

Week ending: April 3, 1974

Over the last year the monetary base has increased 7.3 percent, the narrowly defined money stock has risen 6.4 percent, and the money stock defined to include net time deposits has risen 9.2 percent. As shown in the following table, the growth rates of all of these major monetary aggregates have re-accelerated since mid-October, after slowing markedly for a four month period in the summer and early fall of last year.

Comparison of Growth Rates of
Monetary Aggregates

4 Weeks Ended to 4 Weeks Ended	Monetary Base	<u>M₁</u>	<u>M₂</u>
3/28/73 - 6/27/73	6.8%	11.6%	11.3%
6/27/73 - 10/24/73	5.7	0.8	6.5
10/24/73 - 3/27/74	8.9	7.8	10.2

This past week short-term interest rates continued their sharp upward movement that began late in February. Since late February, the weekly average rate on three month Treasury bills has risen about 135 basis points, the rate on prime 4-6 month commercial paper has risen about 160 basis points, and the market rate on 90-day CD's has risen about 170 basis points. The prime bank loan rate was adjusted upward another notch this week, with many major banks posting rates of 9.50 percent. This upward adjustment follows the adjustment in late March from 8.75 percent to 9 percent and reverses most of the 100 basis point decline in the prime rate which occurred from late-January through early-March.

The major proxy measures of bank credit indicate a renewed surge in the rate of credit expansion. As shown in the following table, the credit proxy adjusted (page 9) has risen at about a 9 percent rate since early December after slowing to about a 5 percent rate over the previous four months. Business loans adjusted at large commercial banks have accelerated to about a 17 percent annual rate since early December after growing at about a 3 percent rate over the previous four months.

Comparison of Growth Rates of
Credit Aggregates

4 Weeks Ended to 4 Weeks Ended	Credit Proxy ^{1/} Adjusted	Business Loans ^{2/} Adjusted
3/28/73 - 8/15/73	12.8%	26.5%
8/15/73 - 12/12/73	4.3	2.7
12/12/73 - 3/27/74	8.7	16.6

^{1/} Total member bank deposits subject to reserve requirements, plus Euro-dollar borrowings, bank-related commercial paper, and certain other nondeposit items.

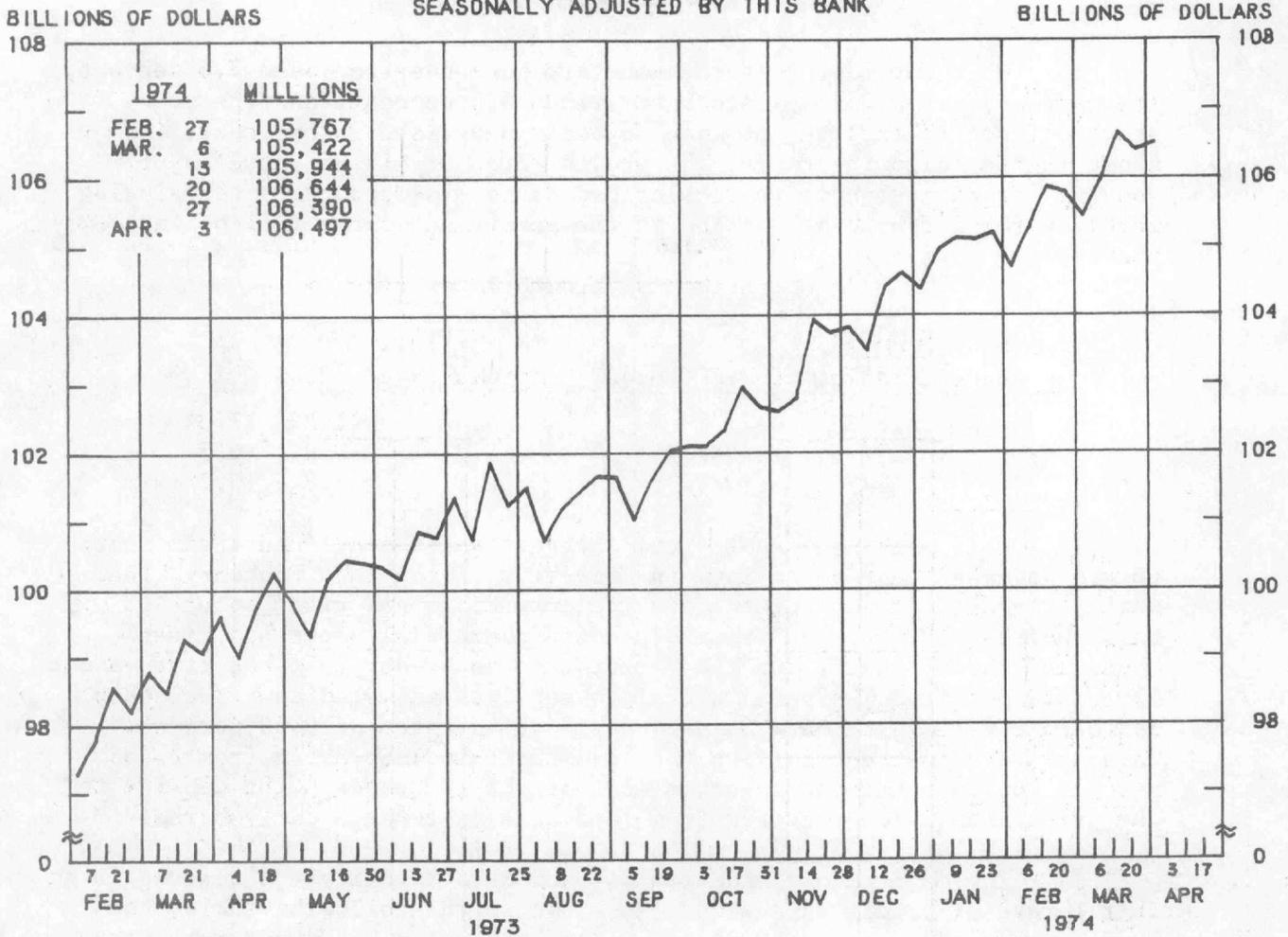
^{2/} Weekly reporting large commercial banks, commercial and industrial loans plus commercial and industrial loans sold outright to own subsidiaries, foreign branches, holding companies, and other affiliates.

Prepared by Federal Reserve Bank of St. Louis

Released: April 5, 1974

MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: APRIL 3, 1974

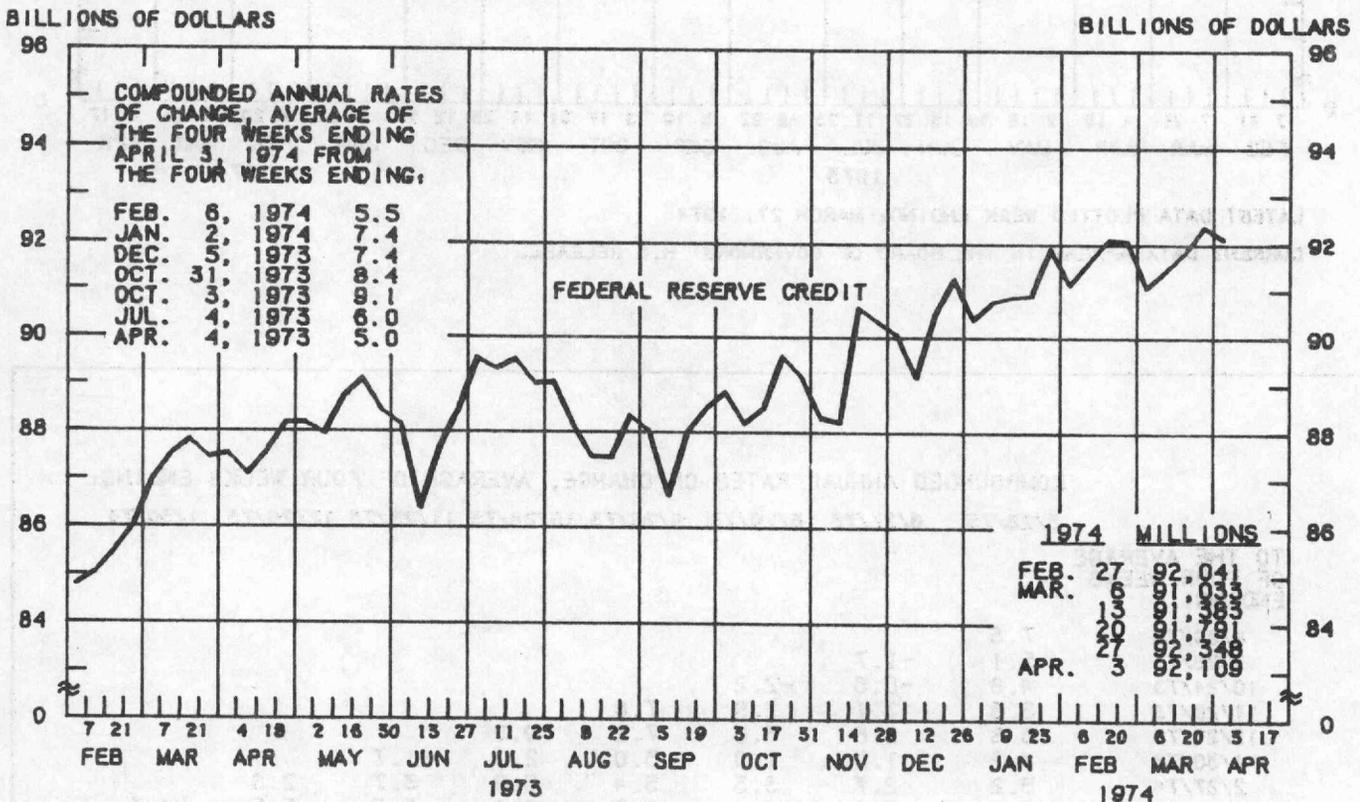
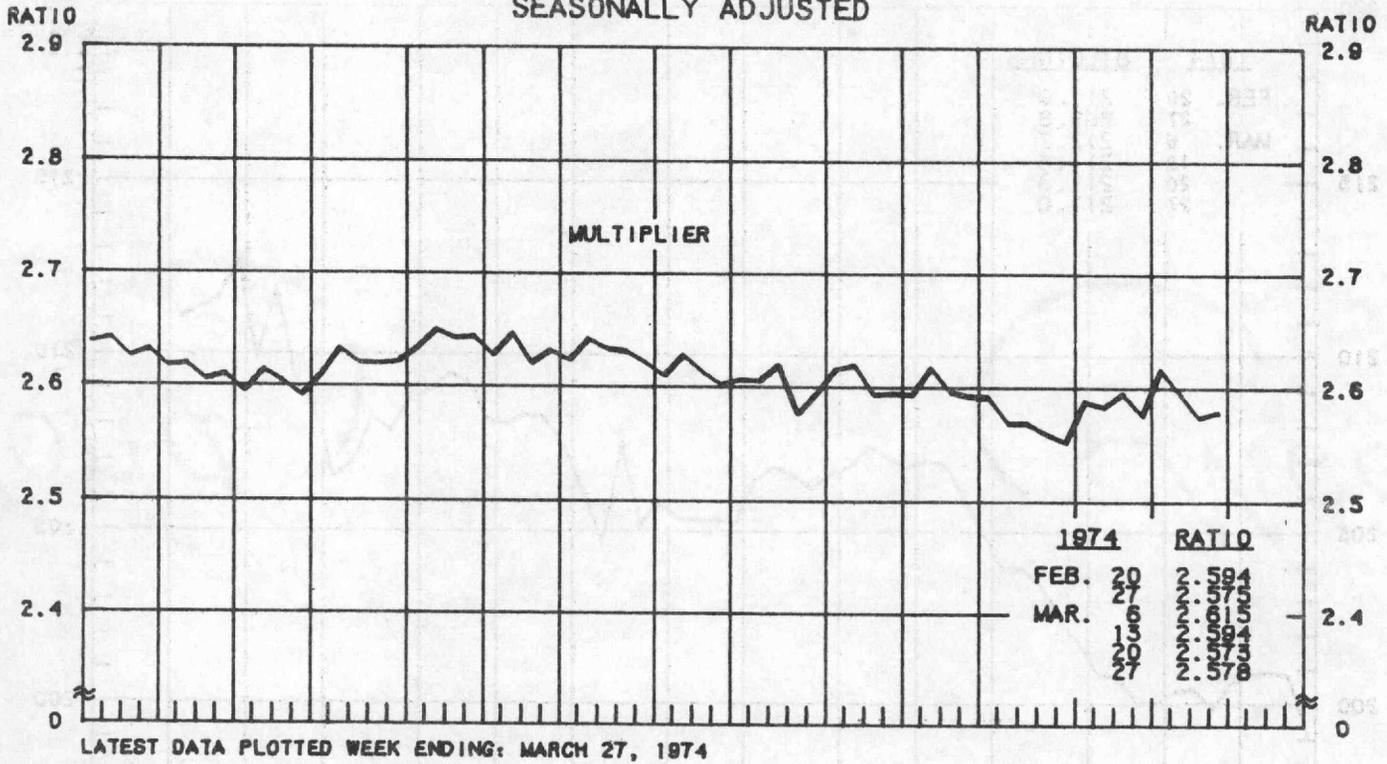
USES OF MONETARY BASE ARE MEMBER BANK RESERVES AND CURRENCY HELD BY THE PUBLIC AND NONMEMBER BANKS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND SHIFTS IN DEPOSITS. FOR A DESCRIPTION OF THE BASE SEE THE AUGUST 1968 "REVIEW" OF THIS BANK.

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

	4/4/73	7/4/73	9/5/73	10/3/73	10/31/73	12/5/73	1/2/74	2/6/74
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 5/73	5.8							
10/ 3/73	5.3	3.7						
10/31/73	6.0	5.3	6.7					
12/ 5/73	6.8	6.7	8.5	11.1				
1/ 2/74	6.9	6.9	8.5	10.3	10.1			
2/ 6/74	7.1	7.2	8.5	9.8	9.5	8.5		
3/ 6/74	7.1	7.2	8.3	9.3	8.9	8.0	7.8	
4/ 3/74	7.3	7.5	8.5	9.4	9.2	8.5	8.5	8.6

MULTIPLIER FEDERAL RESERVE CREDIT 2/

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 3, 1974

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

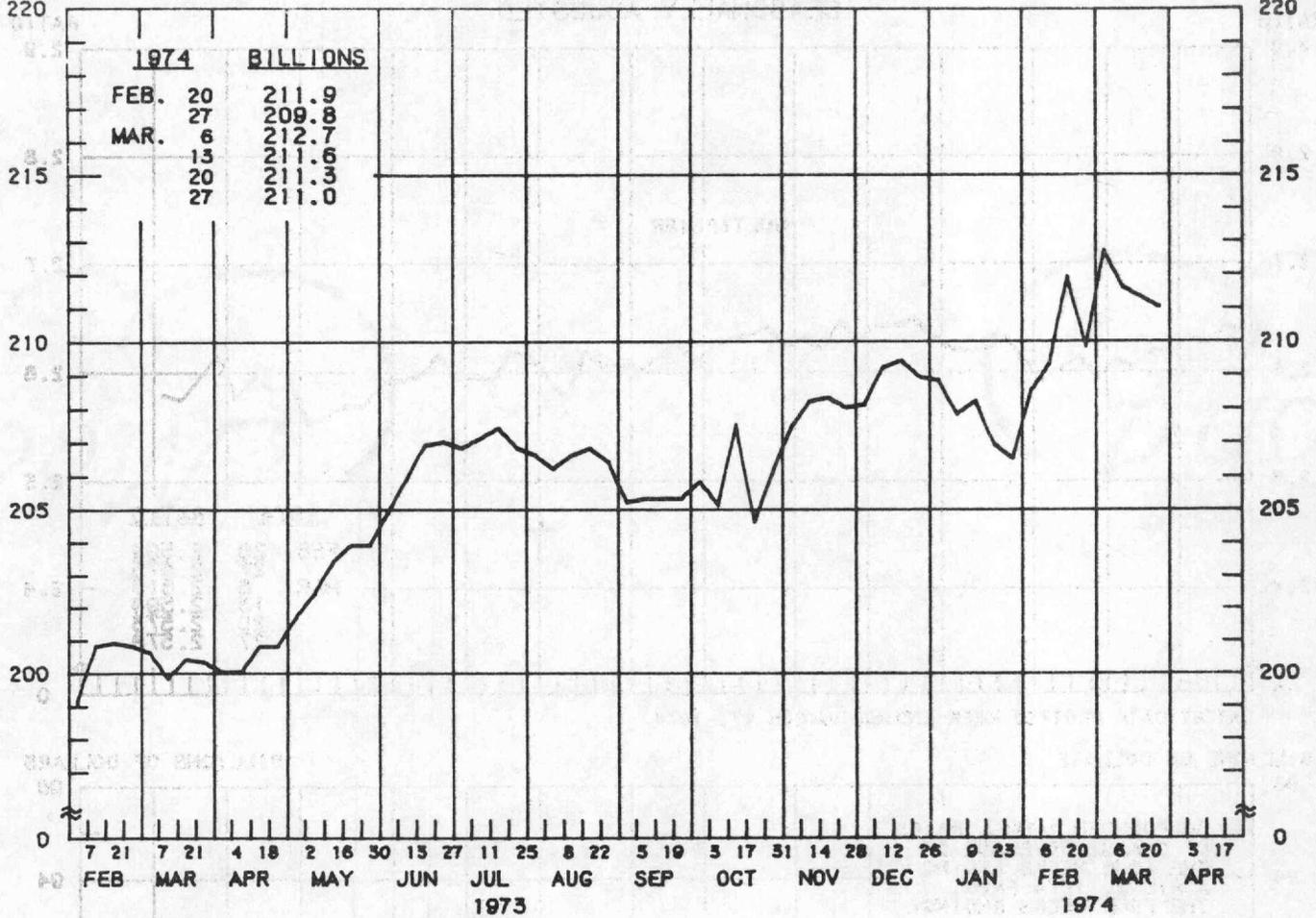
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



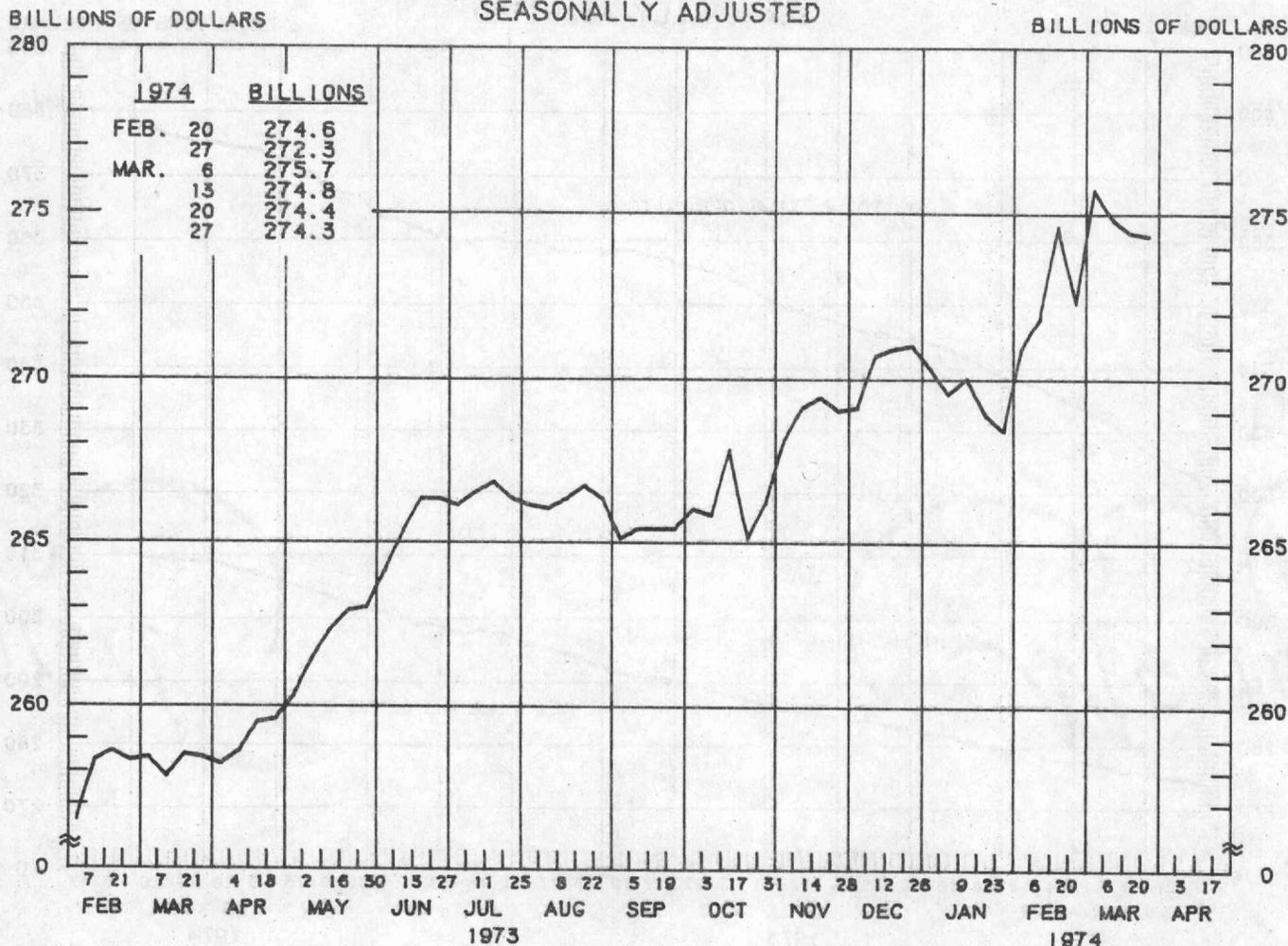
LATEST DATA PLOTTED WEEK ENDING: MARCH 27, 1974

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

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	3/28/73	6/27/73	8/29/73	9/26/73	10/24/73	11/28/73	12/26/73	1/30/74	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
8/29/73	7.5								
9/26/73	5.1	-1.7							
10/24/73	4.8	-0.6	-2.2						
11/28/73	5.8	2.1	2.9	7.8					
12/26/73	5.8	2.6	3.6	7.2	9.0				
1/30/74	4.2	1.0	1.0	3.0	2.9	-1.7			
2/27/74	5.2	2.7	3.3	5.4	5.9	3.7	2.8		
3/27/74	5.7	3.6	4.4	6.3	6.9	5.5	5.5	14.3	

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 27, 1974
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

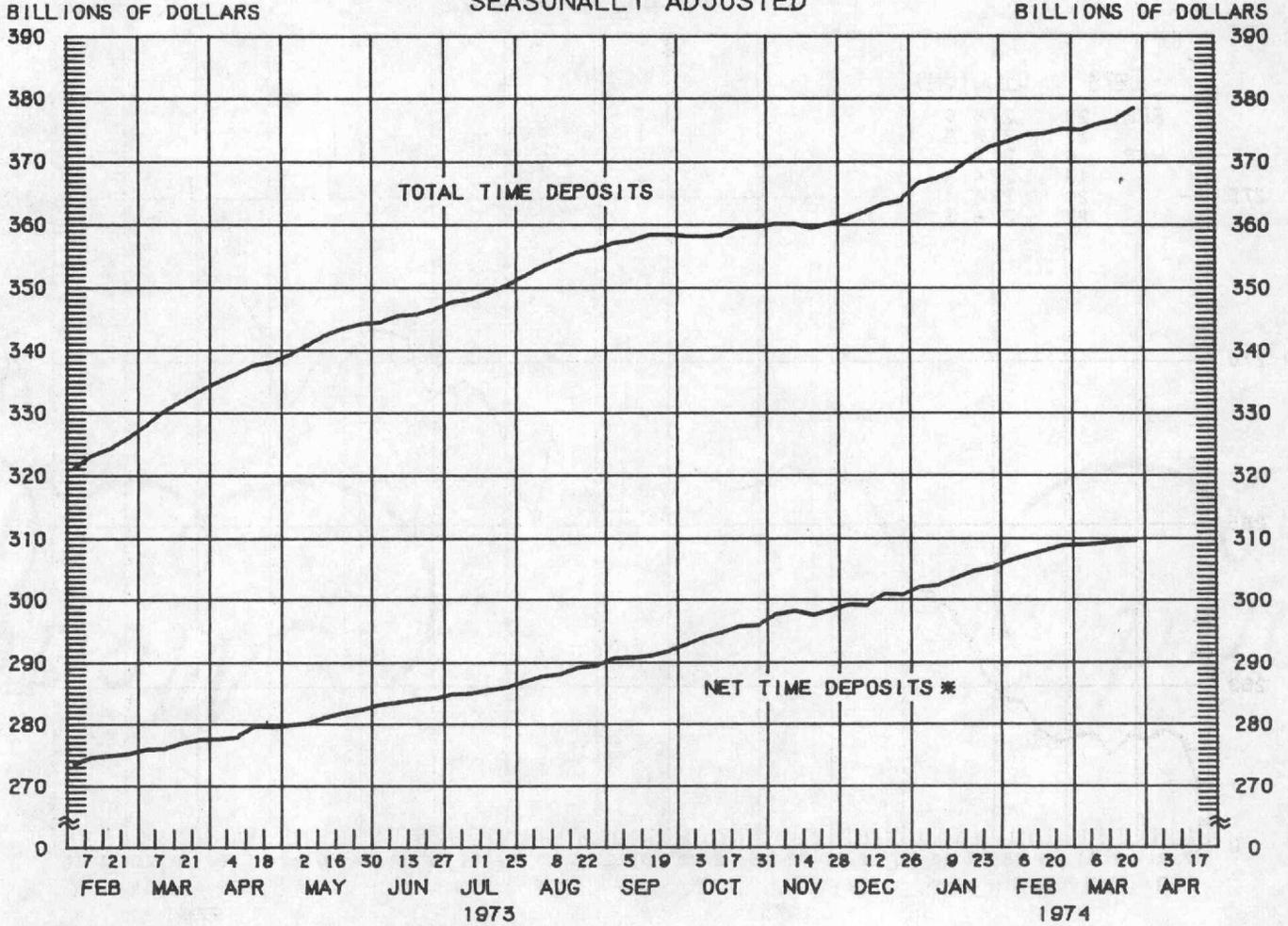
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
3/28/73 6/27/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73 1/30/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/29/73	7.5								
9/26/73	5.5	-0.3							
10/24/73	5.4	0.8	-0.2						
11/28/73	6.2	3.1	4.0	8.1					
12/26/73	6.3	3.7	4.8	7.9	9.5				
1/30/74	5.0	2.3	2.6	4.3	4.3	0.6			
2/27/74	5.9	3.9	4.6	6.4	6.9	5.3	4.3		
3/27/74	6.4	4.7	5.6	7.3	7.8	6.9	6.7	14.3	

TIME DEPOSITS ALL COMMERCIAL BANKS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 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:

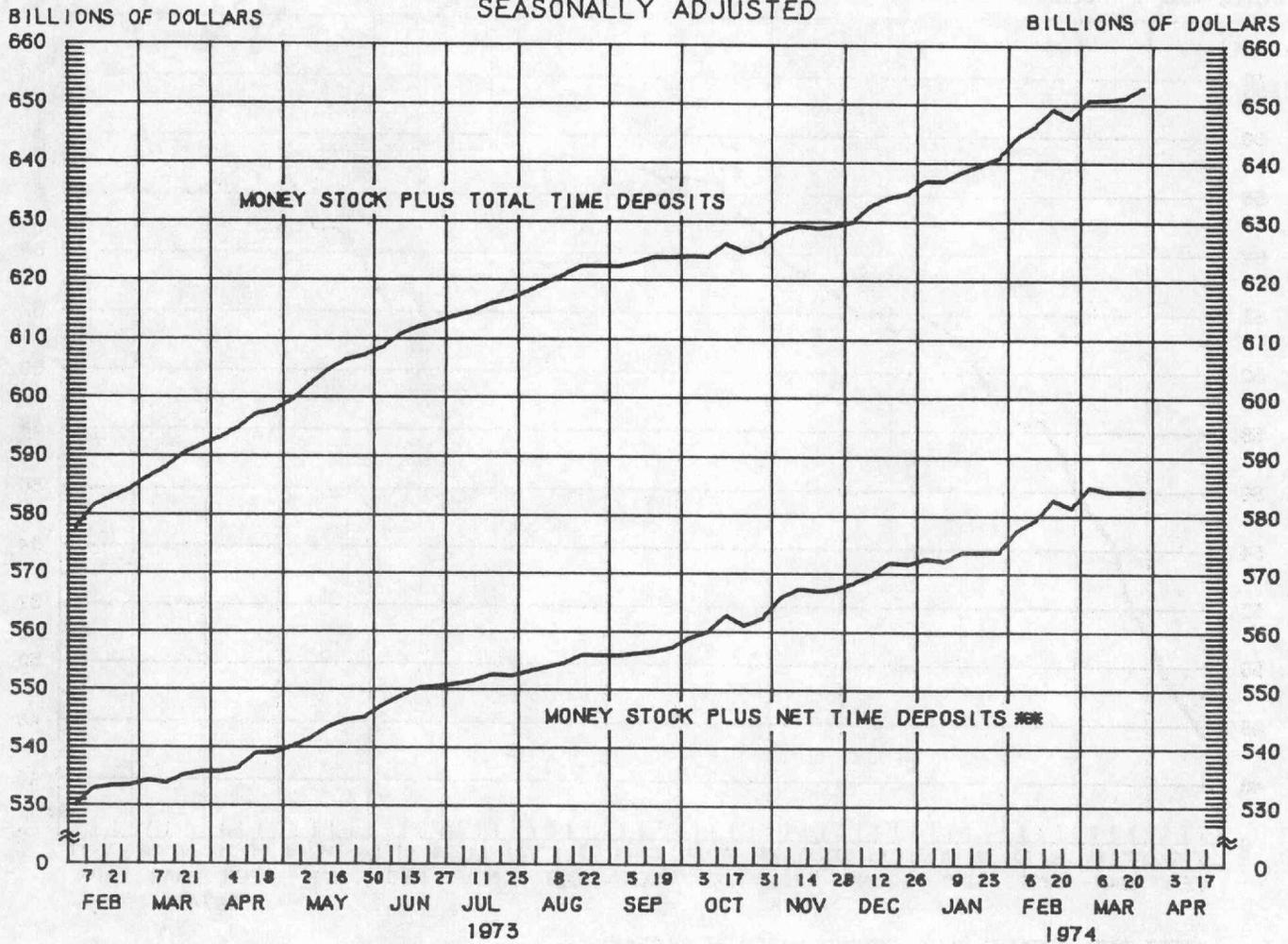
3/28/73 6/27/73 8/29/73 9/26/73 10/24/73 11/28/73 12/26/73 1/30/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/29/73	10.7							
9/26/73	10.8	10.7						
10/24/73	11.5	12.0	13.8					
11/28/73	11.7	12.1	13.4	14.3				
12/26/73	11.4	11.7	12.5	12.8	11.3			
1/30/74	11.9	12.4	13.2	13.6	12.8	12.9		
2/27/74	12.2	12.8	13.6	14.0	13.5	13.8	15.8	
3/27/74	11.9	12.2	12.8	13.0	12.4	12.3	13.1	11.7

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 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).

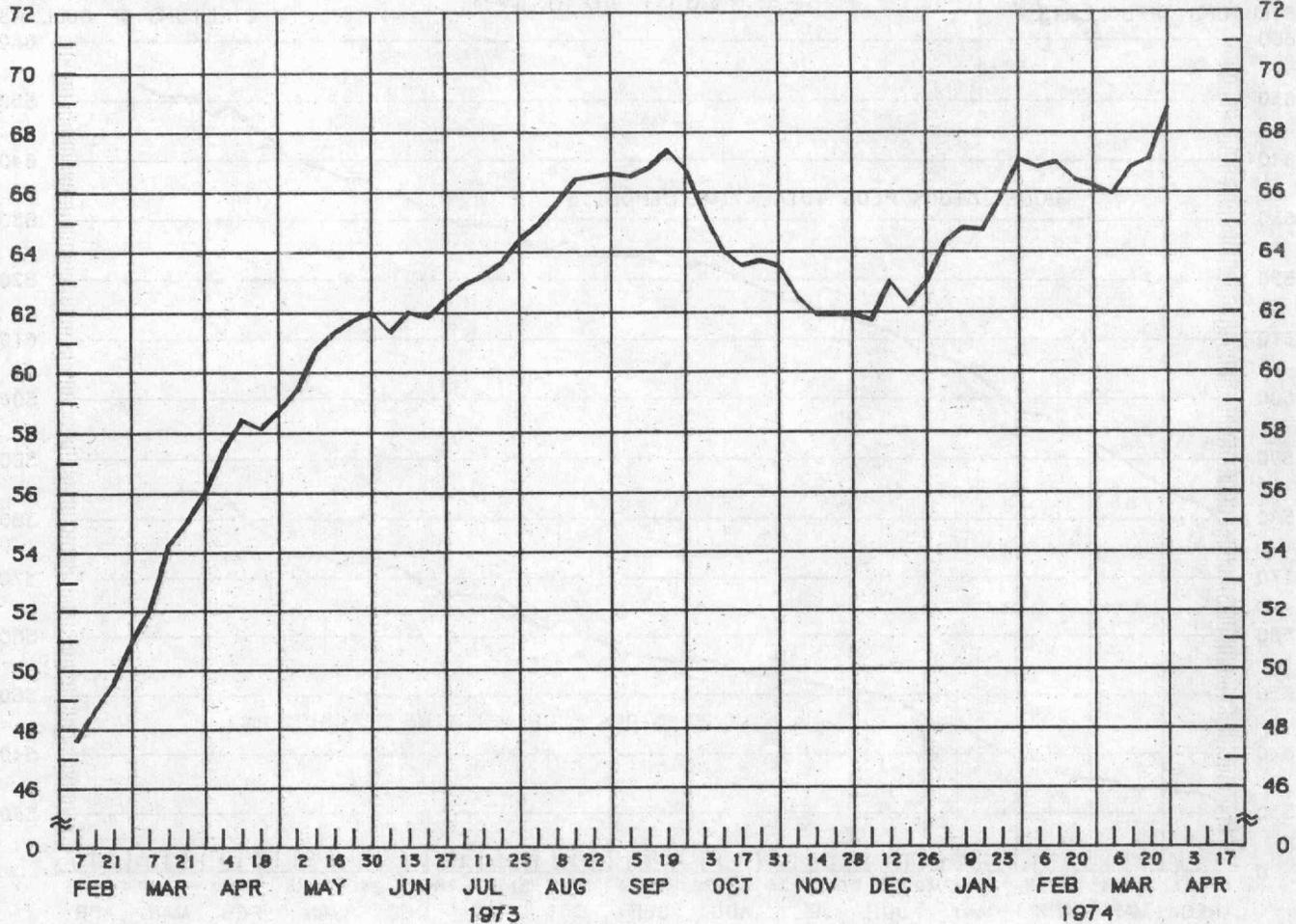
MONEY STOCK PLUS NET TIME DEPOSITS (M ₂)									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	3/28/73	6/27/73	8/29/73	9/26/73	10/24/73	11/28/73	12/26/73	1/30/74	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
8/29/73	9.2								
9/26/73	8.2	5.3							
10/24/73	8.5	6.5	6.9						
11/28/73	9.0	7.7	8.8	11.3					
12/26/73	9.0	7.8	8.7	10.5	10.4				
1/30/74	8.6	7.5	8.0	9.1	8.7	6.9			
2/27/74	9.2	8.5	9.3	10.4	10.4	9.8	10.3		
3/27/74	9.2	8.6	9.3	10.2	10.2	9.7	10.0	12.9	

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 27, 1974.

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

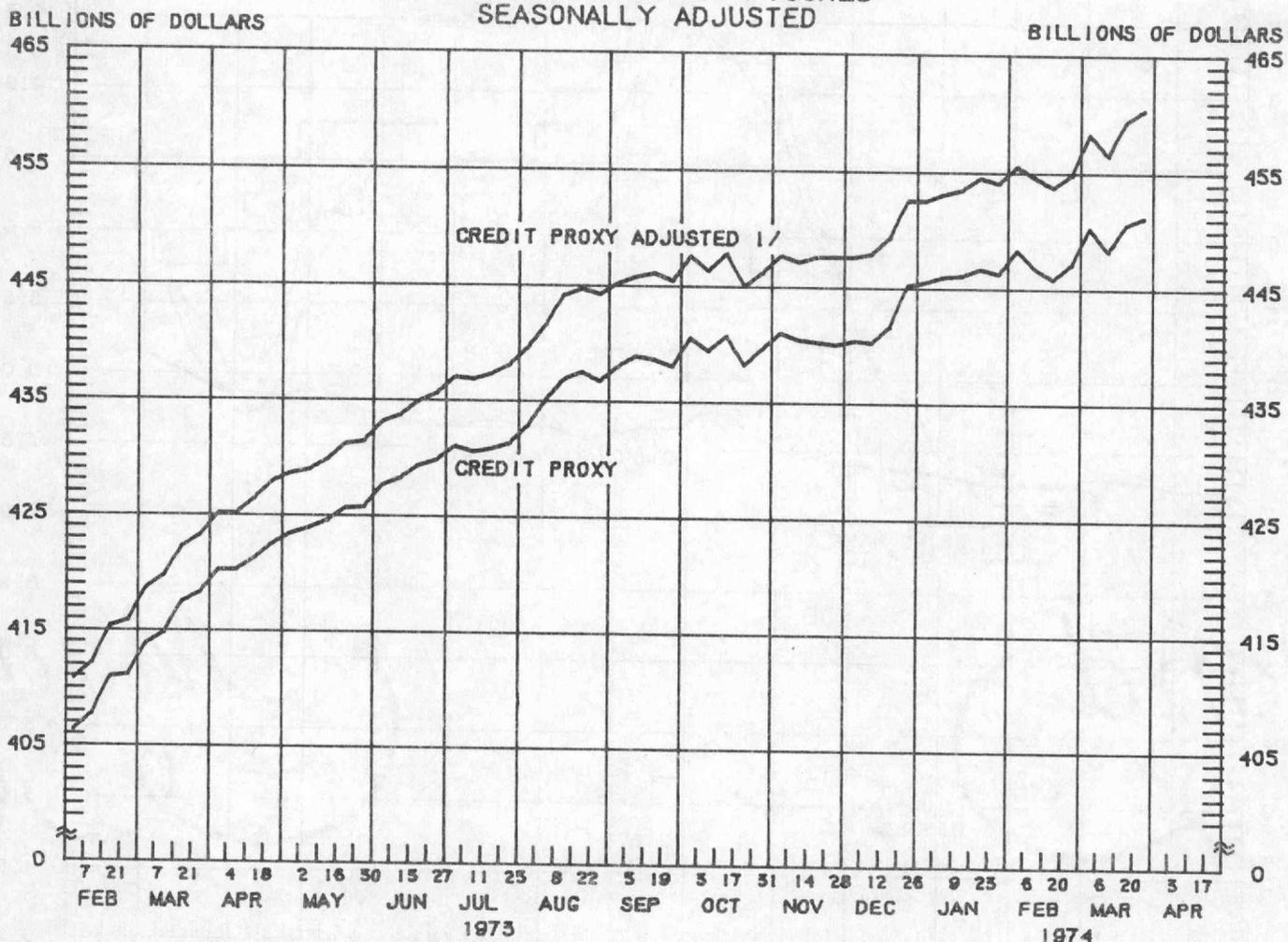
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA			
1974	BILLIONS		
	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 ***
FEB. 6	66.8	306.4	577.3
13	67.0	307.2	579.1
20	66.4	308.0	582.6
27	66.2	308.8	581.2
MAR. 6	65.9	308.9	584.7
13	66.8	309.1	583.9
20	67.1	309.5	583.9
27	68.8	309.6	583.9
APR. 3			
10			
17			
24			

* 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 27, 1974

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

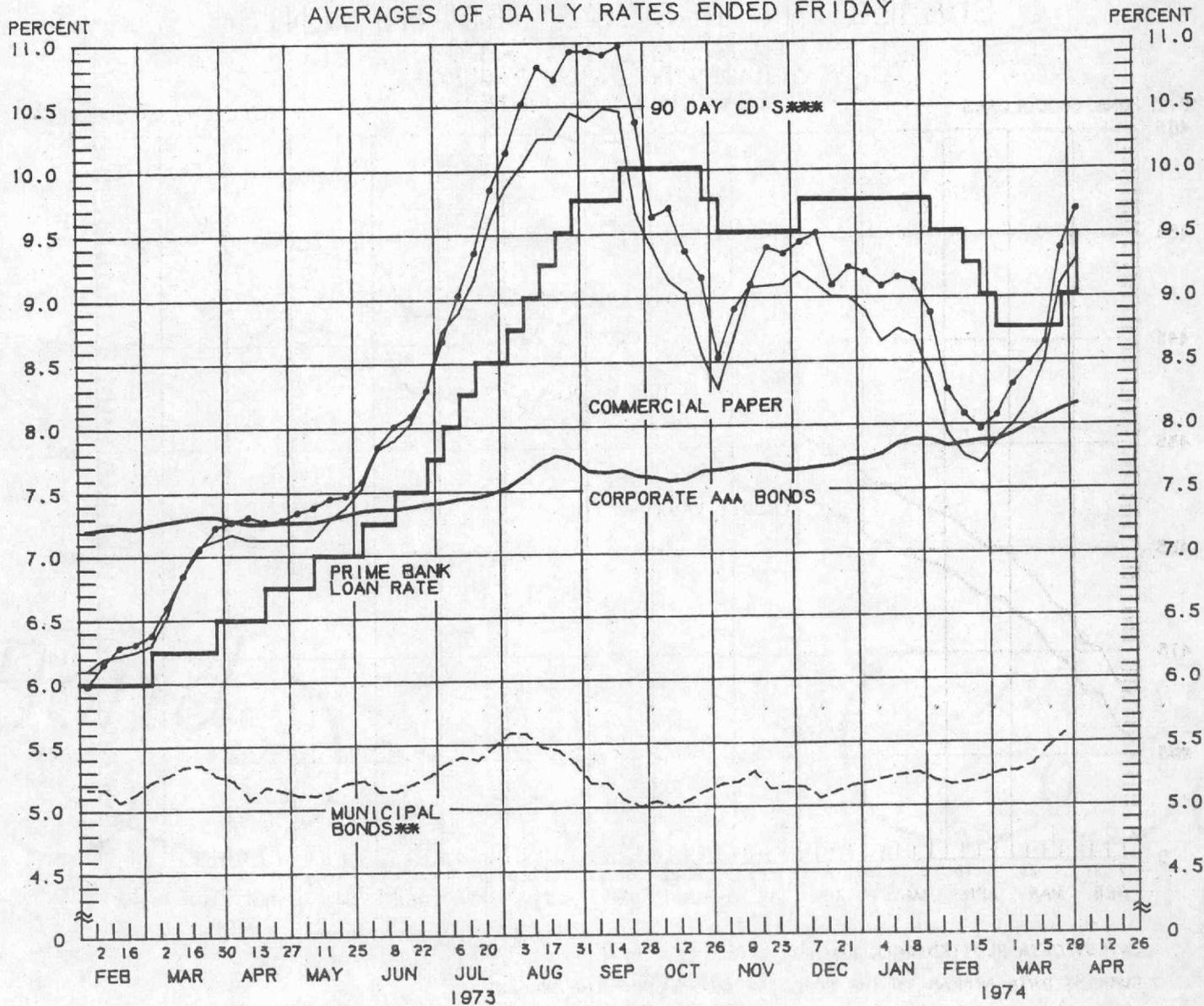
1/ INCLUDES MEMBER BANK DEPOSITS, BANK-RELATED COMMERCIAL PAPER, EURODOLLAR BORROWINGS OF U.S. BANKS, AND CERTAIN OTHER NONDEPOSIT SOURCES.

1974		BILLIONS	
		CREDIT PROXY	CREDIT PROXY ADJUSTED
FEB.	20	445.8	453.7
	27	447.1	454.8
MAR.	6	450.2	458.2
	13	448.2	456.4
	20	450.5	459.3
	27	451.1	460.3

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING MARCH 27, 1974 FROM THE FOUR WEEKS ENDING:			
		CREDIT PROXY	CREDIT PROXY ADJUSTED
JAN.	30, 1974	5.5	7.1
DEC.	26, 1973	7.5	8.5
NOV.	28, 1973	6.8	7.8
OCT.	24, 1973	5.6	6.4
SEP.	26, 1973	5.4	5.9
JUN.	27, 1973	6.7	7.5
MAR.	28, 1973	8.2	9.0

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 5, 1974

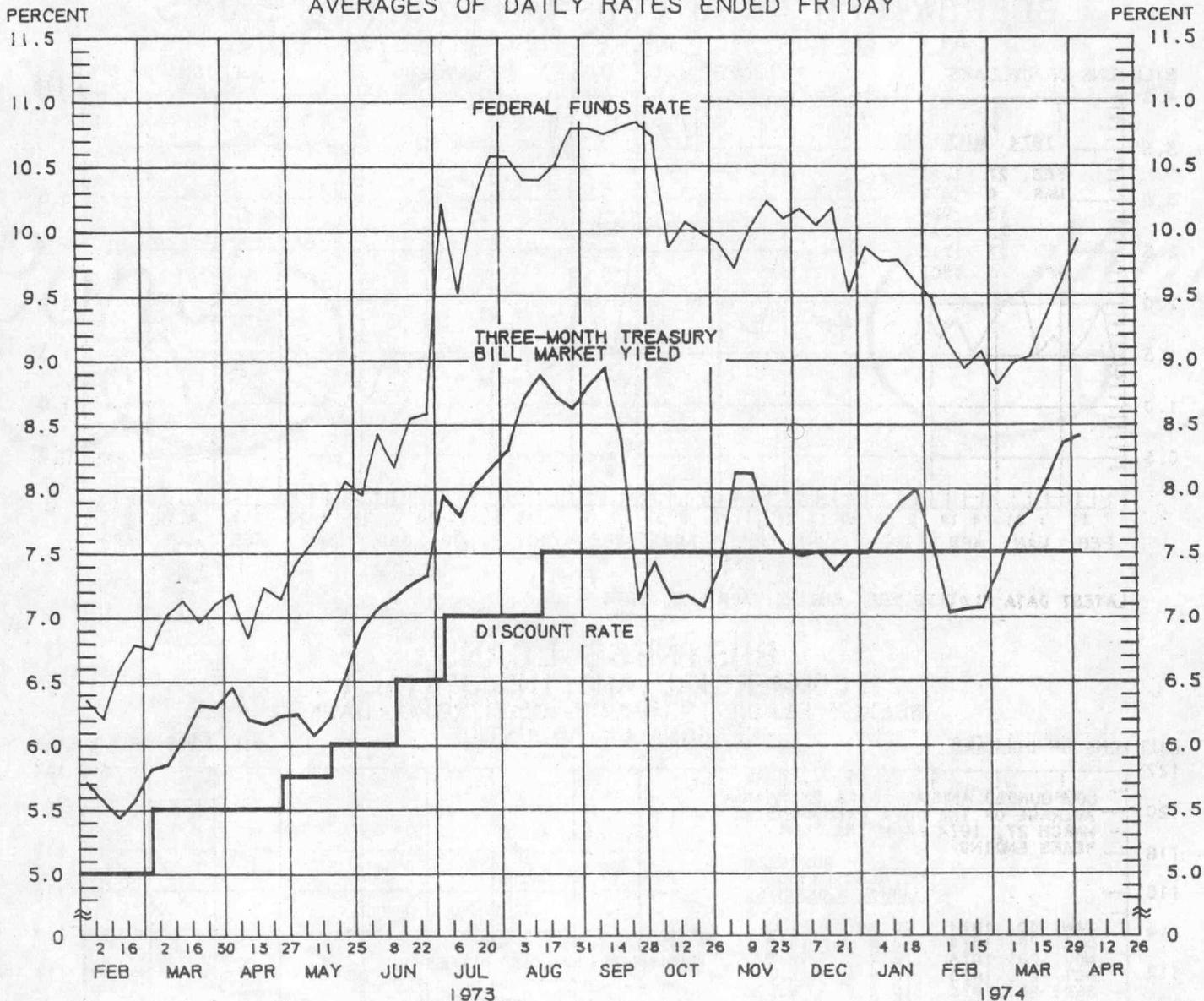
1974	90 DAY CD'S ***	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS ***
FEB. 1	8.87	8.38	8.55	7.87	5.20
8	8.27	7.93	7.85	7.82	5.16
15	8.08	7.75	7.75	7.85	5.18
22	7.96	7.69	7.75	7.87	5.21
MAR. 1	8.07	7.88	7.85	7.87	5.26
8	8.31	8.00	8.00	7.92	5.27
15	8.47	8.18	8.10	7.99	5.32
22	8.64	8.50	8.60	8.05	5.46
29	9.38	9.10	9.10	8.11	5.57
APR. 5 *	9.68	9.29	9.25	8.16	N.A.
12					
19					
26					

* 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

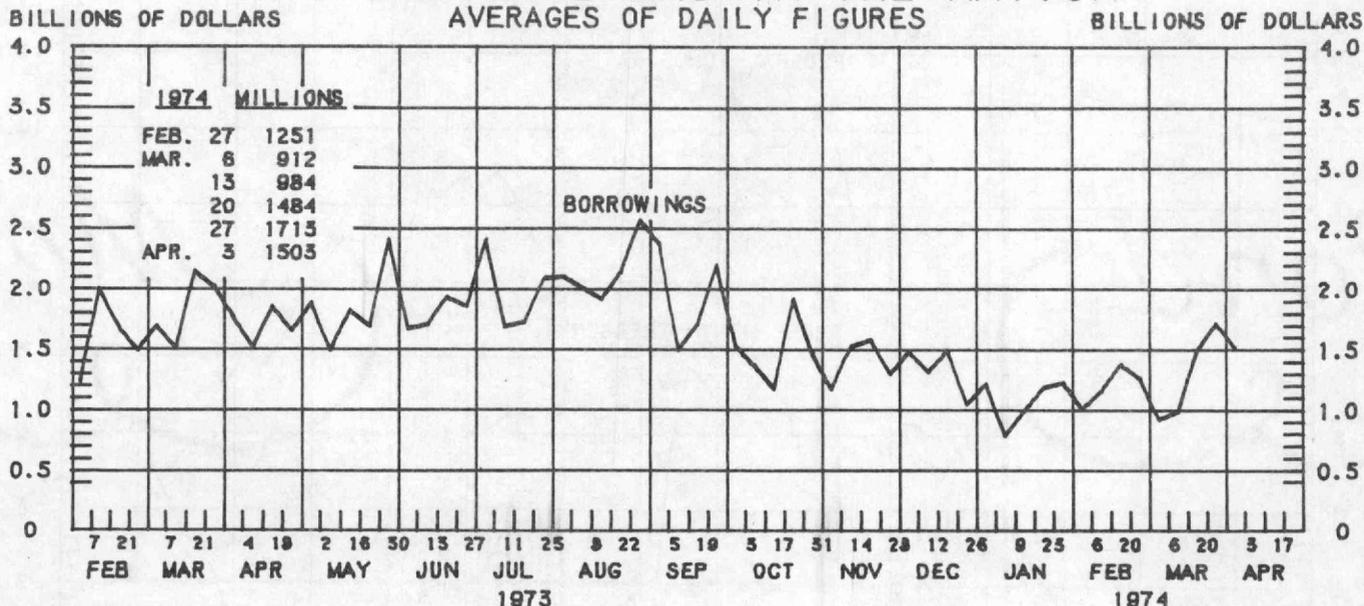


LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 5, 1974

1974	FEDERAL FUNDS **	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
FEB. 1	9.47	7.55	6.94	6.55
8	9.13	7.03	6.74	6.50
15	8.93	7.06	6.70	6.50
22	9.07	7.07	6.76	6.56
MAR. 1	8.81	7.36	6.93	6.62
8	8.98	7.71	7.06	6.71
15	9.03	7.82	7.16	6.75
22	9.33	8.06	7.48	6.88
29	9.61	8.35	7.69	6.93
APR. 5 *	9.93	8.41	7.78	6.97
12				
19				
26				

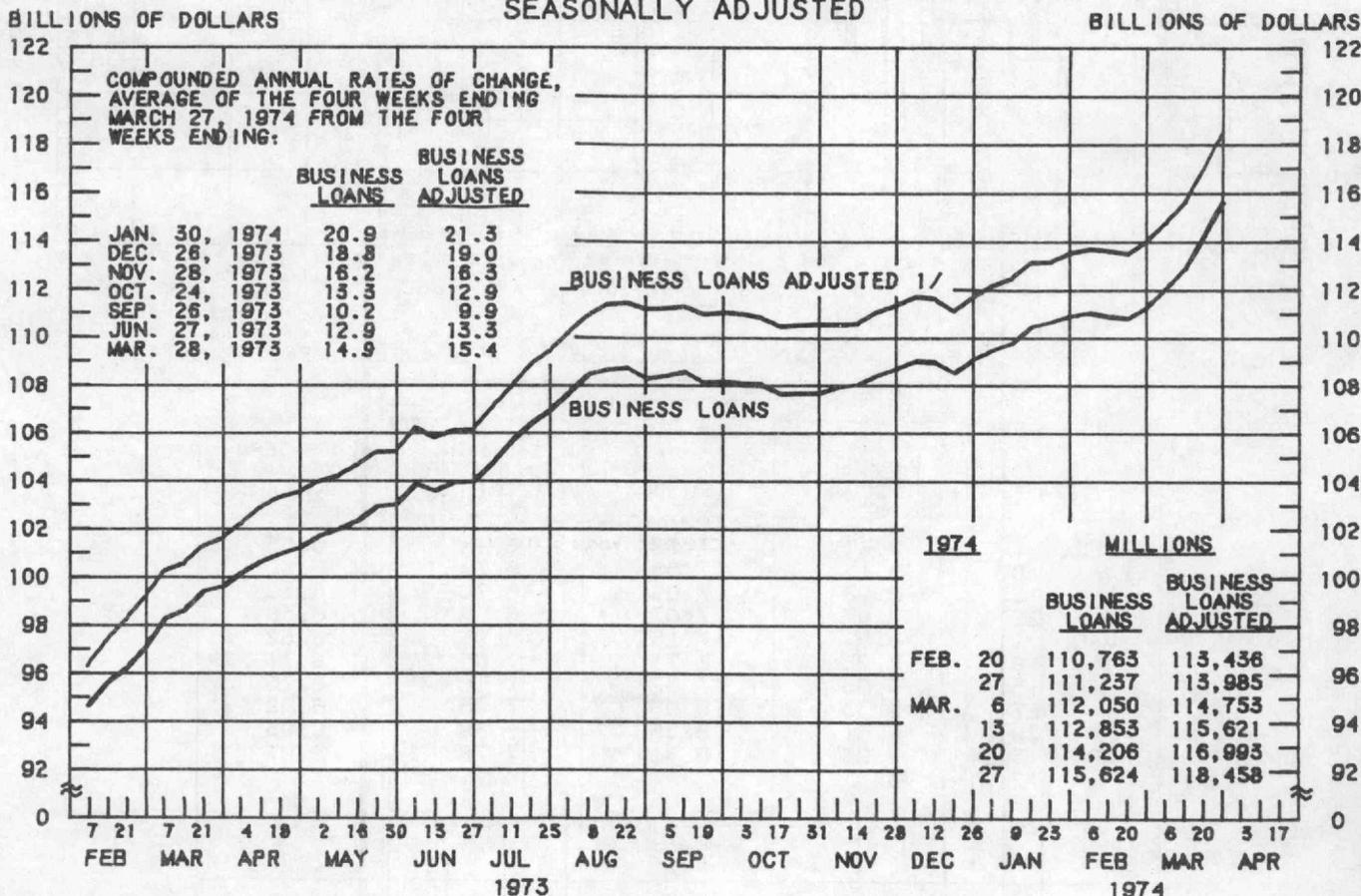
* AVERAGES OF RATES AVAILABLE.
 ** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: APRIL 3, 1974

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 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