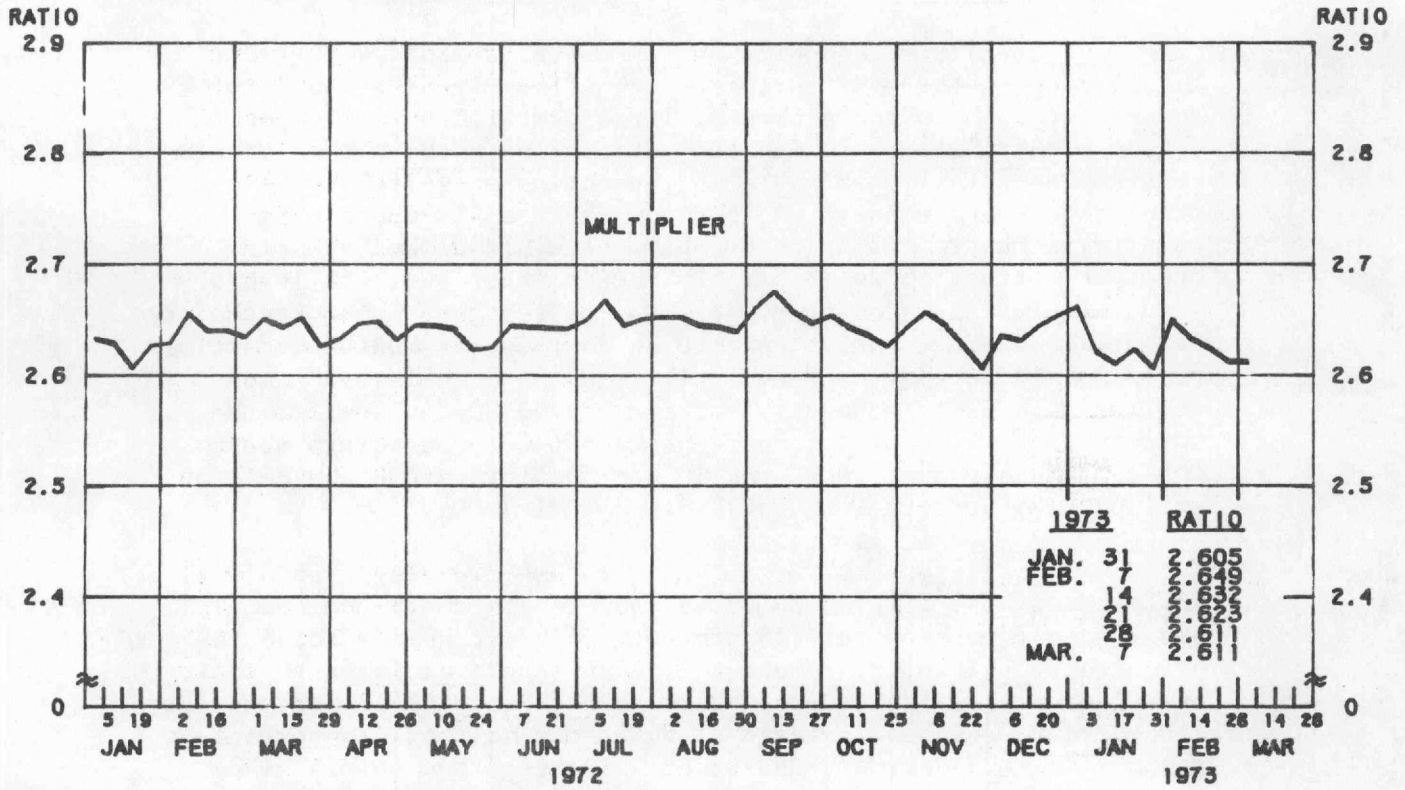
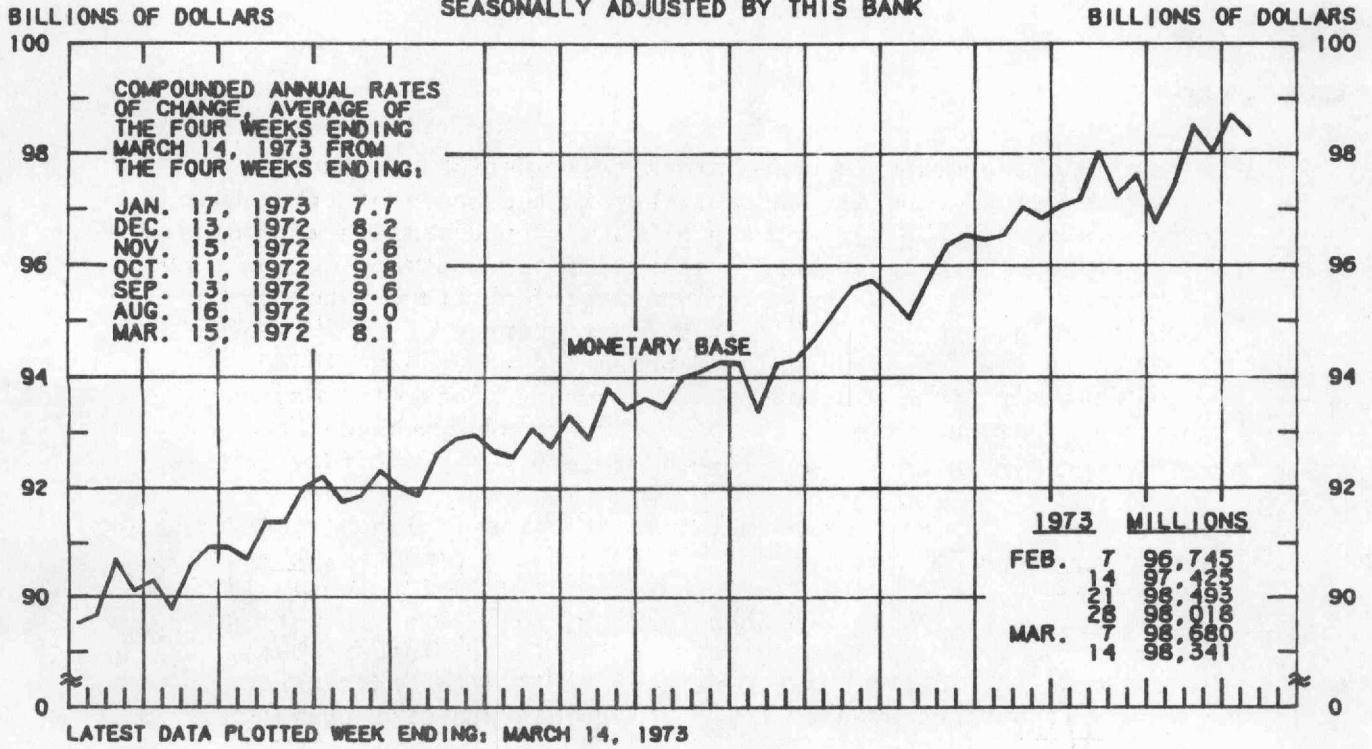
The nation's money stock (M_1), defined to include private demand deposits and currency in the hands of the public, has risen at a 6.6 percent annual rate in the past three months. This rate of growth compares with a 7.5 percent rate during the previous nine months and a rapid 6.2 percent trend rate from the first quarter of 1967 to the first quarter of 1972. The growth in the demand deposit component of money has slowed somewhat more than that of the total money stock, increasing at a 5.8 percent rate in the past three months, while the currency component has accelerated to a 9.6 percent rate.

Money stock plus net time deposits (M_2) has risen at an 8.7 percent annual rate over the last three months, about the same as the trend rate of growth from early 1967 to early 1972. From February 1972 to November 1972, M_2 rose at a 9.6 percent rate. The monetary base, a prime determinant of the growth of M_1 and M_2 , rose at an 8.2 percent rate in the past three months, about the same as the 8.1 percent rate of increase during the previous nine months.

Total time deposits have grown at a rapid 22 percent annual rate in the past three months, primarily as a result of an acceleration in the growth of large certificates of deposit (CDs). The rapid growth in large CDs reflects the higher yields obtainable on this marketable instrument relative to yields on other short-term securities, such as four-to-six-month prime commercial paper. Rates on CDs have been bid up by banks in order to attract funds to satisfy recent large business loan demands. Interest rates on 90-day CDs, as reported in the secondary market, rose above the rates paid on four-to-six month commercial paper in mid-February and recently rose above their new issue ceiling rate. The secondary market rate on 90-day CDs for the current week is about 6.85 percent, about 6 basis points above the commercial paper rate, and 10 basis points above the ceiling rate of 6.75 percent for 90-179 day maturity CDs.

Short-term market interest rates have risen rapidly in recent weeks. Yields on prime four-to six-month commercial paper have increased to 6.79 percent, 54 basis points above the prime rate, the interest rate charged by banks on loans to their best customers. The Federal funds rate averaged 7.13 percent for the current week, an increase of about one-half of one percentage point since mid-February and about 2.1 percentage points since November 1972.

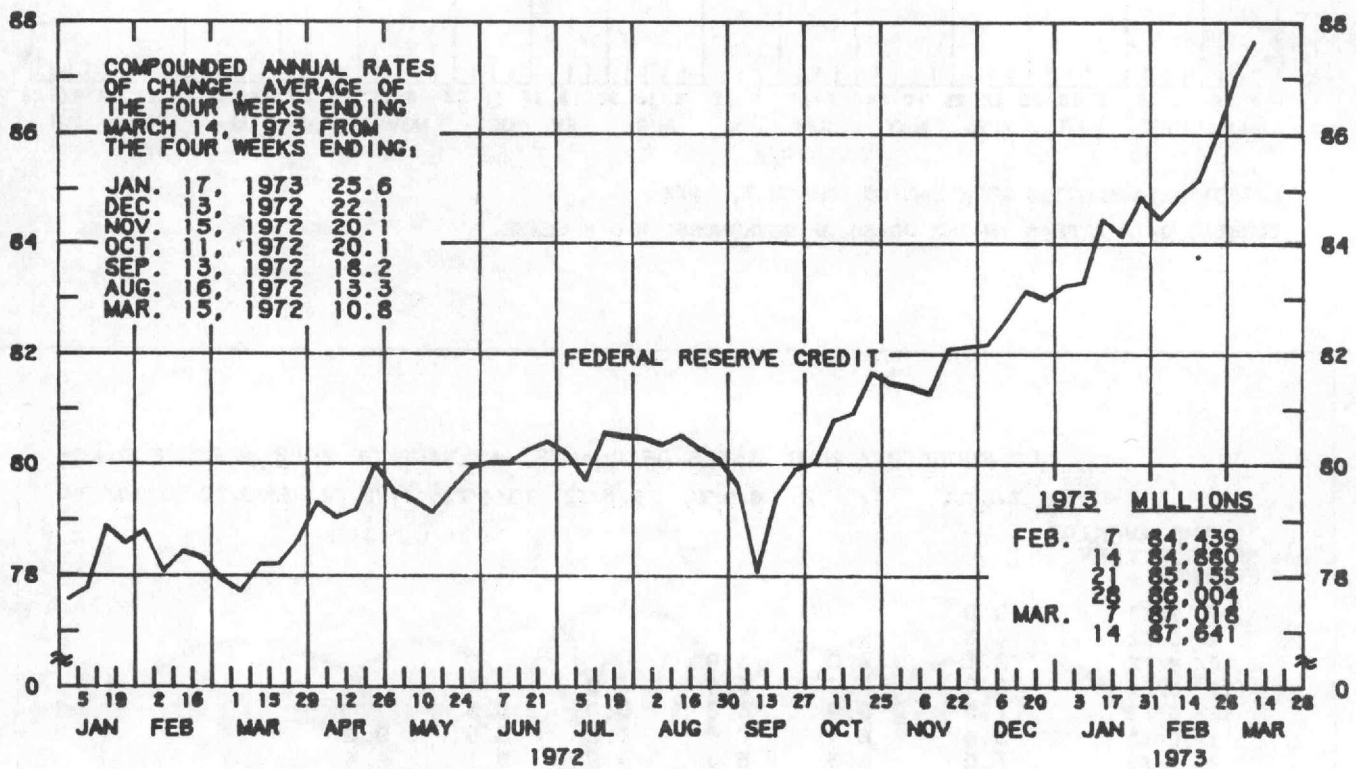
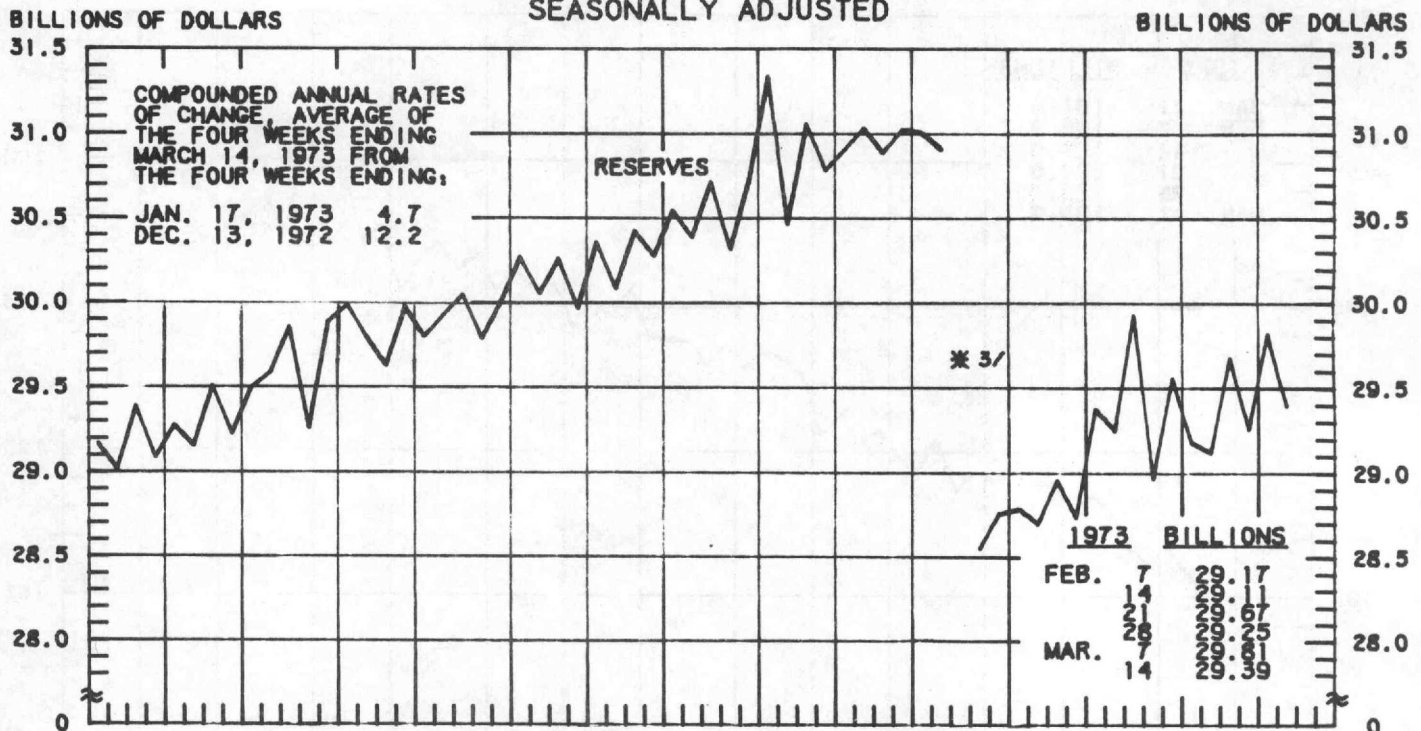
MONETARY BASE ^{1/} MULTIPLIER ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK



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: MARCH 14, 1973

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

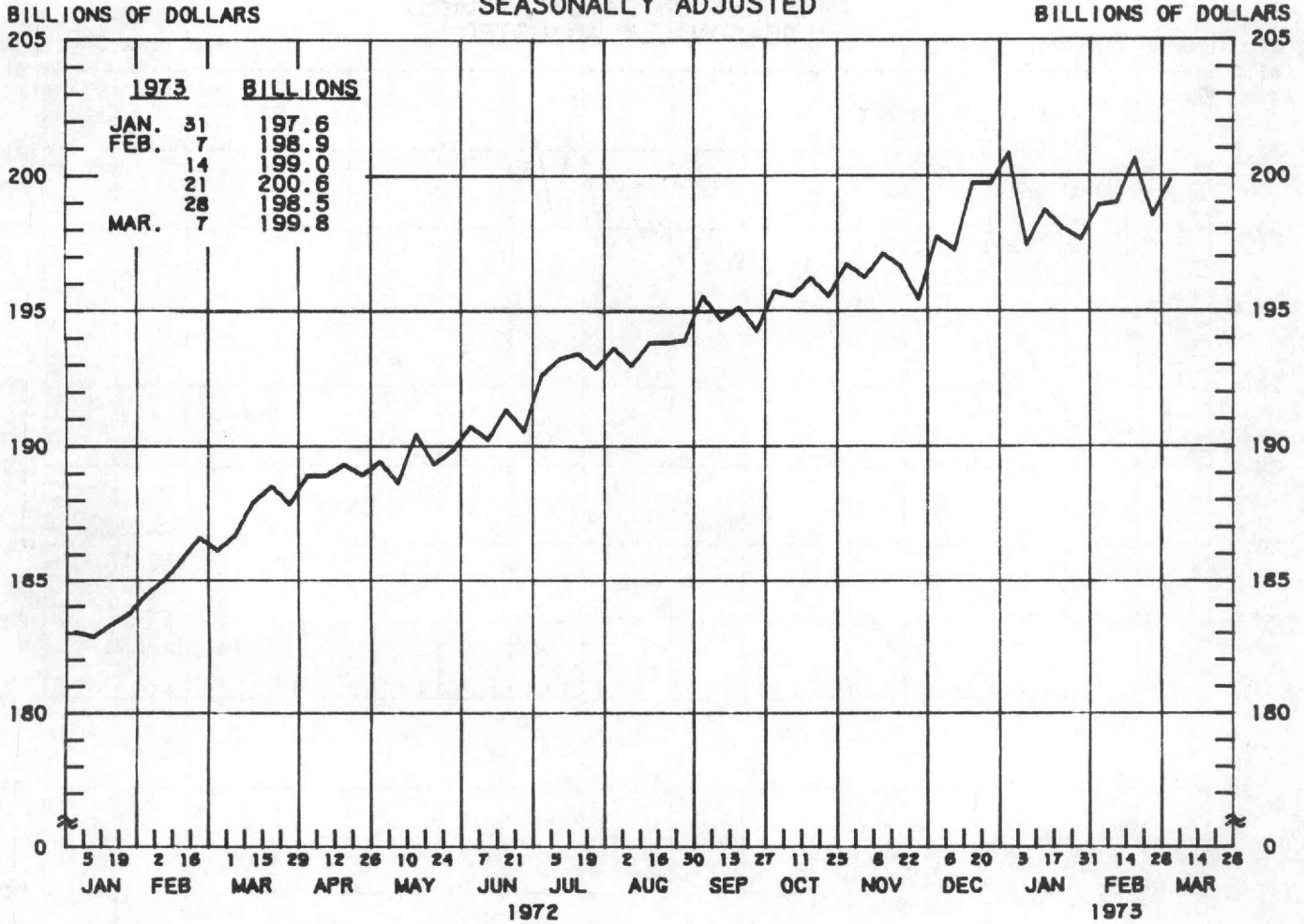
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND 'OTHER' ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS.

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



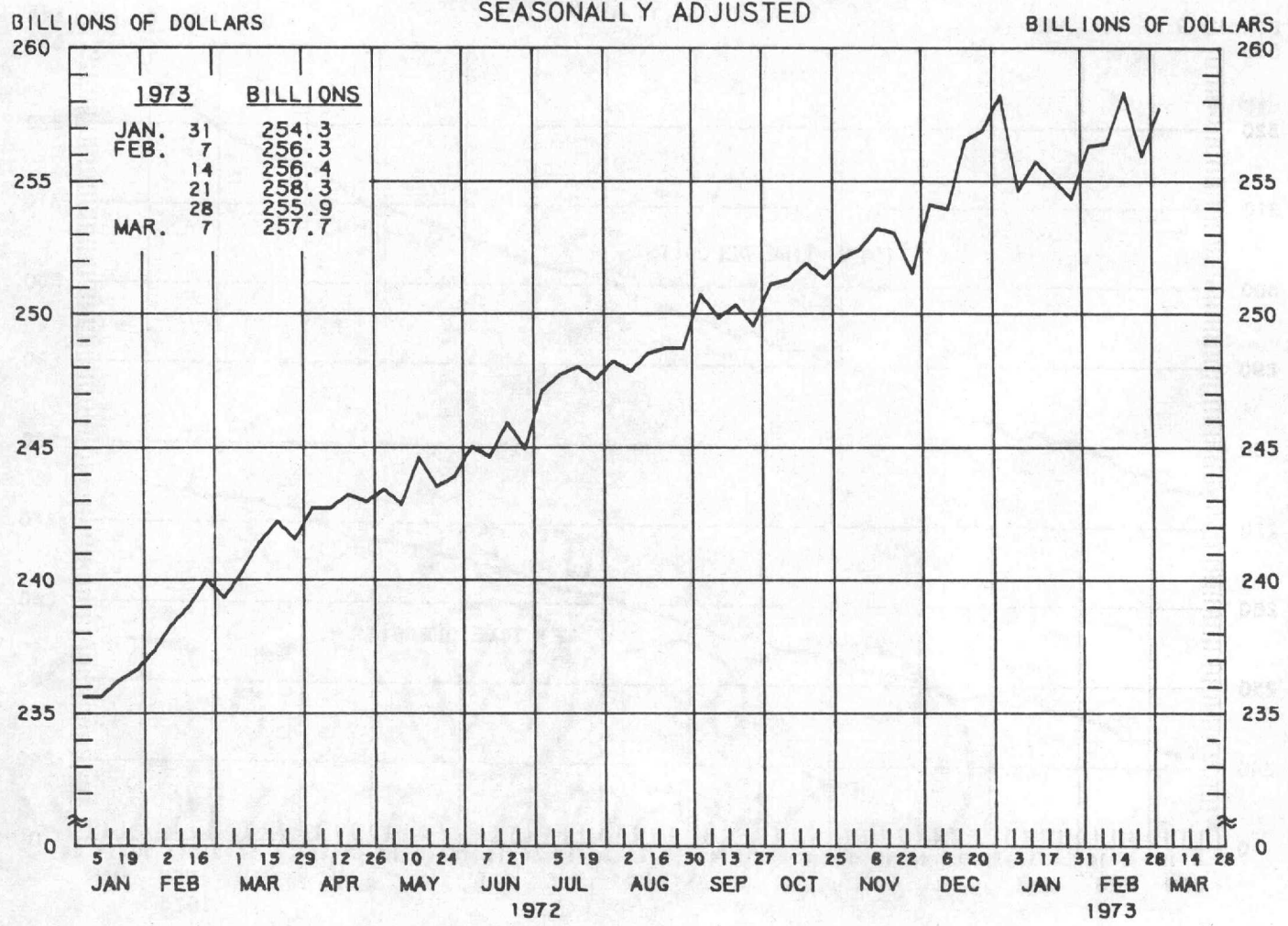
LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 1973
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	3/8/T2	7/5/T2	8/9/T2	9/6/T2	10/4/T2	11/6/T2	12/6/T2	1/10/T3
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/ 9/T2	9.0							
9/ 6/T2	8.8	9.7						
10/ 4/T2	8.1	8.0	5.9					
11/ 8/T2	8.0	7.7	6.4	5.8				
12/ 6/T2	7.5	6.9	5.6	5.0	5.5			
1/10/T3	8.4	8.4	7.8	7.8	8.8	9.8		
2/ 7/T3	7.0	6.3	5.3	4.9	5.1	4.4	4.8	
3/ 7/T3	7.1	6.5	5.7	5.4	5.7	5.2	5.8	0.3

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

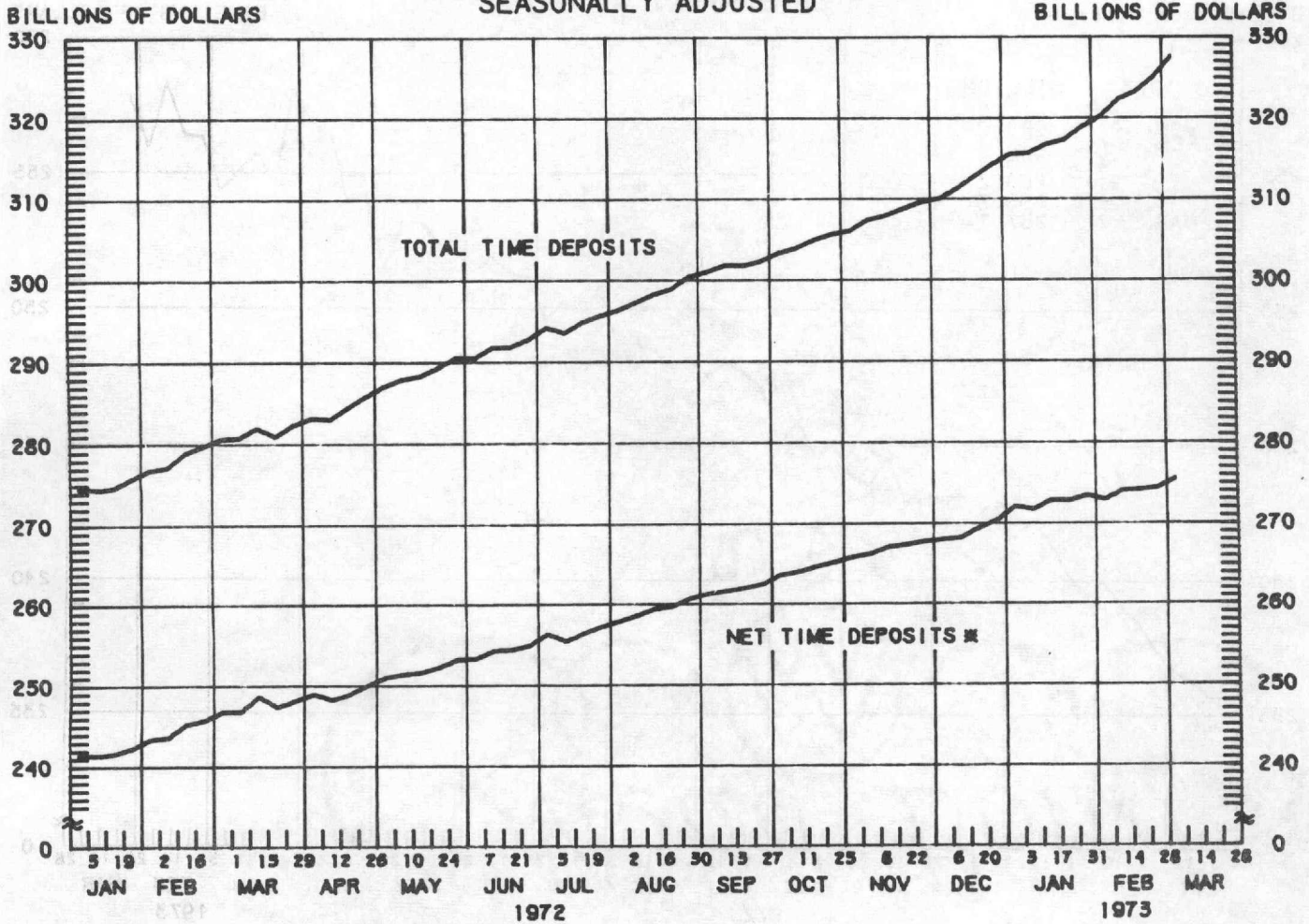


LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 1973
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	3/8/72	7/5/72	8/9/72	9/6/72	10/4/72	11/8/72	12/6/72	1/10/73
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/ 9/72	8.3							
9/ 6/72	8.1	8.8						
10/ 4/72	7.7	7.7	6.2					
11/ 8/72	7.7	7.6	6.6	6.4				
12/ 6/72	7.5	7.3	6.4	6.2	6.6			
1/10/73	8.4	8.8	8.5	8.8	9.8	11.3		
2/ 7/73	7.1	6.7	6.1	5.9	6.0	5.5	5.4	
3/ 7/73	7.3	7.0	6.5	6.4	6.6	6.4	6.6	11.3

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 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.

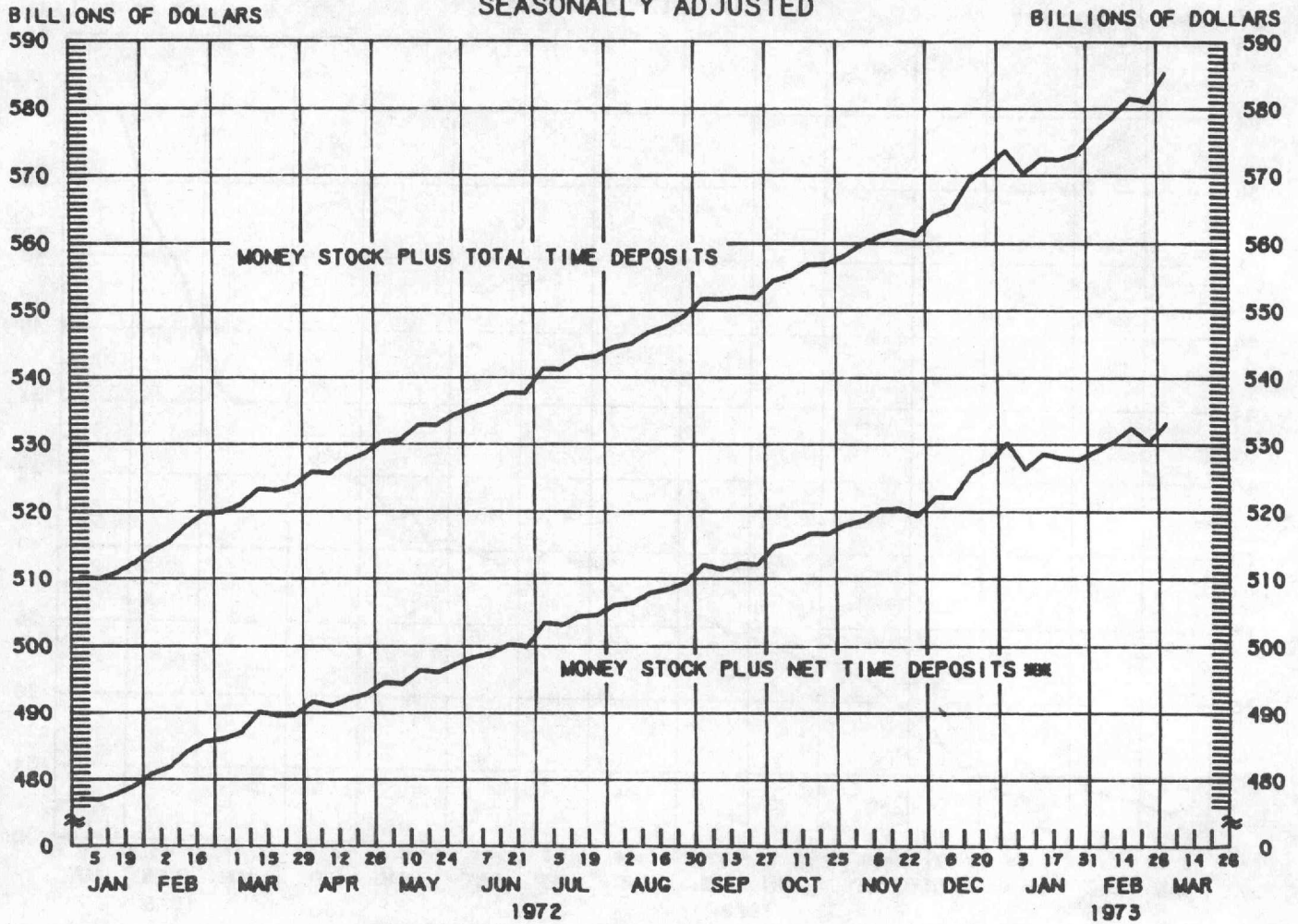
NET TIME DEPOSITS

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

	3/8/72	7/5/72	8/9/72	9/6/72	10/4/72	11/8/72	12/6/72	1/10/73
8/ 9/72	11.3							
9/ 6/72	11.9	12.6						
10/ 4/72	11.8	12.3	13.3					
11/ 8/72	12.0	12.5	13.2	12.4				
12/ 6/72	11.8	12.1	12.5	11.7	11.8			
1/10/73	12.0	12.4	12.7	12.2	12.4	12.1		
2/ 7/73	11.8	12.1	12.3	11.8	11.9	11.5	12.0	
3/ 7/73	11.5	11.6	11.7	11.2	11.1	10.6	10.7	9.0

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 1973

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)

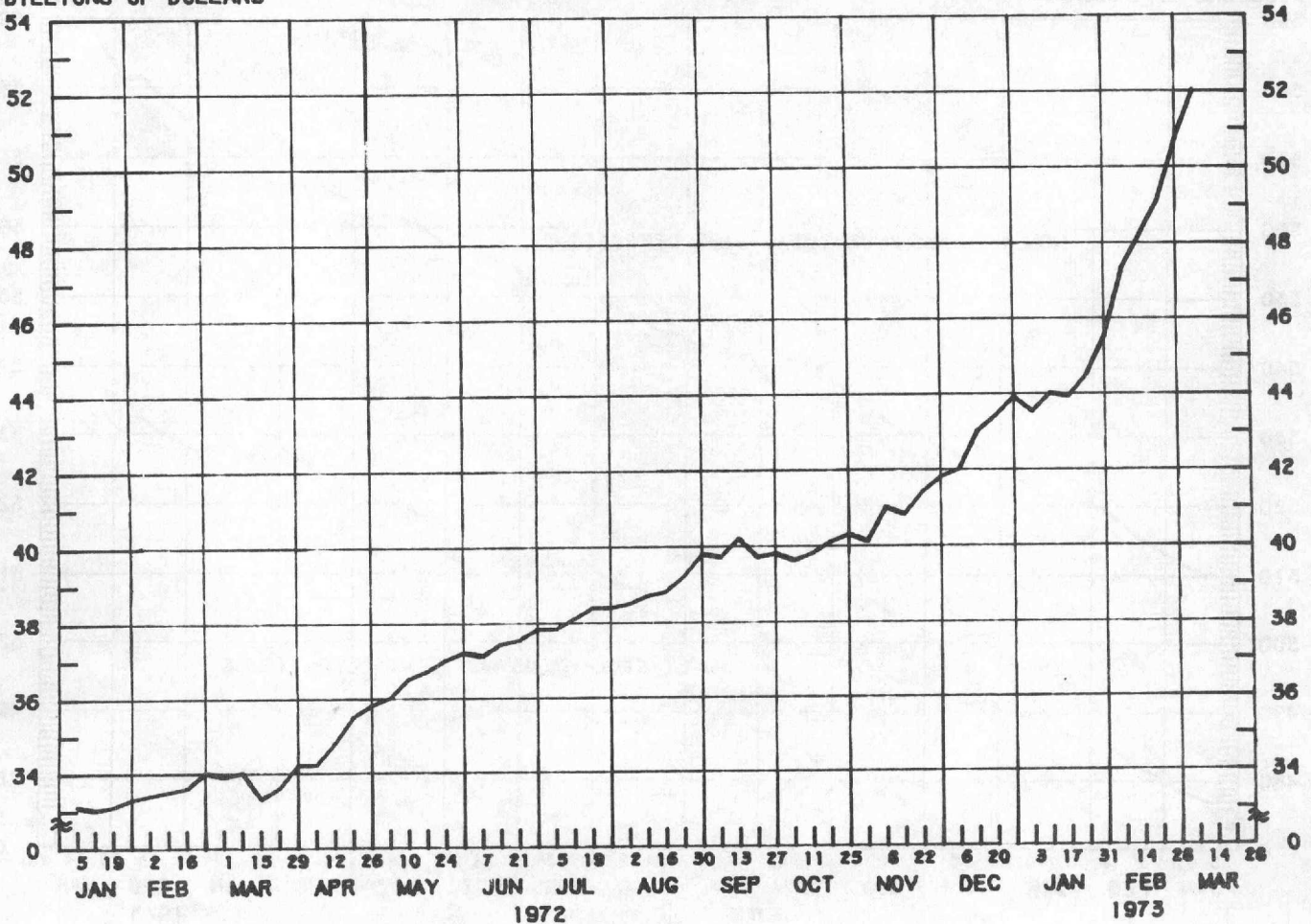
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	3/8/72	7/5/72	8/9/72	9/8/72	10/4/72	11/8/72	12/6/72	1/10/73
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/ 9/72	9.8							
9/ 6/72	10.0	10.6						
10/ 4/72	9.8	9.9	9.6					
11/ 8/72	9.8	10.1	9.9	9.5				
12/ 6/72	9.6	9.7	9.4	9.0	9.2			
1/10/73	10.2	10.6	10.6	10.6	11.2	11.6		
2/ 7/73	9.5	9.5	9.3	9.0	9.1	8.6	9.0	
3/ 7/73	9.4	9.3	9.1	8.9	8.9	8.5	8.7	5.2

**CERTIFICATES OF DEPOSIT
LARGE COMMERCIAL BANKS
WEDNESDAY FIGURES
SEASONALLY ADJUSTED**

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 1973

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

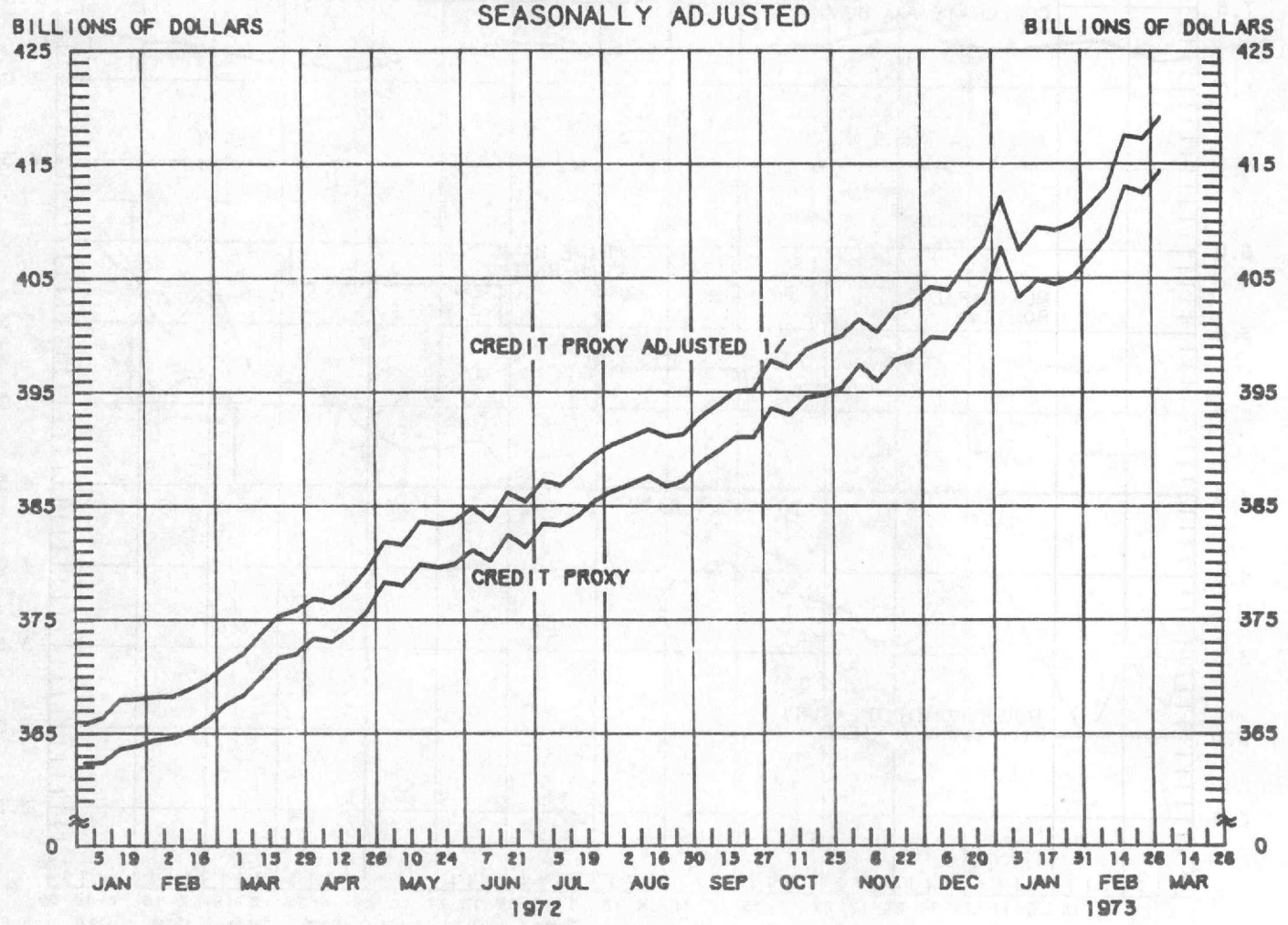
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1973	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M2 **
JAN. 3	43.5	272.0	530.2
10	44.0	271.6	526.2
17	43.9	272.8	526.5
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	532.4
28	50.7	274.4	530.2
MAR. 7	52.0	275.5	533.1
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: MARCH 7, 1973

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

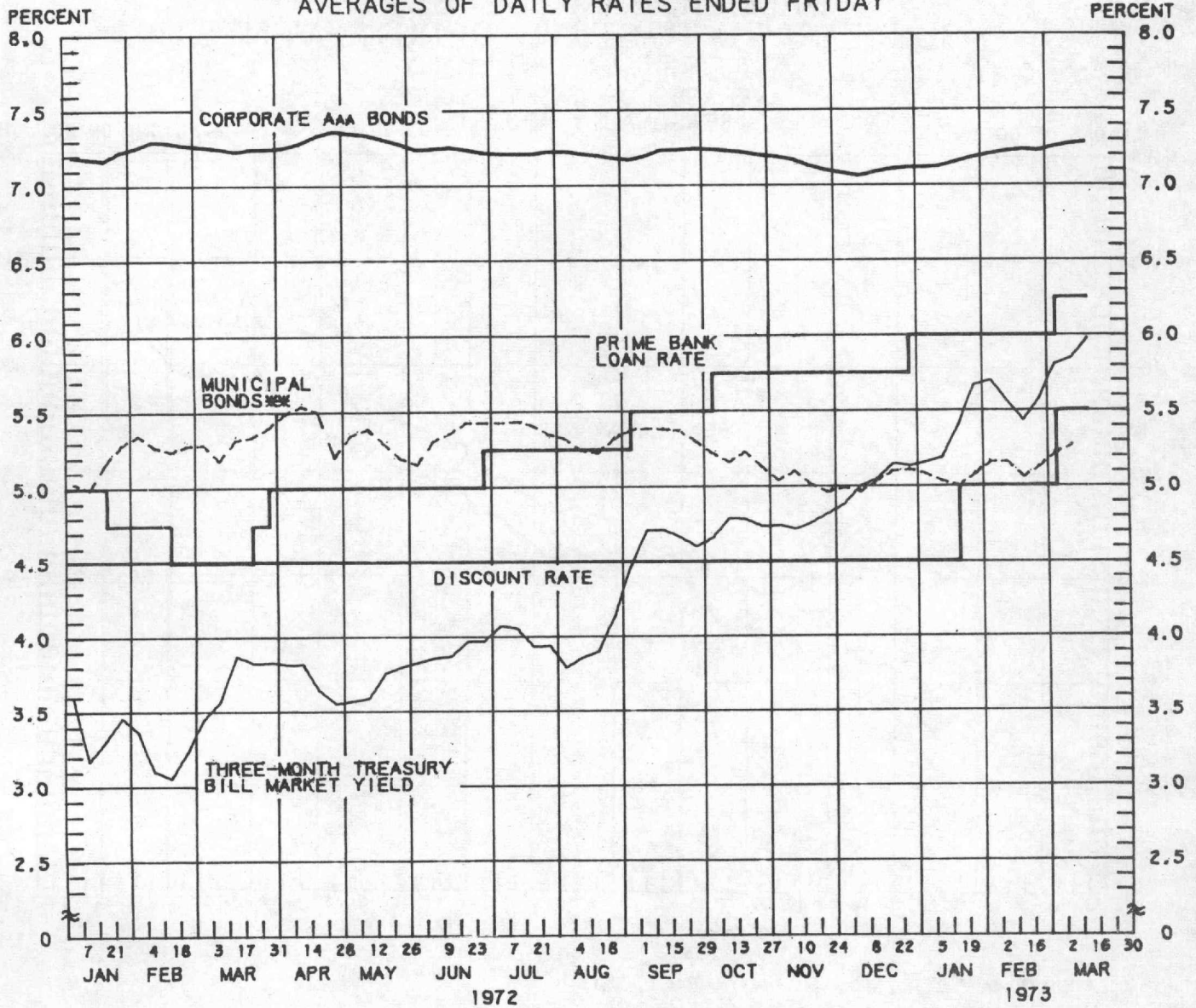
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1973		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	31	405.1	409.8
FEB.	7	406.8	411.3
	14	408.6	413.0
	21	413.0	417.5
	28	412.4	417.2
MAR.	7	414.4	419.1

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING MARCH 7, 1973 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	10, 1973	13.8	14.0
DEC.	6, 1972	14.9	15.0
NOV.	8, 1972	13.4	13.4
OCT.	4, 1972	13.0	13.1
SEP.	6, 1972	13.0	13.2
AUG.	9, 1972	12.2	12.3
MAR.	8, 1972	12.4	12.5

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 16, 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	7.25	5.81	6.76	6.16	5.22
9	7.27	5.85	6.84	6.18	5.27
16 *	7.28	5.98	6.86	6.20	N.A.
23					
30					

* AVERAGES OF RATES AVAILABLE.

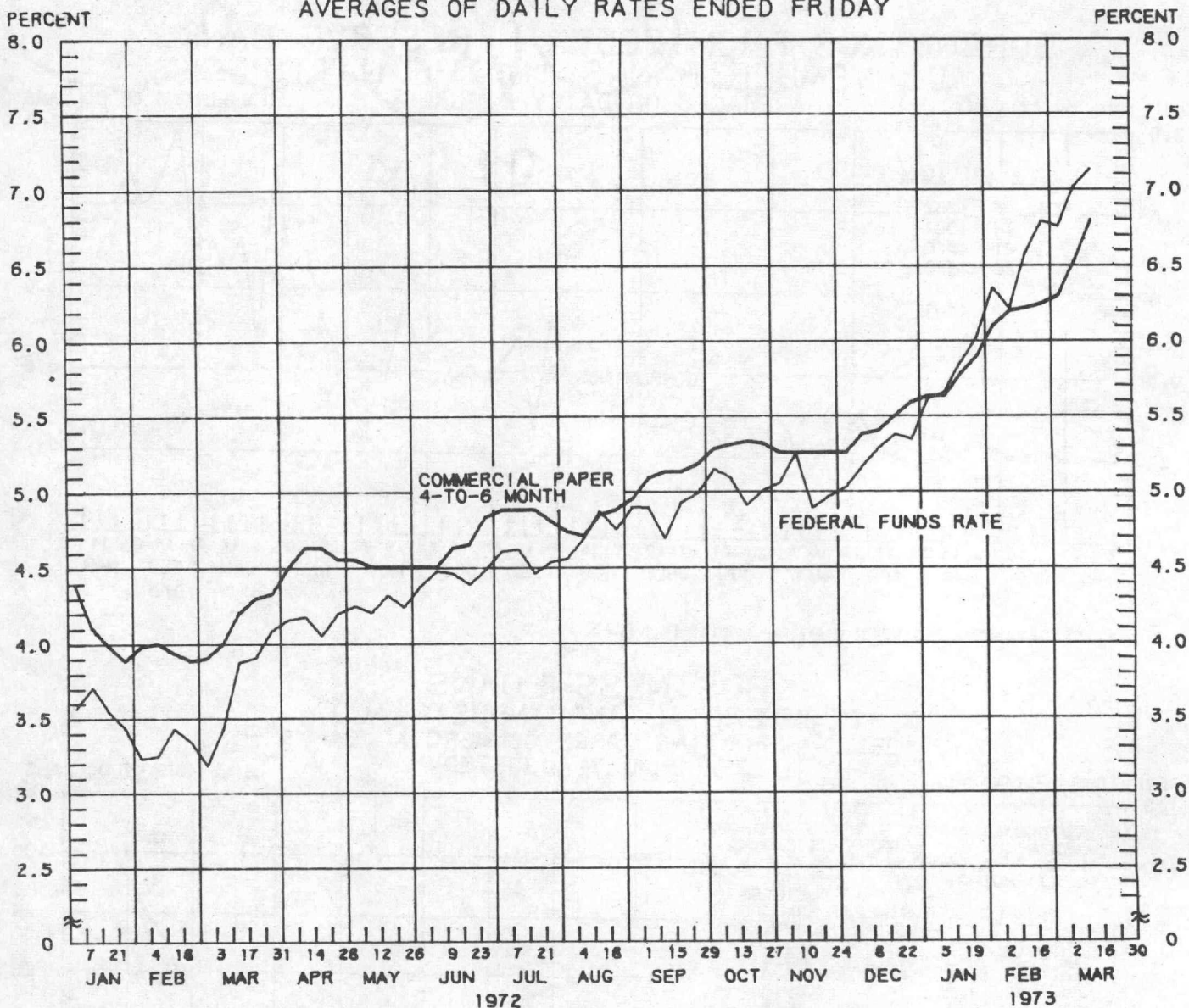
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED SHORT-TERM INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



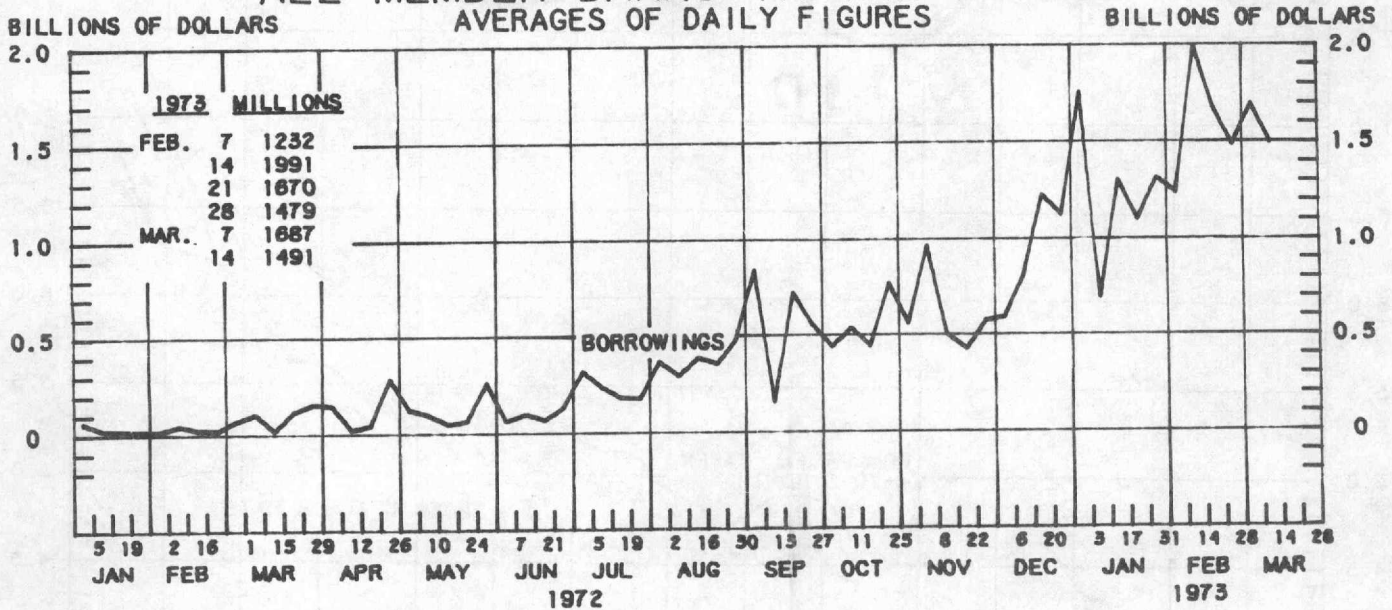
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 16, 1973

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
26	5.90	6.03	5.80	5.83
FEB. 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
23	6.25	6.79	6.13	6.31
MAR. 2	6.30	6.75	6.30	6.38
9	6.53	7.02	6.65	6.60
16 *	6.79	7.13	6.75	6.85
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.

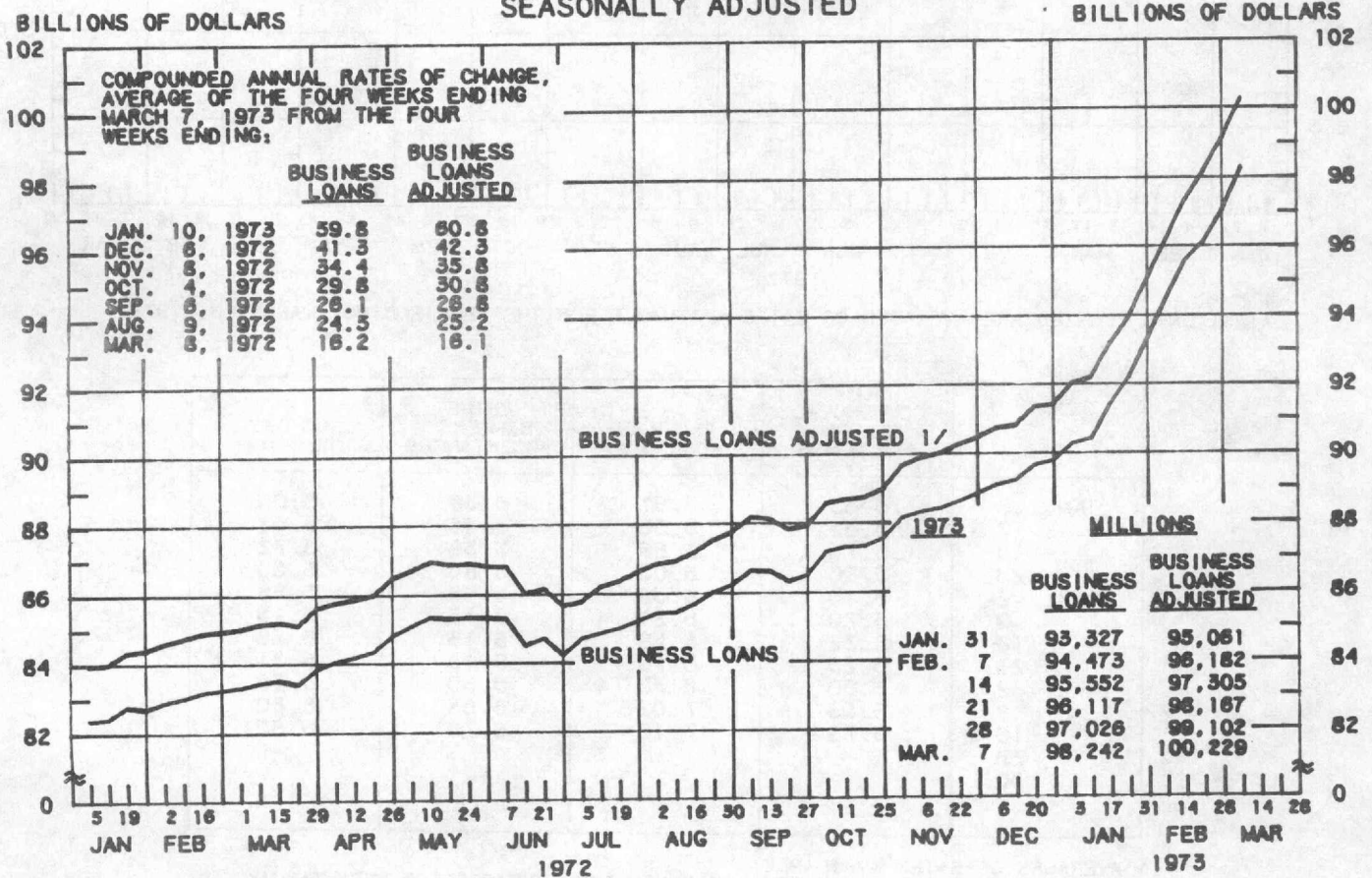
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: MARCH 14, 1973

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 7, 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