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Week ending: April 4, 1973

Growth of the nation's money stock has been slower in recent months than the growth generally prevailing during 1972. Avoiding the December bulge in money as a base period for calculations, the money stock has increased at fairly uniform annual rates of 4.9, 5.3, and 5.4 percent in the past two, four, and six month periods, respectively. For comparison, money increased at a 7.3 percent rate in the six months ending in September. Overall, money since a year ago has increased 6.4 percent, about the same as the average rate for the five years from early 1967 to early 1972.

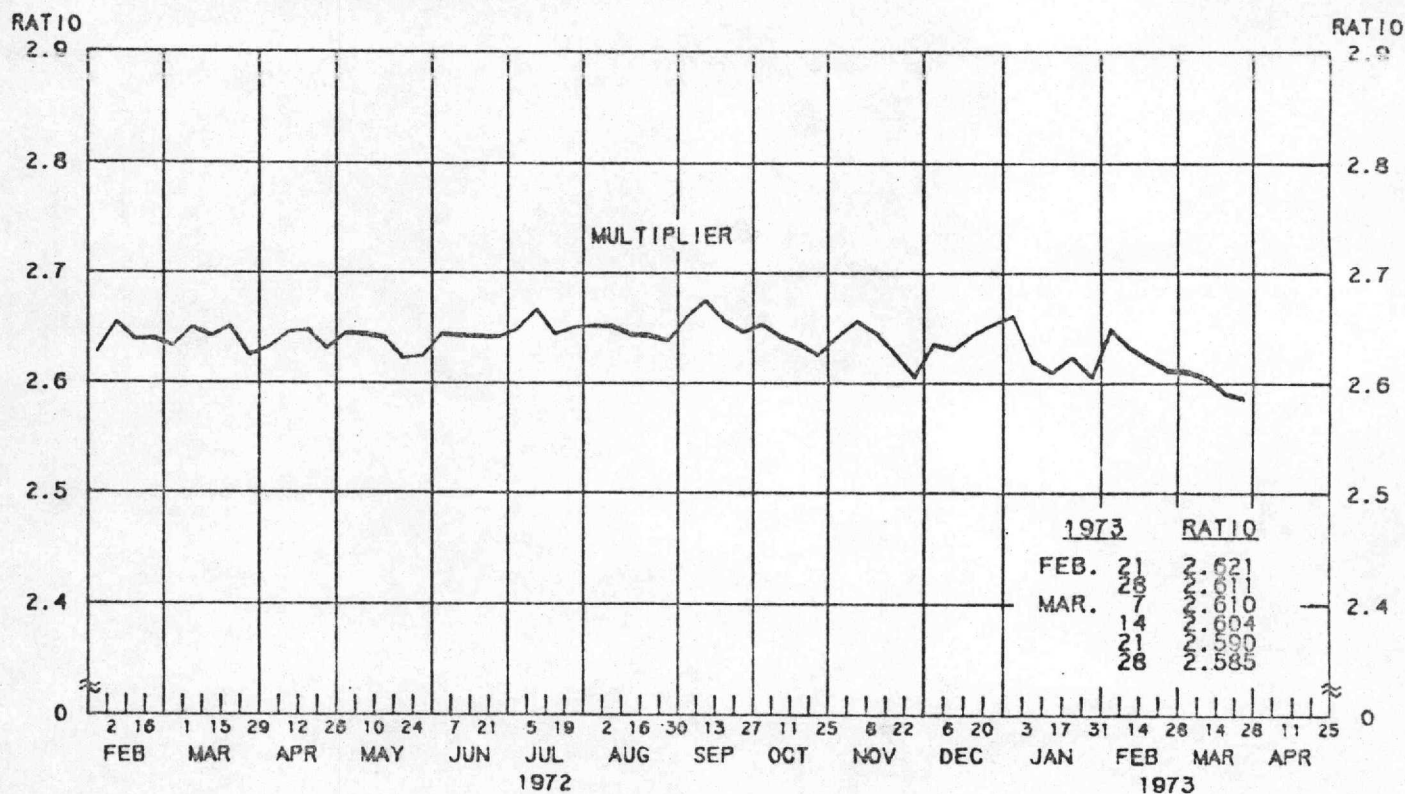
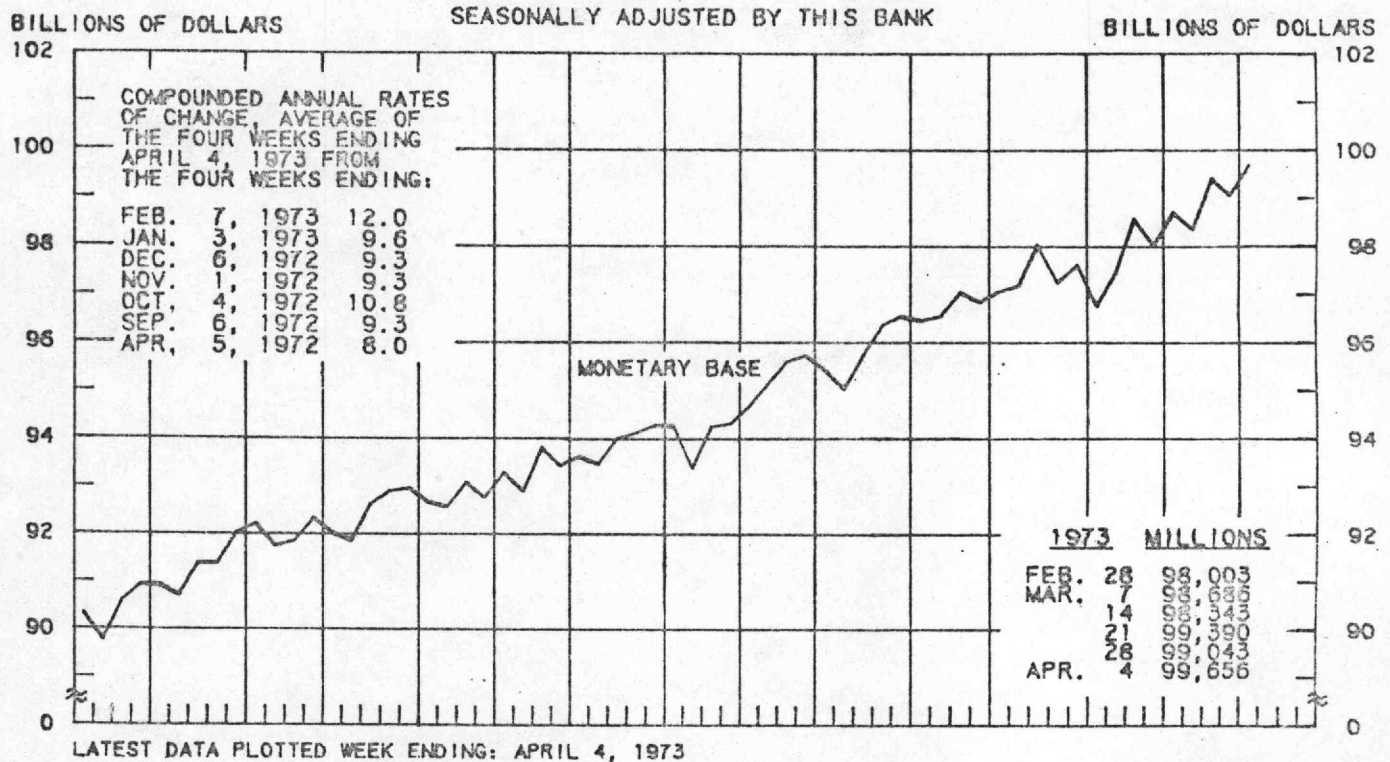
Growth of private demand deposits, which comprise about three-fourths of the money stock, has slowed substantially in recent months compared with the previous months, while the currency component of money has risen more rapidly. Demand deposits of the public have increased at a 4.1 percent annual rate in the past six months, compared with a 7.8 percent rate in the previous six months. Meanwhile, currency has increased at a 10 percent rate in the past six months, compared with a 5.7 percent rate in the previous six months.

Money plus net time deposits (M_2) has also grown slower in recent months. Growth of M_2 has been at a 6.6 percent annual rate in the past two months, at a 7.9 percent rate in the past four months, and at an 8.3 percent rate in the past six months. In the previous six months this measure increased at a 9.6 percent rate. Although the net time deposit component of this measure has shown a tendency toward slower growth in recent months, growth of total time deposits has accelerated in recent months, reflecting the extremely rapid increase in large CDs. For example, total time deposits have increased at a 20 percent rate in the past six months, compared with a 15 percent rate in the previous six months.

The monetary base, the increase of which underlies the growth of M_1 and M_2 , has continued to expand at rapid rates in recent months. For example, in the past six months the base has increased at a 10.8 percent annual rate. Although historically the money multiplier has been fairly stable, the recent decline of this relationship can be largely explained by three factors. These include the accelerated growth of currency and time deposits, as well as a sharp increase in U.S. Government deposits at commercial banks which are not included in the money stock.

Prepared by Federal Reserve Bank of St. Louis
Released: April 6, 1973

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 28, 1973

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/

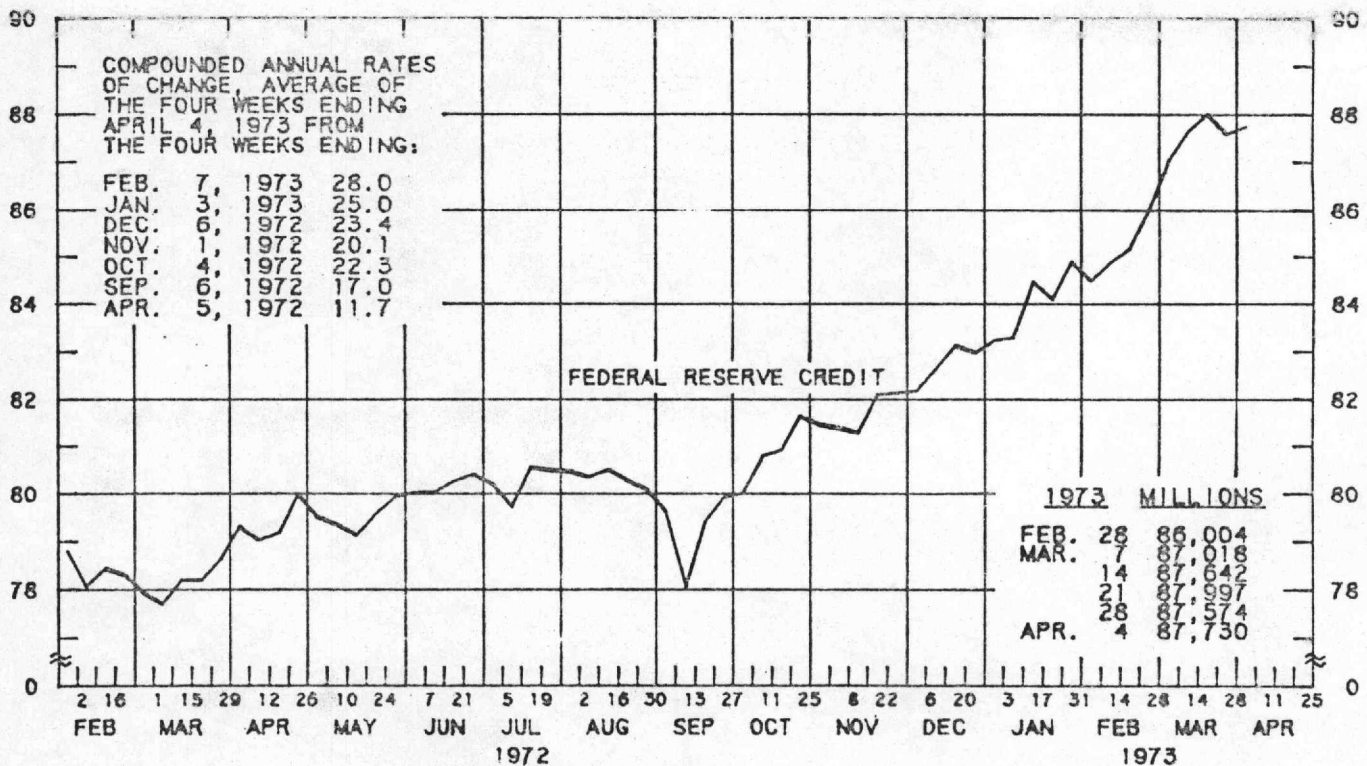
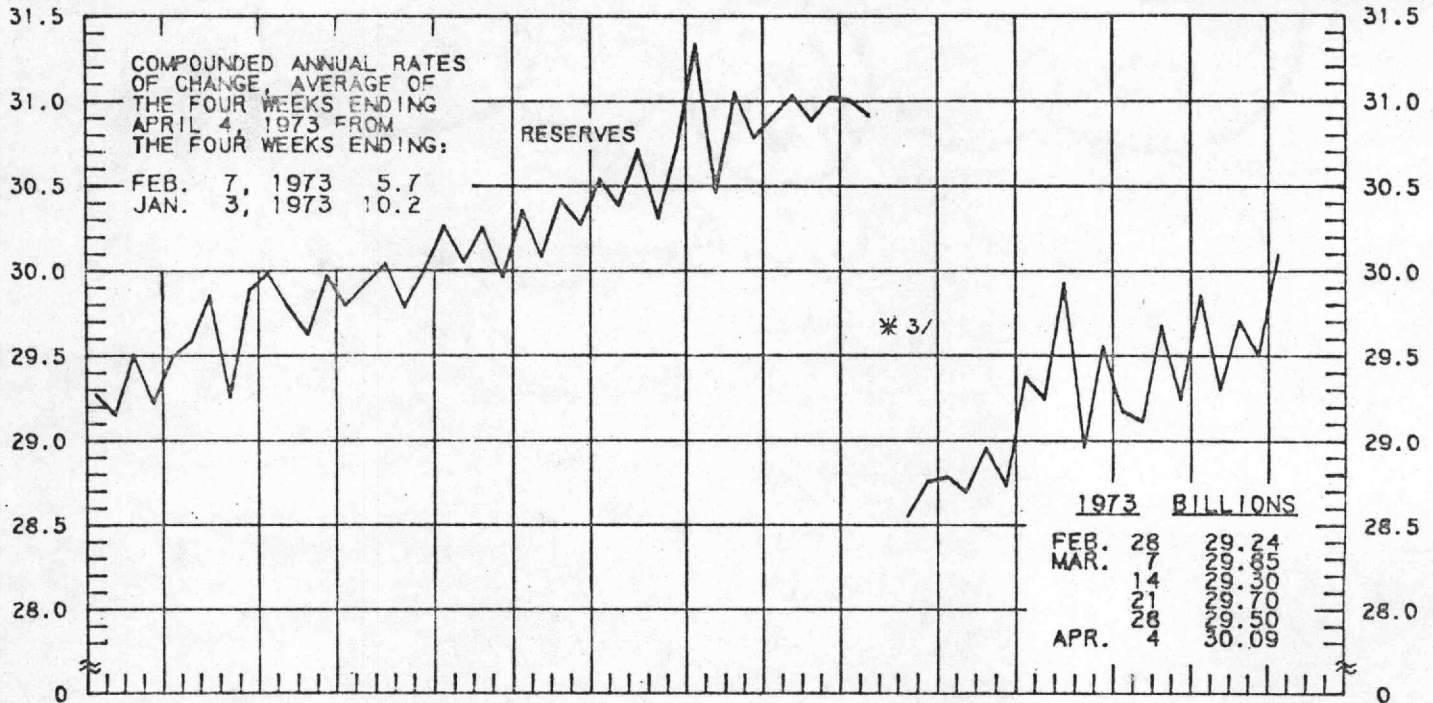
ALL MEMBER BANKS

FEDERAL RESERVE CREDIT 2/

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 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.

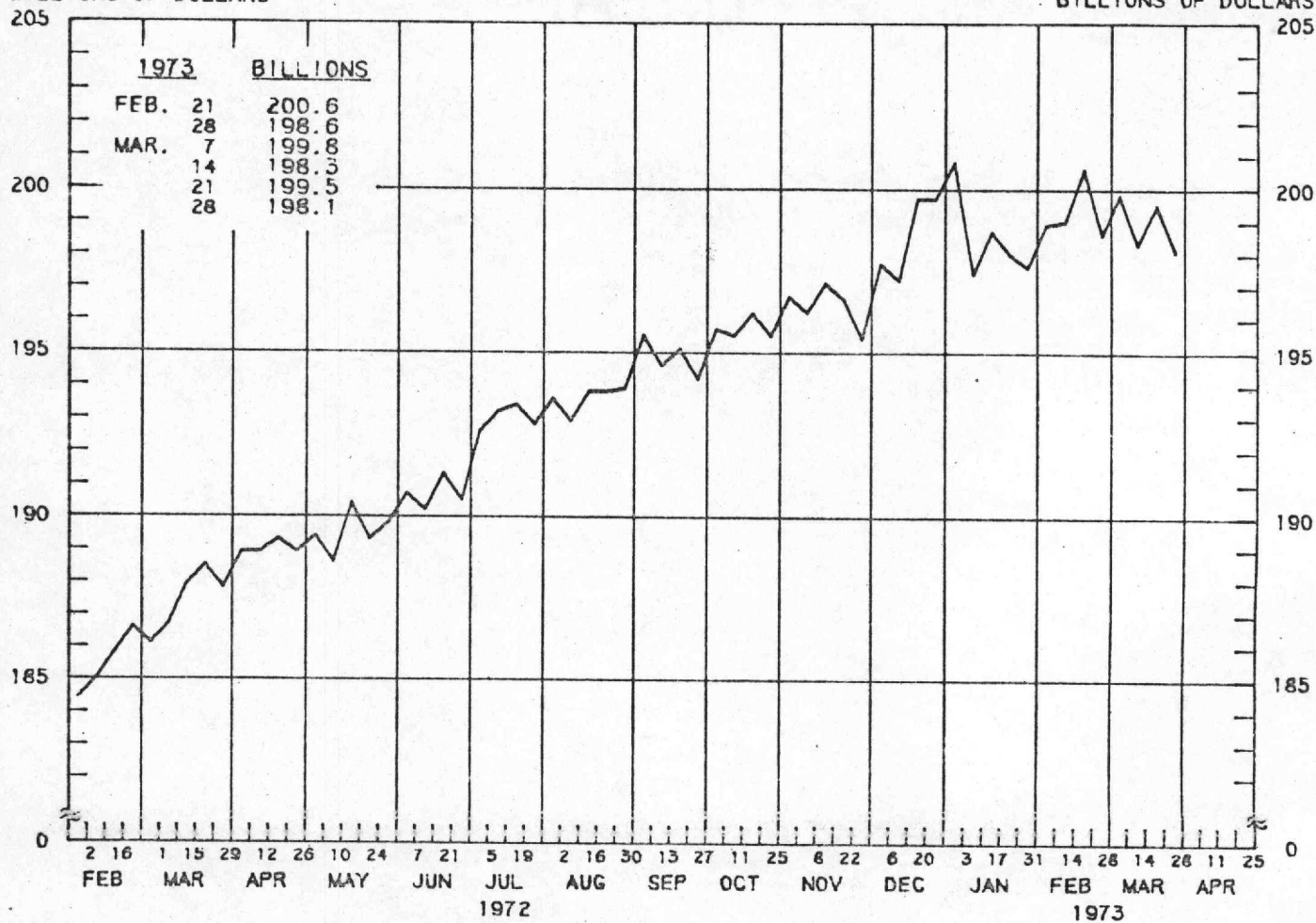
* BREAK IN SERIES DUE TO THE EFFECT OF CHANGES IN REGULATION D.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 28, 1973

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

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

3/29/72 7/26/72 8/30/72 9/27/72 10/25/72 11/29/72 12/27/72 1/31/73

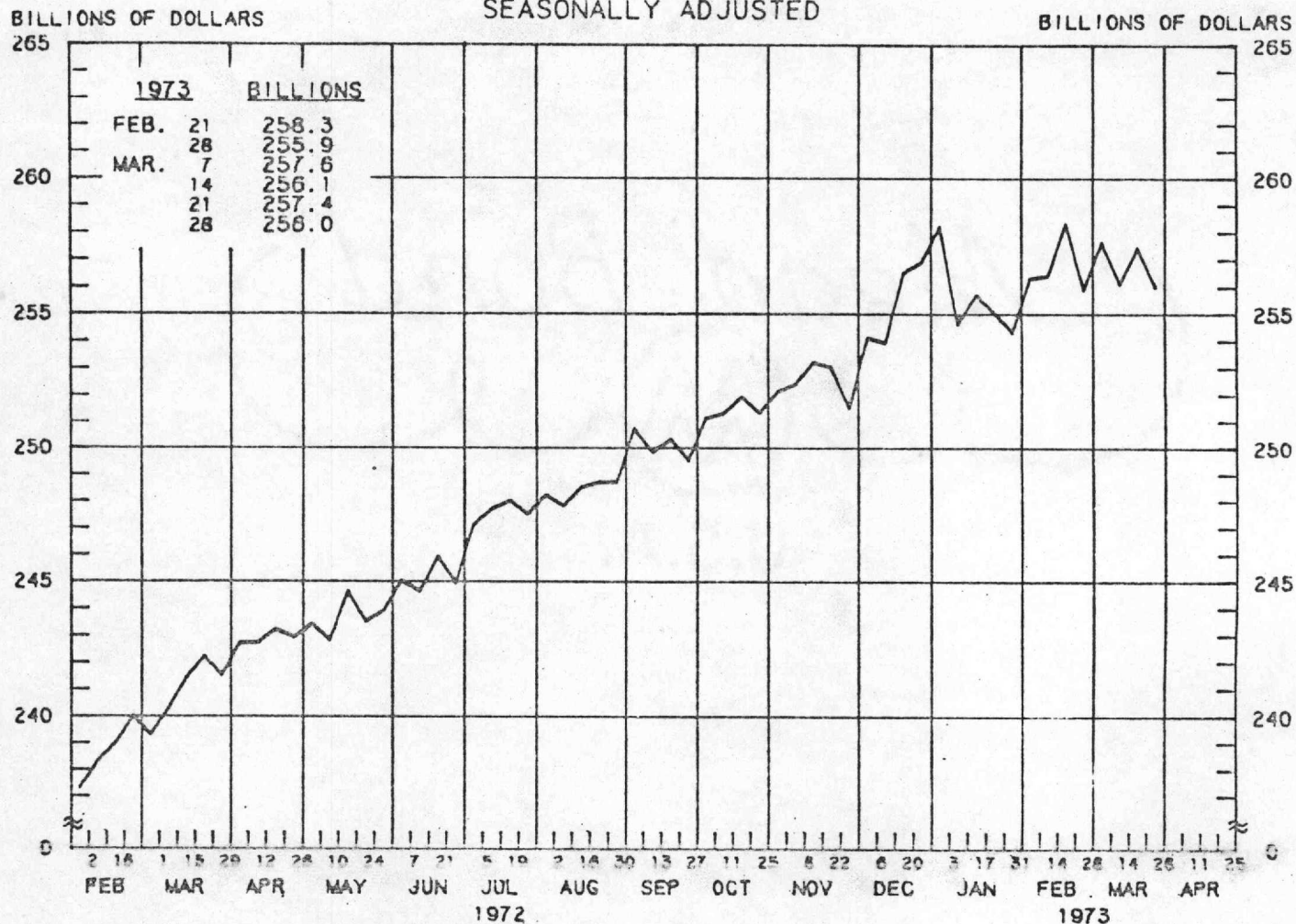
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/30/72	7.6							
9/27/72	7.8	5.8						
10/25/72	7.5	5.7	7.3					
11/29/72	6.9	5.0	5.7	4.2				
12/27/72	7.8	7.0	8.1	7.8	8.9			
1/31/73	6.5	4.9	5.3	4.5	4.2	4.8		
2/28/73	6.7	5.5	6.0	5.4	5.4	6.3	2.1	
3/28/73	6.0	4.6	4.8	4.1	3.9	4.1	0.6	3.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



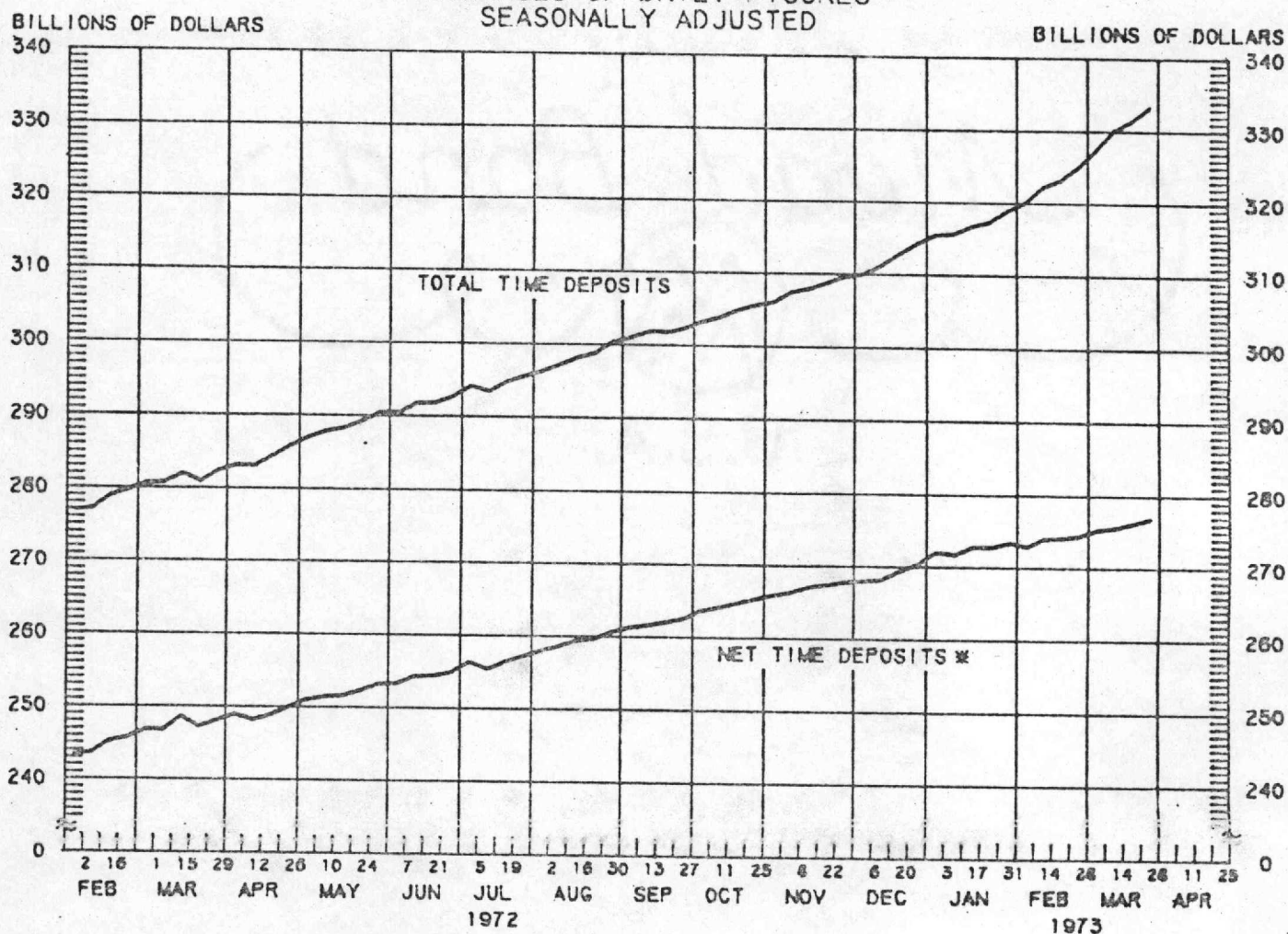
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
3/29/72 1/26/72 8/30/72 9/27/72 10/25/72 11/29/72 12/27/72 1/31/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/30/72	7.0							
9/27/72	7.3	6.0						
10/25/72	7.3	6.3	8.1					
11/29/72	6.9	5.8	6.8	5.7				
12/27/72	7.8	7.6	8.9	8.7	9.5			
1/31/73	6.6	5.6	6.3	5.6	5.3	5.6		
2/28/73	6.9	6.2	6.8	6.4	6.2	6.8	3.0	
3/28/73	6.4	5.6	5.9	5.4	5.2	5.3	2.2	4.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 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:

3/29/72 7/26/72 8/30/72 9/27/72 10/25/72 11/29/72 12/27/72 1/31/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

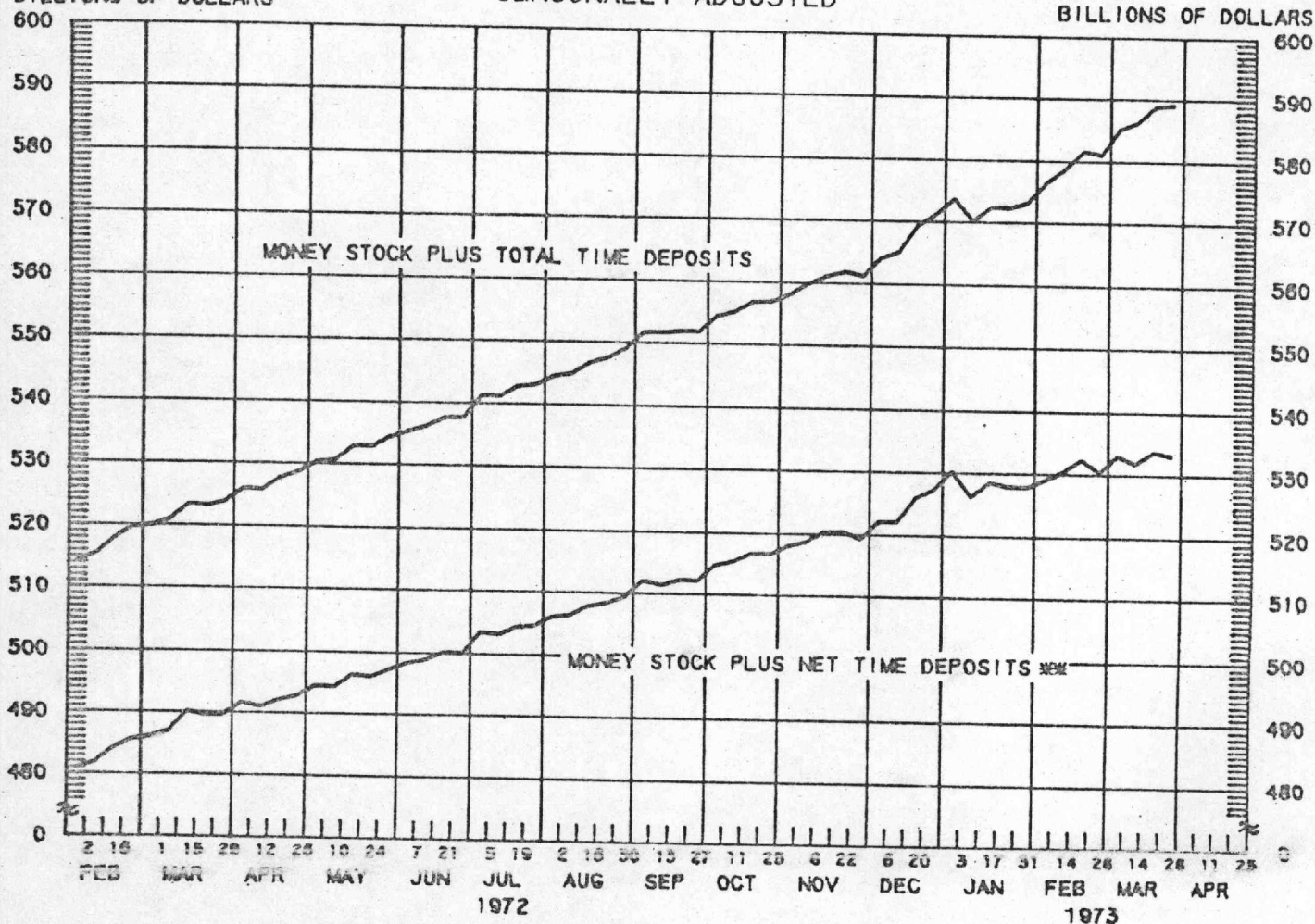
8/30/72	11.7							
9/27/72	11.8	13.3						
10/25/72	12.0	13.4	12.9					
11/29/72	11.9	12.8	12.2	12.3				
12/27/72	11.6	12.1	11.5	11.3	10.2			
1/31/73	12.0	12.6	12.2	12.3	11.9	12.3		
2/28/73	11.5	11.7	11.2	11.1	10.5	10.3	10.8	
3/28/73	11.4	11.6	11.2	11.1	10.6	10.4	10.8	8.4

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 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:

3/29/72 7/26/72 8/30/72 9/27/72 10/25/72 11/29/72 12/27/72 1/31/73

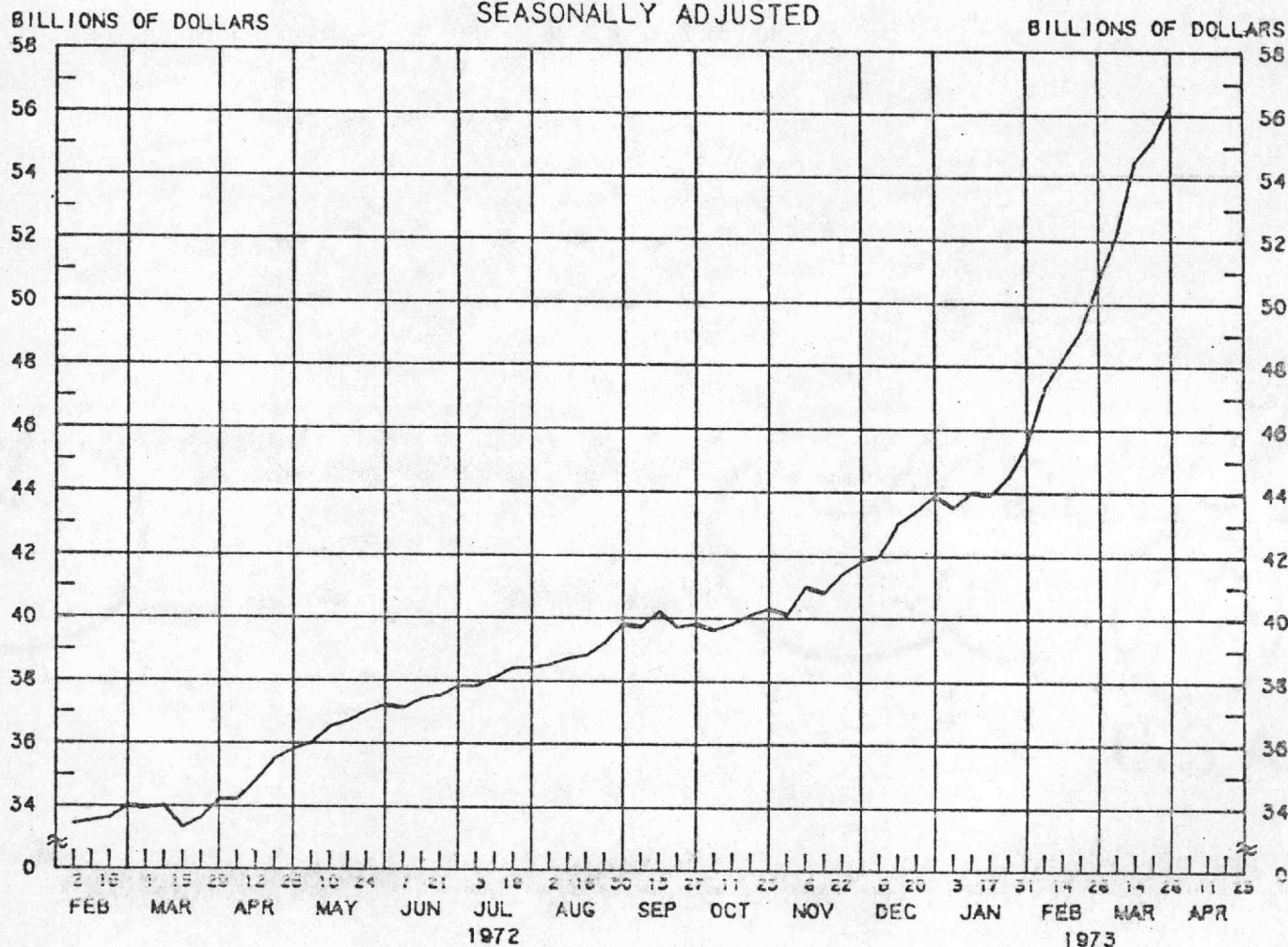
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/30/72	9.4							
9/27/72	9.6	9.5						
10/25/72	9.7	9.9	10.6					
11/29/72	9.5	9.3	9.5	9.1				
12/27/72	9.7	9.8	10.1	10.0	9.8			
1/31/73	9.4	9.3	9.4	9.1	8.7	9.1		
2/28/73	9.2	9.0	9.1	8.8	8.4	8.6	7.0	
3/28/73	9.0	8.6	8.6	8.3	7.9	7.9	6.6	6.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 28, 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.

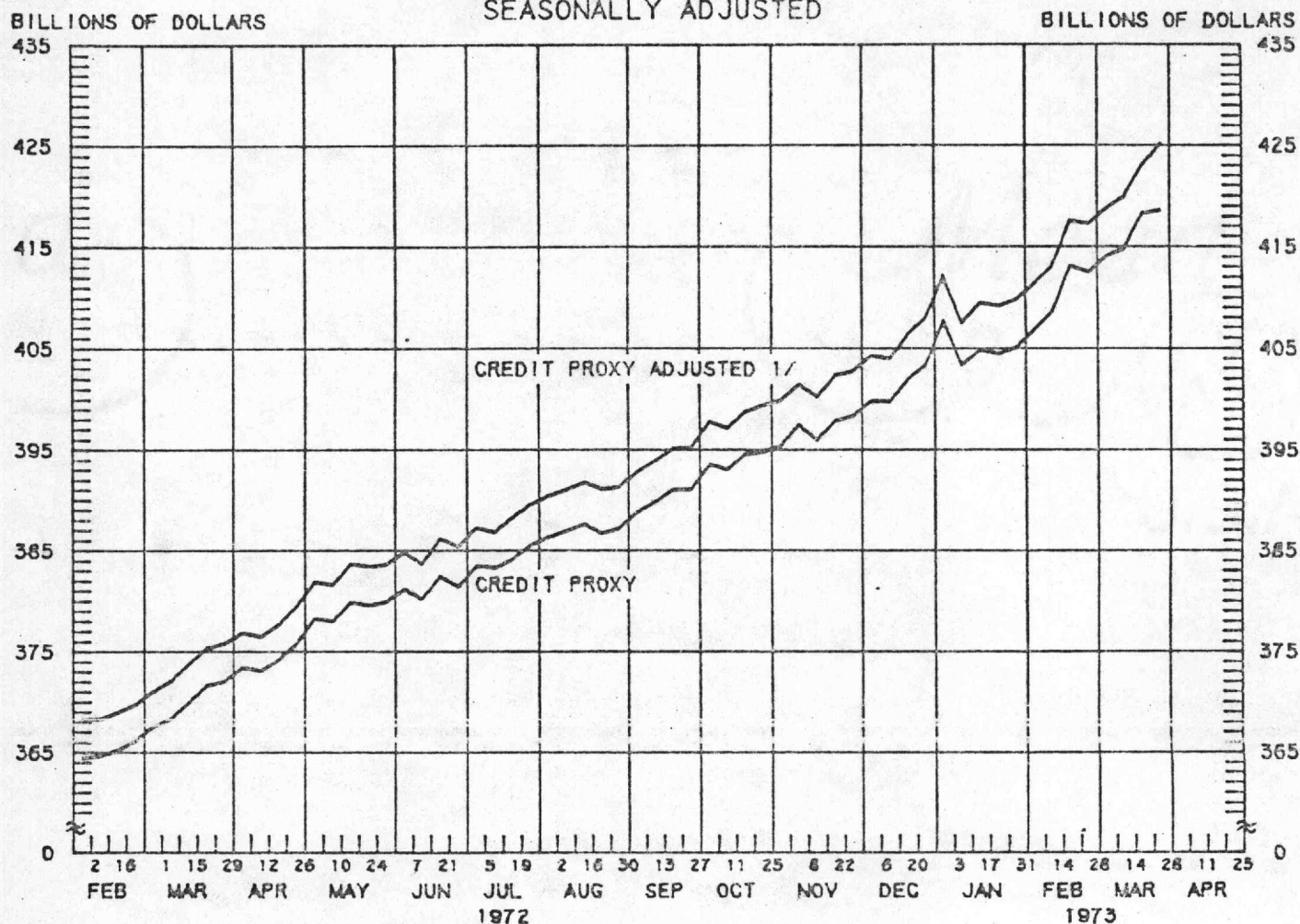
MONEY AND TIME DEPOSIT DATA			
1973	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 **
FEB. 7	47.3	272.8	529.0
14	48.2	274.0	530.4
21	49.1	274.1	532.3
28	50.7	274.4	530.3
MAR. 7	52.2	275.3	533.0
14	54.5	275.6	531.7
21	55.2	276.2	533.6
28	56.3	276.9	532.9
APR. 4			
11			
18			
25			

* SEE FOOTNOTE PAGE 6.

** SEE FOOTNOTE PAGE 7.

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 28, 1973

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

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

1973

BILLIONS

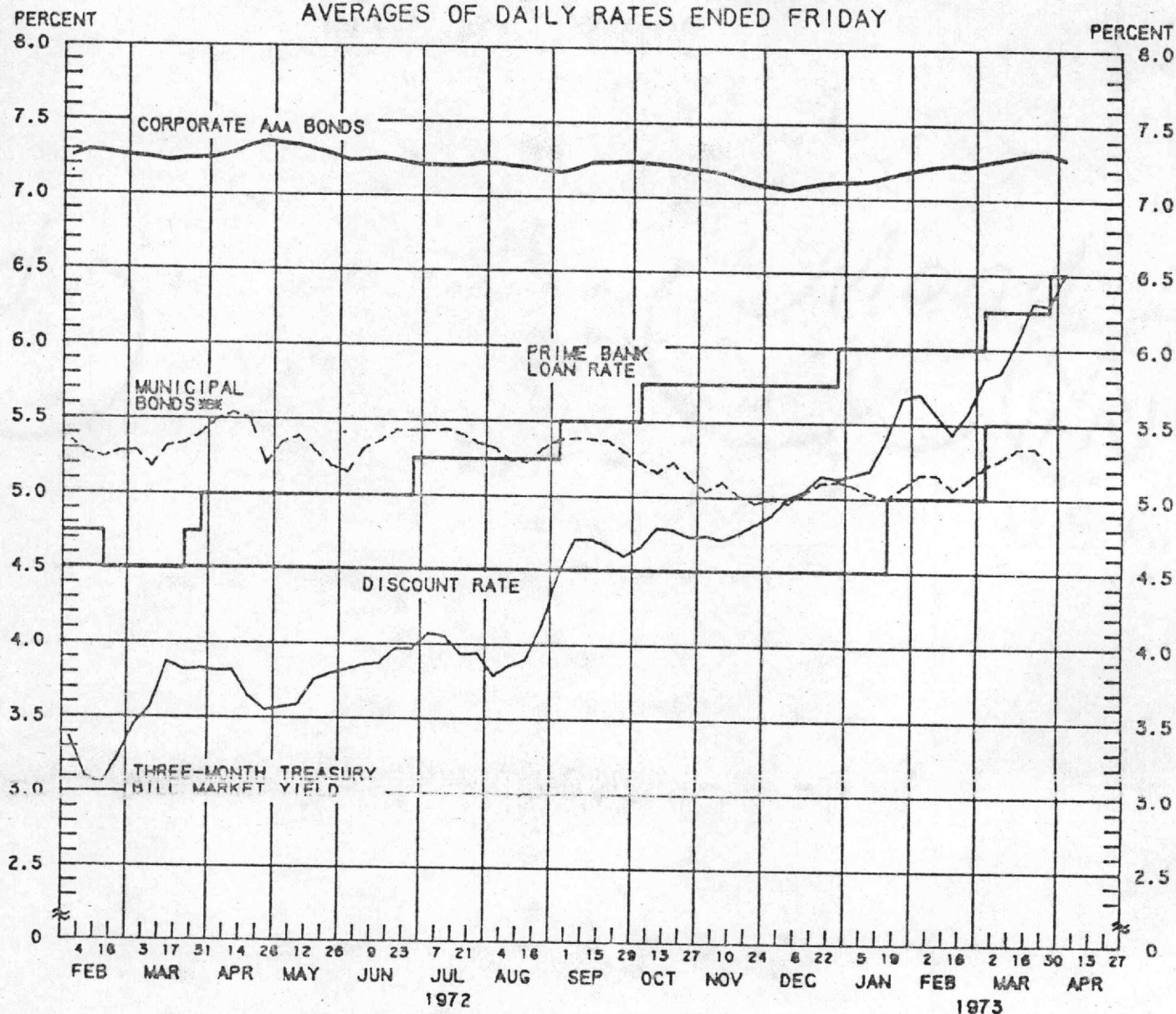
		CREDIT PROXY	CREDIT PROXY ADJUSTED
FEB.	21	413.0	417.5
	28	412.4	417.2
MAR.	7	414.0	418.8
	14	414.8	419.9
	21	418.3	423.1
	28	418.6	425.1

COMPOUNDED ANNUAL RATES OF CHANGE,
AVERAGE OF THE FOUR WEEKS ENDING
MARCH 28, 1973 FROM THE FOUR
WEEKS ENDING:

		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	31, 1973	20.9	22.2
DEC.	27, 1972	16.0	16.8
NOV.	29, 1972	15.4	16.0
OCT.	25, 1972	14.0	14.5
SEP.	27, 1972	13.9	14.4
AUG.	30, 1972	13.5	13.8
MAR.	29, 1972	12.4	12.7

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 6, 1973

1973	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS <small>20% INDEX</small>
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	7.29	6.05	6.90	6.22	5.34
23	7.31	6.31	6.91	6.24	5.35
30	7.31	6.29	6.79	6.18	5.26
APR. 6 <small>※</small>	7.27	6.51	6.80	6.19	N.A.
13					
20					
27					

※ AVERAGES OF RATES AVAILABLE.

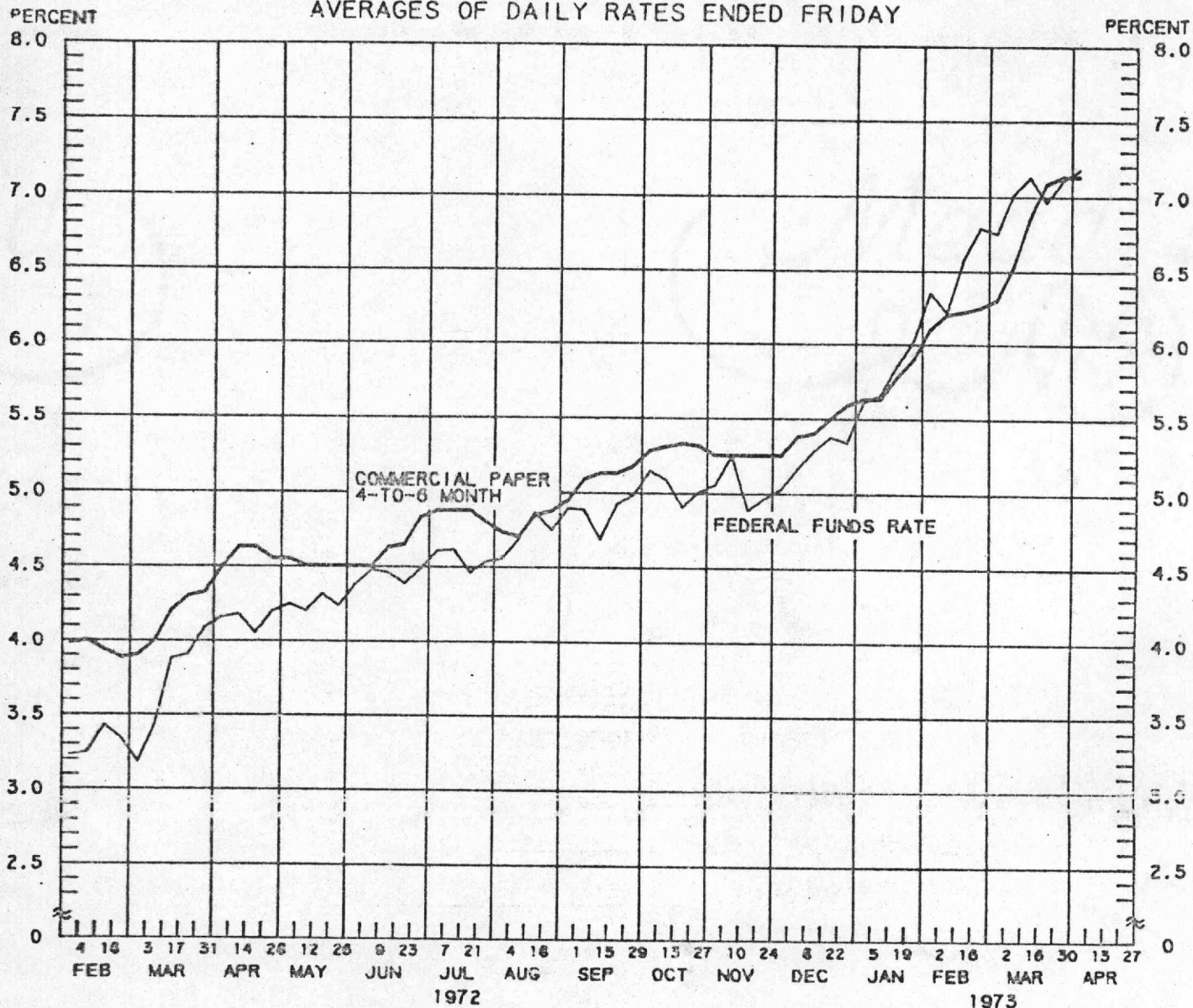
※ BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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: APRIL 6, 1973

1973	PRIME COMMERCIAL PAPER 4-6 MONTH	FEDERAL FUNDS %	PRIME BANKERS' ACCEPTANCES	90 DAY CD'S %
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	7.08	6.96	7.00	7.05
30	7.13	7.11	7.00	7.23
APR. 6 *	7.13	7.18	7.00	7.27
13				
20				
27				

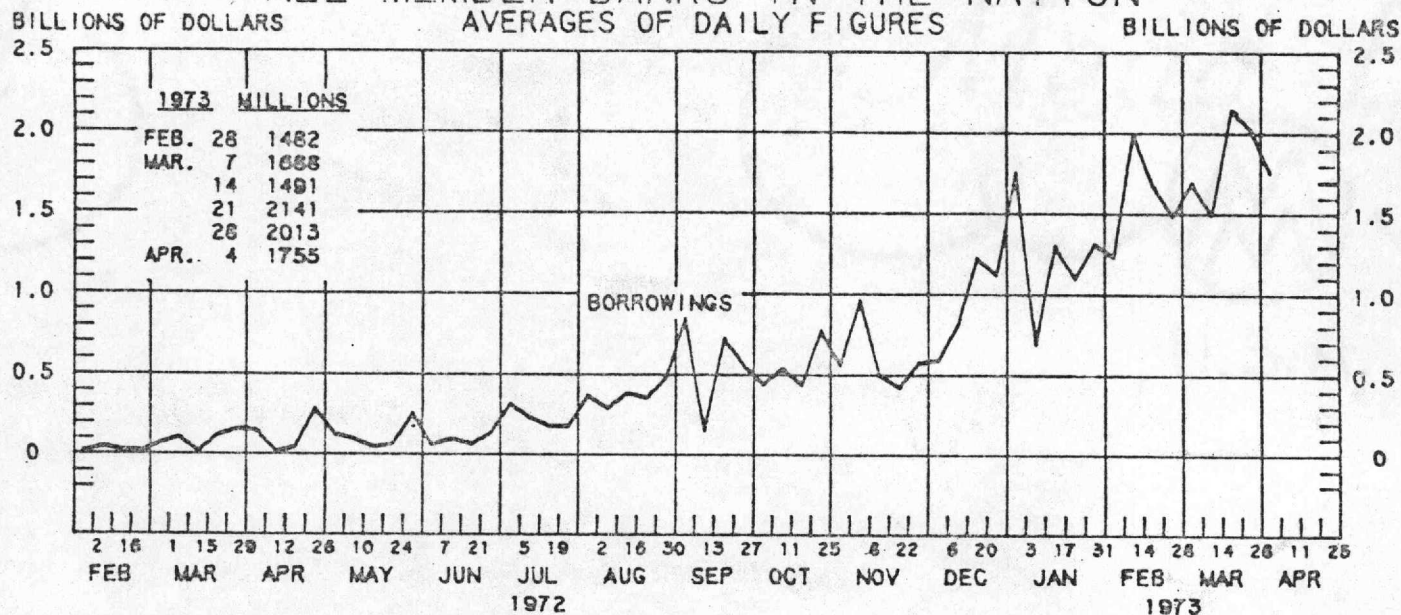
* AVERAGES OF RATES AVAILABLE.

** 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.

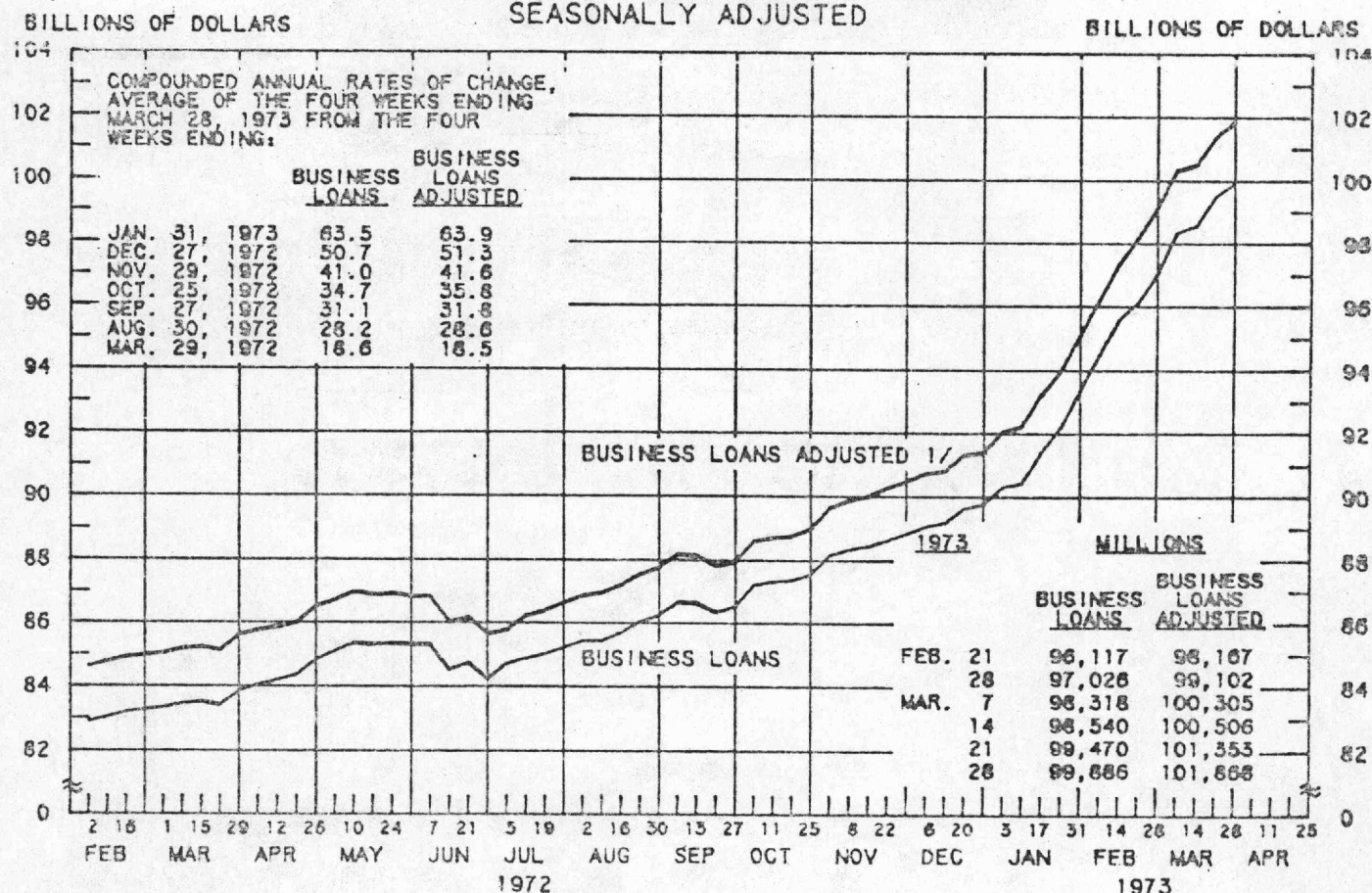
CD DATA ARE SECONDARY MARKET RATES.

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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS