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Week ending: April 11, 1973

The nation's money stock, defined to include private demand deposits and currency in the hands of the nonbank public, averaged \$256.8 billion in the four weeks ending April 4. The money stock rose at a 5.3 percent annual rate in the last six months and at a 6.9 percent rate in the previous six months. The monetary base, a prime determinant of the trend growth of money, rose at a 10.1 percent rate in the most recent six months and at a 6.1 percent rate in the previous six months. The recent slower money stock growth reflects a decrease in the money multiplier resulting from increased growth of currency, time deposits, and U. S. Government deposits at commercial banks, relative to private demand deposits.

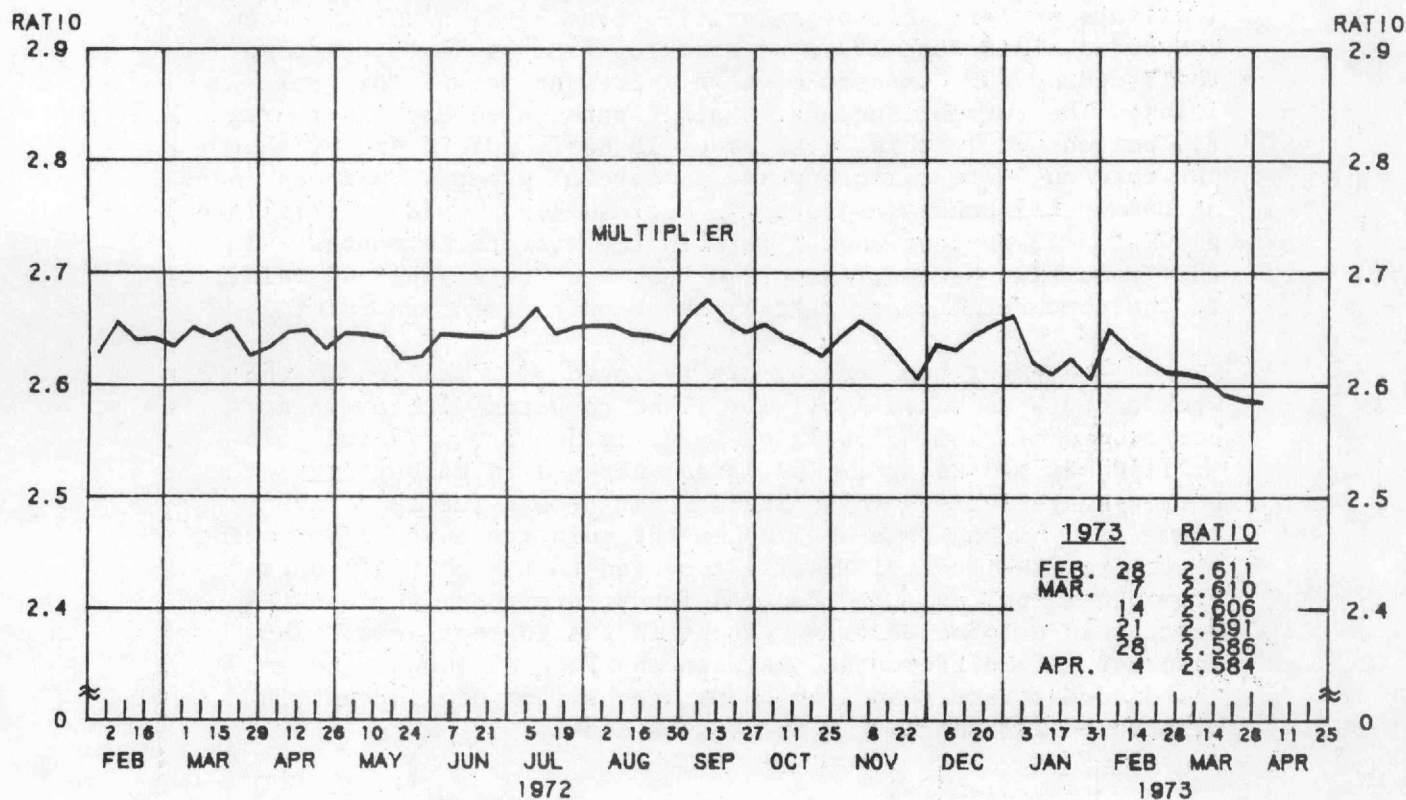
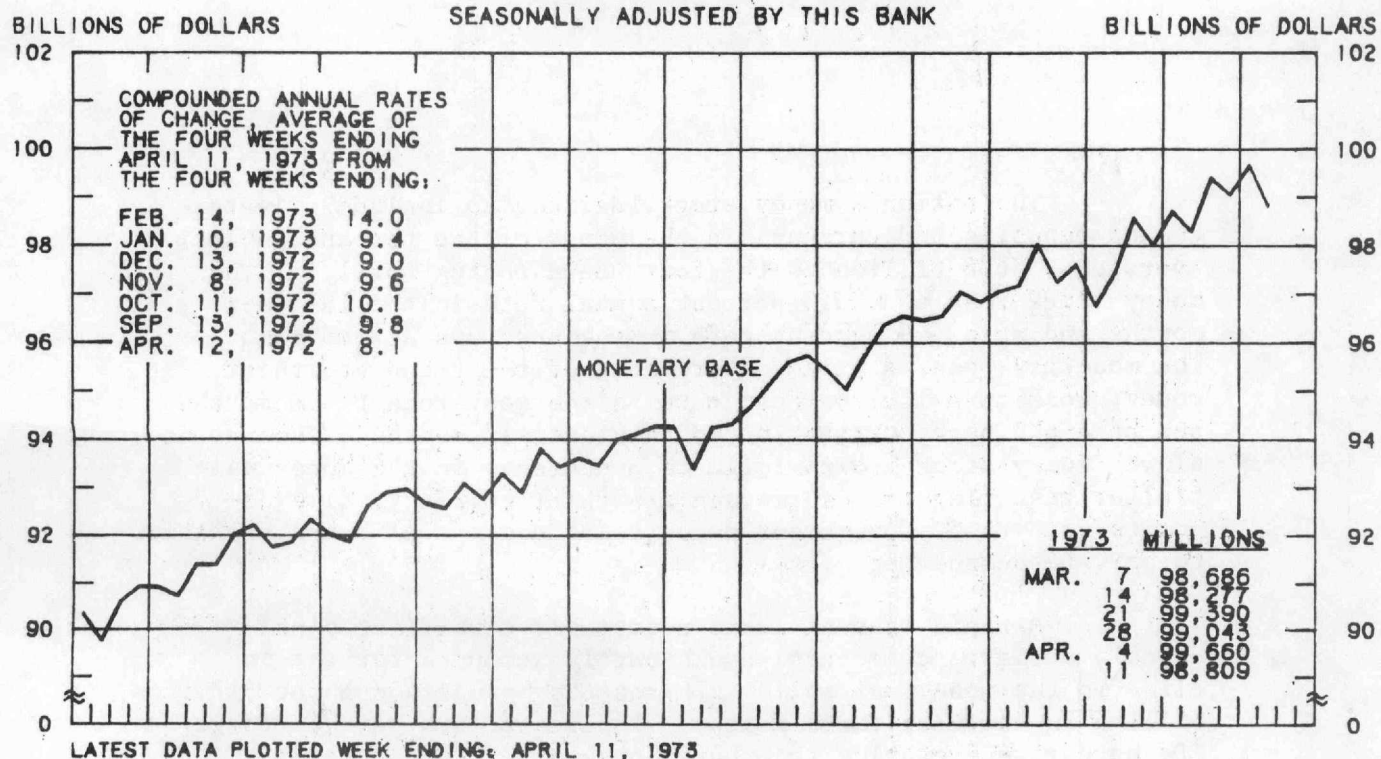
A rapid rise in large negotiable certificates of deposit at large commercial banks partly accounts for the decline in the money multiplier. Large CDs have risen about \$12.5 billion in the past three months. Interest rates paid on large CDs have risen relative to other short-term interest rates (ceilings on large CDs of maturities from 30-89 days have been suspended since June 1970) as commercial banks have increased their demand for funds to meet an increased demand for bank loans. The current secondary market rate on 90-day CDs averaged 7.3 percent early this week, about 18 basis points higher than the rate on 4- to 6-month prime commercial paper. Business loans at commercial banks (adjusted to include loans sold to affiliates) grew at a 53 percent annual rate in the past three months. In this same time period, the prime bank loan rate declined relative to the commercial paper rate by about one percentage point.

Member bank borrowings averaged \$1.5 billion in the week ended Wednesday, April 11. This compares with average borrowings of about \$1 billion in early January 1973 and \$575 million six months ago. The large increase in member bank borrowing reflects both an increase in demand for funds by commercial banks and a decline in the relative cost of borrowing funds from the Federal Reserve compared to the cost of funds from other sources. The Federal funds rate rose from about 5 percent in October to 6.84 percent in the current week. The interest rate differential between the Federal funds rate and the discount rate rose from about one-half of one percent in October to 1.3 percent in the recent week.

Prepared by Federal Reserve Bank of St. Louis

Released: April 13, 1973

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 1973

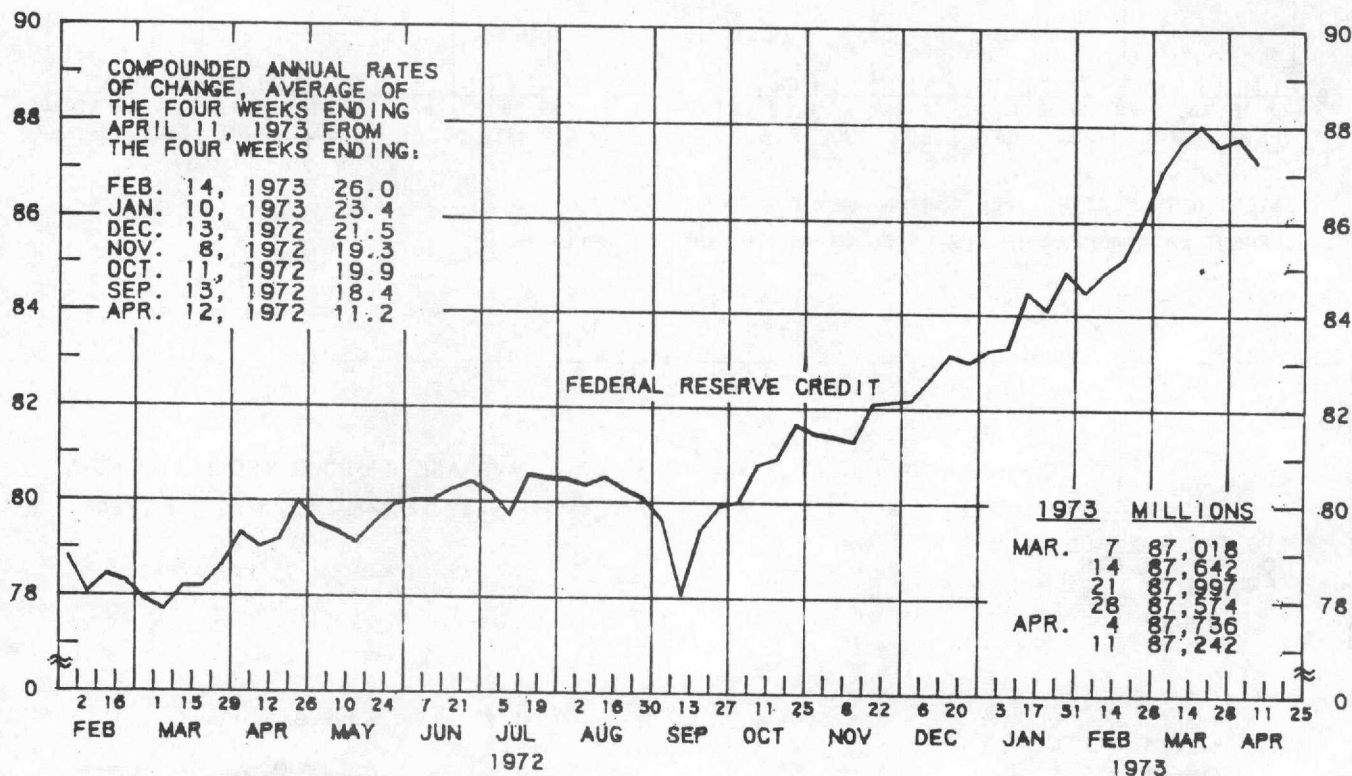
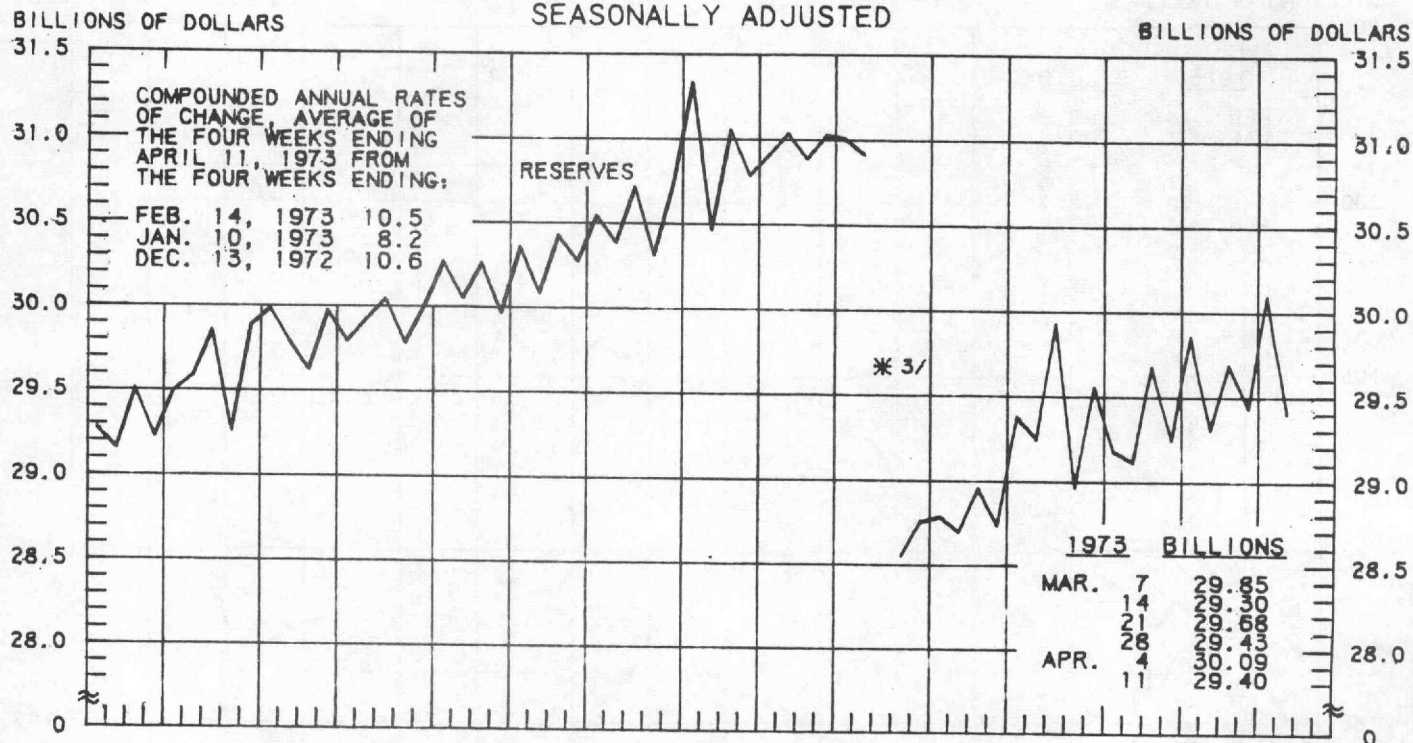
1/ USES OF MONETARY BASE ARE MEMBER BANK RESERVES AND CURRENCY HELD BY THE PUBLIC AND NONMEMBER BANKS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND SHIFTS IN DEPOSITS. FOR A DESCRIPTION OF THE BASE SEE THE AUGUST 1968 'REVIEW' OF THIS BANK.

2/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

RESERVES AVAILABLE TO SUPPORT PRIVATE NONBANK DEPOSITS 1/

3

ALL MEMBER BANKS FEDERAL RESERVE CREDIT 2/ AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 11, 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.

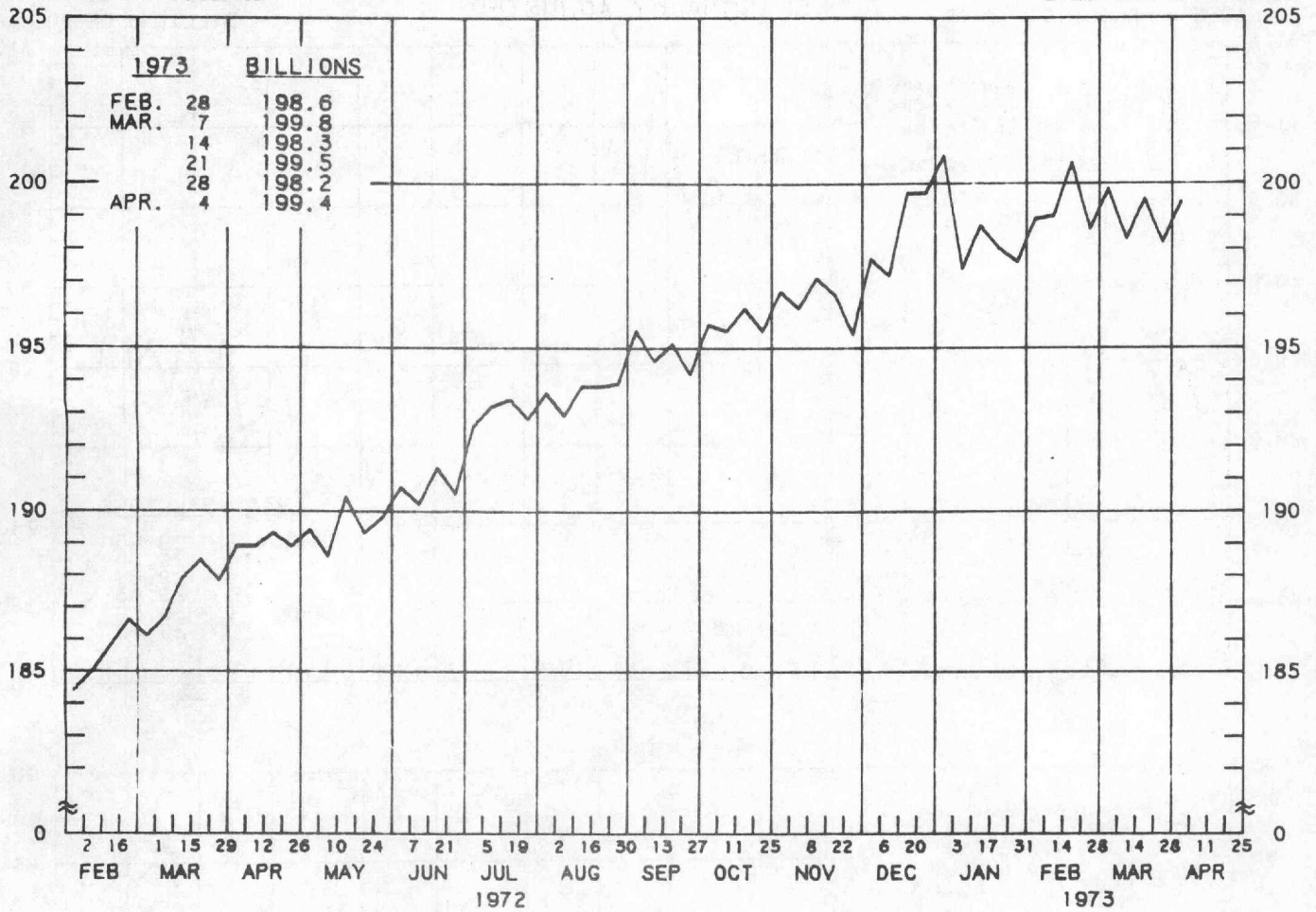
* BREAK IN SERIES DUE TO THE EFFECT OF CHANGES IN REGULATION D.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 1973

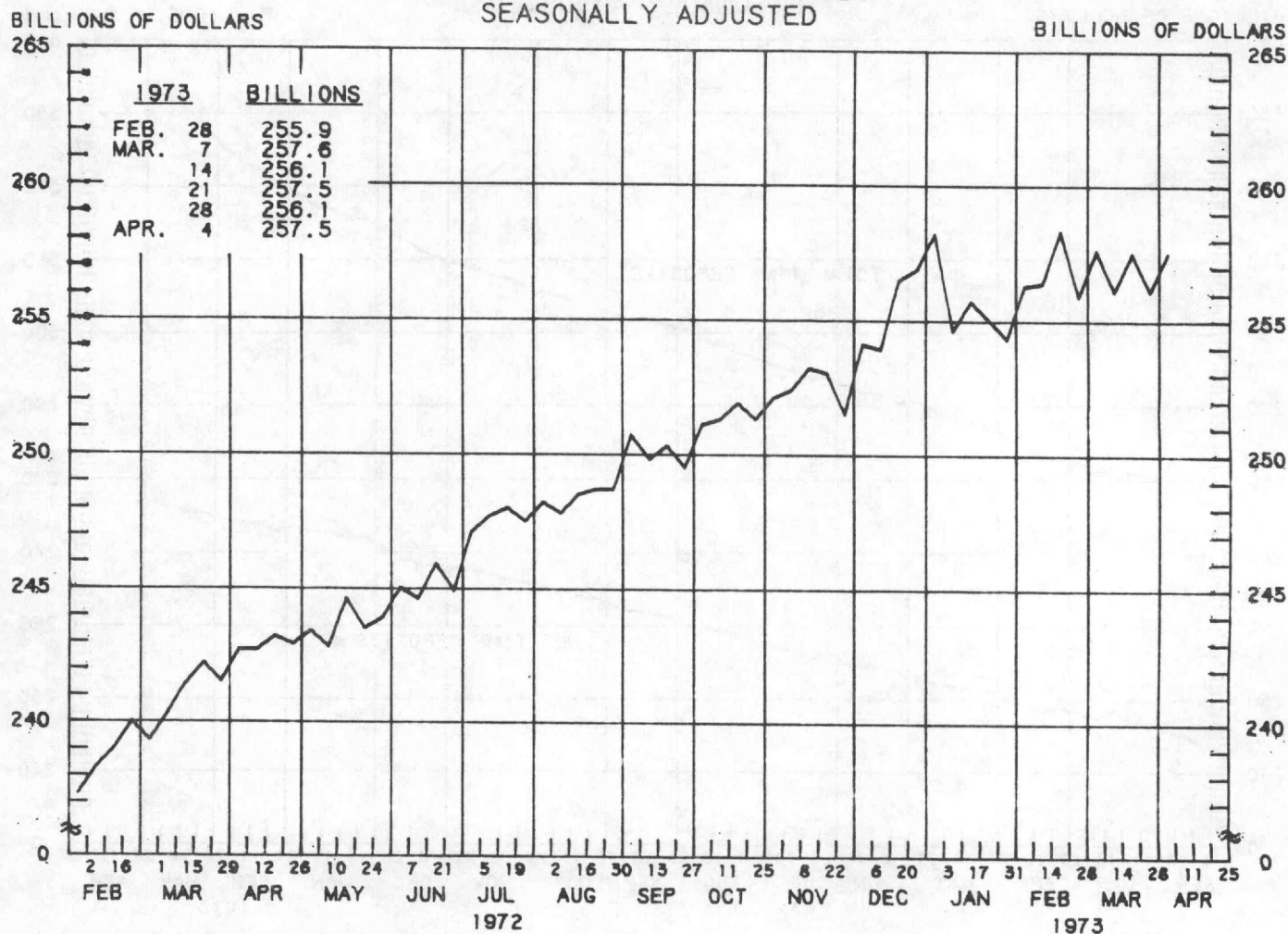
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	4/5/72	8/2/72	9/6/72	10/4/72	11/1/72	12/6/72	1/3/73	2/7/73
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 6/72	7.7							
10/ 4/72	7.1	4.9						
11/ 1/72	7.2	5.7	5.8					
12/ 6/72	6.7	5.2	5.0	5.5				
1/ 3/73	7.9	7.6	8.2	9.6	10.4			
2/ 7/73	6.3	5.0	4.9	5.1	4.4	4.8		
3/ 7/73	6.5	5.4	5.4	5.7	5.2	5.8	0.3	
4/ 4/73	5.6	4.3	4.1	4.1	3.5	3.5	-1.0	2.0

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



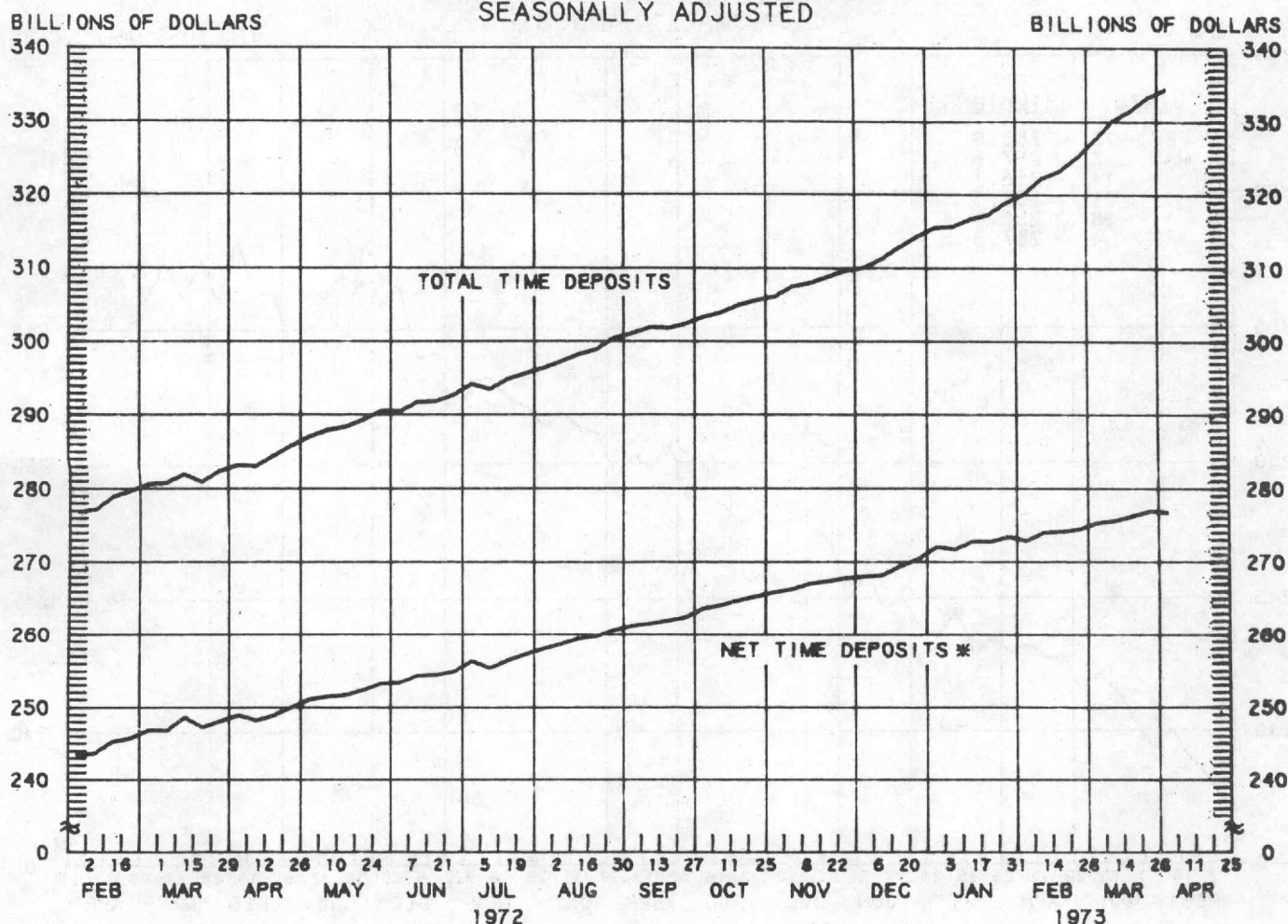
LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 1973

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

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

	4/5/72	8/2/72	9/6/72	10/4/72	11/1/72	12/6/72	1/3/73	2/7/73
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 6/72	7.2							
10/ 4/72	6.9	5.5						
11/ 1/72	7.0	6.3	6.7					
12/ 6/72	6.8	6.1	6.2	6.6				
1/ 3/73	8.0	8.3	9.1	10.3	11.3			
2/ 7/73	6.5	5.8	5.9	6.0	5.4	5.4		
3/ 7/73	6.8	6.3	6.4	6.6	6.3	6.6	1.6	
4/ 4/73	6.1	5.4	5.3	5.3	4.9	4.7	0.6	3.9

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



NET TIME DEPOSITS

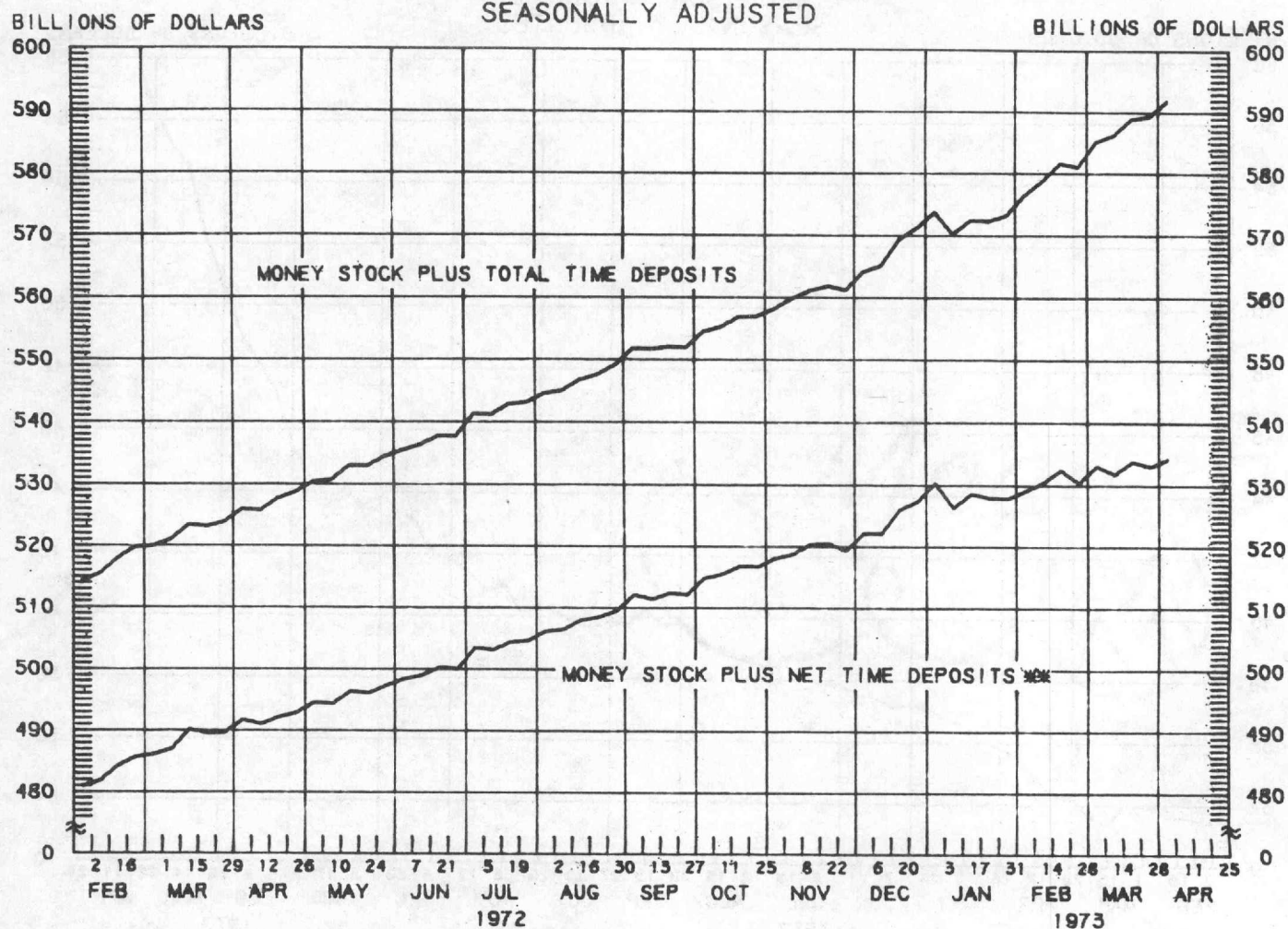
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	4/5/72	8/2/72	9/6/72	10/4/72	11/1/72	12/6/72	1/3/73	2/7/73
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 6/72	11.9							
10/ 4/72	11.9	13.8						
11/ 1/72	12.0	13.6	12.3					
12/ 6/72	11.8	12.8	11.7	11.8				
1/ 3/73	11.9	12.7	11.8	11.9	11.4			
2/ 7/73	11.9	12.5	11.8	11.9	11.5	12.0		
3/ 7/73	11.5	11.9	11.2	11.1	10.7	10.7	10.0	
4/ 4/73	11.3	11.6	10.9	10.8	10.4	10.3	9.7	8.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 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:

4/5/72 8/2/72 9/6/72 10/4/72 11/1/72 12/6/72 1/3/73 2/7/73

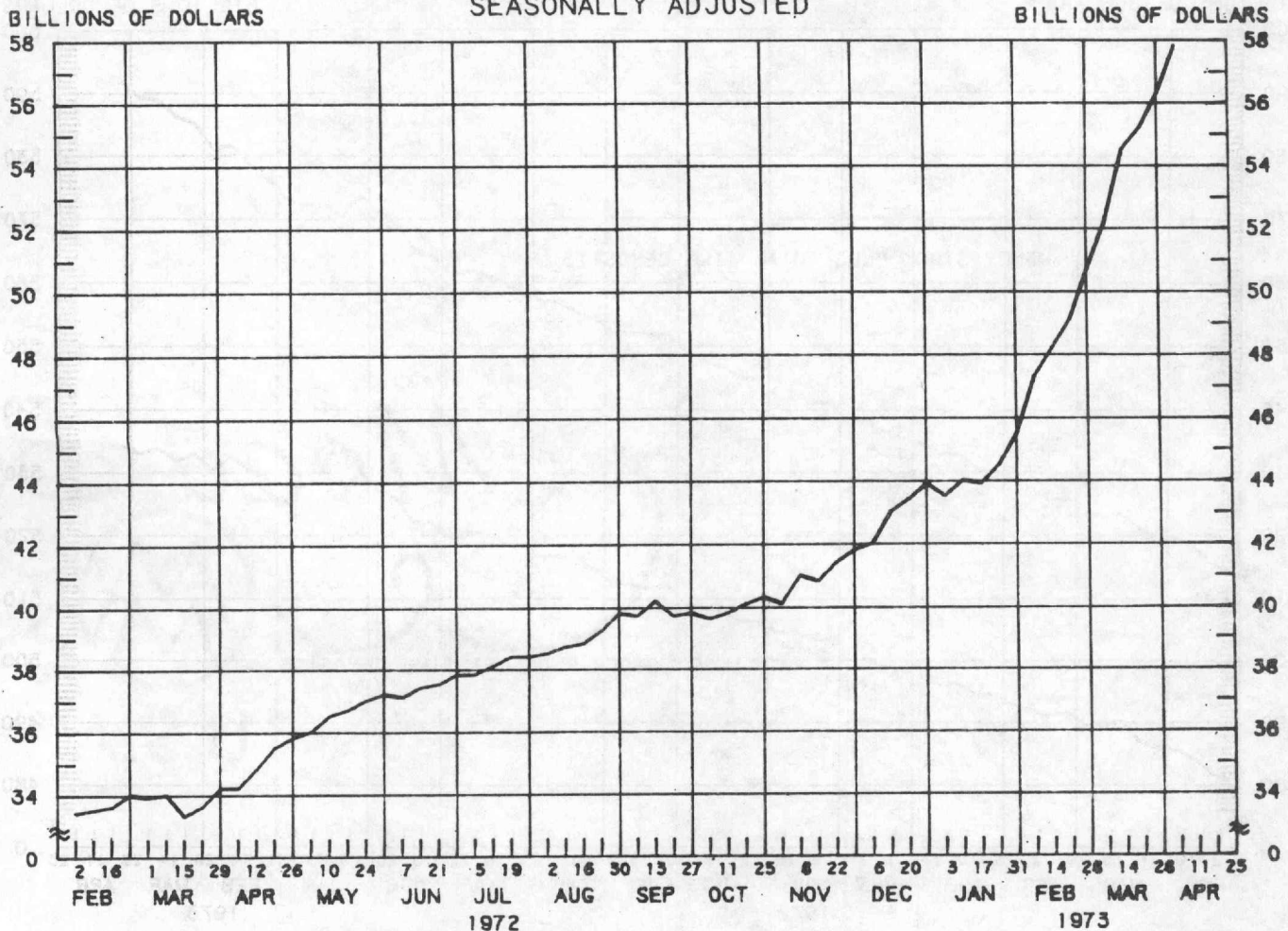
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/ 6/72	9.5							
10/ 4/72	9.3	9.6						
11/ 1/72	9.6	10.0	9.7					
12/ 6/72	9.3	9.4	9.0	9.2				
1/ 3/73	10.0	10.6	10.6	11.2	11.3			
2/ 7/73	9.2	9.3	9.0	9.1	8.6	9.0		
3/ 7/73	9.2	9.1	8.9	8.9	8.5	8.7	5.7	
4/ 4/73	8.8	8.5	8.2	8.2	7.7	7.6	5.2	6.1

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CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 1973

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

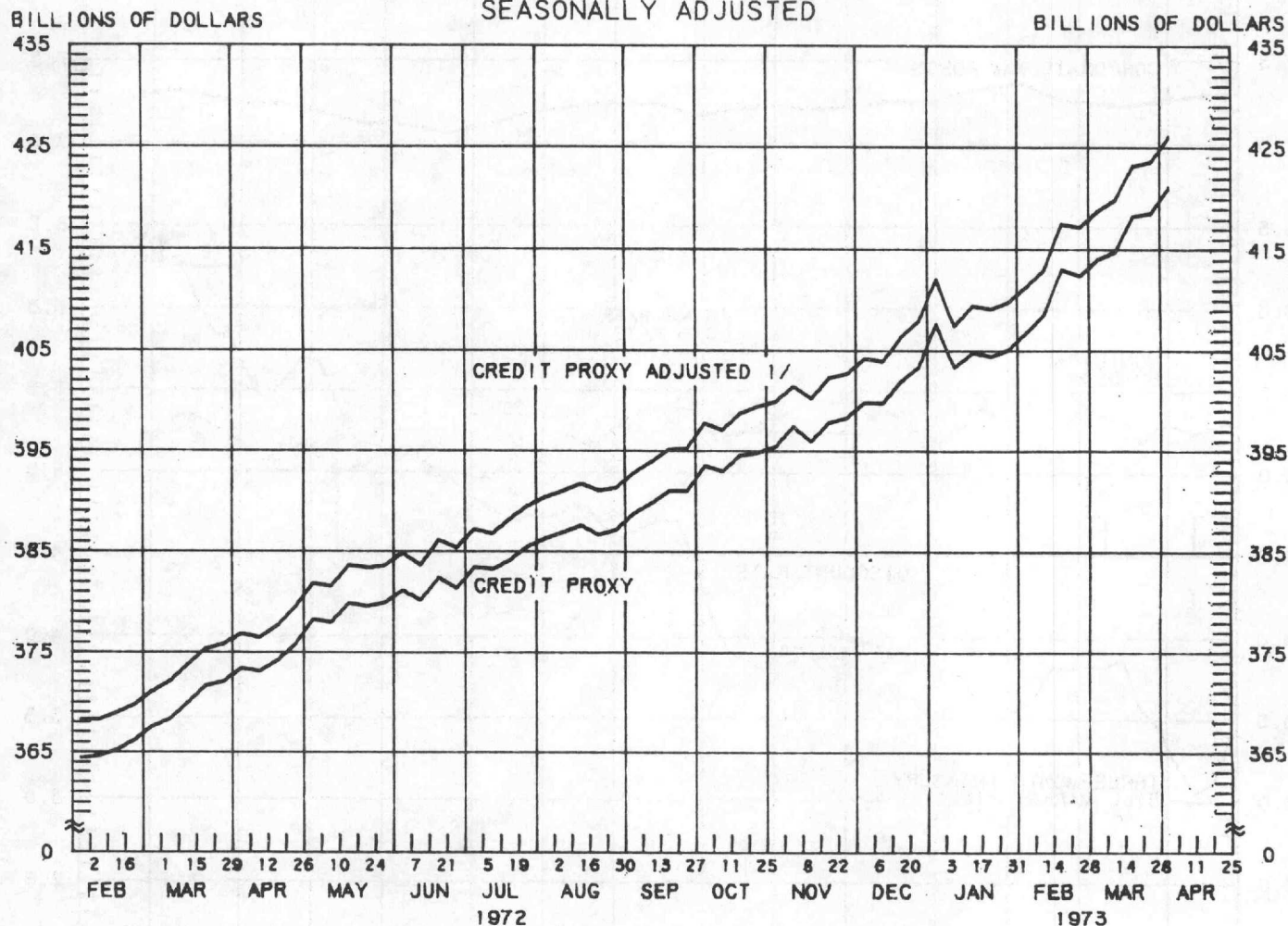
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

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	533.7
28	56.3	276.9	532.9
APR. 4	57.8	276.6	534.1
11			
18			
25			

* 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: APRIL 4, 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.	28	412.4	417.2
MAR.	7	414.0	418.8
	14	414.8	419.9
	21	418.3	423.2
	28	418.6	423.6
APR.	4	421.1	426.0

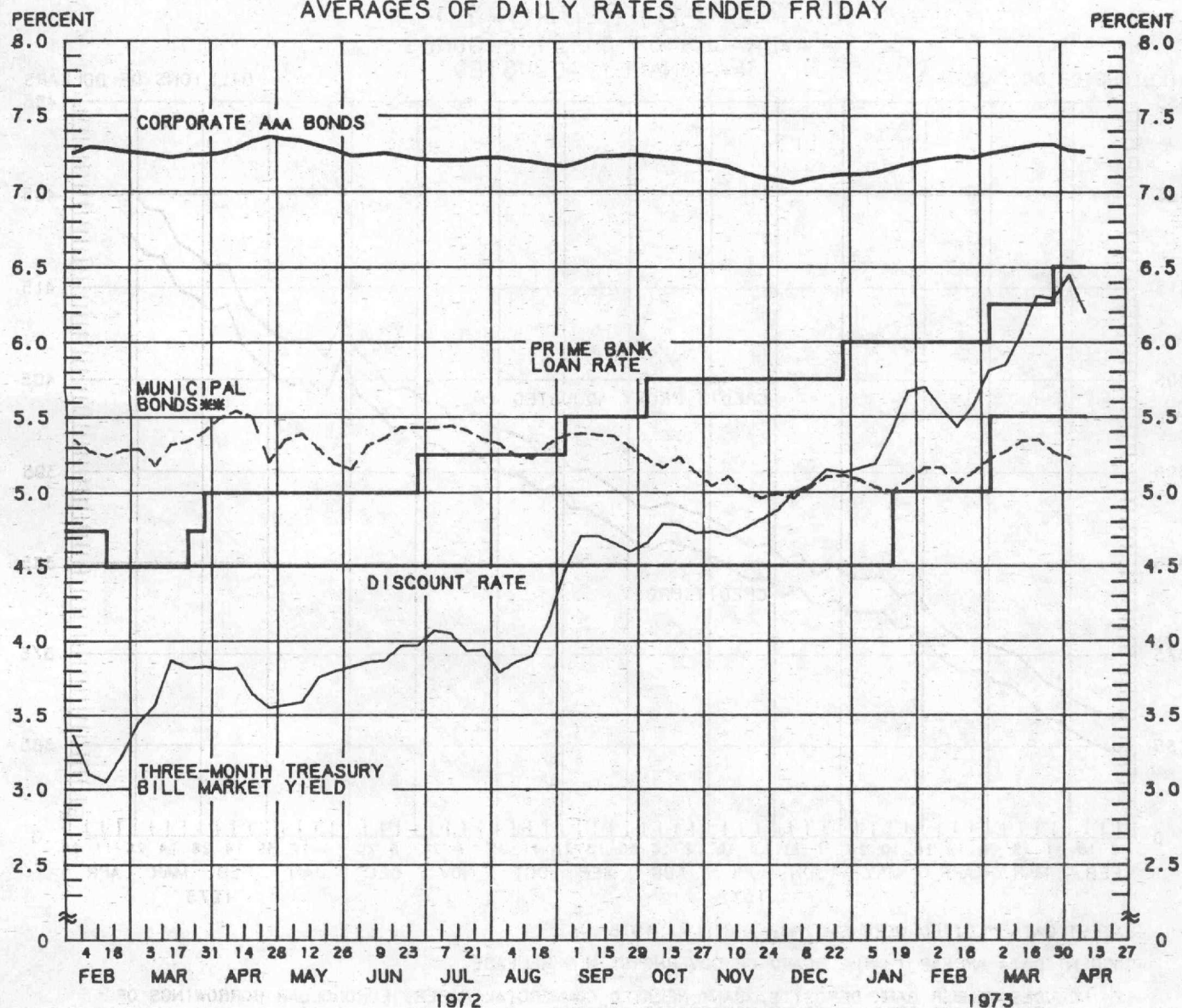
COMPOUNDED ANNUAL RATES OF CHANGE,
AVERAGE OF THE FOUR WEEKS ENDING
APRIL 4, 1973 FROM THE FOUR
WEEKS ENDING:

		CREDIT PROXY	CREDIT PROXY ADJUSTED
FEB.	7, 1973	22.6	23.1
JAN.	3, 1973	15.8	16.3
DEC.	6, 1972	16.4	16.7
NOV.	1, 1972	14.9	15.1
OCT.	4, 1972	14.2	14.5
SEP.	6, 1972	14.1	14.3
APR.	5, 1972	12.5	12.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 13, 1973

1973	CORPORATE AAA BONDS	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES	MUNICIPAL BONDS
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	7.27	6.45	6.77	6.16	5.22
13 *	7.26	6.20	6.66	6.09	N.A.
20					
27					

* AVERAGES OF RATES AVAILABLE.

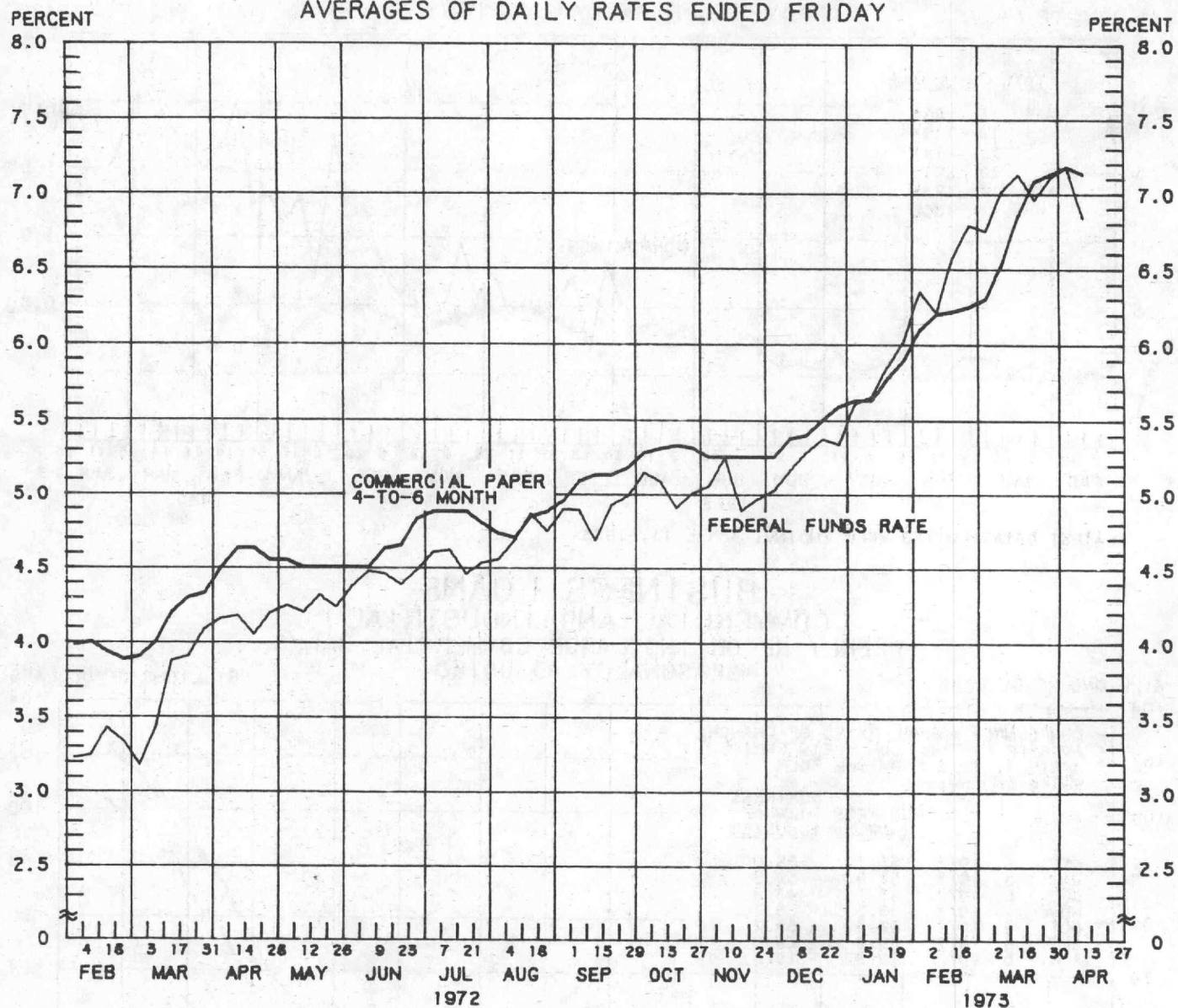
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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 13, 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	7.18	7.18	7.00	7.27
13 *	7.13	6.84	7.00	7.31
20				
27				

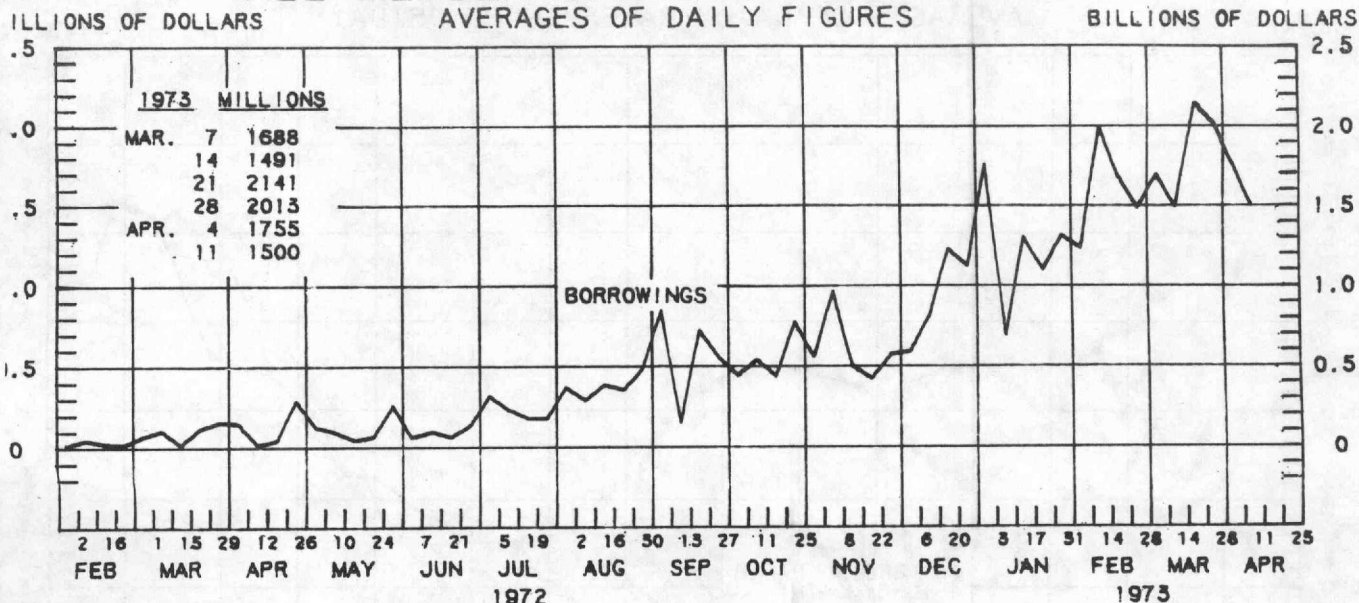
* AVERAGES OF RATES AVAILABLE.

** 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.

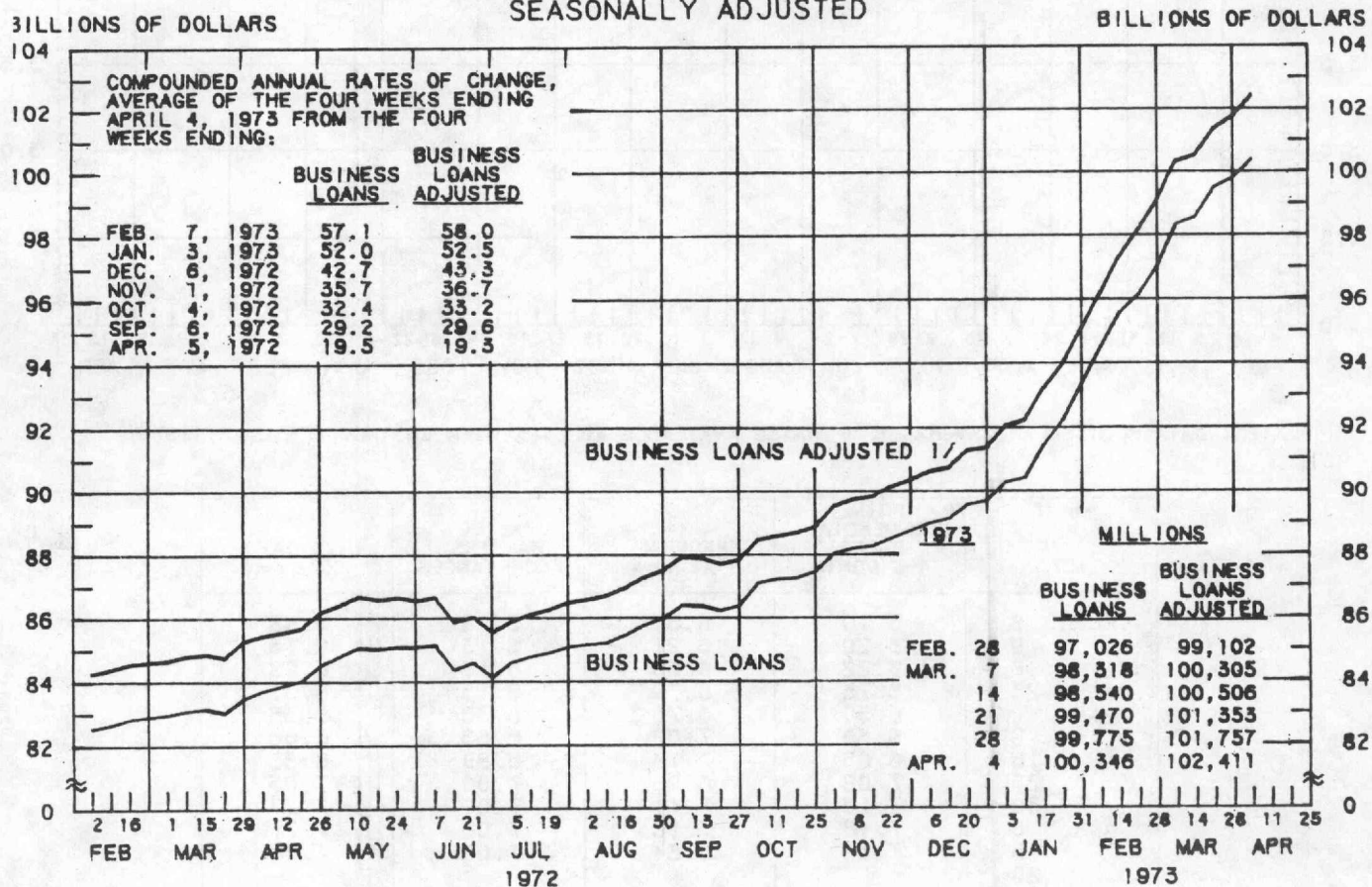
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: APRIL 11, 1973

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 4, 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