



Week ending: November 27, 1974

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JUN 08 1979

The Board of Governors of the Federal Reserve System has announced changes in Regulations D and Q. Changes in reserve requirements, which were announced in mid-November, are effective on deposits in the week beginning November 28. Because of the two-week lag in reserve requirements, the amount of required reserves will be affected in the week beginning December 11. The changes include a reduction in the required reserve ratio applicable to demand deposits over \$400 million, a decrease in the required ratio applicable to time deposits with maturities of 180 days or more at banks with more than \$5 million time deposits, and an increase in the basic required reserve ratio applicable to time deposits maturing in less than 180 days at banks with more than \$5 million time deposits.

Changes in Reserve Requirements

	<u>New</u>	<u>Old</u>
Net demand deposits over \$400 million	17-1/2%	18%
Time deposits over \$5 million		
maturing in 180 days or more	3	5
maturing in less than 180 days	6	5 ^{*/}

*/ Large certificates of deposit maturing in less than four months were subject to an additional 3 percent reserve requirement which has been removed.

The change in Regulation Q, effective November 28, pertains to time and savings deposits of governmental units and follows legislation regarding these accounts. The maximum interest rate payable to governments on passbook accounts at commercial banks is 5 percent, the same as the maximum rate on private accounts. On time deposits, the maximum interest rate on governmental accounts is 7.5 percent, regardless of denomination or maturity. The Federal Deposit Insurance Corporation has announced the same changes for insured non-member banks.

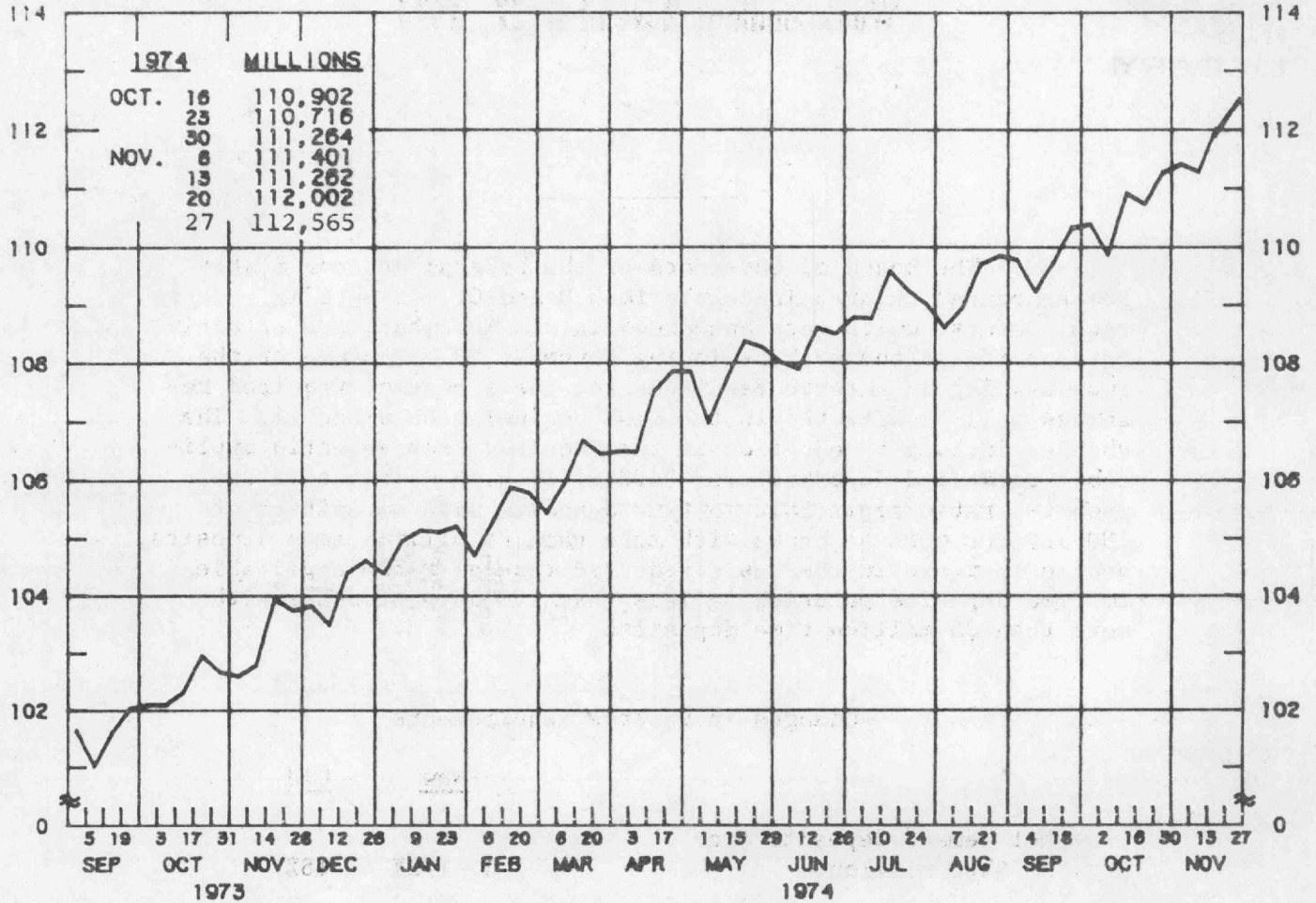
MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



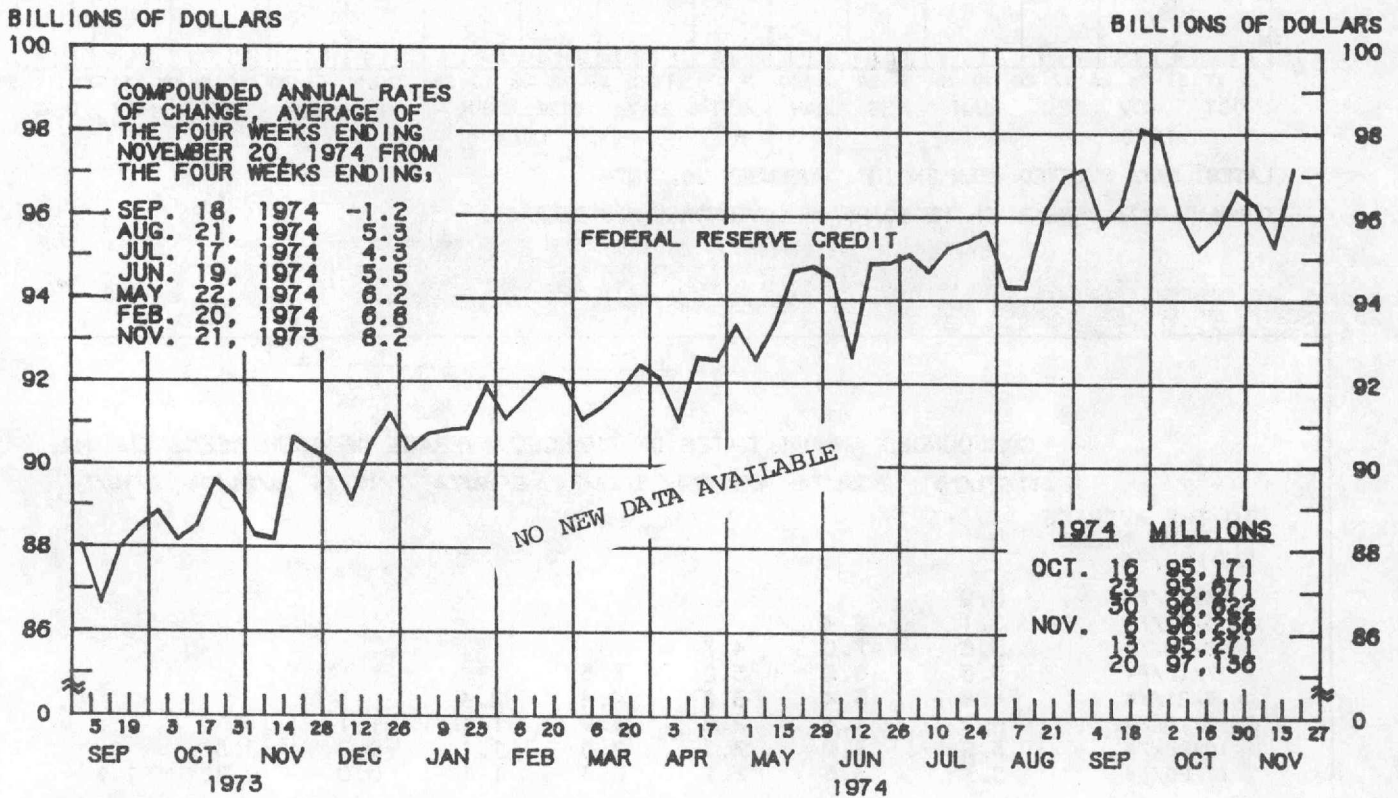
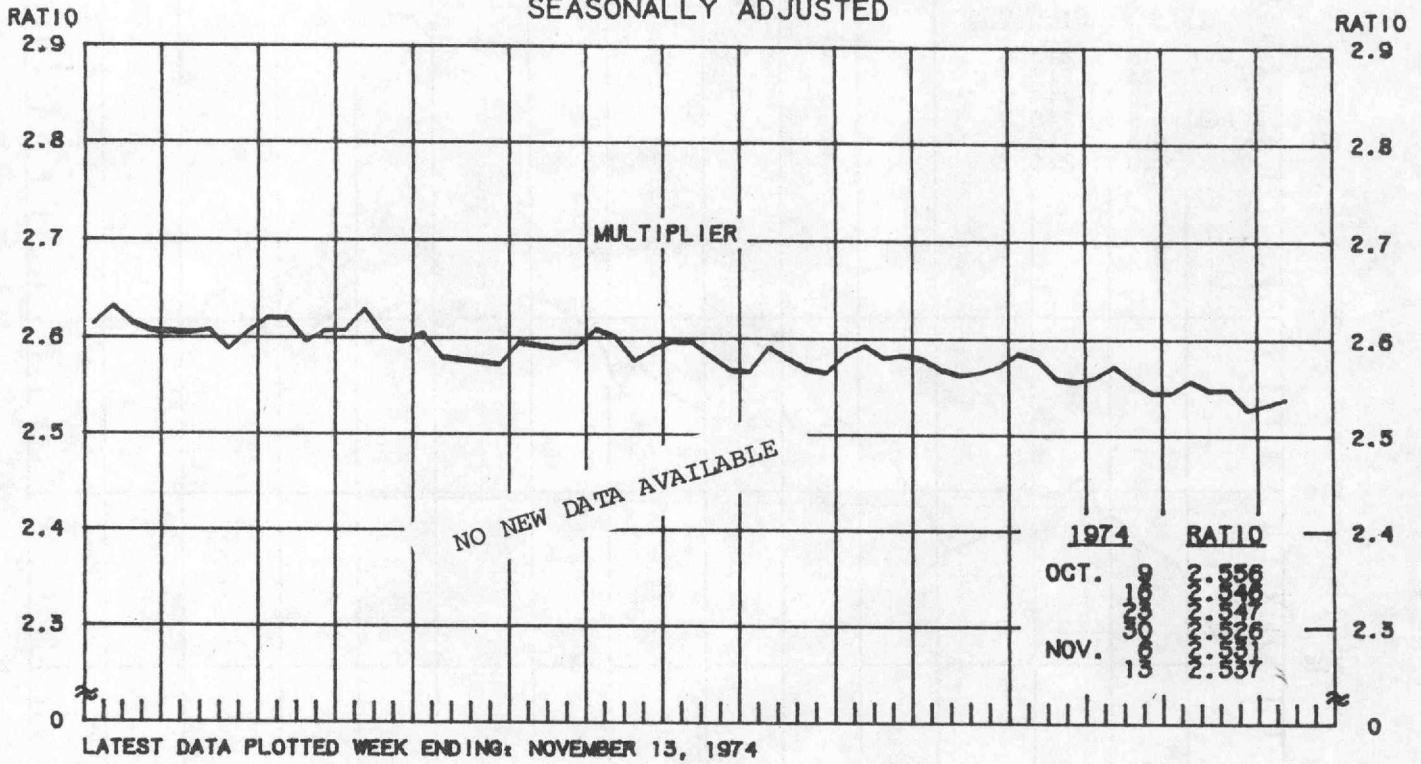
LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 27, 1974

THE MONETARY BASE CONSISTS OF MEMBER BANK RESERVES PLUS CURRENCY HELD BY THE PUBLIC AND NON-MEMBER BANKS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND SHIFTS IN DEPOSITS. THE MAJOR SOURCES OF THE MONETARY BASE ARE FEDERAL RESERVE CREDIT AND THE GOLD STOCK. DATA ARE COMPUTED BY THIS BANK. A DETAILED DESCRIPTION OF THE SOURCES AND USES OF THE MONETARY BASE IS AVAILABLE AS REPRINT NO. 31 FROM THE FEDERAL RESERVE BANK OF ST. LOUIS.

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

	11/21/73	2/20/74	4/17/74	5/22/74	6/19/74	7/17/74	8/21/74	9/18/74	9/25/74
TO THE AVERAGE OF FOUR WEEKS ENDING:									
4/17/74	9.2								
5/22/74	9.4	9.7							
6/19/74	8.9	8.7	8.1						
7/17/74	8.9	8.8	8.4	7.3					
8/21/74	7.9	7.4	6.4	5.1	4.8				
9/18/74	7.9	7.3	6.6	5.5	5.5	4.0			
10/23/74	7.9	7.4	6.9	8.1	6.2	5.5	7.7		
11/20/74	8.3	8.0	7.6	7.1	7.4	7.0	9.2	10.1	
11/27/74									11.3

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



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 20, 1974

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

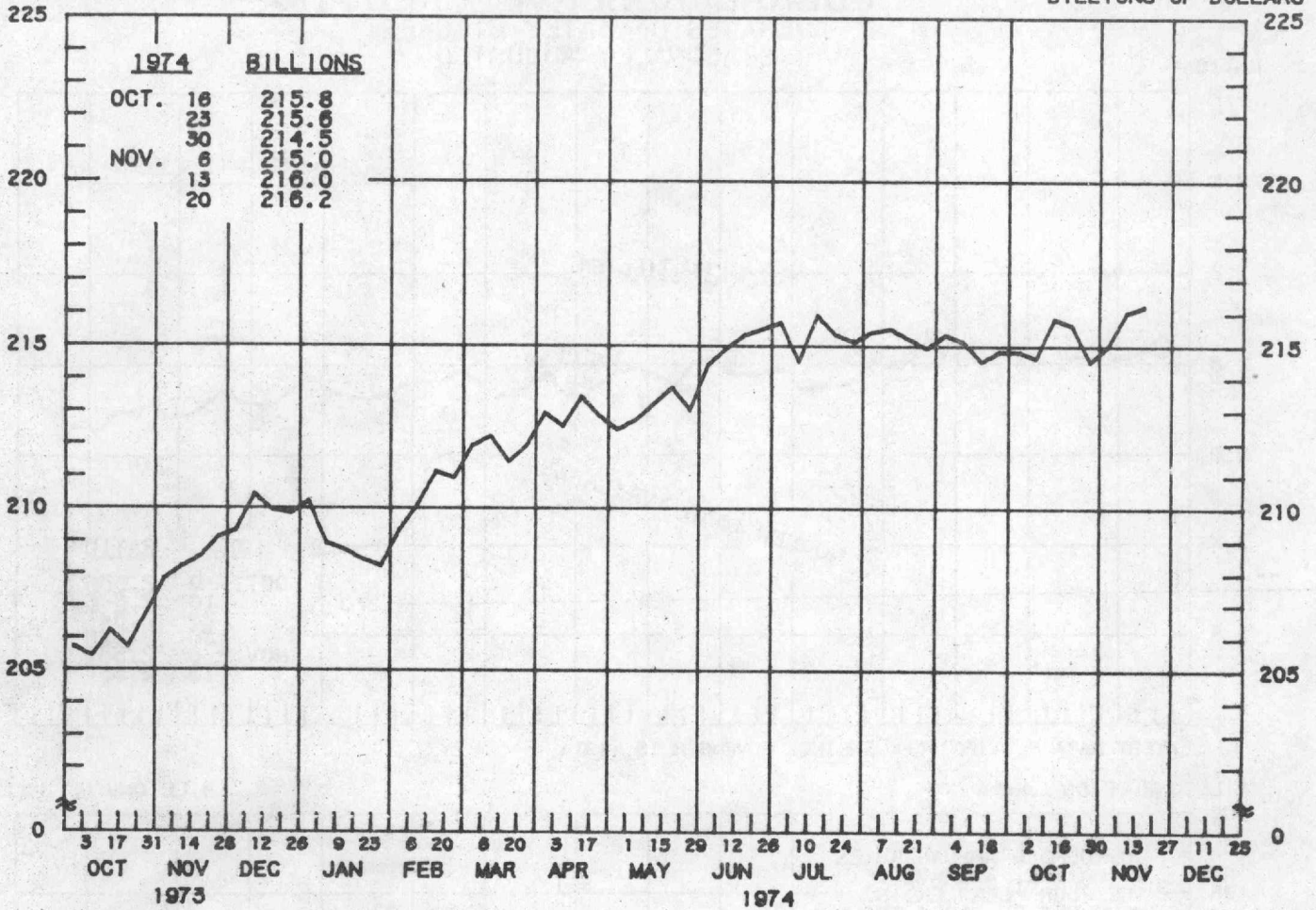
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 20, 1974

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

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

11/21/73 2/20/74 4/17/74 5/22/74 6/19/74 7/17/74 8/21/74 9/18/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

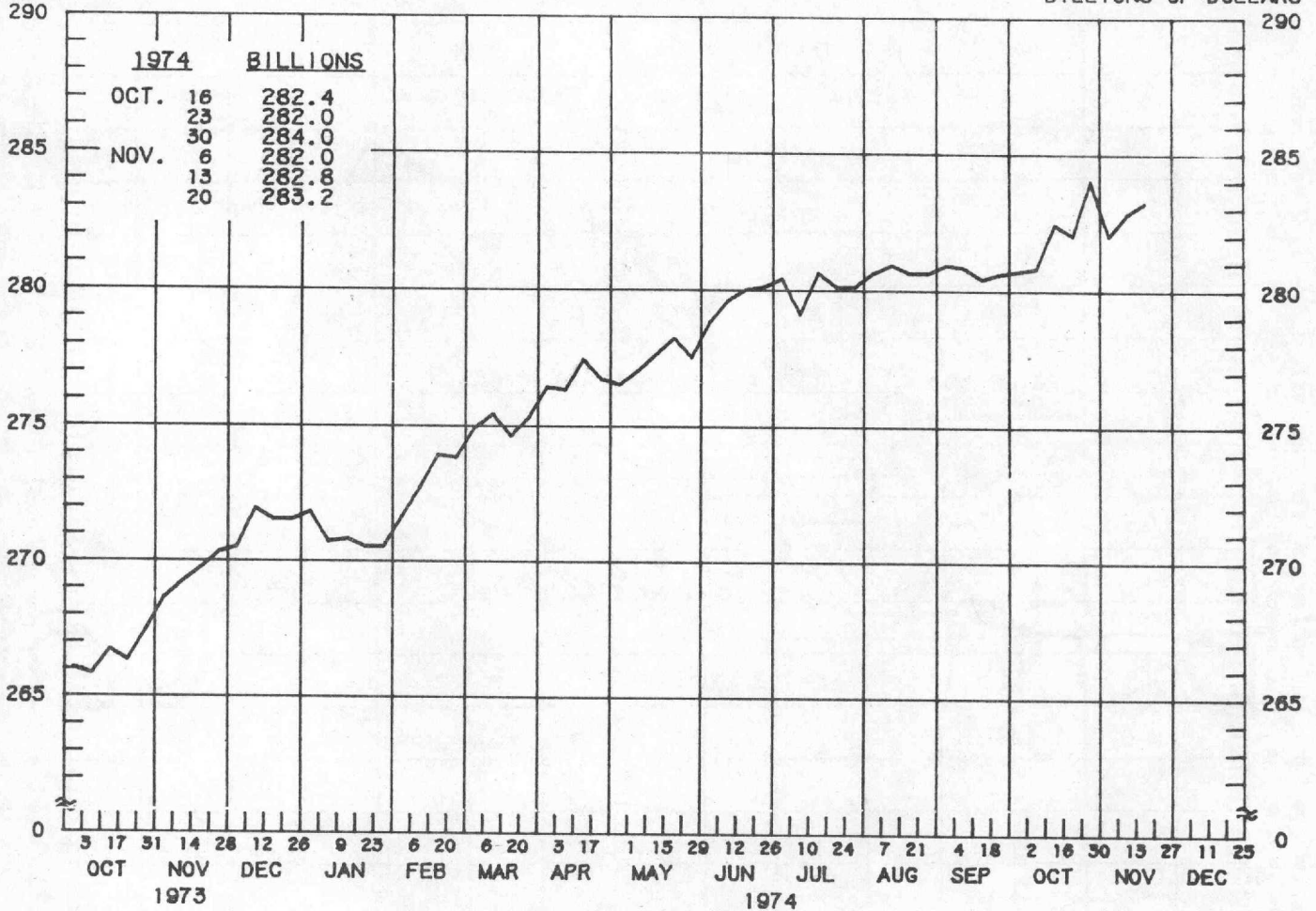
4/17/74	5.9							
5/22/74	5.1	6.4						
6/19/74	5.6	7.0	4.7					
7/17/74	5.6	6.9	5.2	7.6				
8/21/74	4.8	5.4	3.6	4.4	2.4			
9/18/74	4.2	4.4	2.6	2.9	1.1	-1.1		
10/23/74	3.9	3.9	2.3	2.5	1.1	-0.3	-0.3	
11/20/74	3.7	3.6	2.1	2.3	1.1	0.0	0.2	1.1

MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 20, 1974

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

THE MONEY STOCK CONSISTS OF DEMAND DEPOSITS PLUS CURRENCY AND COIN HELD BY THE NONBANK PUBLIC.

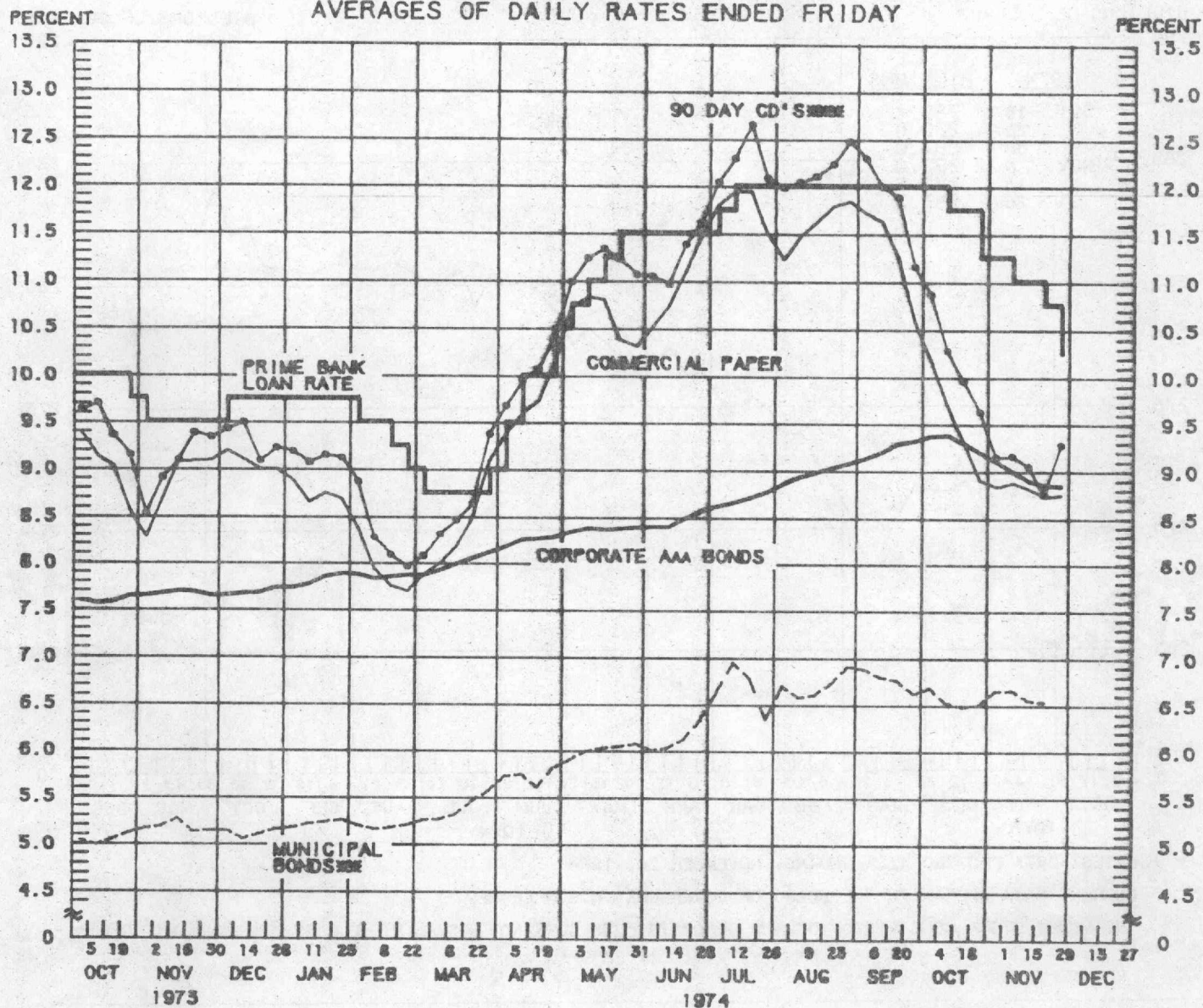
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
11/21/73 2/20/74 4/17/74 5/22/74 6/19/74 7/17/74 8/21/74 9/18/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

4/17/74	7.2							
5/22/74	6.5	7.7						
6/19/74	6.7	7.8	5.6					
7/17/74	6.6	7.3	5.5	6.7				
8/21/74	5.9	6.3	4.5	4.8	3.4			
9/18/74	5.4	5.5	3.7	3.8	2.5	1.2		
10/23/74	5.2	5.1	3.6	3.6	2.6	1.9	1.9	
11/20/74	5.3	5.3	4.0	4.2	3.4	3.0	3.5	4.8

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 29, 1974

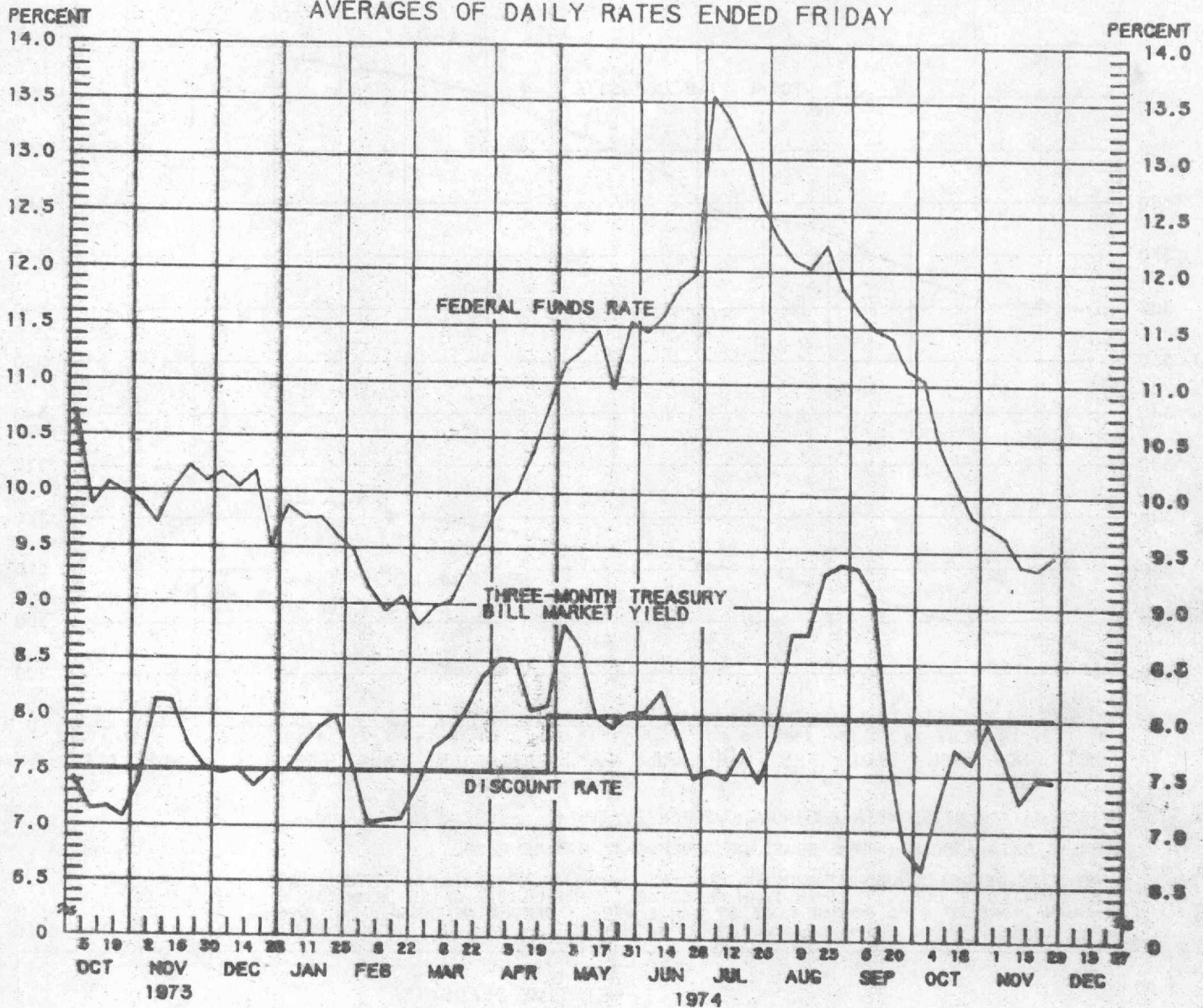
1974	90 DAY CD'S SEVEN	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS SEVEN
OCT. 4	10.87	10.18	9.79	9.37	6.68
11	10.28	9.70	9.61	9.38	6.52
18	9.96	9.31	9.31	9.29	6.48
25	9.63	8.90	9.12	9.19	6.51
NOV. 1	9.15	8.83	8.95	9.09	6.65
8	9.16	8.88	8.83	8.99	6.68
15	9.05	8.81	8.94	8.89	6.55
22	8.75	8.73	9.00	8.84	6.53
29 *	9.28	8.75	9.35	8.83	N.A.
DEC. 6					
13					
20					
27					

* AVERAGES OF RATES AVAILABLE.
~~SEVEN~~ BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.
~~SEVEN~~ 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



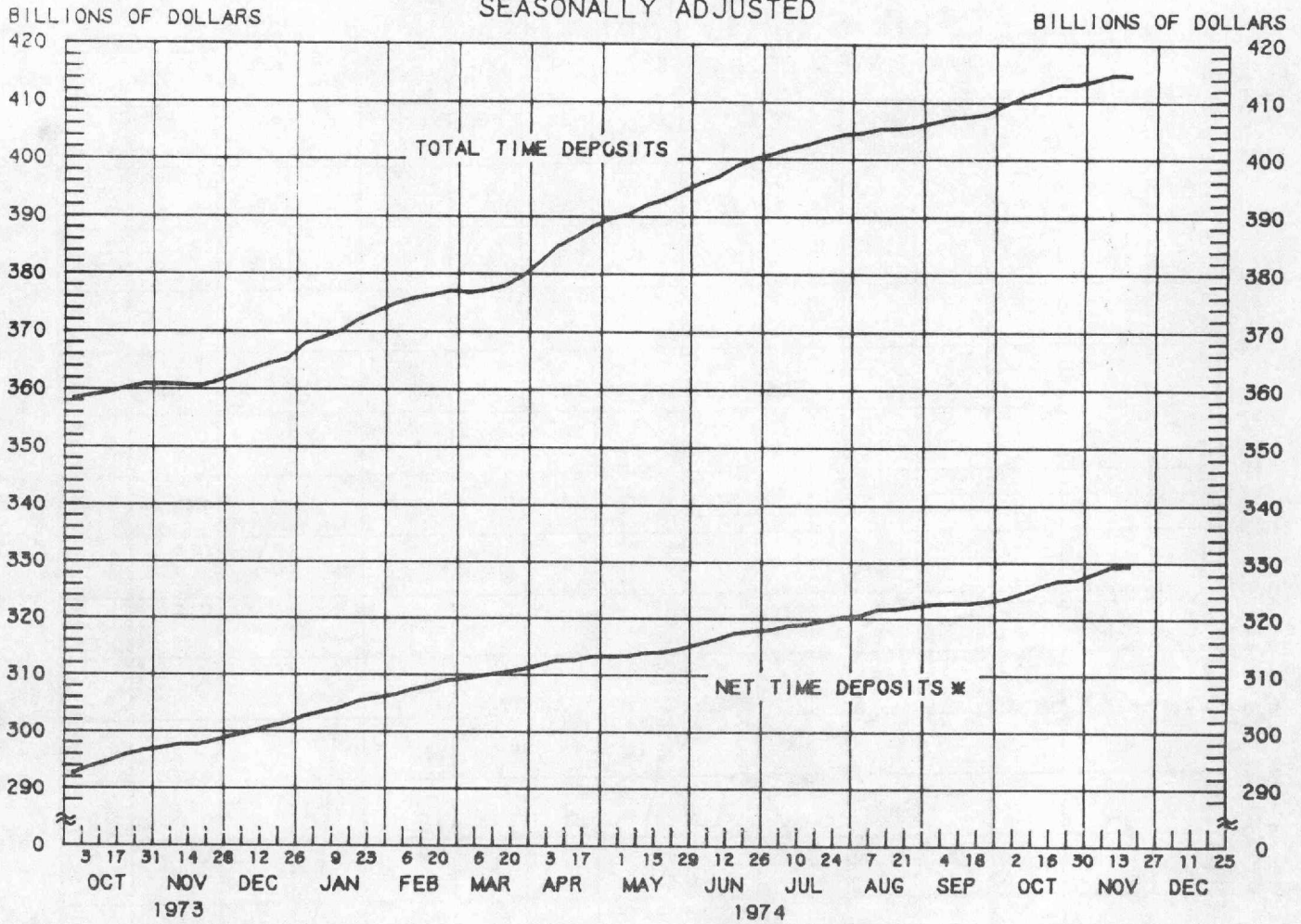
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 29, 1974

1974	FEDERAL FUNDS RATE	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
OCT. 4	11.04	6.64	8.13	7.31
11	10.43	7.24	7.98	7.27
18	10.11	7.73	7.95	7.22
25	9.81	7.60	7.90	7.18
NOV. 1	9.72	7.95	7.98	7.12
8	9.65	7.68	7.83	7.04
15	9.37	7.28	7.67	6.92
22	9.34	7.48	7.53	6.87
29 *	9.46	7.44	7.49	6.87
DEC. 6				
13				
20				
27				

* AVERAGES OF RATES AVAILABLE.

NOTE: 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: NOVEMBER 20, 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:

11/21/73 2/20/74 4/17/74 5/22/74 6/19/74 7/17/74 8/21/74 9/18/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

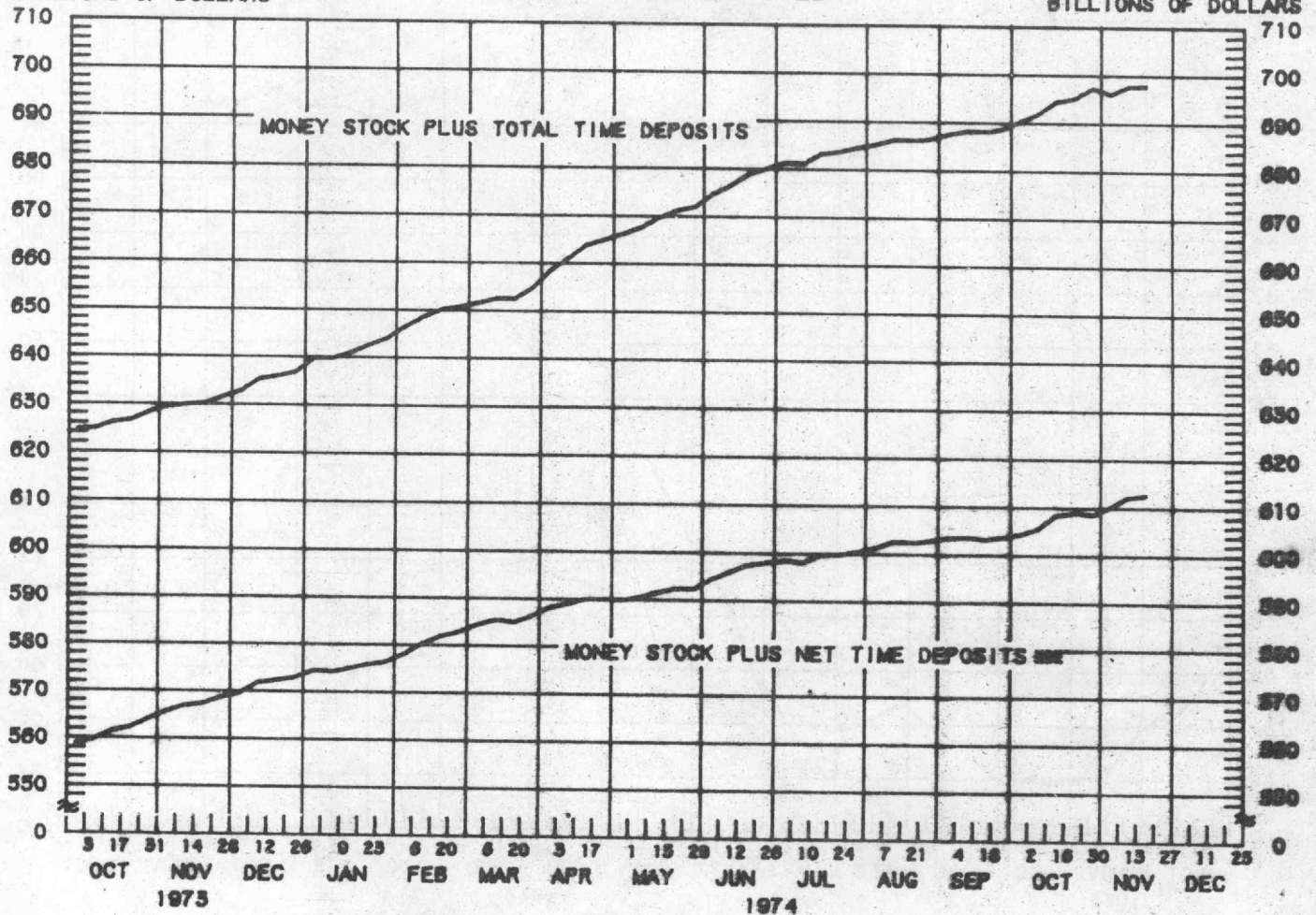
4/17/74	12.7							
5/22/74	11.3	9.0						
6/19/74	11.2	9.3	7.8					
7/17/74	11.1	9.5	8.6	10.4				
8/21/74	10.8	9.4	8.7	9.8	9.5			
9/18/74	10.4	9.0	8.2	8.9	8.5	7.7		
10/23/74	10.2	9.0	8.4	9.0	8.6	8.2	7.8	
11/20/74	10.5	9.4	9.0	9.7	9.5	9.3	9.5	11.0

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 20, 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 8).

MONEY STOCK PLUS NET TIME DEPOSITS: (M₂)

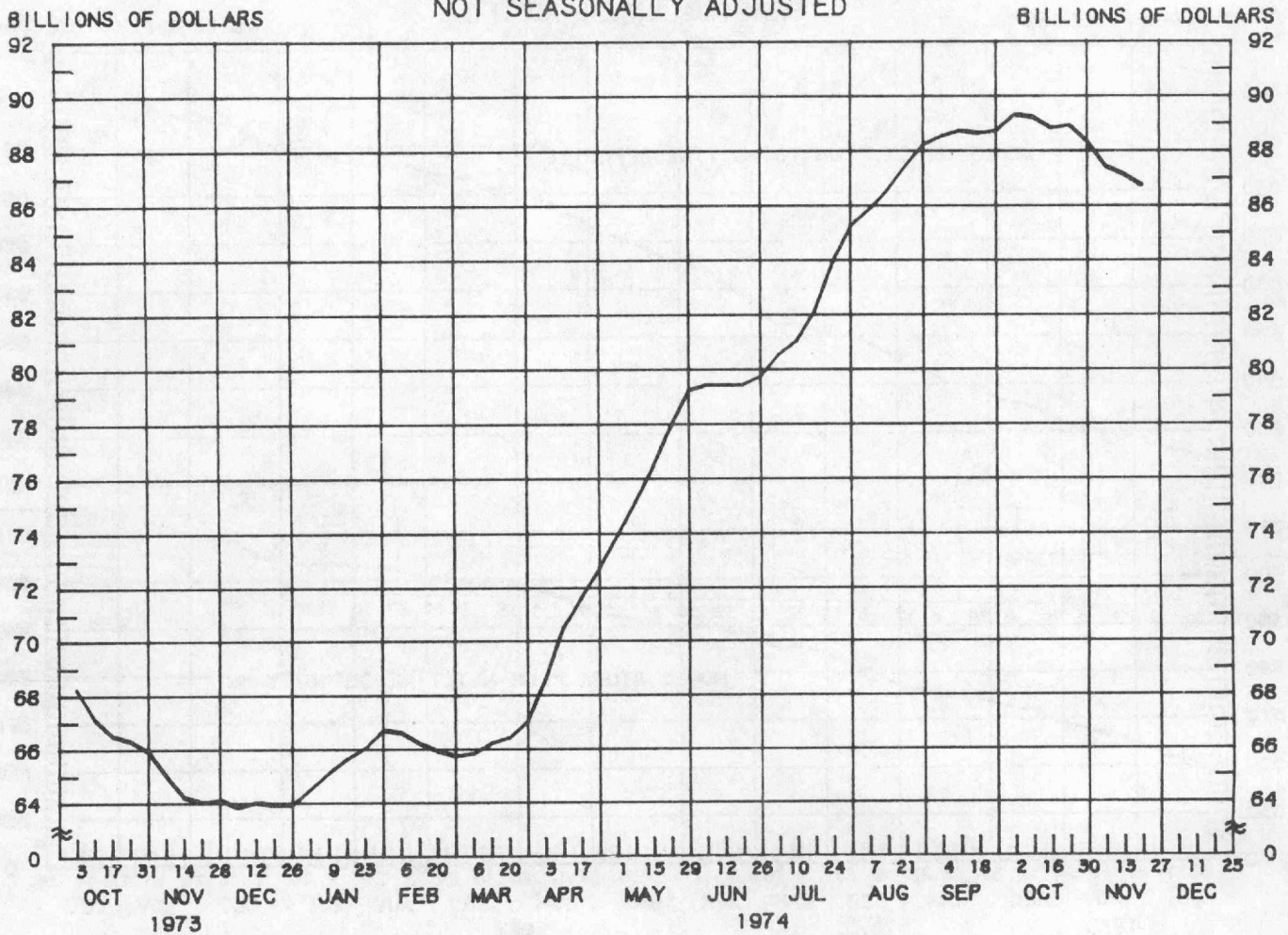
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
11/21/73 2/20/74 4/17/74 5/22/74 6/19/74 7/17/74 8/21/74 9/18/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

4/17/74	10.0								
5/22/74	9.0	8.4							
6/19/74	9.0	8.6	8.8						
7/17/74	8.9	8.5	7.1	8.5					
8/21/74	8.5	7.9	6.7	7.4	6.6				
9/18/74	8.0	7.3	6.1	6.5	5.7	4.7			
10/23/74	7.8	7.2	6.1	6.4	5.8	5.2	5.1		
11/20/74	7.9	7.3	6.5	6.8	6.4	6.1	6.3	7.4	

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 20, 1974

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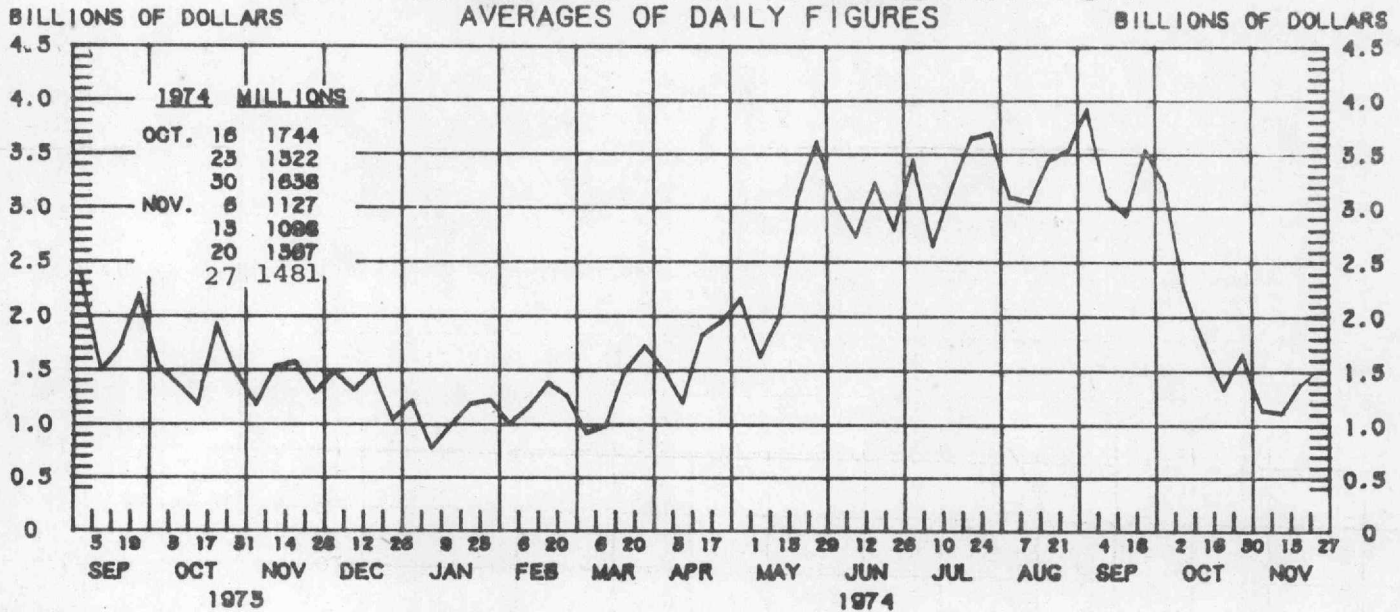
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA				
1974	BILLIONS			
	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M 2 **
OCT. 2	89.3	86.0	323.5	604.2
9	89.2	86.4	324.6	605.4
16	88.8	86.1	325.8	608.2
23	88.9	86.2	326.8	608.8
30	88.3	86.1	327.0	608.3
NOV. 6	87.4	85.7	328.1	610.0
13	87.1	85.5	329.2	612.1
20	86.7	85.1	329.3	612.5
27				
DEC. 4				
11				
18				
25				

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



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

