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 (M2) has also grown slower in recent months. Growth of M2 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 M1 and M2, 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
MULTIPLIER 2/
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

COMPOUNDED ANNUAL RATES
OF CHANGE, AVERAGE OF
THE FOUR WEEKS ENDING
APRIL 4, 1973 FROM
THE FOUR WEEKS ENDING:
FEB. 7, 1973 12.0
JAN. 3, 1973 9.6
DEC. 6, 1972 9.3
NOV. 1, 1972 9.3
OCT. 4, 1972 10.8
SEP. 6, 1972 9.3
APR. 5, 1972 8.0

BILLIONS OF DOLLARS

LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 1973

RATIO

1973 MILLIONS
FEB. 28 98,003
MAR. 17 99,385
21 99,460
28 99,043
APR. 4 99,525

LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS \(^1\)
ALL MEMBER BANKS
FEDERAL RESERVE CREDIT \(^2\)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

---

**Billions of Dollars**

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**Averaged Annual Rates of Change**

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**Federal Reserve Credit**

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<td>May 1973</td>
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**Latest Data**

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**

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
DEMAND DEPOSIT COMPONENT OF MONEY STOCK
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

1973 BILLIONS
FEB. 21 200.6
28 198.6
MAR. 7 199.8
14 198.3
21 199.5
28 198.1

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

COMPONDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
TO THE AVERAGE
OF FOUR WEEKS
ENDING:
8/30/72 7.6 5.8 7.3
9/27/72 7.8 5.7 7.3
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 4.8
1/31/73 6.5 4.9 5.3 4.5 4.2 4.8
2/23/73 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

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http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
MONEY STOCK
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.

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

TO THE AVERAGE OF FOUR WEEKS ENDING:
6/30/72 7.0 6.0
9/27/72 7.3 6.3 8.1
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 5.8 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

BILLIONS OF DOLLARS

TOTAL TIME DEPOSITS

NET TIME DEPOSITS

BILLIONS OF DOLLARS

FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR
2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
18 19 20 21 22 23 24 25 26 27 28 29 30 31 1 2 3 4 5 6
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

COMPONDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
TO THE AVERAGE OF FOUR WEEKS ENDING:
8/30/72 11.7 12.6 13.4 12.9 12.3 11.6 12.1 11.5 11.3 10.2 12.3 11.9 12.3 11.1 10.5 10.3 10.8 10.8 12.3
8/27/72 11.6 12.0 12.8 12.2 12.3 11.6 12.1 11.5 11.3 10.2 12.3 11.9 12.3 11.1 10.5 10.3 10.8 10.8 12.3
10/25/72 11.9 12.8 12.2 12.3 11.6 12.1 11.5 11.3 10.2 12.3 11.9 12.3 11.1 10.5 10.3 10.8 10.8 12.3
11/29/72 11.6 12.1 11.5 11.3 10.2 12.3 11.9 12.3 11.1 10.5 10.3 10.8 10.8 12.3
12/27/72 11.6 12.1 11.5 11.3 10.2 12.3 11.9 12.3 11.1 10.5 10.3 10.8 10.8 12.3
1/31/73 11.5 11.7 11.2 11.1 10.5 10.3 10.8 8.4
2/28/73 11.4 11.6 11.2 11.1 10.6 10.4 10.8
3/28/73 11.4 11.6 11.2 11.1 10.6 10.4 10.8

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
MONEY STOCK PLUS TIME DEPOSITS
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

MONEY STOCK PLUS TOTAL TIME DEPOSITS

MONEY STOCK PLUS NET TIME DEPOSITS

2 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1
FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN FEB MAR APR
1972 1973

LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 1973
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

M_2 IS DEFINED AS: CURRENCY, DEMAND DEPOSITS PLUS NET TIME DEPOSITS (SEE PAGE 6).

MONEY STOCK PLUS NET TIME DEPOSITS (M_2)
COMPONDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
TO THE AVERAGE
OF FOUR WEEKS
ENDING:
6/30/72 9.4 9.5
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.

<table>
<thead>
<tr>
<th>MONTH</th>
<th>CERTIFICATES OF DEPOSIT</th>
<th>NET TIME DEPOSITS</th>
<th>M2 INDEX</th>
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<td>532.9</td>
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<td>57.1</td>
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<td>11</td>
<td>58.7</td>
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<td>25</td>
<td>60.1</td>
<td>278.3</td>
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* 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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS

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, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

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

Prepared by Federal Reserve Bank of St. Louis
YIELDS ON SELECTED SECURITIES
AVERAGES OF DAILY RATES ENDED FRIDAY

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<td>6.0</td>
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<table>
<thead>
<tr>
<th>CORPORATE AAA BONDS</th>
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LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 6, 1973

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<th>CORPORATE AAA BONDS</th>
<th>3-MONTH TREASURY BILLS</th>
<th>3-5 YEAR GOVERNMENT SECURITIES</th>
<th>LONG-TERM GOVERNMENT SECURITIES</th>
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* 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 PERCENT

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<th>COMMERCIAL PAPER 4-9-6 MONTH</th>
<th>FEDERAL FUNDS RATE</th>
<th>PRIME BANKERS' ACCEPTANCES</th>
<th>90 DAY CD'S</th>
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LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 8, 1973

% 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