



U.S. FINANCIAL DATA

Week ending: March 6, 1974

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In "U.S. Financial Data" for the week ending February 13, 1974, it was noted that growth rates for the monetary base and the money stock had diverged substantially over the five months from early September to early February. The monetary base had increased at an 8.7 percent annual rate and the money stock at only about a 3 percent rate.

In the past few weeks the money stock has risen sharply, and the growth rate of the monetary base has remained about the same as in the previous five months. From early September to the most current four weeks, the base has risen at an 8.3 percent rate, which is about the same as in the first five months of the period. However, money has risen at a 5 percent rate, compared to a 3 percent rate recorded from early September to early February.

Historical evidence suggests that a substantial spread between the growth rates of the monetary base and the money stock is not likely to persist for a prolonged period. The recent rise in the money stock has brought money growth closer to its historical relationship with growth of the monetary base.

Fluctuations in U.S. Government deposits at commercial banks contribute to short-run divergences between the growth rates of the monetary base and money. As the Treasury pays out funds to the public, Treasury deposits at commercial banks may decline to replenish Treasury balances at Federal Reserve Banks, and demand deposits held by the public rise. Payments by the public to the Treasury have the opposite effect. A fall in the average level of Treasury balances raises the money stock observed with a given amount of monetary base and vice versa for a rise in Treasury balances. However, changes in Treasury balances do not continue in one direction indefinitely, and over longer periods, changes in Treasury deposits at commercial banks are insignificant compared to changes in the monetary base with respect to their effects on money growth. The recent rise in the money stock has been accompanied by a decline in the average level of Government deposits at commercial banks. These deposits, on a seasonally adjusted basis, averaged \$8.4 billion in the four weeks ended January 30 and \$5.5 billion in the four weeks, ended February 27, a decline of \$2.9 billion. Over the same comparison period the money stock has risen \$3.2 billion.

Prepared by Federal Reserve Bank of St. Louis

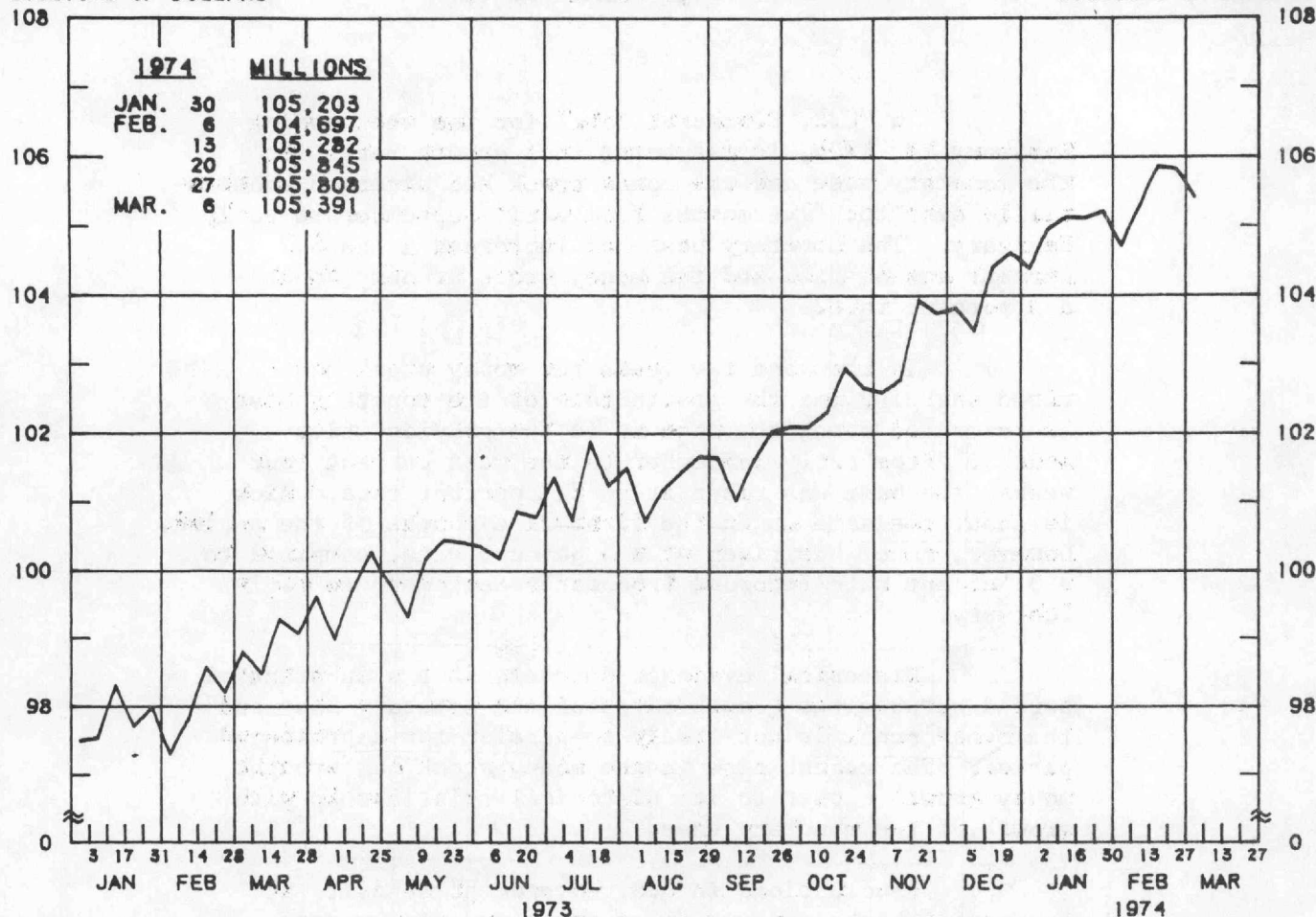
Released: March 8, 1974

MONETARY BASE

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



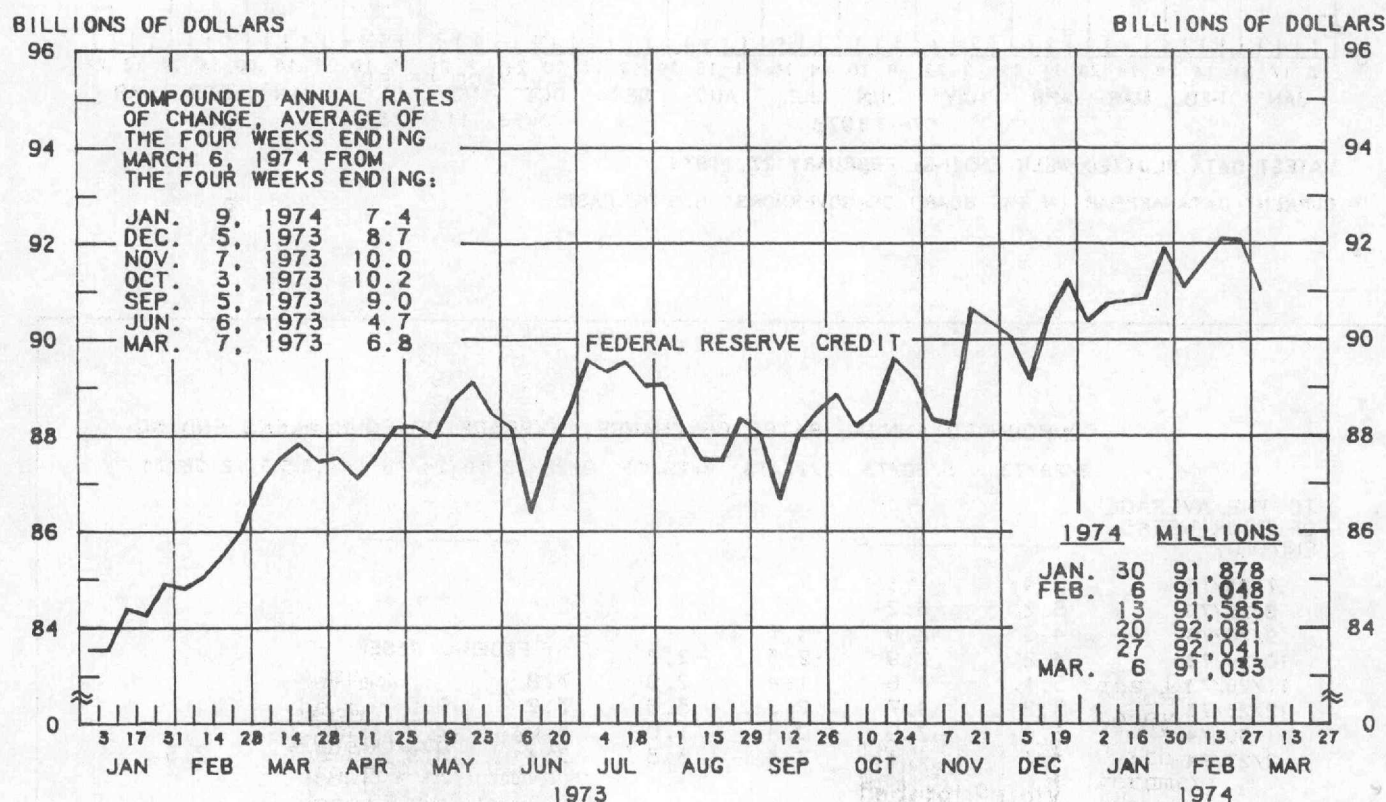
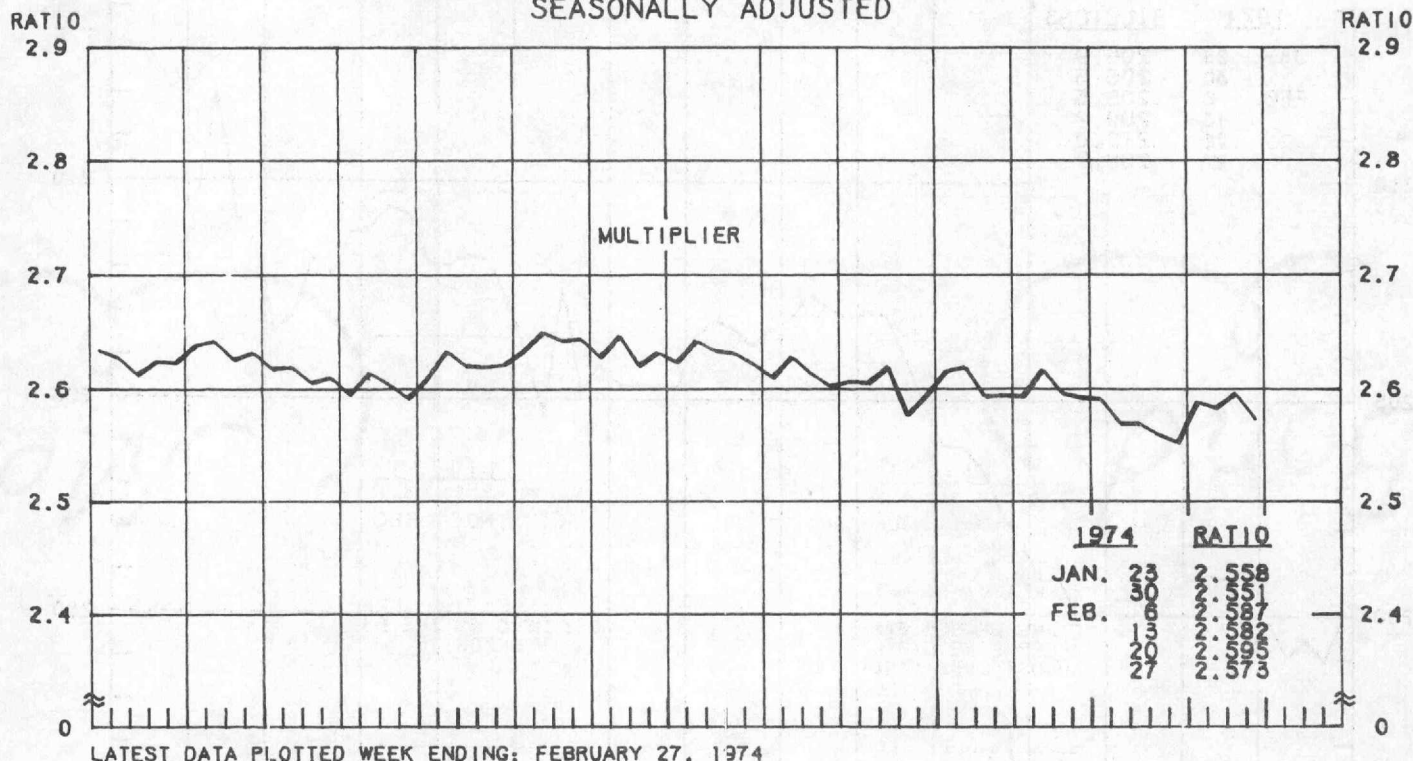
LATEST DATA PLOTTED WEEK ENDING: MARCH 6, 1974

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.

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

	3/7/73	6/6/73	8/8/73	9/5/73	10/3/73	11/7/73	12/5/73	1/9/74
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/ 8/73	7.3							
9/ 5/73	6.5	4.7						
10/ 3/73	6.0	4.2	2.4					
11/ 7/73	6.5	5.5	5.2	6.7				
12/ 5/73	7.2	6.6	6.9	8.5	11.1			
1/ 9/74	7.6	7.2	7.8	9.1	11.0	11.6		
2/ 6/74	7.4	7.0	7.5	8.5	9.8	9.8	8.5	
3/ 6/74	7.4	7.0	7.4	8.3	9.3	9.1	8.0	6.4

MULTIPLIER ^{1/} FEDERAL RESERVE CREDIT ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



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

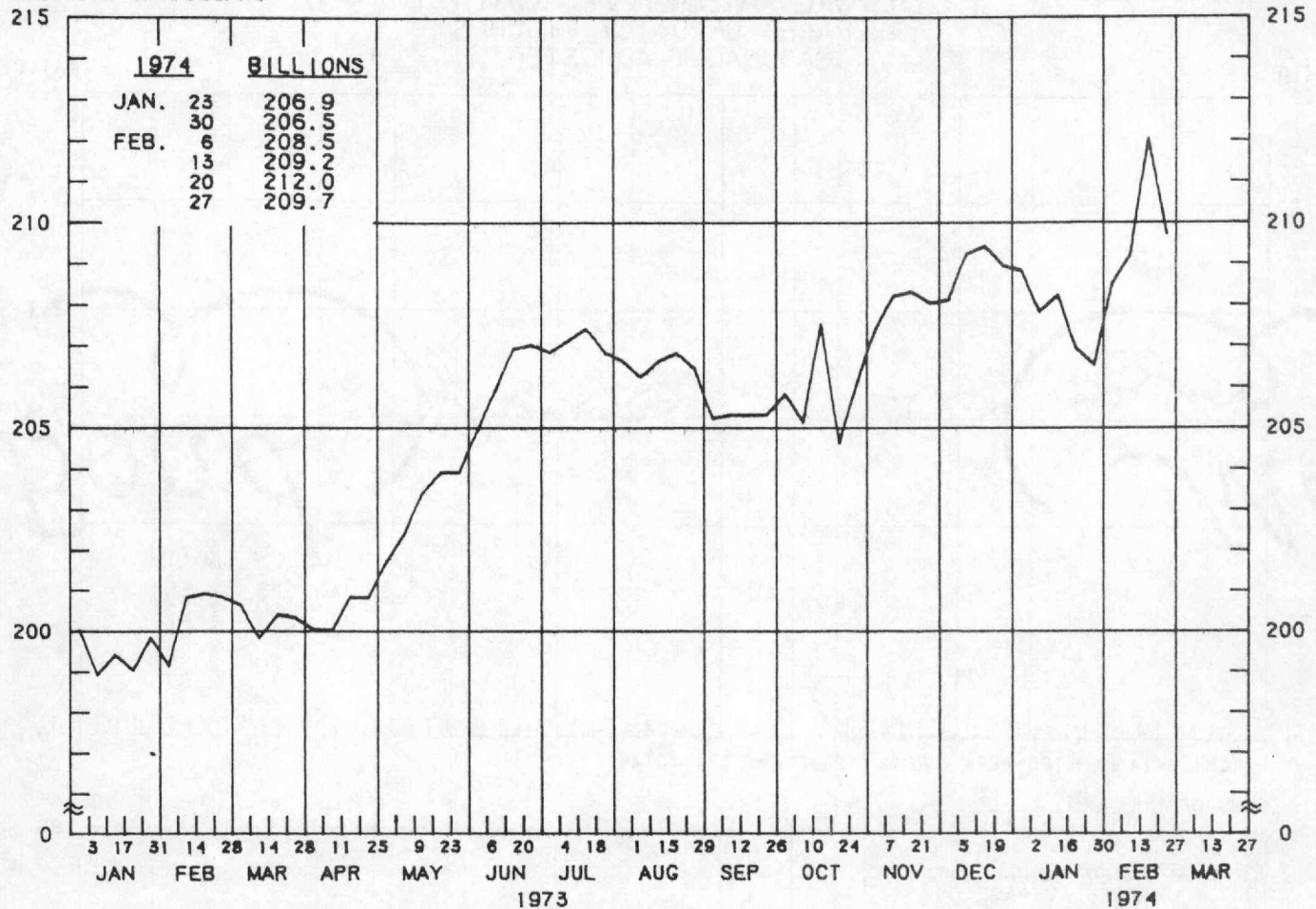
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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

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

2/28/73 5/30/73 7/25/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73

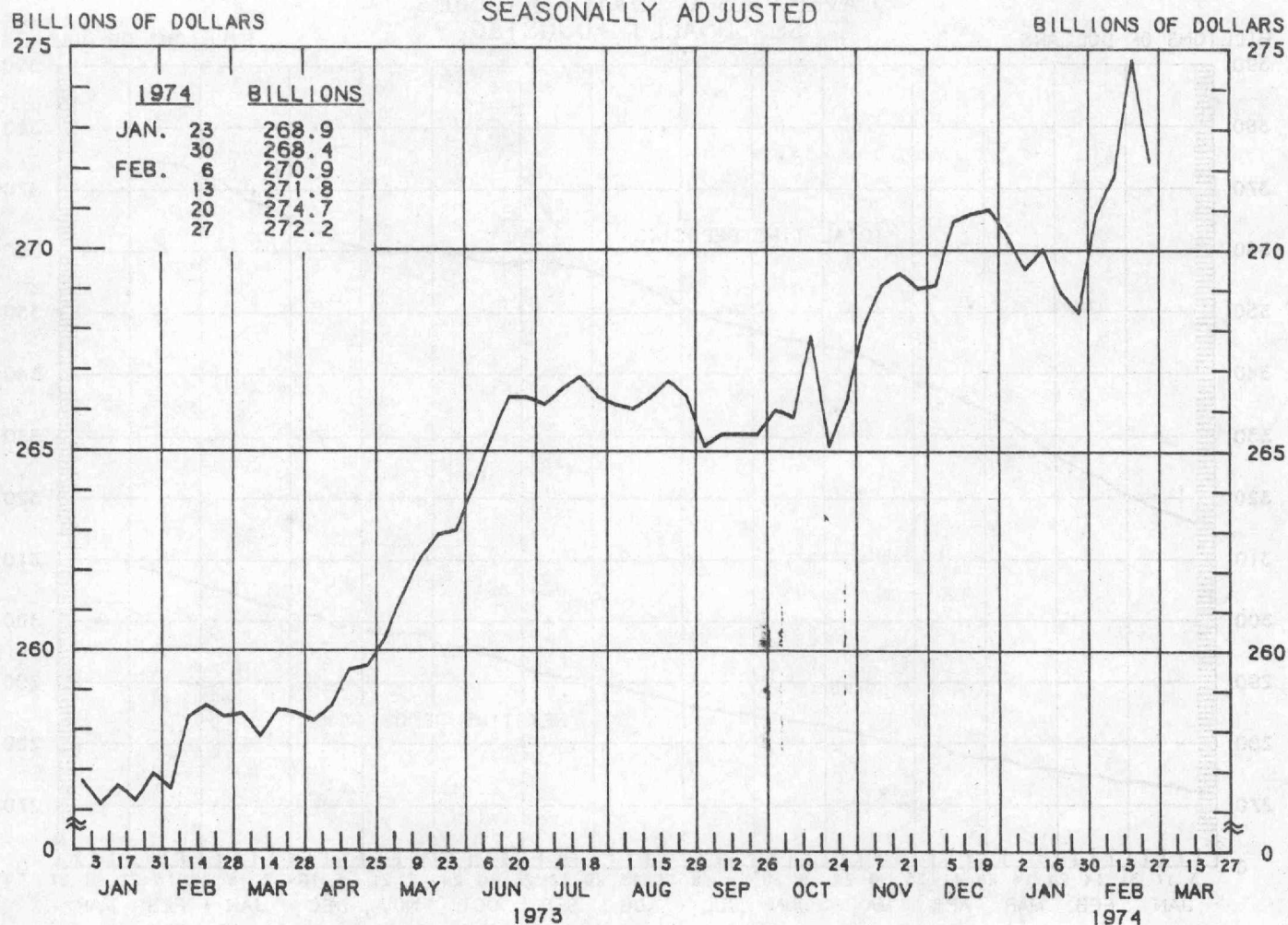
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/25/73	8.4						
8/29/73	6.2	6.2					
9/26/73	4.3	2.9	-4.7				
10/24/73	4.2	2.9	-2.3	-2.2			
11/28/73	5.1	4.6	1.4	2.9	7.8		
12/26/73	5.2	4.7	2.2	3.6	7.2	9.0	
1/30/74	3.8	2.9	0.4	1.0	3.0	2.9	-1.7
2/27/74	4.7	4.3	2.4	3.3	5.4	5.9	3.7
							2.8

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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

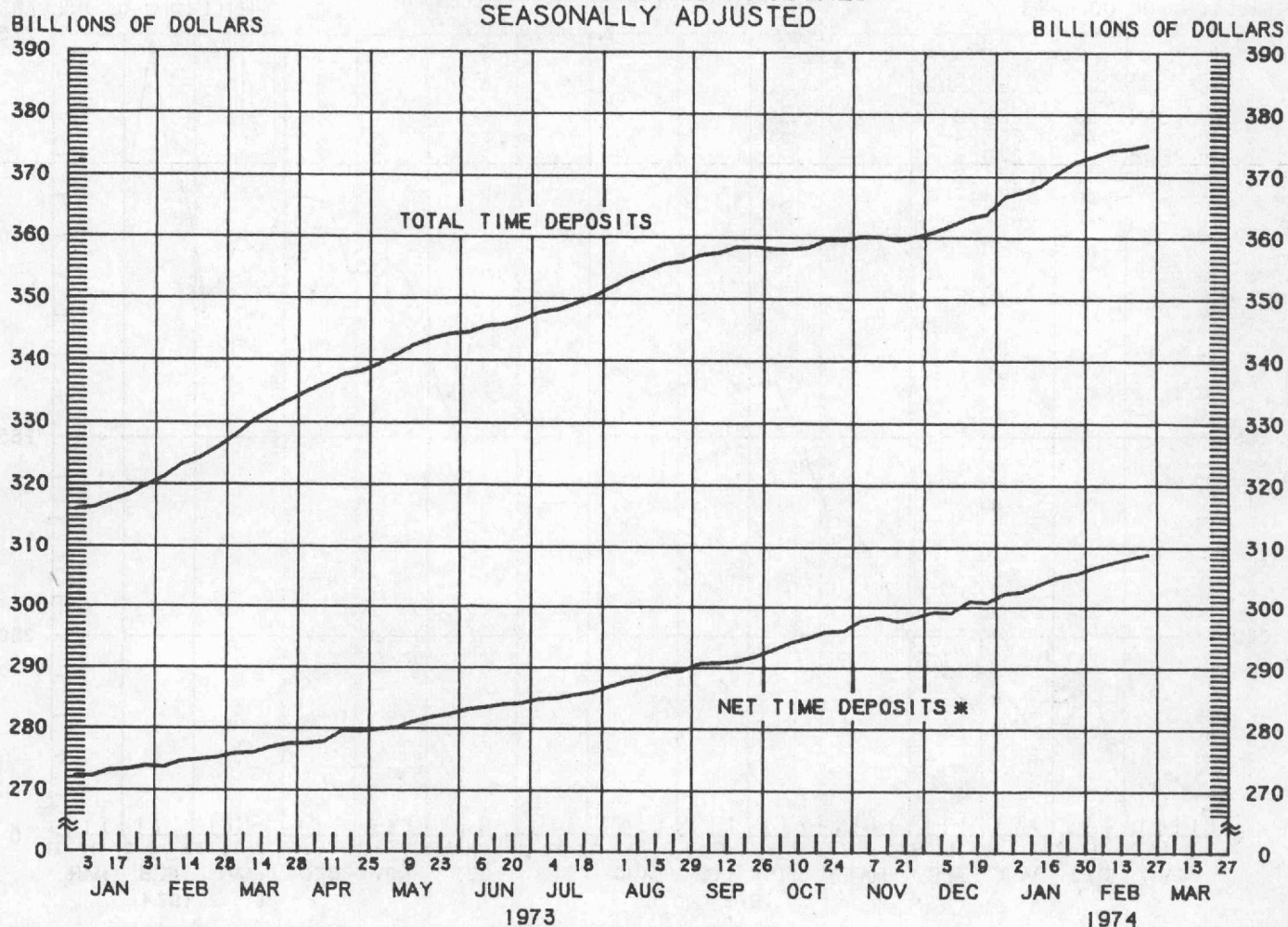
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

2/28/73 5/30/73 7/25/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/25/73	8.4						
8/29/73	6.6	6.1					
9/26/73	5.0	3.4	-2.4				
10/24/73	5.0	3.6	-0.3	-0.2			
11/28/73	5.7	5.0	2.7	4.0	8.1		
12/26/73	5.9	5.3	3.6	4.8	7.9	9.5	
1/30/74	4.8	3.9	2.0	2.6	4.3	4.3	0.6
2/27/74	5.6	5.1	3.8	4.6	6.4	6.9	5.3
							4.3

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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:

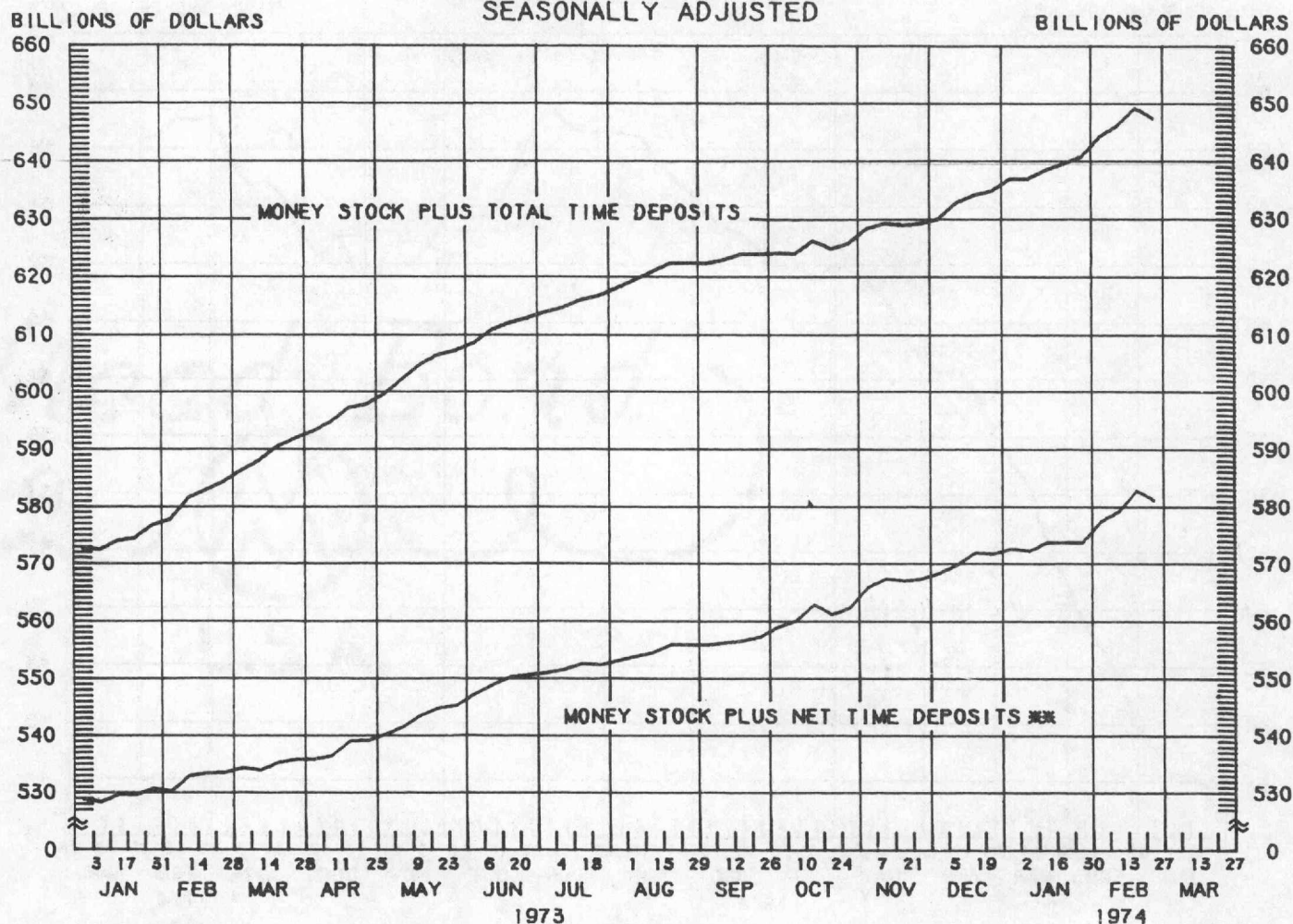
2/28/73 5/30/73 7/25/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/25/73	10.0							
8/29/73	10.5	10.8						
9/26/73	10.6	10.9	12.1					
10/24/73	11.3	11.9	13.4	13.8				
11/28/73	11.5	12.1	13.2	13.4	14.3			
12/26/73	11.3	11.7	12.5	12.5	12.8	11.3		
1/30/74	11.7	12.3	13.1	13.2	13.6	12.8	12.9	
2/27/74	12.1	12.7	13.5	13.6	14.0	13.5	13.8	15.8

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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:

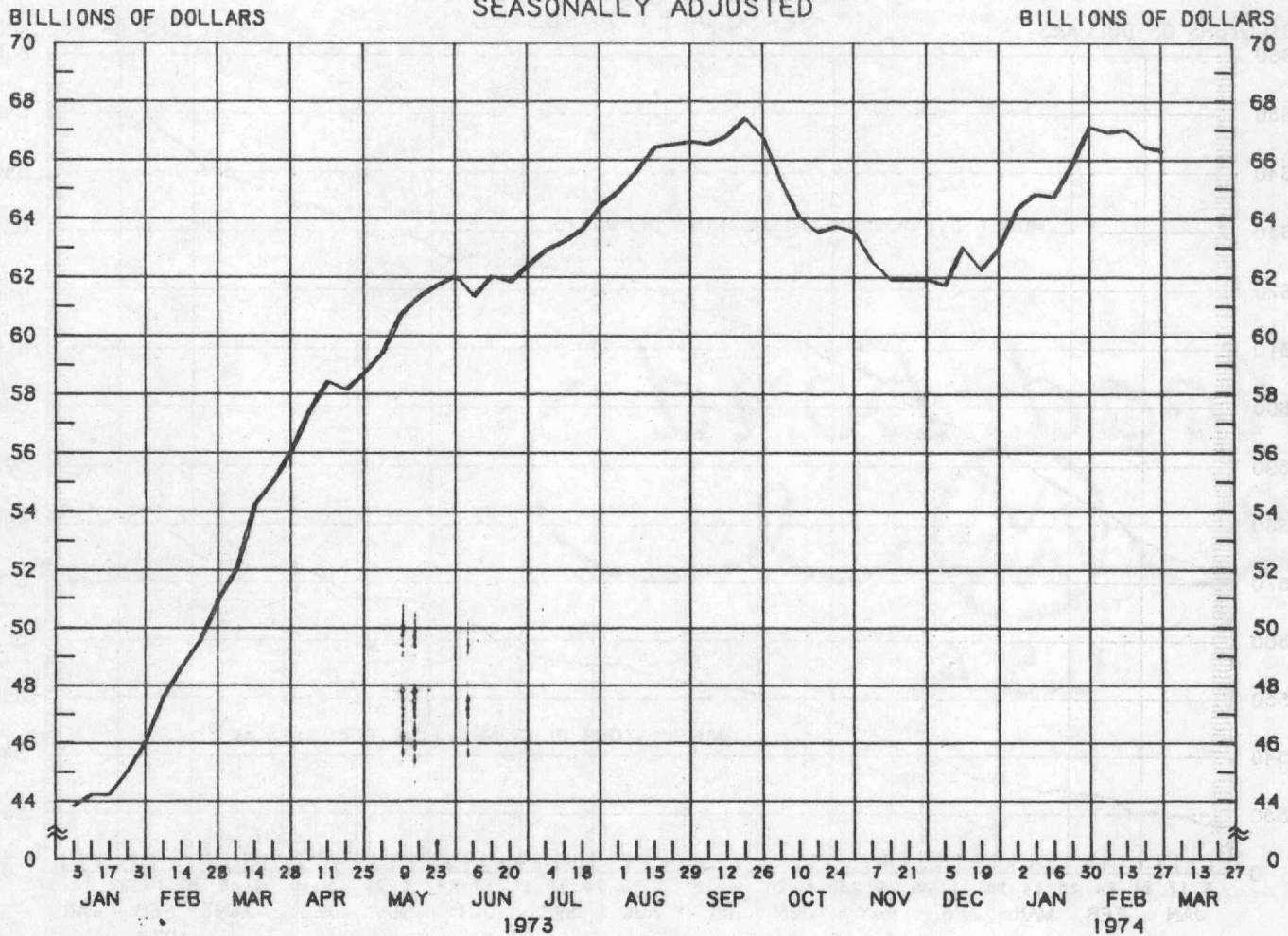
2/28/73 5/30/73 7/25/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/25/73	9.2							
8/29/73	8.6	8.5						
9/26/73	7.9	7.3	4.9					
10/24/73	8.2	7.9	6.6	6.9				
11/28/73	8.7	8.6	8.1	8.8	11.3			
12/26/73	8.7	8.6	8.2	8.7	10.5	10.4		
1/30/74	8.3	8.2	7.7	8.0	9.1	8.7	6.9	
2/27/74	8.9	9.0	8.8	9.3	10.4	10.3	9.7	10.2

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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.

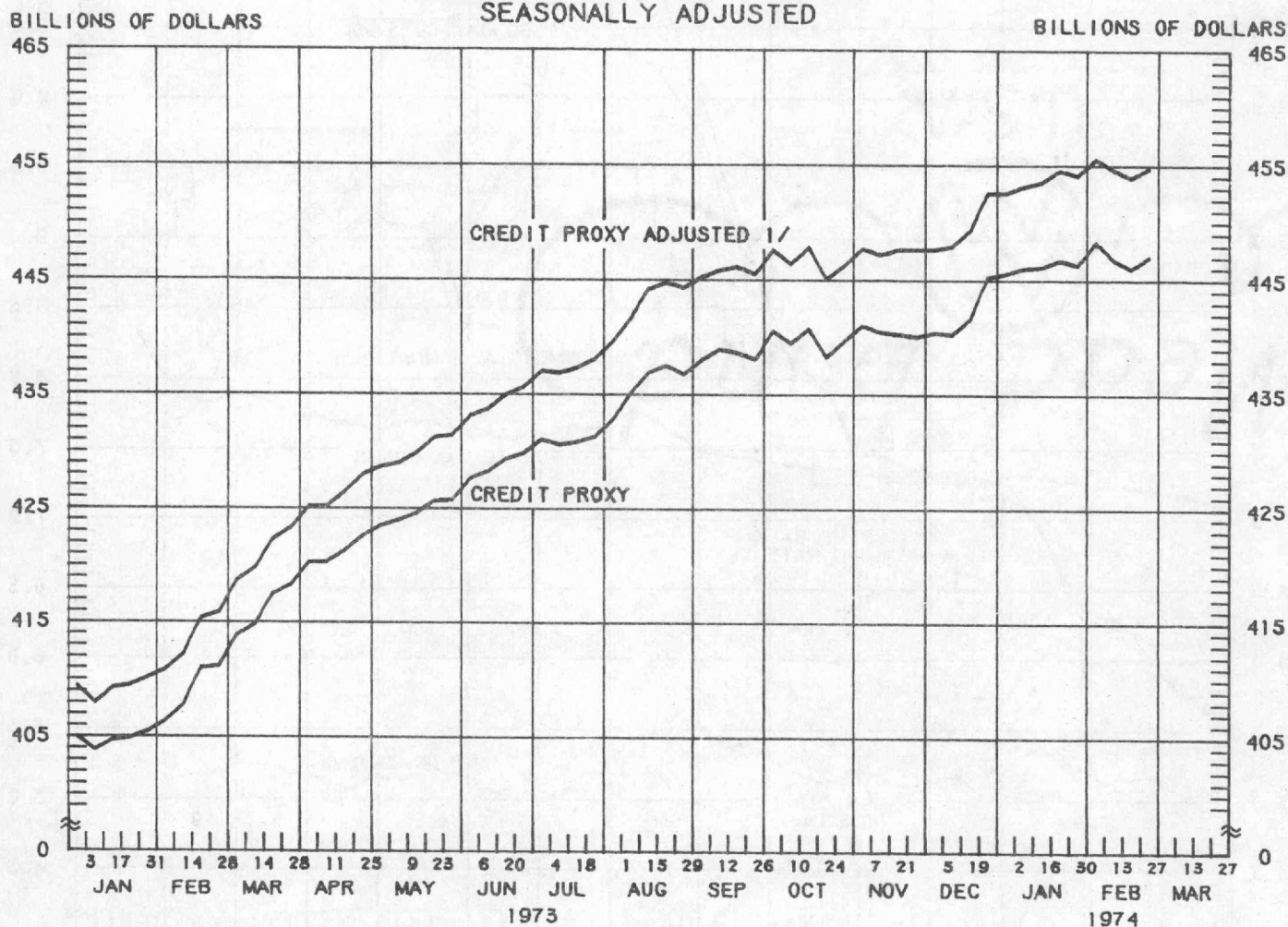
MONEY AND TIME DEPOSIT DATA			
1974		BILLIONS	
		CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS * M2 ***
JAN.	2	64.3	302.2 572.5
	9	64.8	302.5 572.0
	16	64.7	303.7 573.7
	23	65.8	304.8 573.7
	30	67.1	305.3 573.7
FEB.	6	66.9	306.4 577.3
	13	67.0	307.2 579.0
	20	66.4	308.0 582.7
	27	66.3	308.7 580.9
MAR.	6		
	13		
	20		
	27		

* 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: FEBRUARY 27, 1974

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

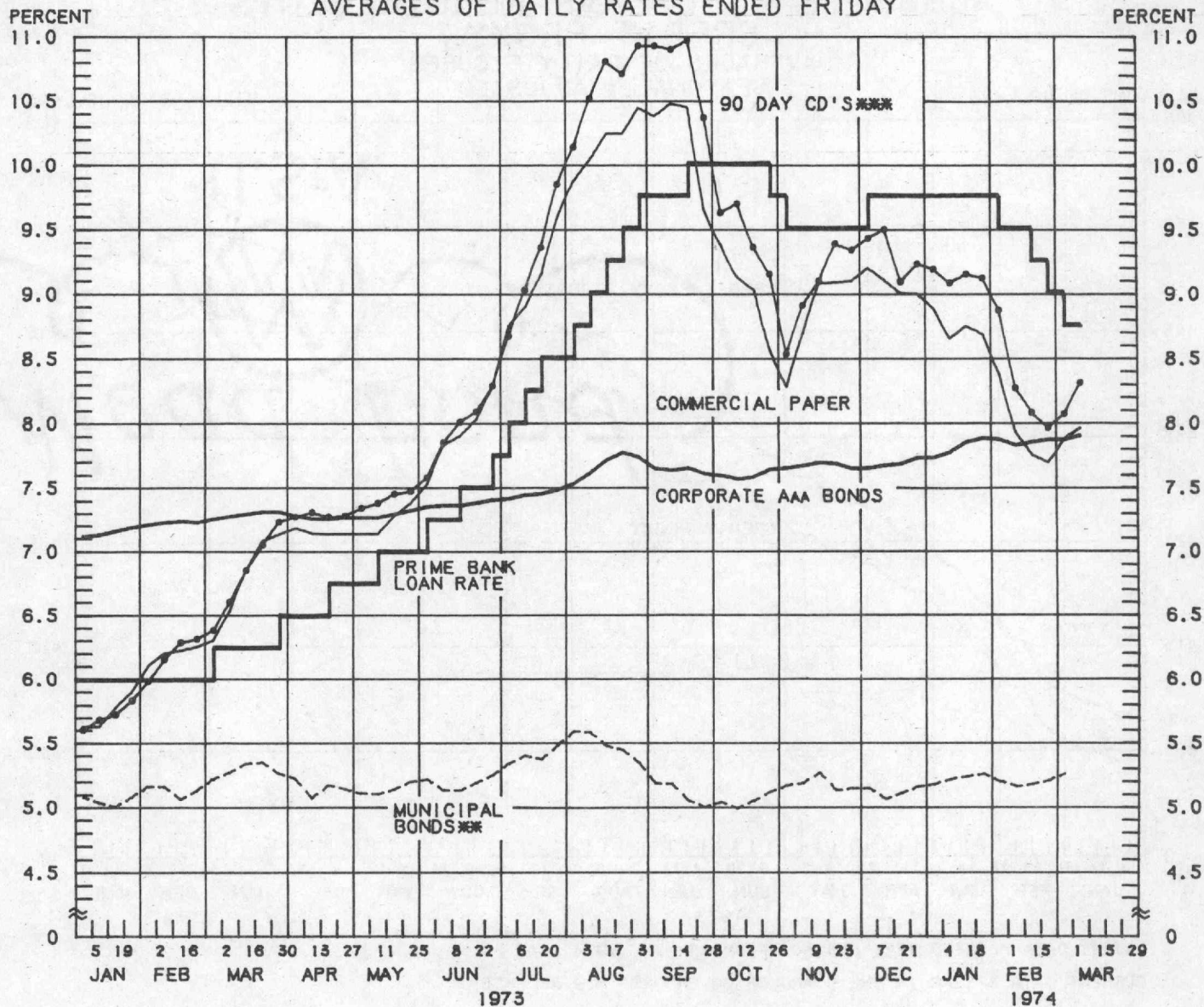
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1974		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	23	446.7	454.5
	30	446.2	454.0
FEB.	6	448.3	455.5
	13	446.7	454.5
	20	445.9	453.8
	27	447.0	454.7

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING FEBRUARY 27, 1974 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
DEC.	26, 1973	6.9	7.0
NOV.	28, 1973	6.1	6.5
OCT.	24, 1973	4.9	5.2
SEP.	26, 1973	4.7	4.8
AUG.	29, 1973	4.8	5.0
MAY	30, 1973	7.0	7.6
FEB.	28, 1973	9.3	9.9

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 8, 1974

1974	CORPORATE AAA BONDS	PRIME COMMERCIAL PAPER 4-6 MONTH	90 DAY CD'S ***	3-5 YEAR GOVERNMENT SECURITIES	MUNICIPAL BONDS ***
JAN. 4	7.73	8.88	9.19	6.83	5.18
11	7.77	8.65	9.08	6.88	5.22
18	7.85	8.75	9.15	6.94	5.24
25	7.88	8.68	9.12	7.06	5.26
FEB. 1	7.87	8.38	8.87	6.94	5.20
8	7.82	7.93	8.27	6.74	5.16
15	7.85	7.75	8.08	6.70	5.18
22	7.87	7.69	7.96	6.76	5.21
MAR. 1	7.87	7.88	8.07	6.93	5.26
8 *	7.90	7.96	8.31	7.05	N.A.
15					
22					
29					

* AVERAGES OF RATES AVAILABLE.

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

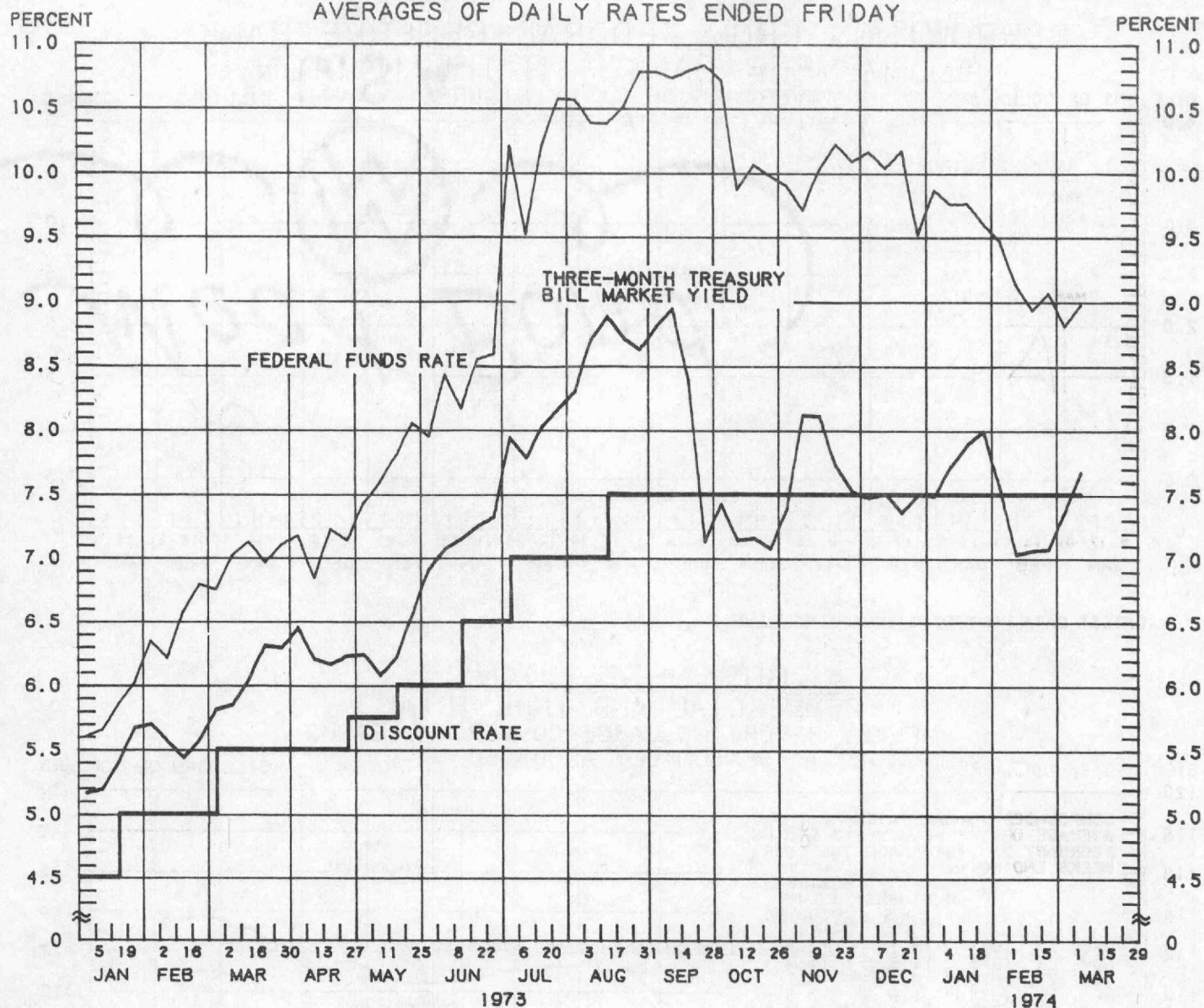
*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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 8, 1974

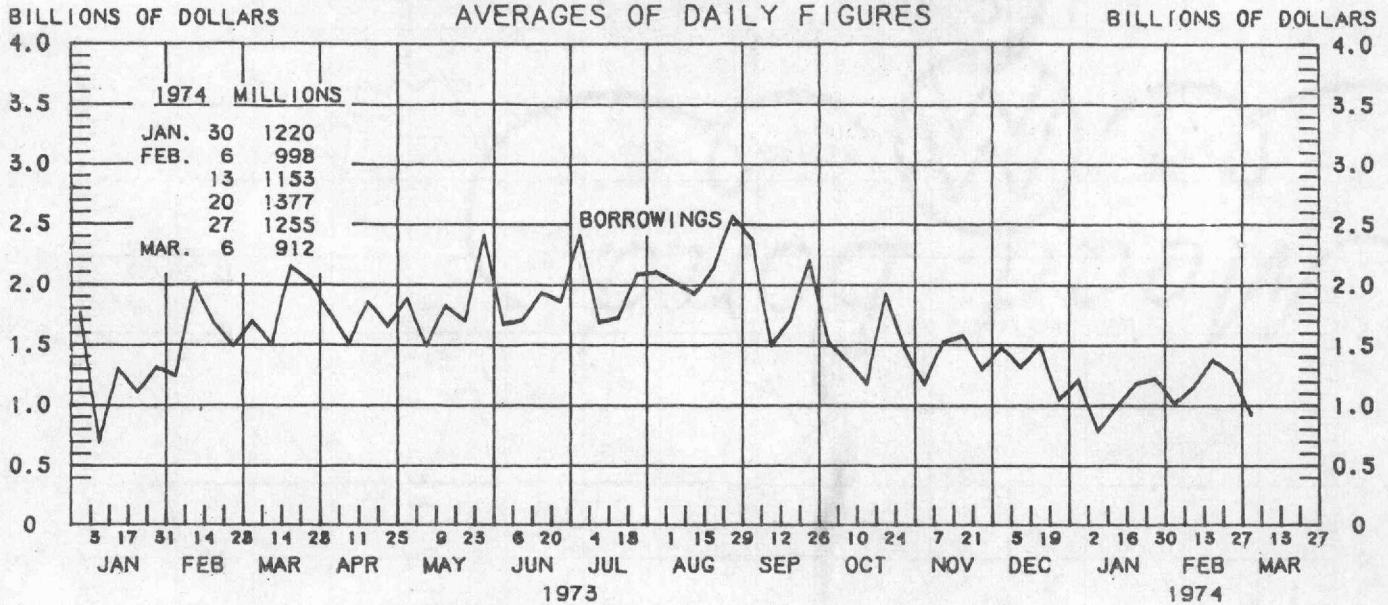
1974	3-MONTH TREASURY BILLS	FEDERAL FUNDS **	PRIME BANKERS' ACCEPTANCES
JAN. 4	7.49	9.87	8.75
11	7.72	9.76	8.75
18	7.89	9.77	8.75
25	7.99	9.60	8.75
FEB. 1	7.55	9.47	8.55
8	7.03	9.13	7.85
15	7.06	8.93	7.75
22	7.07	9.07	7.75
MAR. 1	7.36	8.81	7.85
8 *	7.67	8.98	8.00
15			
22			
29			

* AVERAGES OF RATES AVAILABLE.

** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

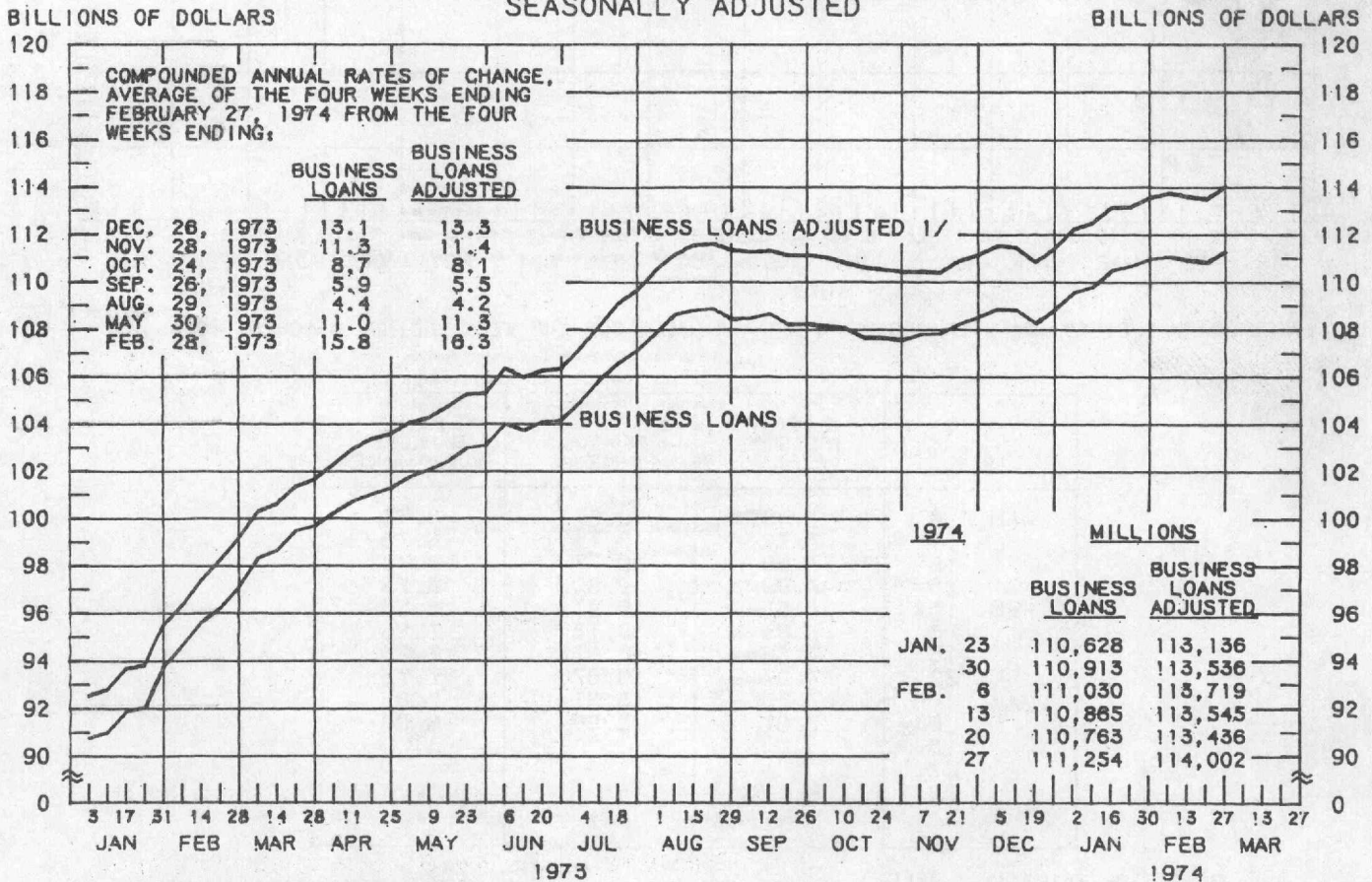
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: MARCH 6, 1974

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



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 27, 1974

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