

Week ending: March 21, 1973

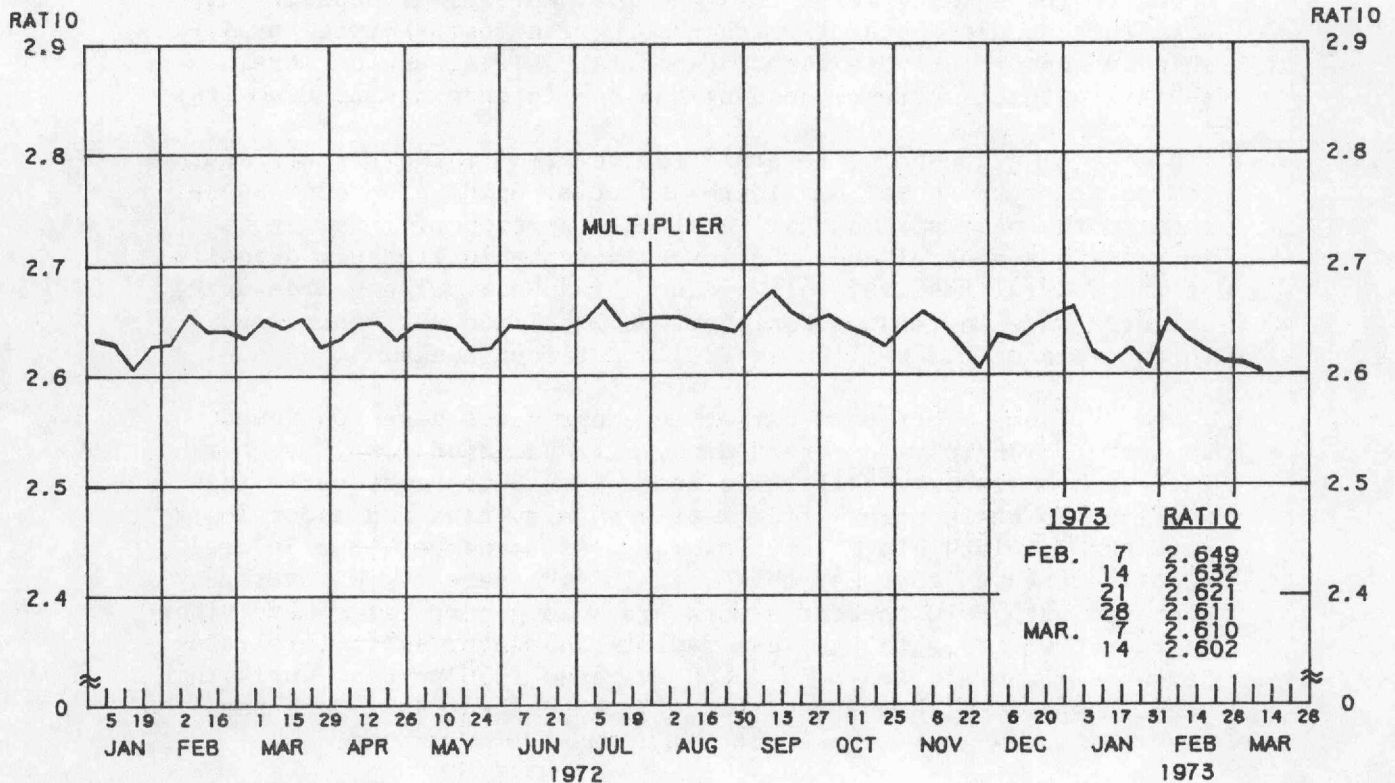
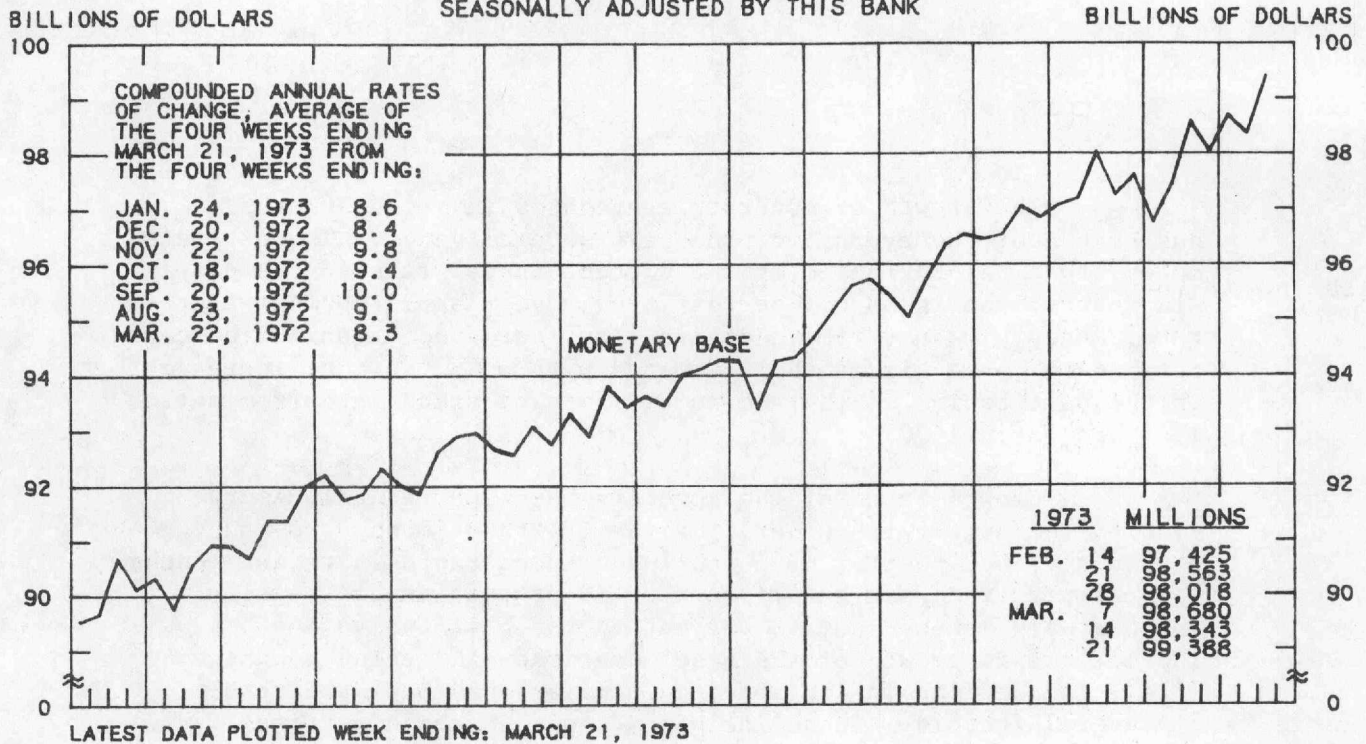
The growth of monetary aggregates in recent months has been near the average of the past several years. The nation's money stock has increased at a 6 percent annual rate in the past six months, and is up 6.9 percent from a year ago. Another aggregate, money plus net time deposits, has increased at an 8.6 percent rate in the past six months, compared with a 9.2 percent increase in the past twelve months and an 8.4 percent trend rate from early 1967 and early 1972.

Growth rates of the monetary base and Federal Reserve credit, the aggregates underlying the growth of money and money plus net time deposits, have continued to be rapid in recent months. For example, the base has risen at a 10 percent annual rate in the past six months and 8.3 percent in the past twelve months. The more rapid growth of the base than money in recent months (i.e., the decline in the money multiplier) has been the result of several factors. These include a rapid increase in time deposits (especially large CDs) and U.S. Government deposits at commercial banks, both of which absorb reserves otherwise available to support private demand deposits, as well as the more rapid growth of currency held by the public than demand deposits.

The growth of Federal Reserve credit, the primary source component of the base, has increased at a rapid 21 percent annual rate in the past six months. A sizable portion of this recent increase was neutralized by a large increase in Treasury deposits at the Federal Reserve, which reduces the base. These Treasury balances have increased from about \$0.9 billion six months ago to an average \$3.5 billion in the latest four weeks.

Some short-term market interest rates have continued to increase sharply in recent days, a trend begun last November. Three-month Treasury bill rates averaged 6.30 percent early this week, up 25 basis points from last week's average and about 1-1/2 percentage points since last November. In contrast, the Federal Funds rate eased somewhat this week to 6.96 percent, on average, compared with 7.13 percent a week ago. Long-term rates have risen in recent weeks, although less rapidly than most short-term rates. Seasoned corporate Aaa bond rates averaged 7.30 percent early this week, compared with a recent low of 7.08 percent last December.

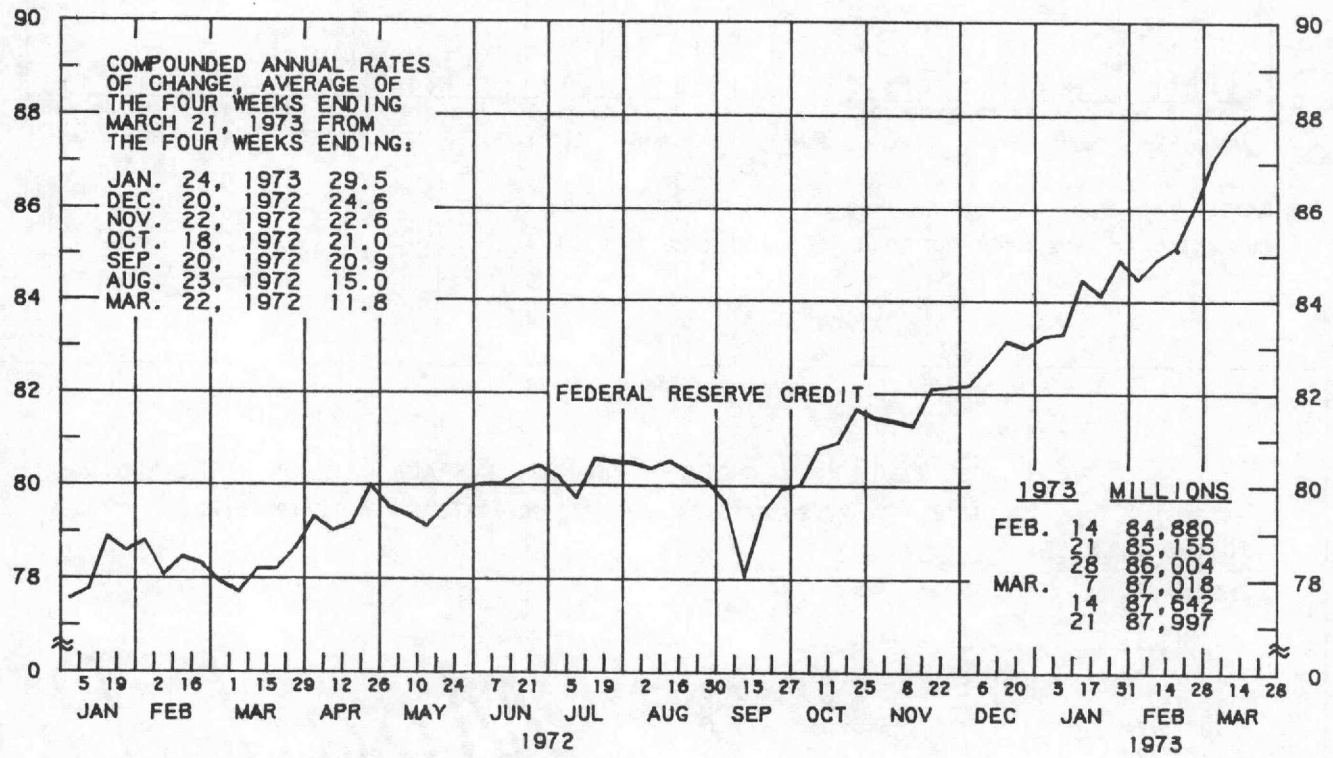
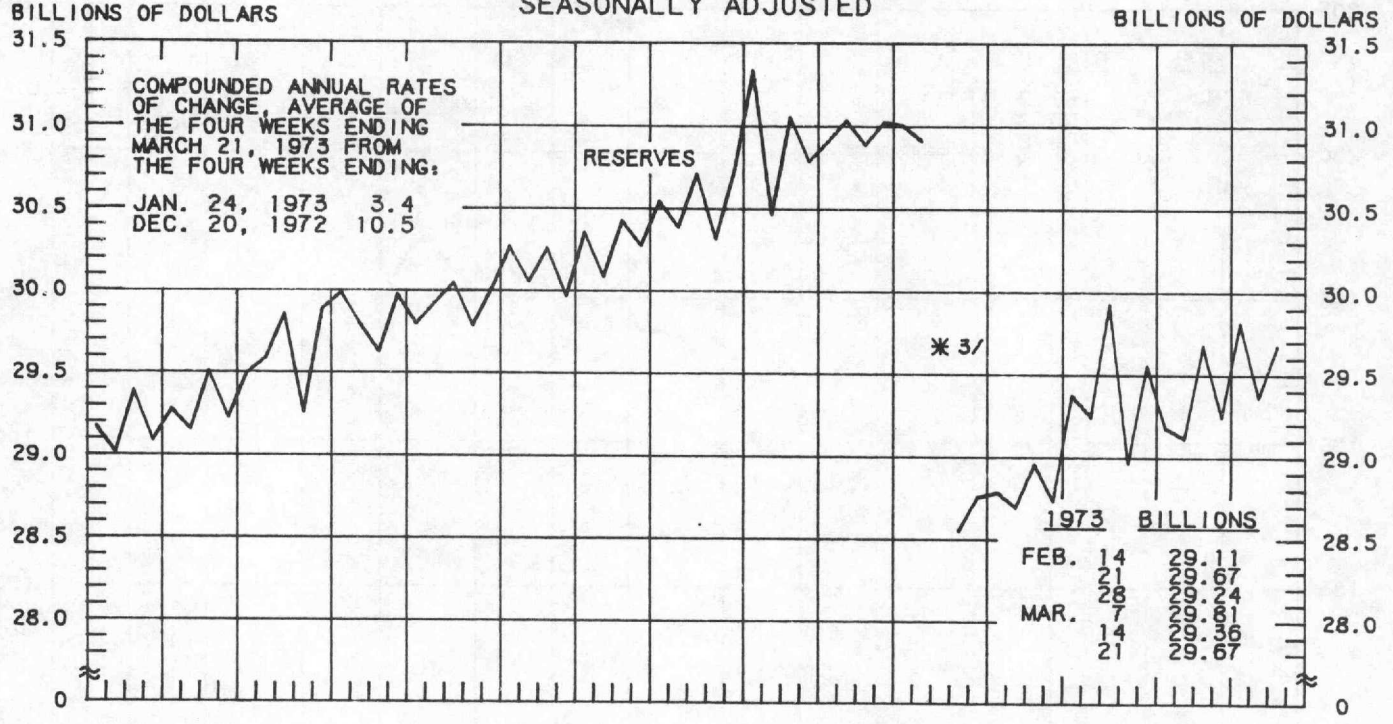
MONETARY BASE ^{1/} MULTIPLIER ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK



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

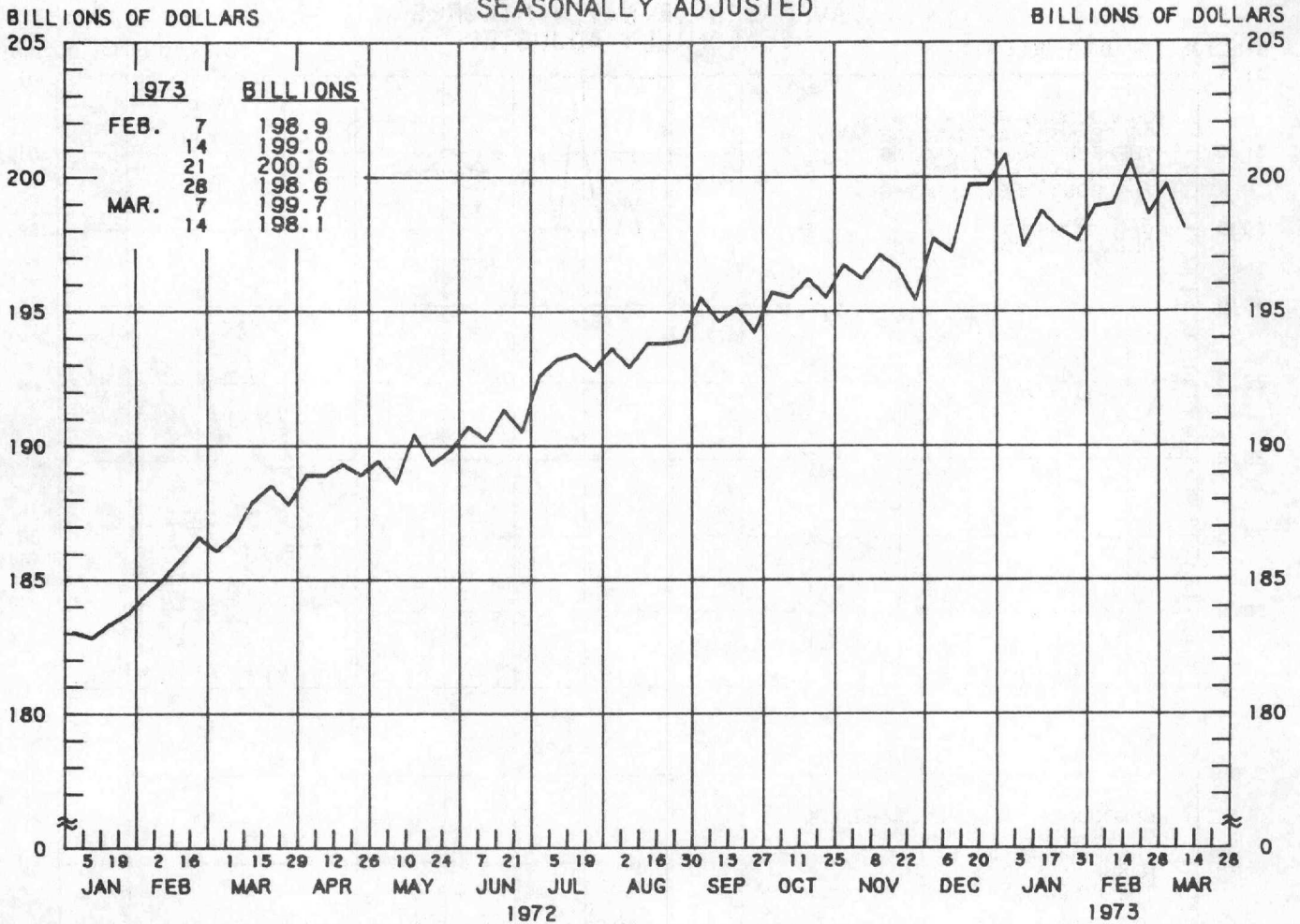


LATEST DATA PLOTTED WEEK ENDING: MARCH 21, 1973

- 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 14, 1973
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
 3/15/72 7/12/72 8/16/72 9/13/72 10/11/72 11/15/72 12/13/72 1/17/73

TO THE AVERAGE
 OF FOUR WEEKS
 ENDING:

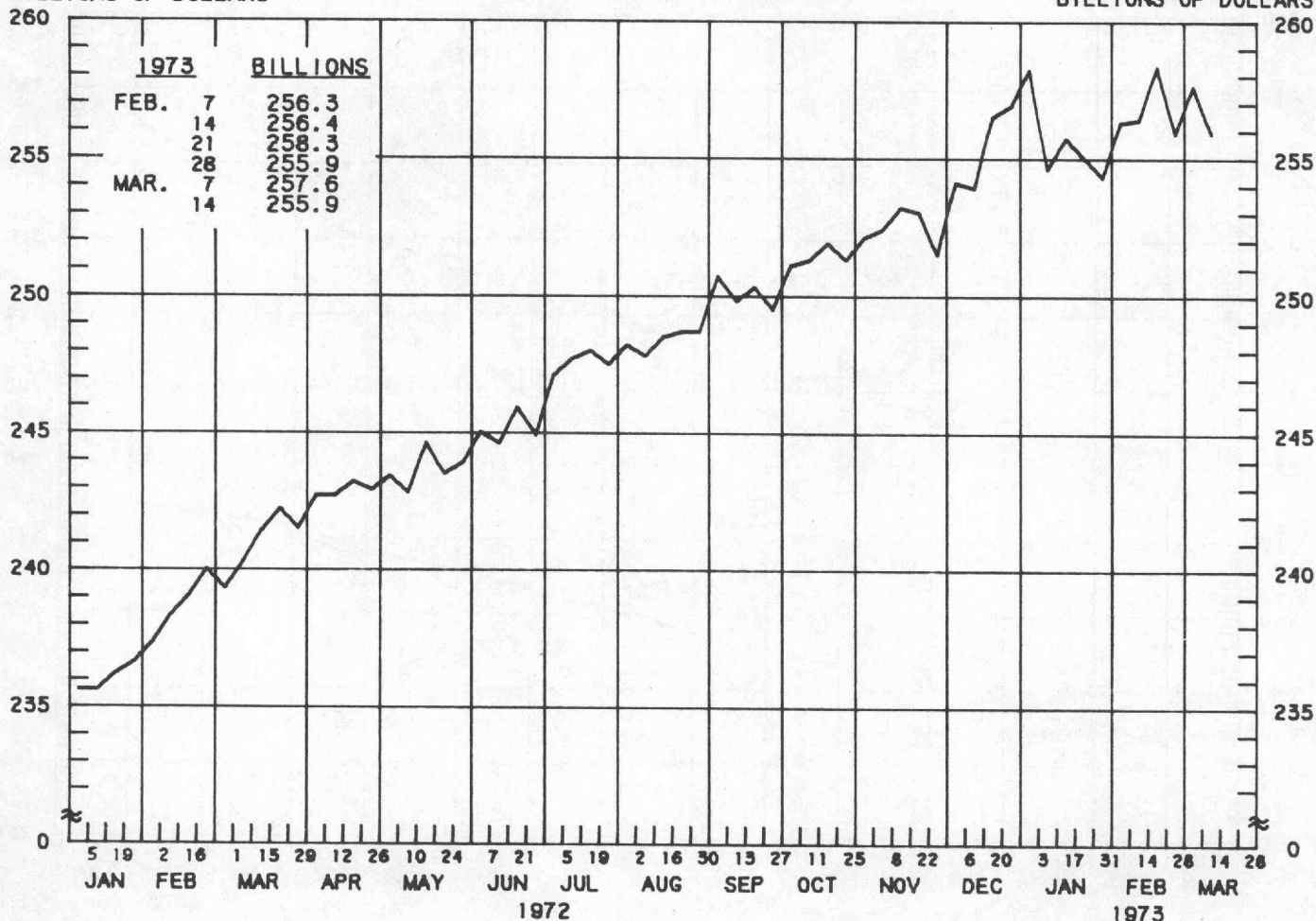
8/16/72	8.4							
9/13/72	8.4	8.1						
10/11/72	7.8	6.8	6.2					
11/15/72	7.7	6.9	6.6	5.8				
12/13/72	7.1	6.0	5.5	4.6	4.8			
1/17/73	7.9	7.5	7.4	7.1	8.0	8.5		
2/14/73	6.7	5.7	5.3	4.8	5.0	4.1	5.1	
3/14/73	6.7	5.8	5.4	5.0	5.2	4.6	5.4	0.3

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 14, 1973

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

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

3/15/72 7/12/72 8/16/72 9/13/72 10/11/72 11/15/72 12/13/72 1/17/73

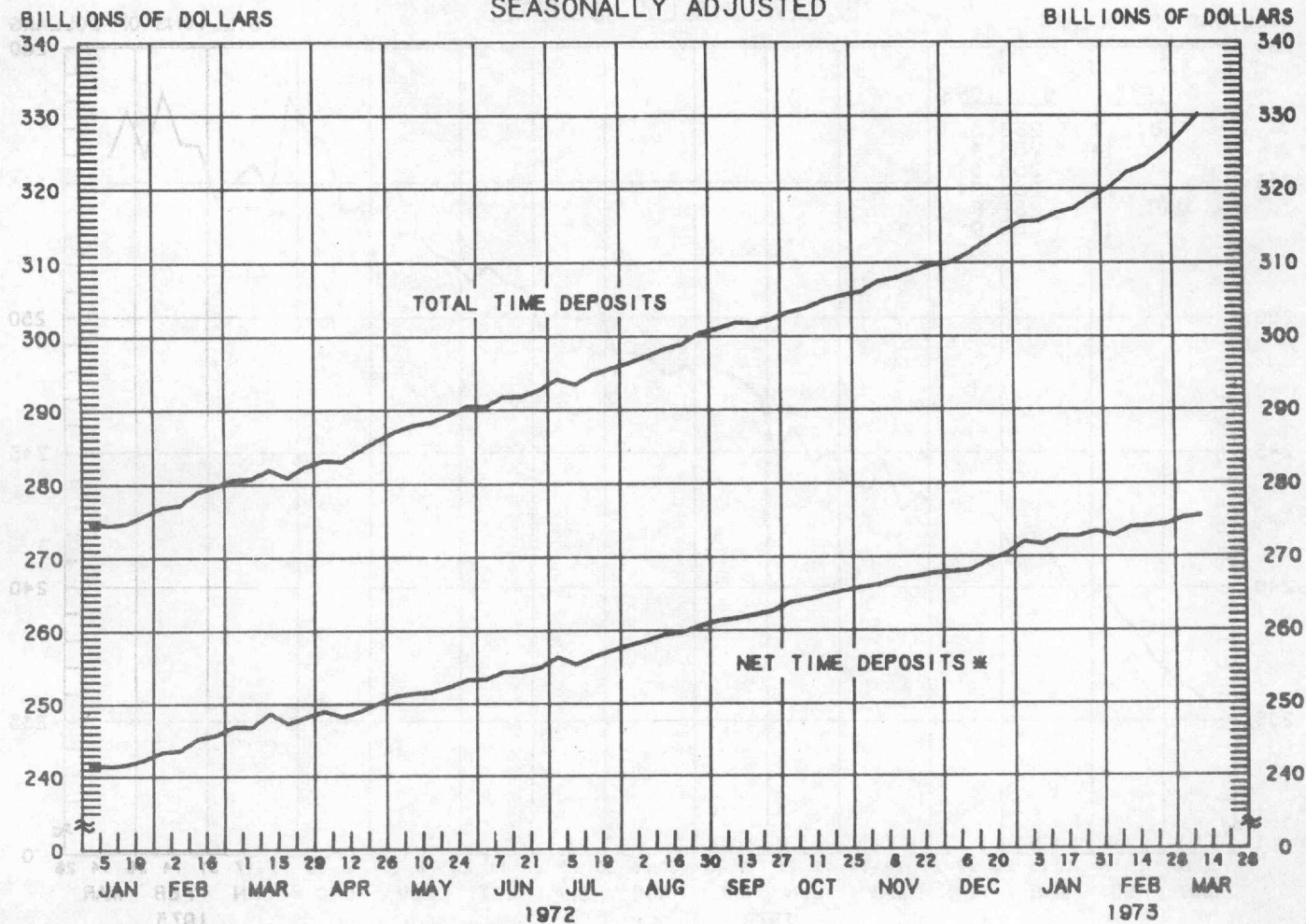
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/16/72	7.7							
9/13/72	7.8	7.5						
10/11/72	7.5	7.0	7.0					
11/15/72	7.5	7.1	7.1	6.7				
12/13/72	7.2	6.5	6.4	5.9	5.9			
1/17/73	8.0	8.0	8.2	8.2	8.9	9.8		
2/14/73	6.9	6.3	6.1	5.8	5.8	5.2	5.6	
3/14/73	6.9	6.4	6.3	6.0	6.0	5.7	6.1	1.3

TIME DEPOSITS

ALL COMMERCIAL BANKS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 14, 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

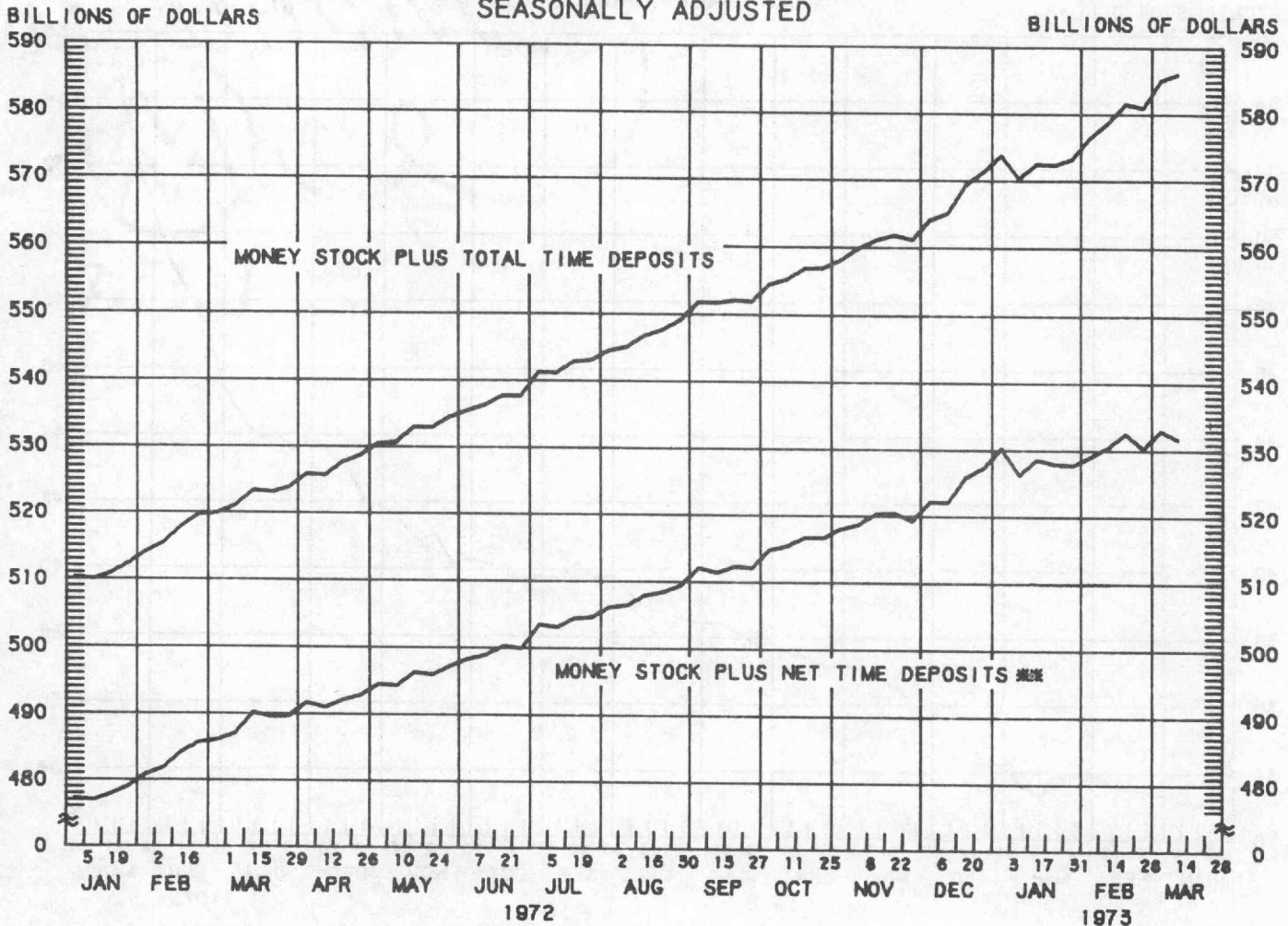
WEEKS ENDING: COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:

	3/15/72	7/12/72	8/16/72	9/13/72	10/11/72	11/15/72	12/13/72	1/17/73
8/16/72	11.2							
9/13/72	11.5	13.4						
10/11/72	11.6	13.0	12.7					
11/15/72	11.8	13.0	12.8	12.6				
12/13/72	11.4	12.2	11.8	11.3	11.0			
1/17/73	11.9	12.8	12.7	12.6	12.7	12.5		
2/14/73	11.5	12.1	11.9	11.6	11.5	10.9	12.0	
3/14/73	11.3	11.7	11.4	11.1	10.9	10.3	10.9	7.9

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 14, 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)

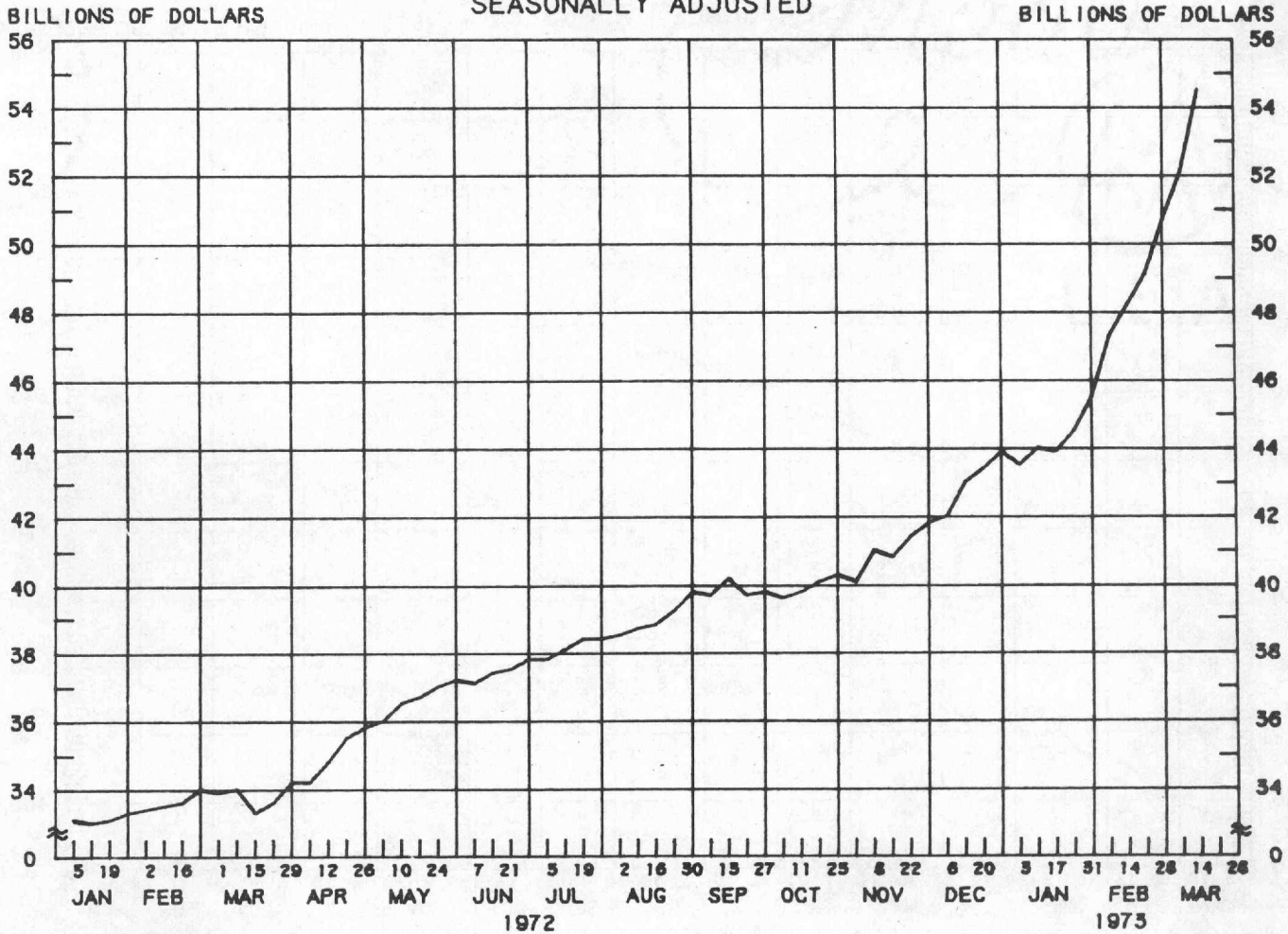
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
3/15/72 7/12/72 8/16/72 9/13/72 10/11/72 11/15/72 12/13/72 1/17/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/16/72	9.5								
9/13/72	9.7	10.4							
10/11/72	9.6	9.9	9.8						
11/15/72	9.7	10.0	9.9	9.5					
12/13/72	9.3	9.3	9.1	8.6	8.5				
1/17/73	10.0	10.4	10.5	10.4	10.9	11.3			
2/14/73	9.3	9.2	9.0	8.7	8.7	8.2	9.0		
3/14/73	9.2	9.1	8.9	8.6	8.6	8.1	8.6	4.6	

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 14, 1973

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

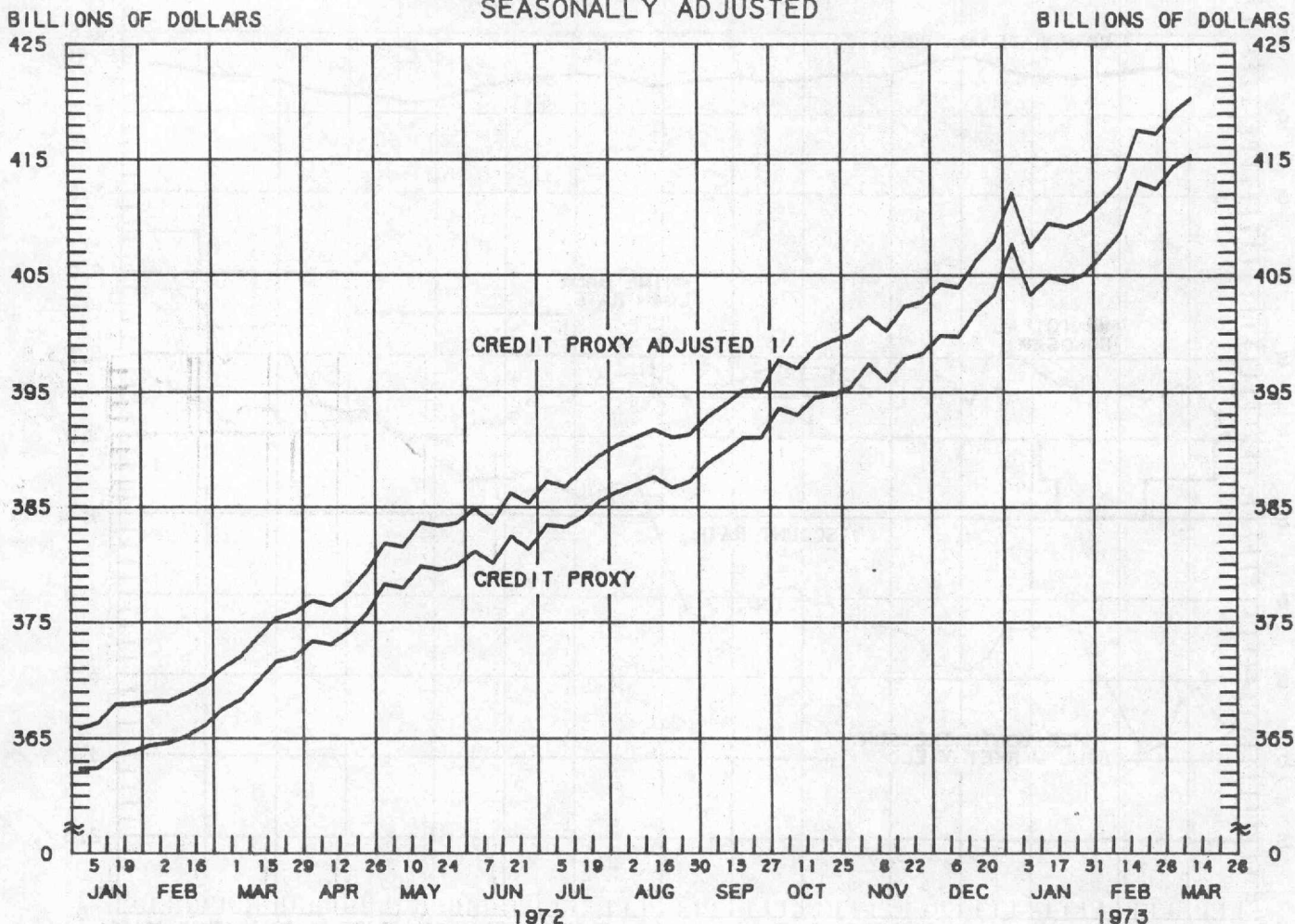
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

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	532.4
28	50.7	274.4	530.3
MAR. 7	52.1	275.3	532.9
14	54.5	275.6	531.5
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 14, 1973

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

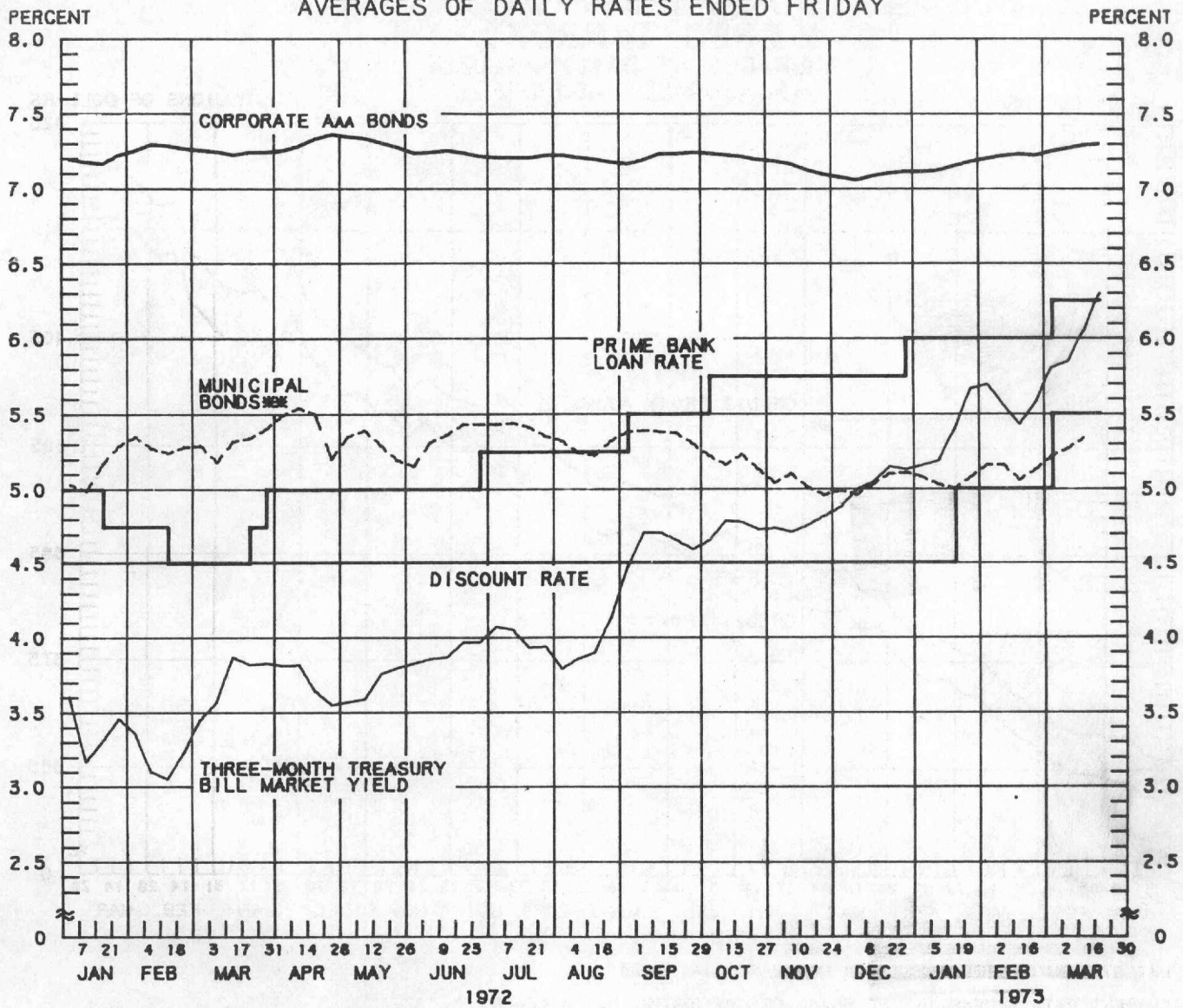
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1973		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
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
	14	415.3	420.3

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING MARCH 14, 1973 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	17, 1973	15.4	15.7
DEC.	13, 1972	15.8	15.9
NOV.	15, 1972	14.5	14.7
OCT.	11, 1972	13.6	13.7
SEP.	13, 1972	13.7	13.8
AUG.	16, 1972	12.5	12.7
MAR.	15, 1972	12.4	12.6

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 23, 1973

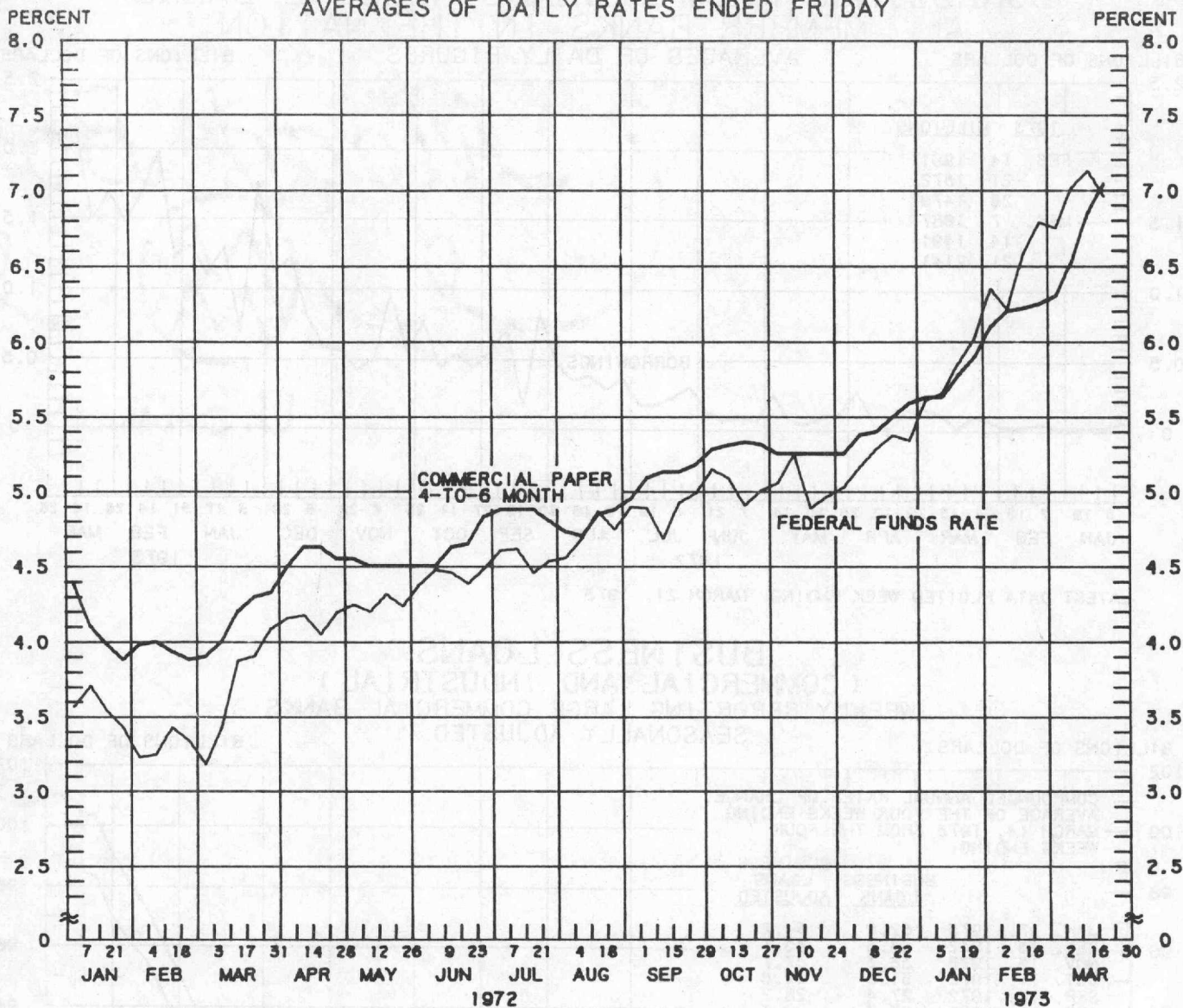
1973	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS ^{***}
JAN. 5	7.11	5.16	6.16	5.72	5.08
12	7.12	5.19	6.22	5.83	5.03
19	7.15	5.40	6.27	5.98	5.00
FEB. 26	7.18	5.67	6.38	6.08	5.08
2	7.20	5.70	6.50	6.13	5.16
9	7.22	5.56	6.55	6.16	5.16
16	7.23	5.43	6.53	6.10	5.06
MAR. 23	7.22	5.58	6.67	6.15	5.13
2	7.25	5.81	6.76	6.16	5.22
9	7.27	5.85	6.84	6.18	5.27
16	7.29	6.05	6.90	6.22	5.34
23 *	7.30	6.30	6.91	6.24	N.A.
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



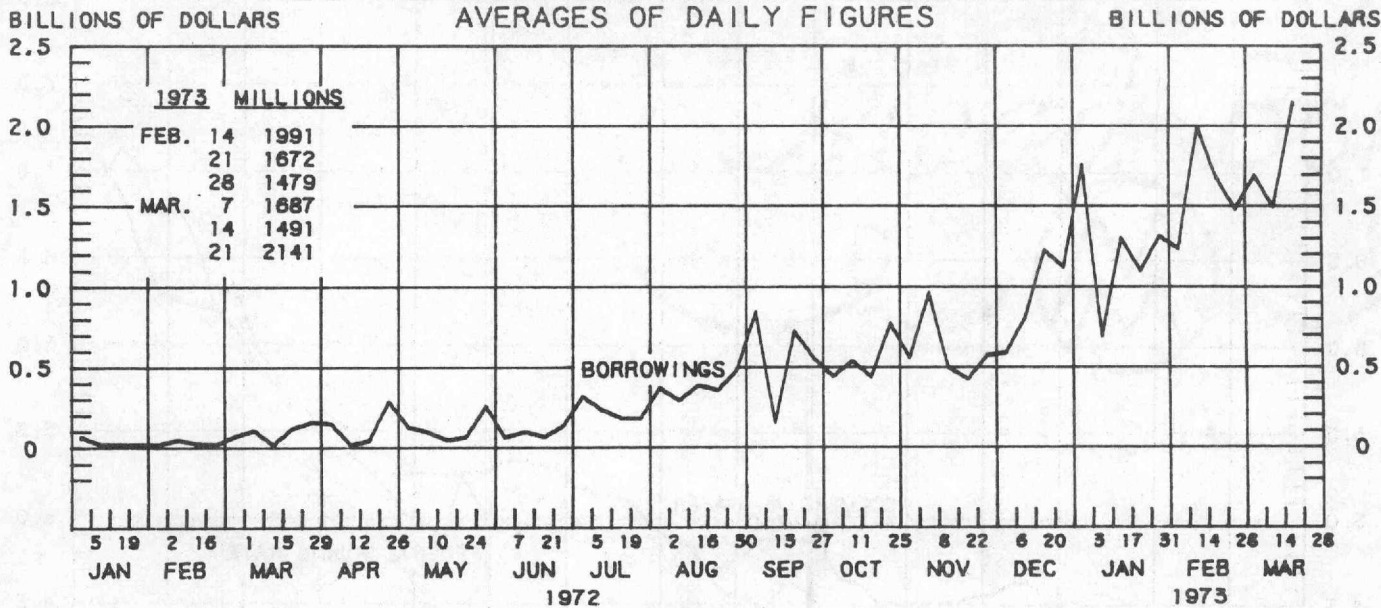
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 23, 1973

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	6.85	7.13	6.83	6.85
23 *	7.04	6.96	7.00	7.05
30				

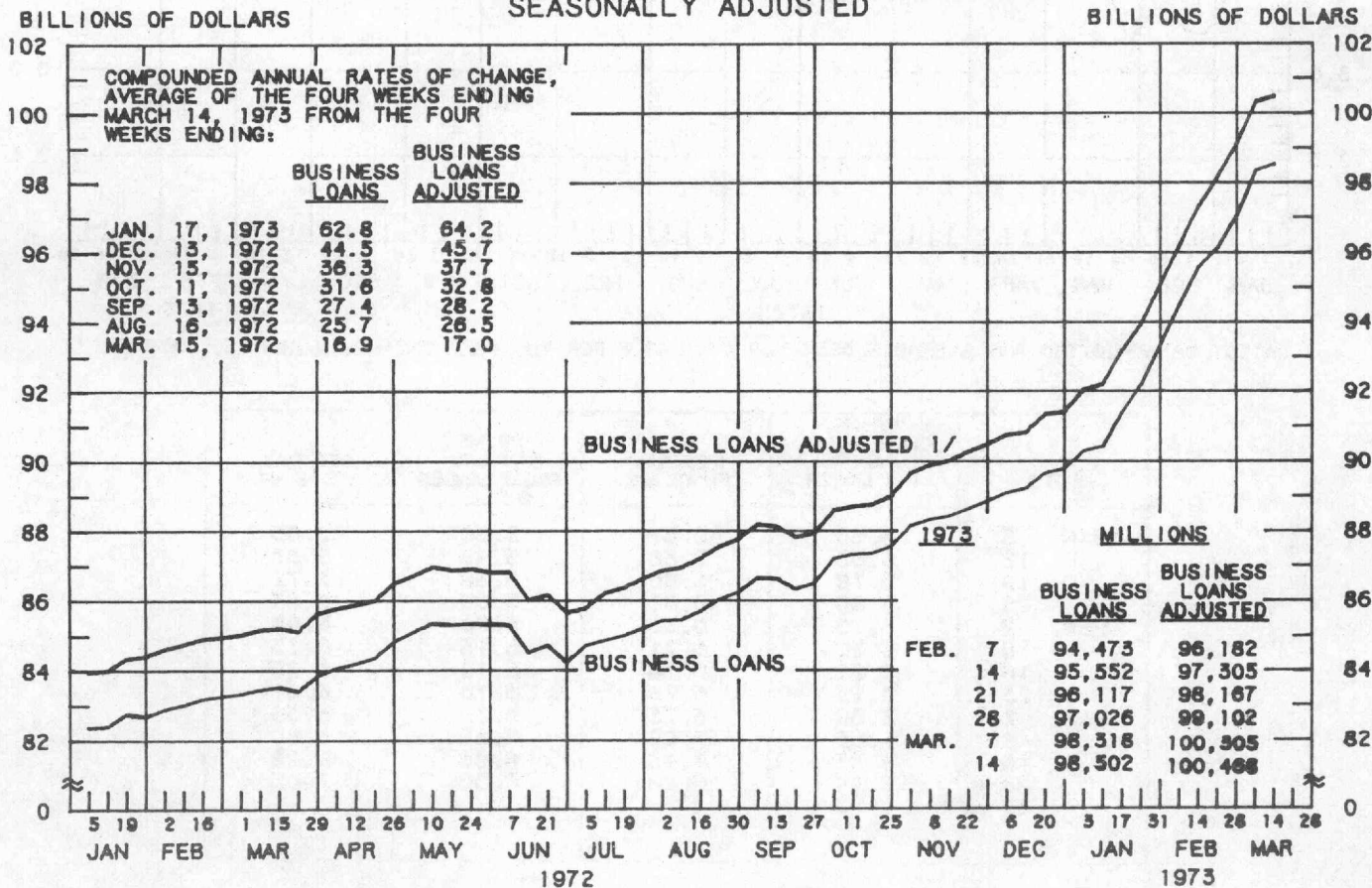
* AVERAGES OF RATES AVAILABLE.
 ** FEDERAL FUNDS AND CD RATES ARE SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.
 CD DATA ARE SECONDARY MARKET RATES.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



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.