



Week ending: August 14, 1974

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The money stock has increased at a 4.4 percent annual rate in the past three months, considerably slower than the 8.6 percent rate of increase in the previous six months. Growth of the monetary base has also slowed in the past three months, to a 5 percent rate of increase from a 10 percent rate in the previous six months. Over the last nine months, the monetary base has increased at an 8 percent rate and the money stock has increased at a 7 percent rate.

Growth of the monetary base is the primary determinant of growth of the money stock, and growth rates of these two aggregates are usually similar, especially over periods of considerable duration. Since early 1970 the monetary base has increased at a 7.6 percent average annual rate and the money stock at a 6.8 percent rate.

One reason the money stock has risen at a slower rate than the monetary base is that time deposits have risen at a rapid rate, absorbing reserves. Total time deposits at commercial banks have risen at a 16.5 percent annual rate in the past three months, only slightly slower than the 17.4 percent rate of increase over the previous six months. Since early 1970 growth of time deposits has averaged an 18 percent annual rate.

In the past month there have been diverse movements among market interest rates. Some rates, including yields on prime four- to six-month commercial paper and on intermediate and long-term Government securities, fell slightly in the last two weeks of July and then moved upward again in the past two weeks. In recent days yields on prime four- to six-month commercial paper averaged 11.59 percent. Yields on corporate Aaa bonds have continued to rise in the past month, averaging 8.97 in the first part of this week. This highest grade corporate yield has been on an upward path for nearly all of the period since late 1972, climbing from an average level of 7.08 percent in December of that year.

Prepared by Federal Reserve Bank of St. Louis

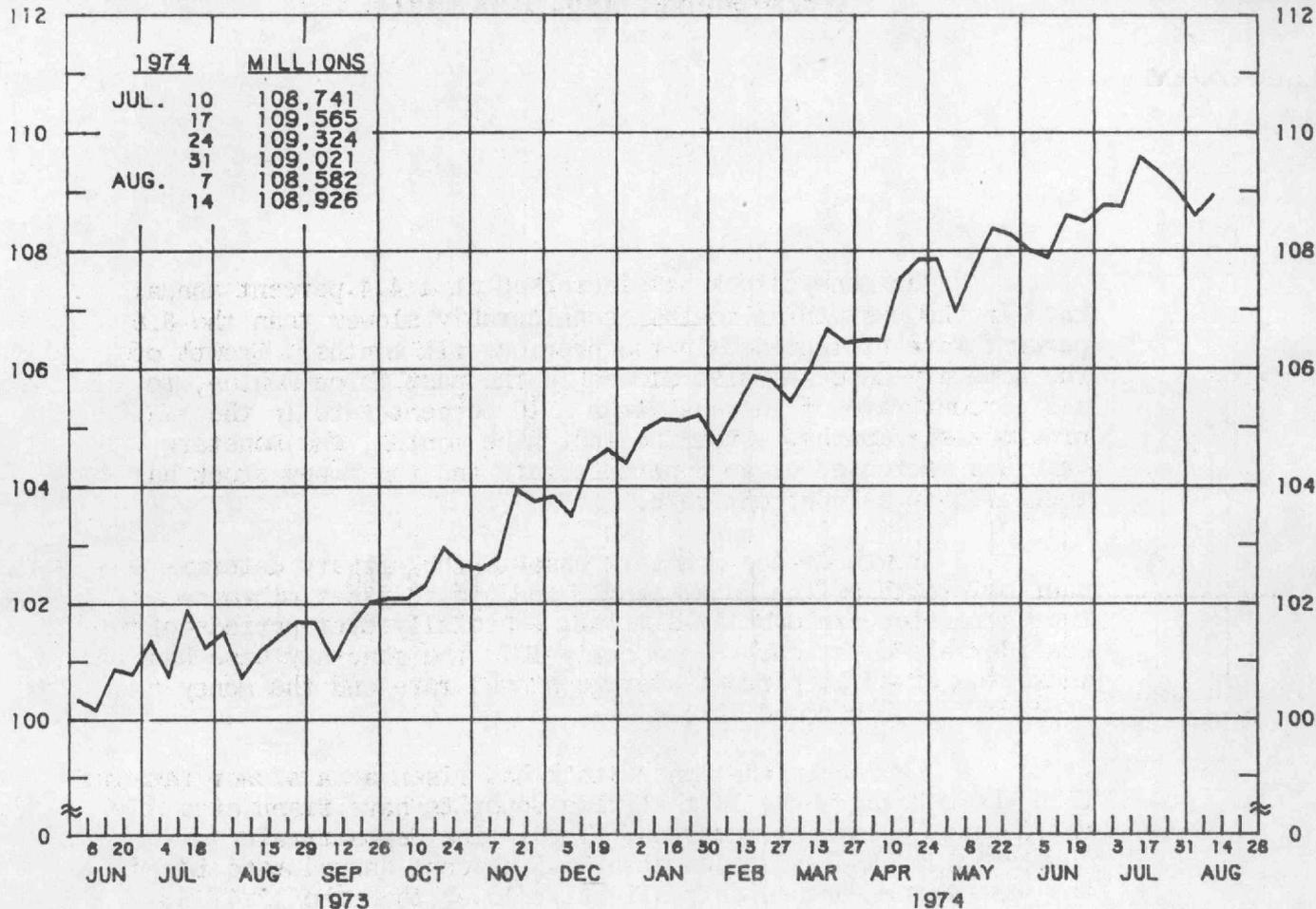
Released: August 16, 1974

MONETARY BASE

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 14, 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.

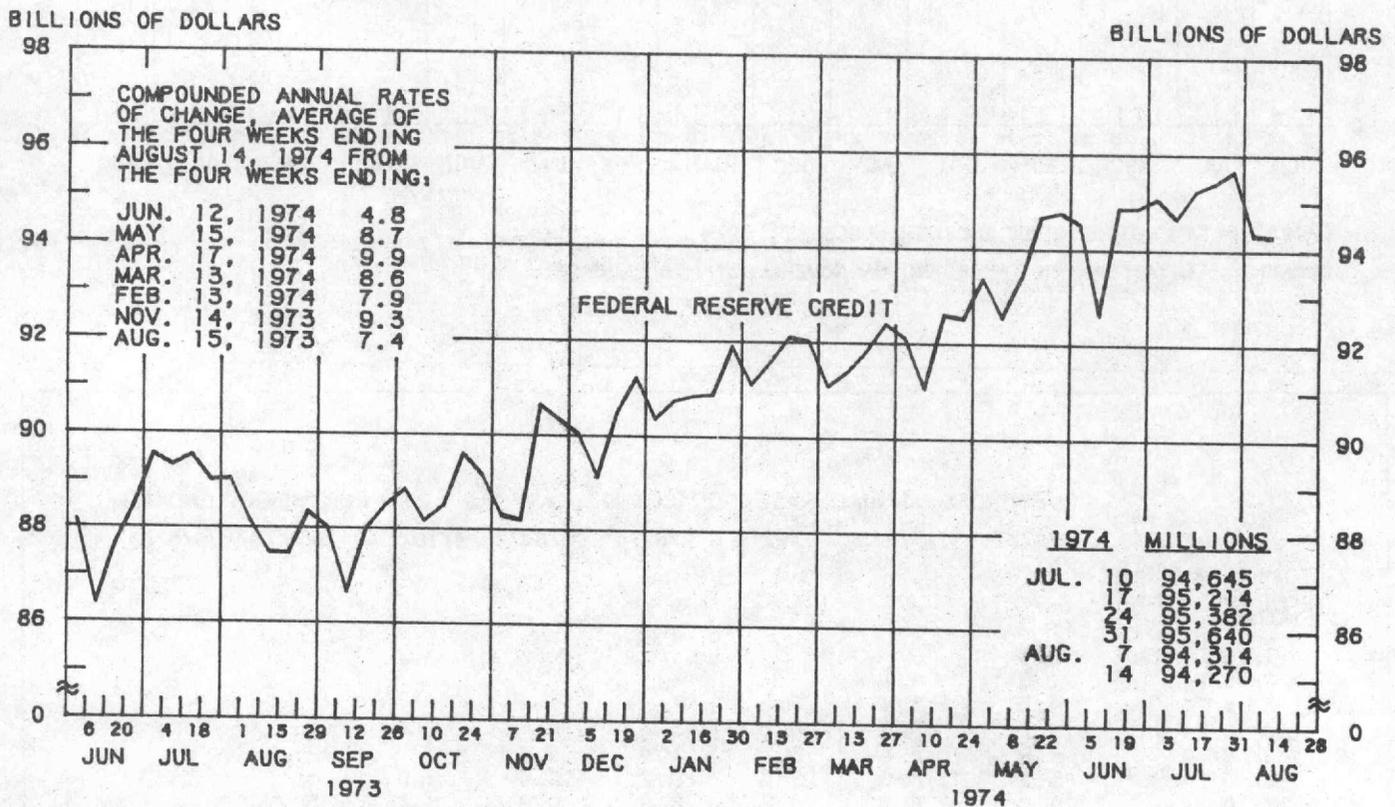
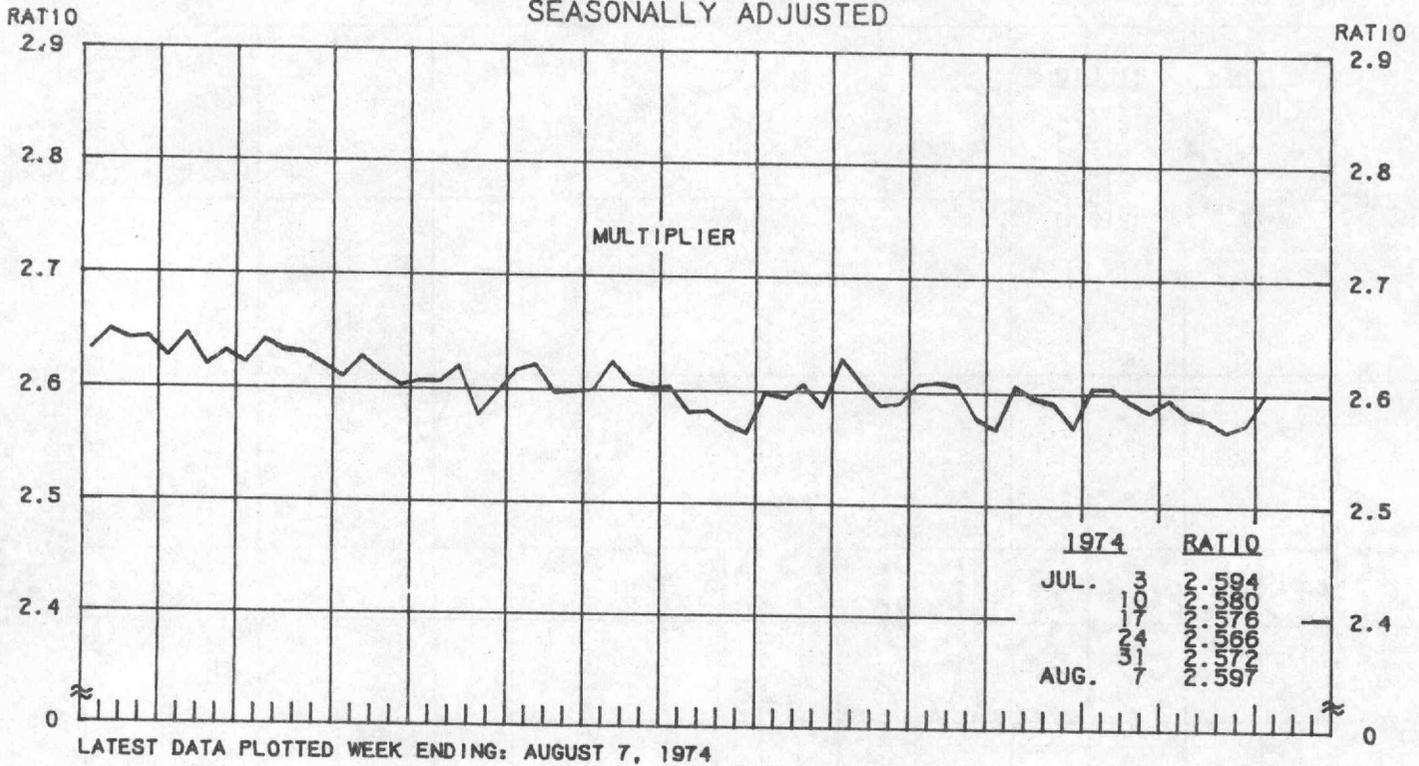
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

8/15/73 11/14/73 1/16/74 2/13/74 3/13/74 4/17/74 5/15/74 6/12/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

1/16/74	8.7							
2/13/74	7.9	9.4						
3/13/74	8.0	9.2	6.2					
4/17/74	8.3	9.4	7.7	9.5				
5/15/74	8.6	9.7	8.5	10.0	10.5			
6/12/74	8.4	9.3	8.1	9.2	9.3	8.8		
7/17/74	8.3	9.0	8.0	8.8	8.8	8.4	7.2	
8/14/74	7.7	8.2	7.0	7.6	7.3	6.6	5.2	4.6

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



LATEST DATA PLOTTED WEEK ENDING: AUGUST 14, 1974

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

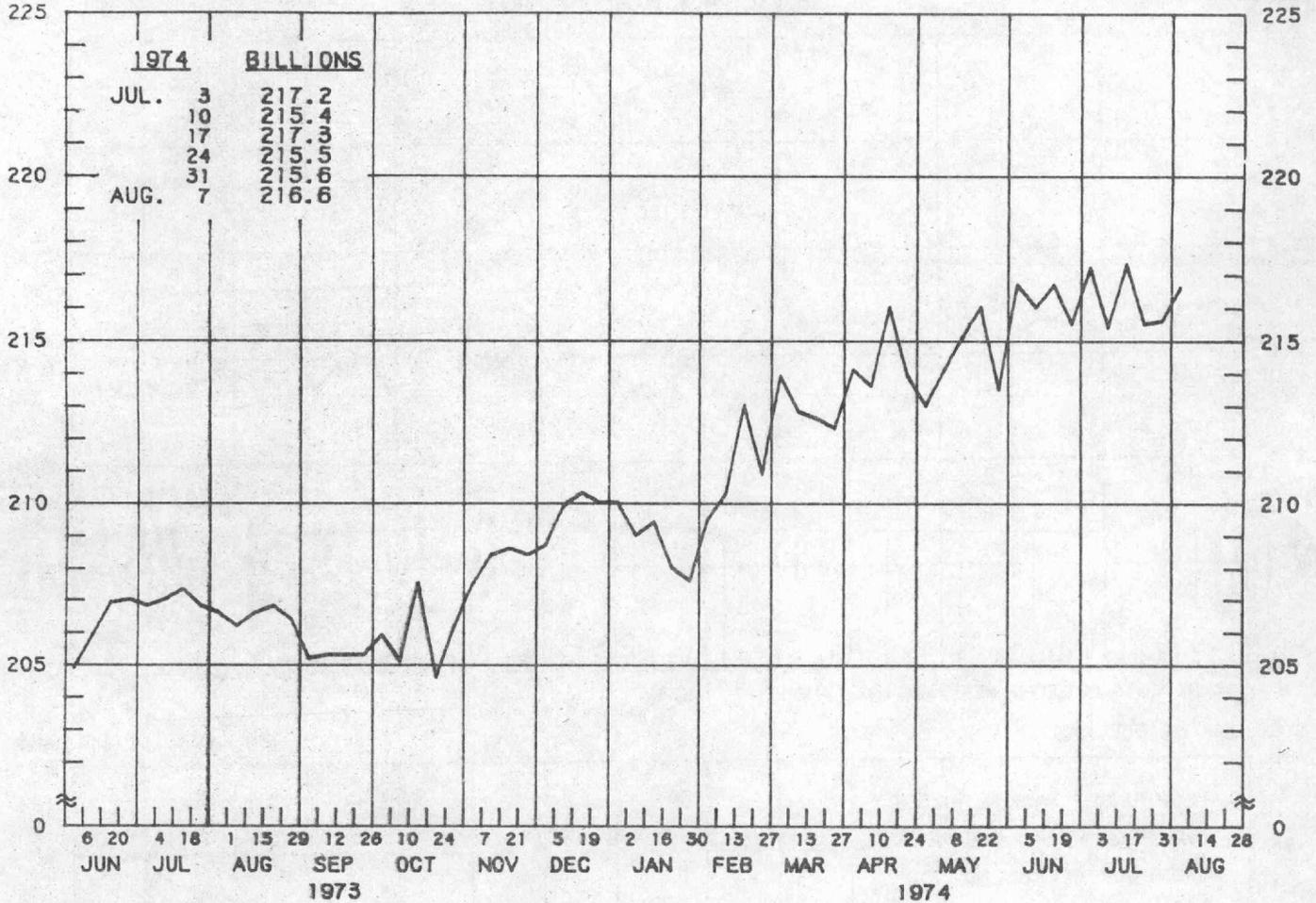
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 1974

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

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

8/8/73 11/7/73 1/9/74 2/6/74 3/6/74 4/10/74 5/8/74 6/5/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

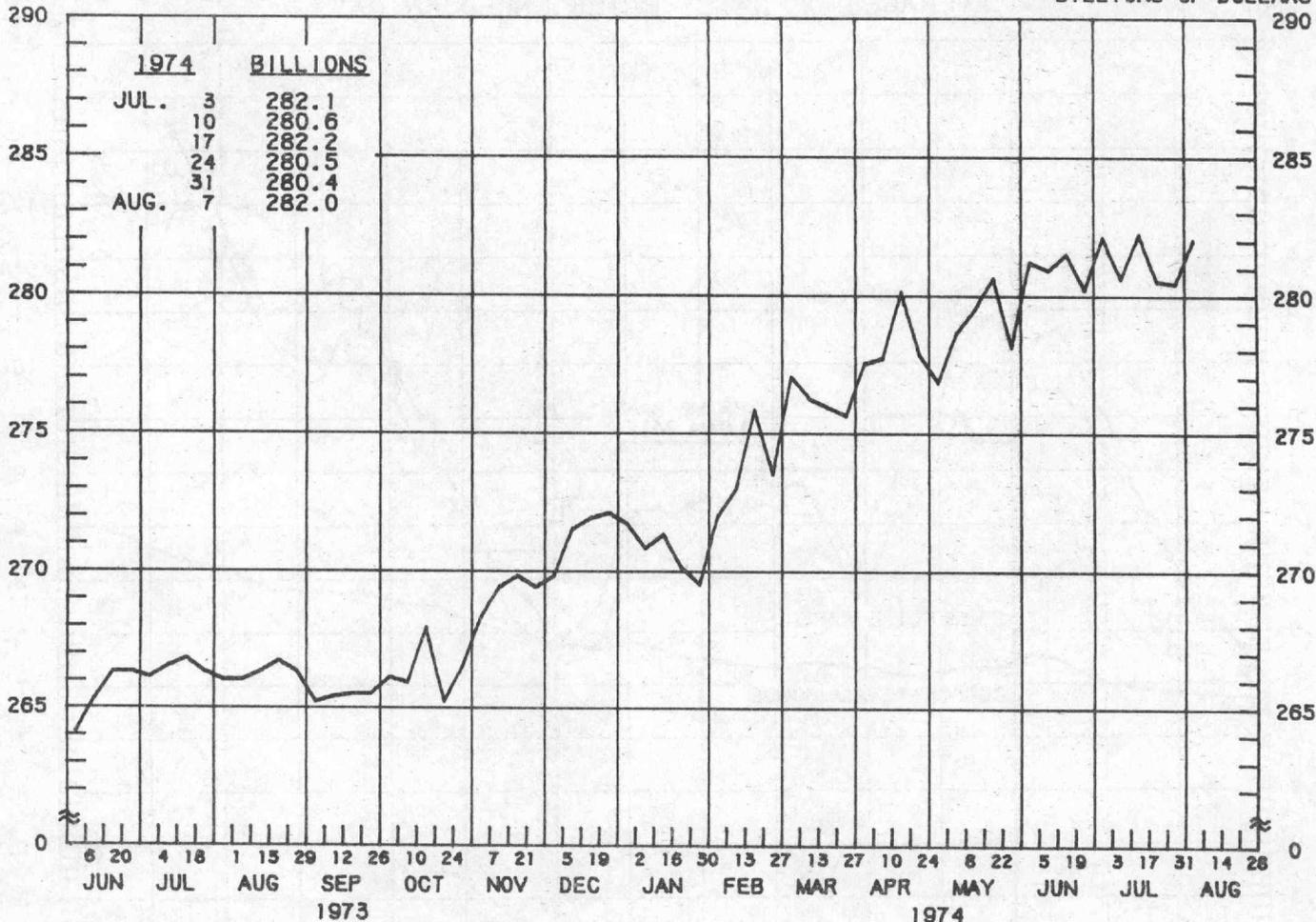
1/ 9/74	3.6								
2/ 6/74	1.8	4.1							
3/ 6/74	4.5	8.4	7.0						
4/10/74	4.7	7.8	6.6	13.4					
5/ 8/74	4.9	7.7	6.7	11.4	6.4				
6/ 5/74	5.1	7.5	6.6	10.2	6.4	6.6			
7/10/74	5.0	7.1	6.2	8.8	5.8	5.7	5.2		
8/ 7/74	4.6	6.4	5.4	7.5	4.9	4.5	3.8	2.7	

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 1974

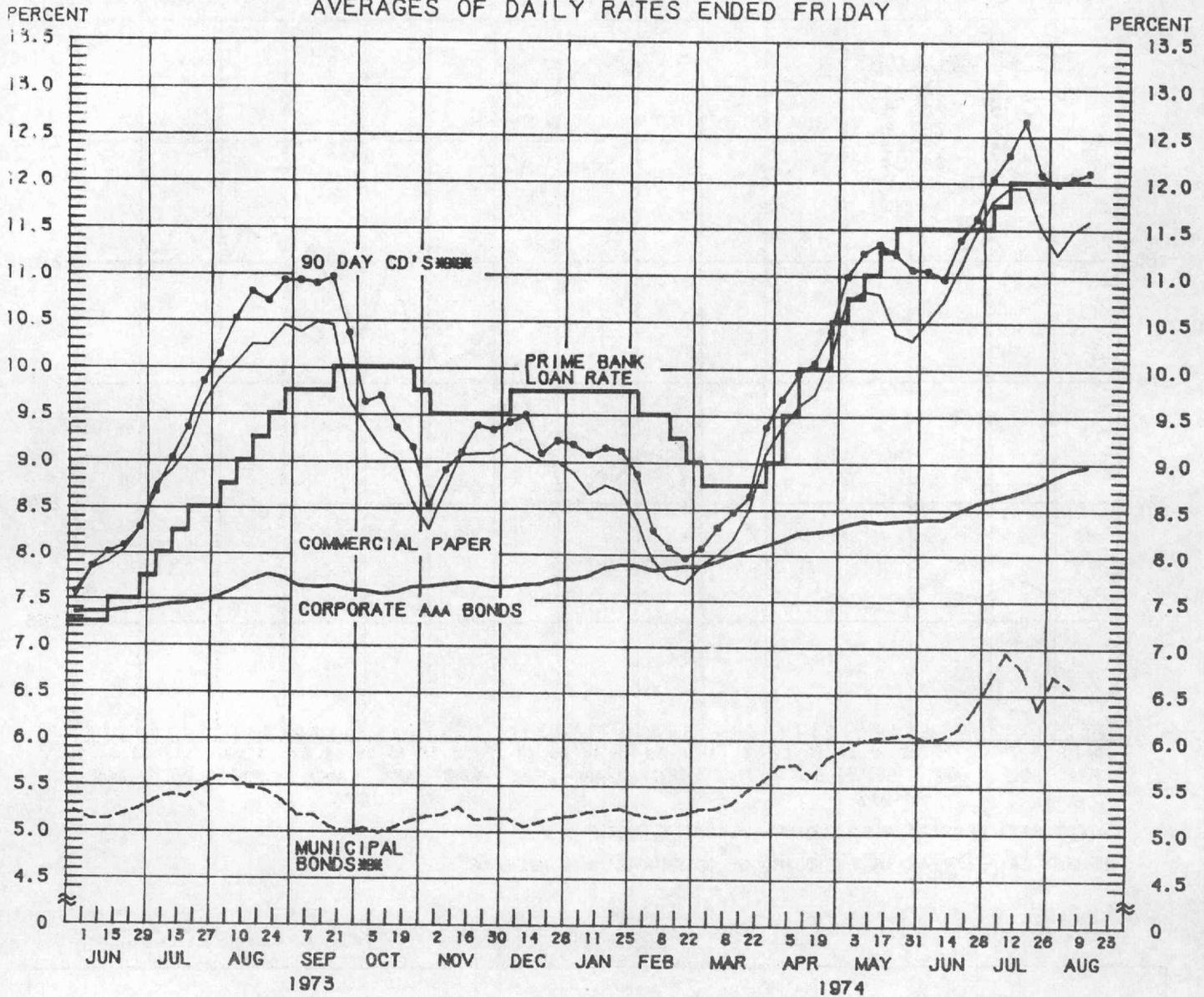
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

	8/8/73	11/7/73	1/9/74	2/6/74	3/8/74	4/10/74	5/8/74	8/5/74
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 9/74	4.8							
2/ 6/74	3.3	5.7						
3/ 6/74	5.6	9.2	7.9					
4/10/74	5.9	8.8	7.7	13.5				
5/ 8/74	6.1	8.6	7.7	11.7	7.6			
6/ 5/74	6.2	8.5	7.7	10.8	7.6	7.8		
7/10/74	6.0	7.9	7.1	9.3	6.8	6.5	6.0	
8/ 7/74	5.6	7.2	6.3	8.0	5.7	5.2	4.4	2.9

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



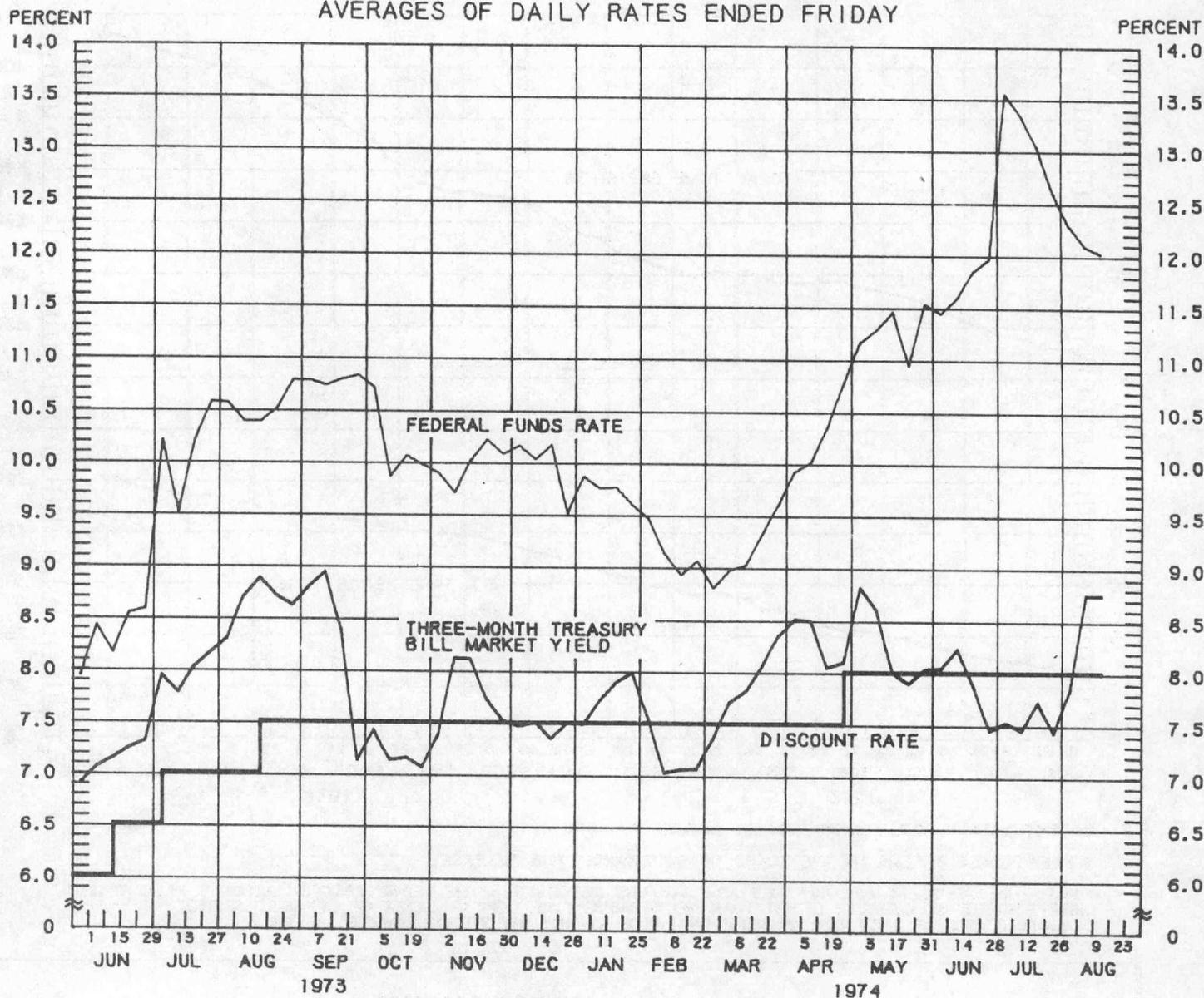
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: AUGUST 16, 1974

1974	90 DAY CD'S SEVEN	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS SEVEN
JUNE 7	11.05	10.53	10.75	8.40	6.01
14	10.97	10.75	10.75	8.40	6.04
21	11.39	11.10	10.75	8.49	6.13
28	11.62	11.48	10.90	8.57	6.33
JULY 5	12.05	11.81	11.31	8.62	6.64
12	12.30	11.95	12.00	8.66	6.95
19	12.66	11.95	12.00	8.71	6.78
26	12.09	11.50	12.00	8.77	6.34
AUG. 2	11.99	11.23	12.00	8.86	6.70
9	12.05	11.48	12.00	8.93	6.58
16 *	12.11	11.59	12.00	8.97	N.A.
23					
30					

* 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

SELECTED SHORT-TERM INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY

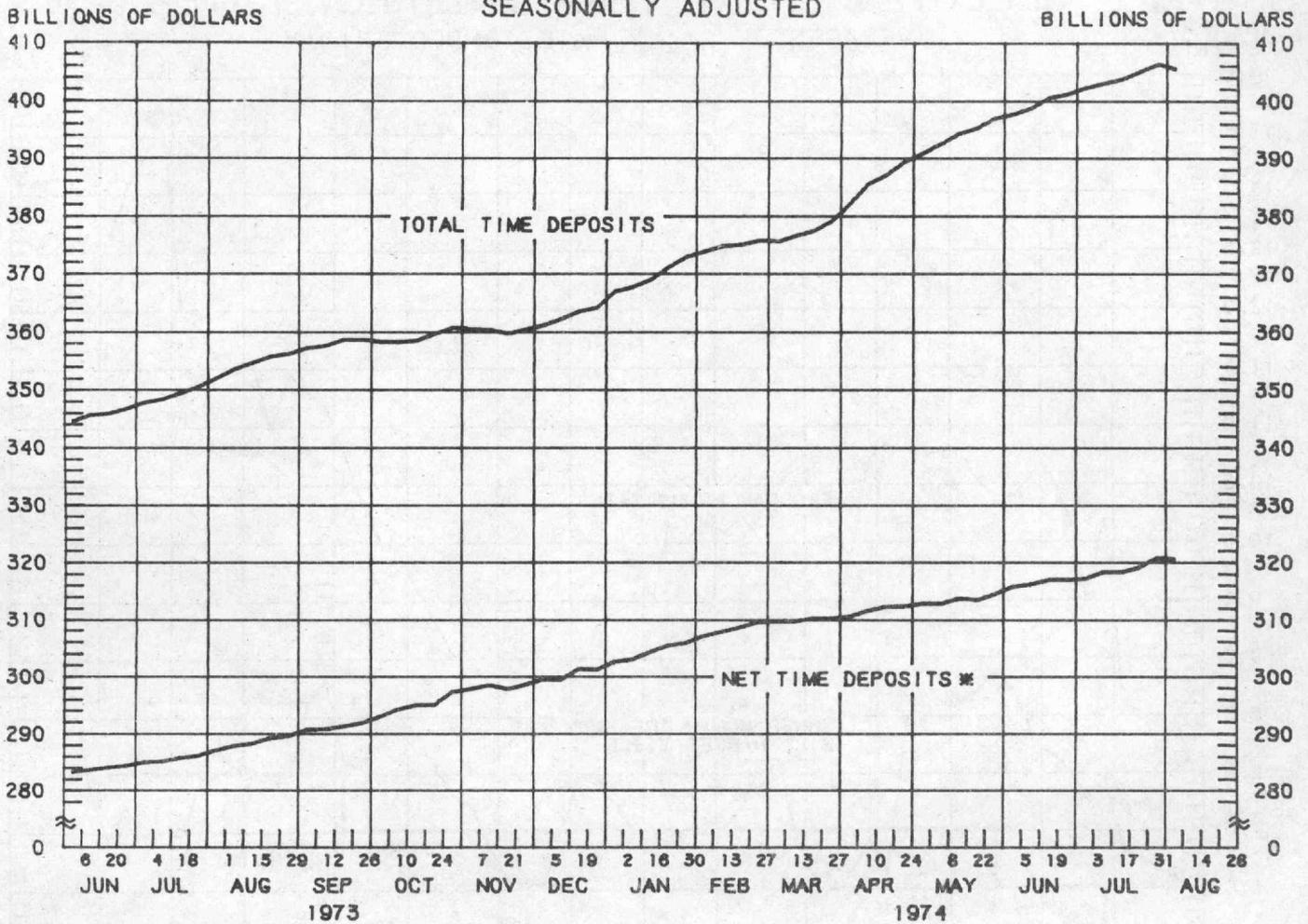


LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: AUGUST 16, 1974

1974	FEDERAL FUNDS ***	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
JUNE 7	11.45	8.05	8.06	7.04
14	11.60	8.23	8.06	6.99
21	11.85	7.88	8.09	7.01
28	11.97	7.45	8.33	7.07
JULY 5	13.55	7.53	8.47	7.12
12	13.34	7.45	8.60	7.23
19	13.04	7.72	8.35	7.24
26	12.60	7.43	8.08	7.12
AUG. 2	12.29	7.84	8.55	7.24
9	12.09	8.75	8.59	7.31
16 *	12.02	8.75	8.59	7.38
23				
30				

* 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.

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 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:

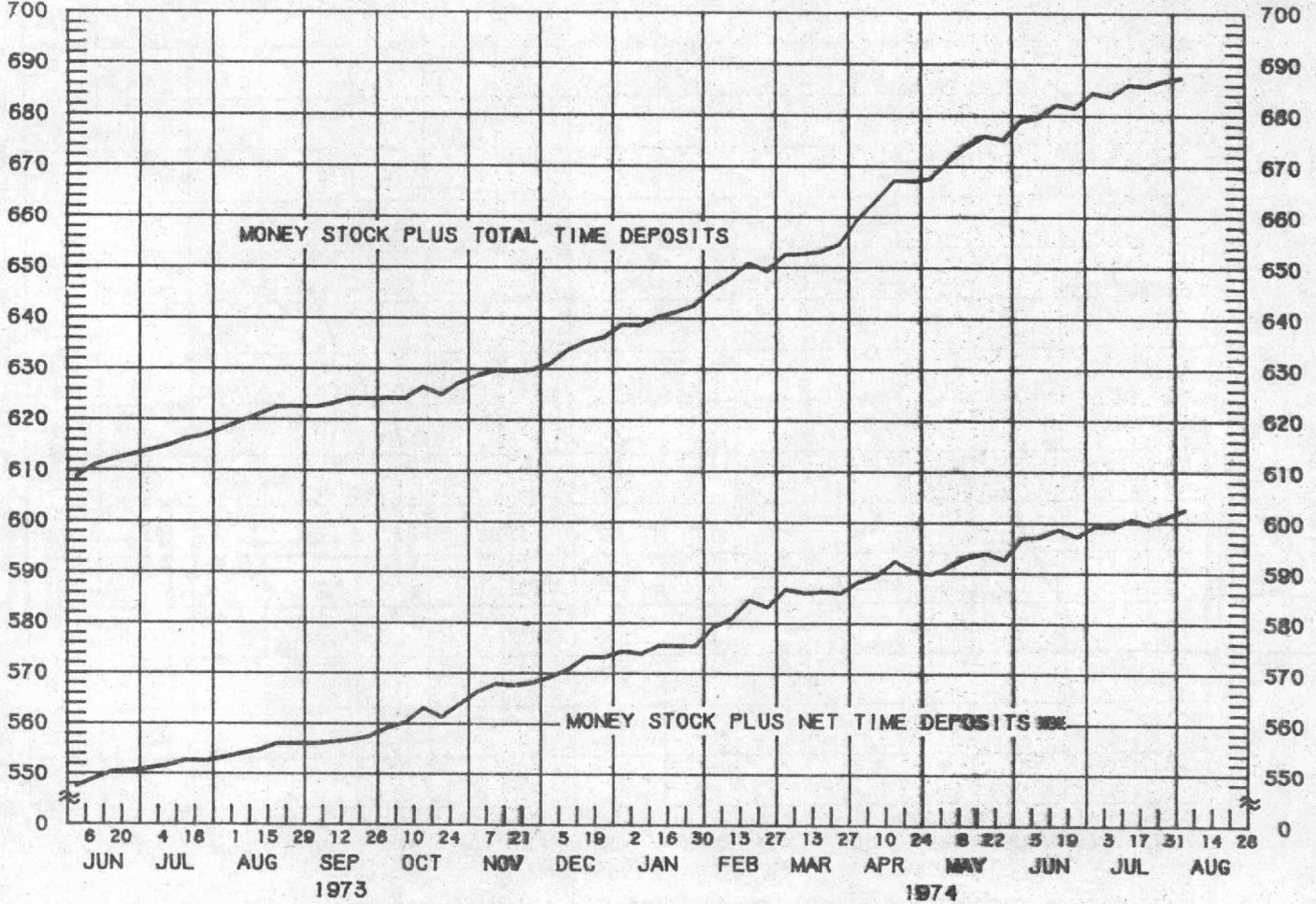
	8/8/73	11/7/73	1/9/74	2/6/74	3/6/74	4/10/74	5/8/74	6/5/74
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 9/74	13.1							
2/ 6/74	13.6	13.2						
3/ 6/74	13.8	13.6	15.8					
4/10/74	12.6	11.8	11.9	9.8				
5/ 8/74	12.2	11.2	11.0	9.3	6.9			
6/ 5/74	11.8	10.8	10.4	9.0	7.2	8.0		
7/10/74	11.7	10.8	10.5	9.4	8.2	9.0	9.4	
8/ 7/74	11.5	10.6	10.3	9.4	8.4	9.1	9.4	10.1

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 1974

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

M2 IS DEFINED AS: CURRENCY, DEMAND DEPOSITS PLUS NET TIME DEPOSITS (SEE PAGE 8).

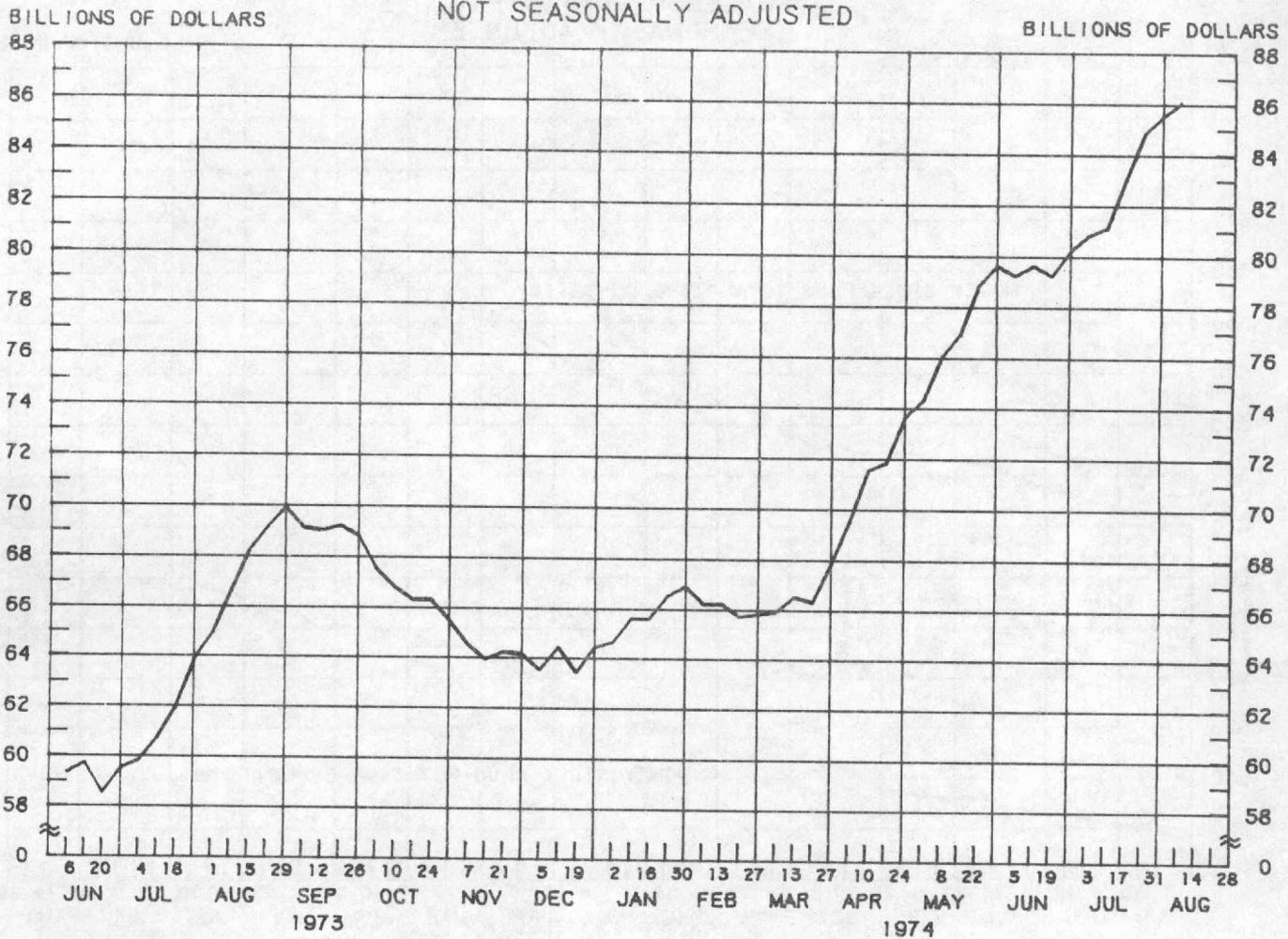
MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

	8/8/73	11/7/73	1/9/74	2/6/74	3/6/74	4/10/74	5/8/74	6/5/74
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 9/74	9.0							
2/ 6/74	8.6	9.4						
3/ 6/74	9.8	11.4	12.0					
4/10/74	9.4	10.3	9.9	11.5				
5/ 8/74	9.2	10.0	9.5	10.5	7.3			
6/ 5/74	9.1	9.6	9.1	9.8	7.3	7.8		
7/10/74	8.9	9.4	8.9	9.3	7.5	7.8	7.7	
8/ 7/74	8.7	8.9	8.4	8.7	7.1	7.3	6.9	6.8

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 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.

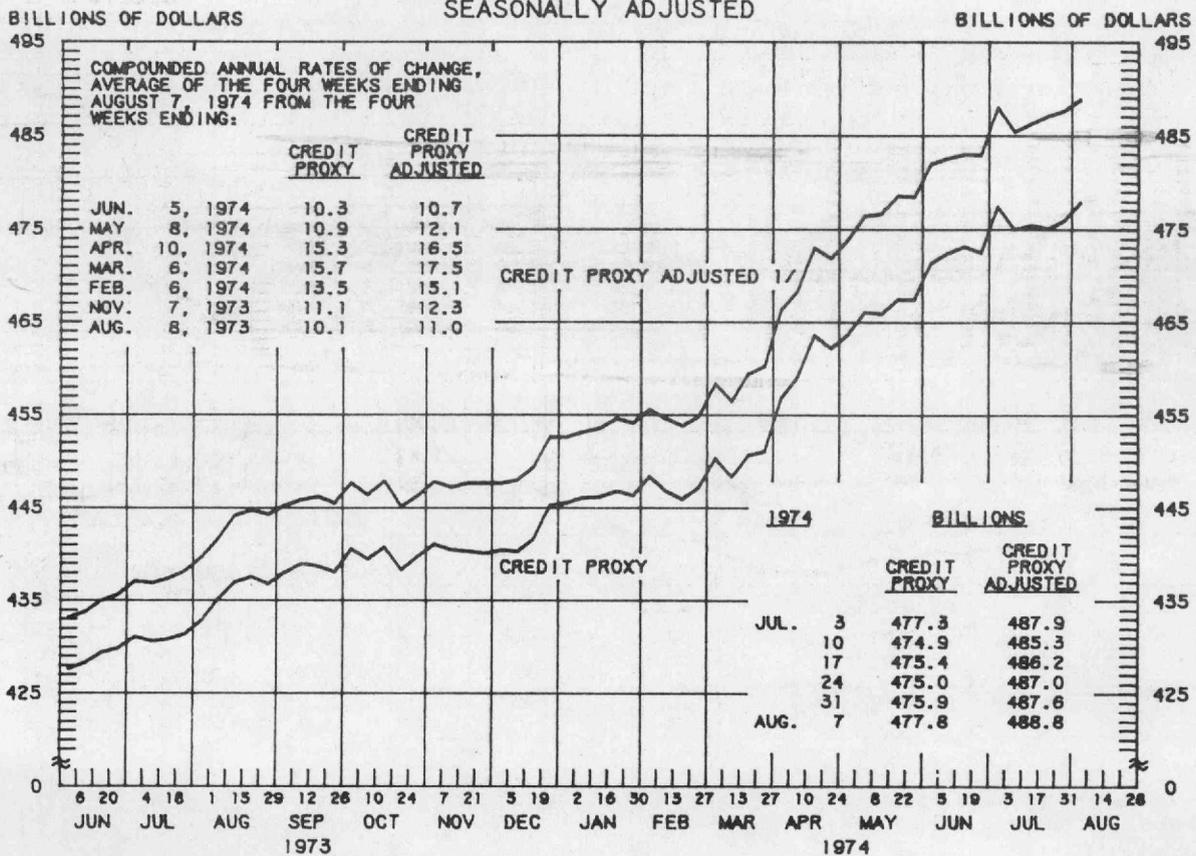
MONEY AND TIME DEPOSIT DATA				
1974	BILLIONS			
	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 **
JUNE 5	79.2	81.9	315.7	596.9
12	79.6	82.5	316.2	597.2
19	79.2	83.5	317.0	598.6
JULY 26	80.2	84.1	317.0	597.2
3	80.8	85.0	317.1	599.2
10	81.1	84.7	318.3	598.9
17	83.0	85.4	318.3	600.5
24	84.8	85.9	319.1	599.6
AUG. 31	85.5	85.6	320.7	601.1
7	86.0	84.9	320.4	602.5
14				
21				
28				

* SEE FOOTNOTE PAGE 8.
** SEE FOOTNOTE PAGE 9.

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: AUGUST 7, 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.