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Week ending: February 12, 1975

The money stock has grown at a considerably slower rate over the last six months compared to previous periods. From January 1972 to mid-1973 money grew, on average, at a rapid 8.6 percent annual rate. Over the next year money growth slowed to a 5.4 percent rate, and since mid-1974 money has grown at about a one percent annual rate.

While demand deposits have decreased slightly on balance since mid-1974, total time deposits have increased at about a 12 percent annual rate. Since last June net time deposits have risen at about a 9 percent rate, only somewhat slower than the 11.6 percent rate over the previous year.

The monetary base has increased at about an 8 percent annual rate in the last six months, about the same rate as over the previous twelve months. In the week beginning February 13, member bank required reserves will be computed with the reduced reserve requirement ratios that were announced on January 20 by the Board of Governors. This will contribute about \$1.1 billion to the size of the monetary base.

In the latest week the yield on 90-day certificates of deposit (CDs) averaged 6.43 percent, down about 600 basis points from its peak late last summer. Yields on 90-day CDs and on prime four- to six-month commercial paper have had two recent episodes of decline. The first, from late August to late October, took rates to about 9 percent; the second, beginning about the first of the year has taken them below 6.5 percent.

Long-term interest rates also have declined recently. The yield on corporate Aaa bonds averaged 8.64 percent in the early part of this week, down from 8.93 percent in early January and a high of 9.38 percent in early October. Yields on long-term Government securities recently averaged 6.58 percent, down from a high of 7.36 percent in late August.

Prepared by Federal Reserve Bank of St. Louis

Released: February 14, 1975

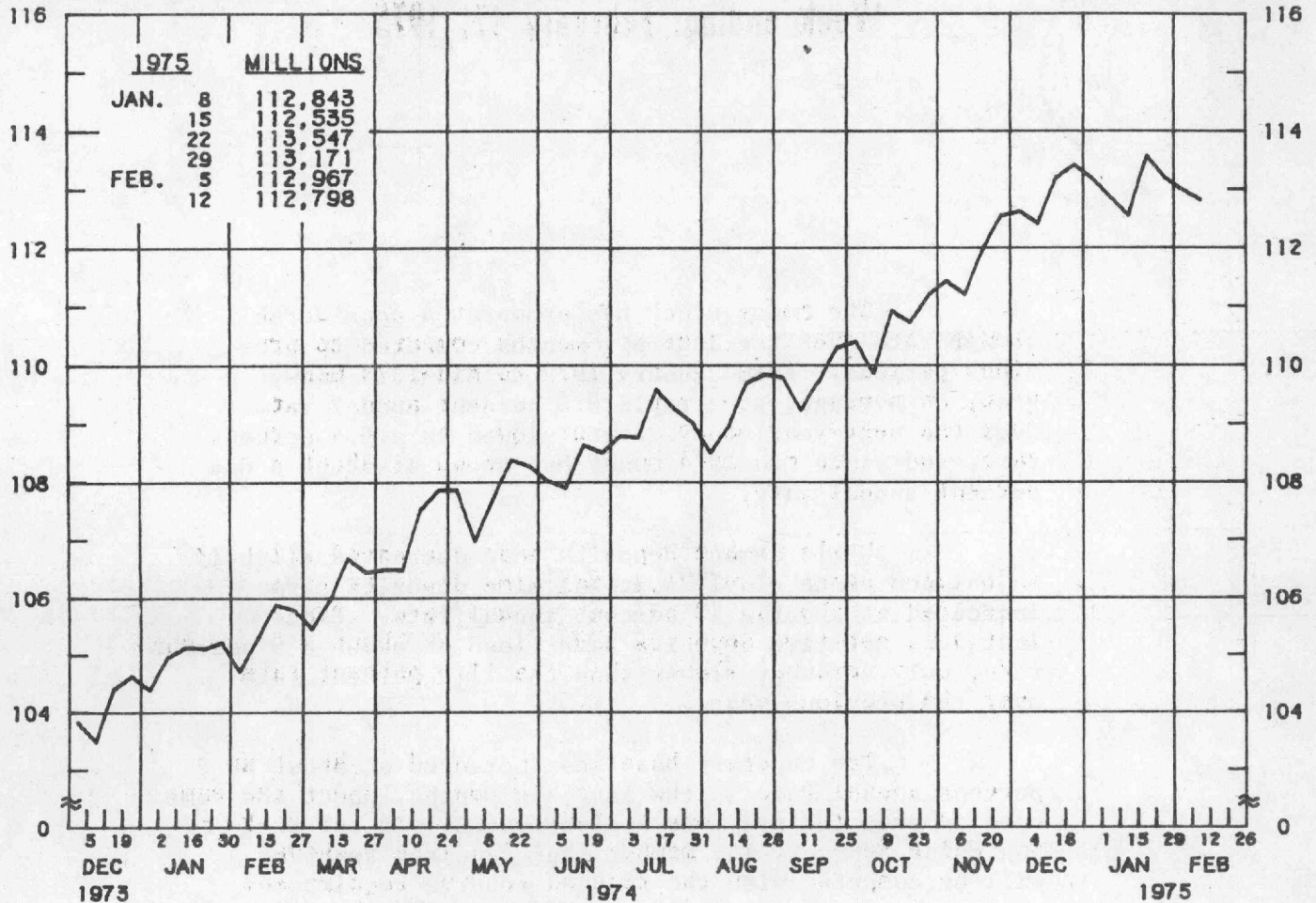
MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 12, 1975

THE MONETARY BASE CONSISTS OF MEMBER BANK DEPOSITS AT THE FEDERAL RESERVE AND CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL 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.

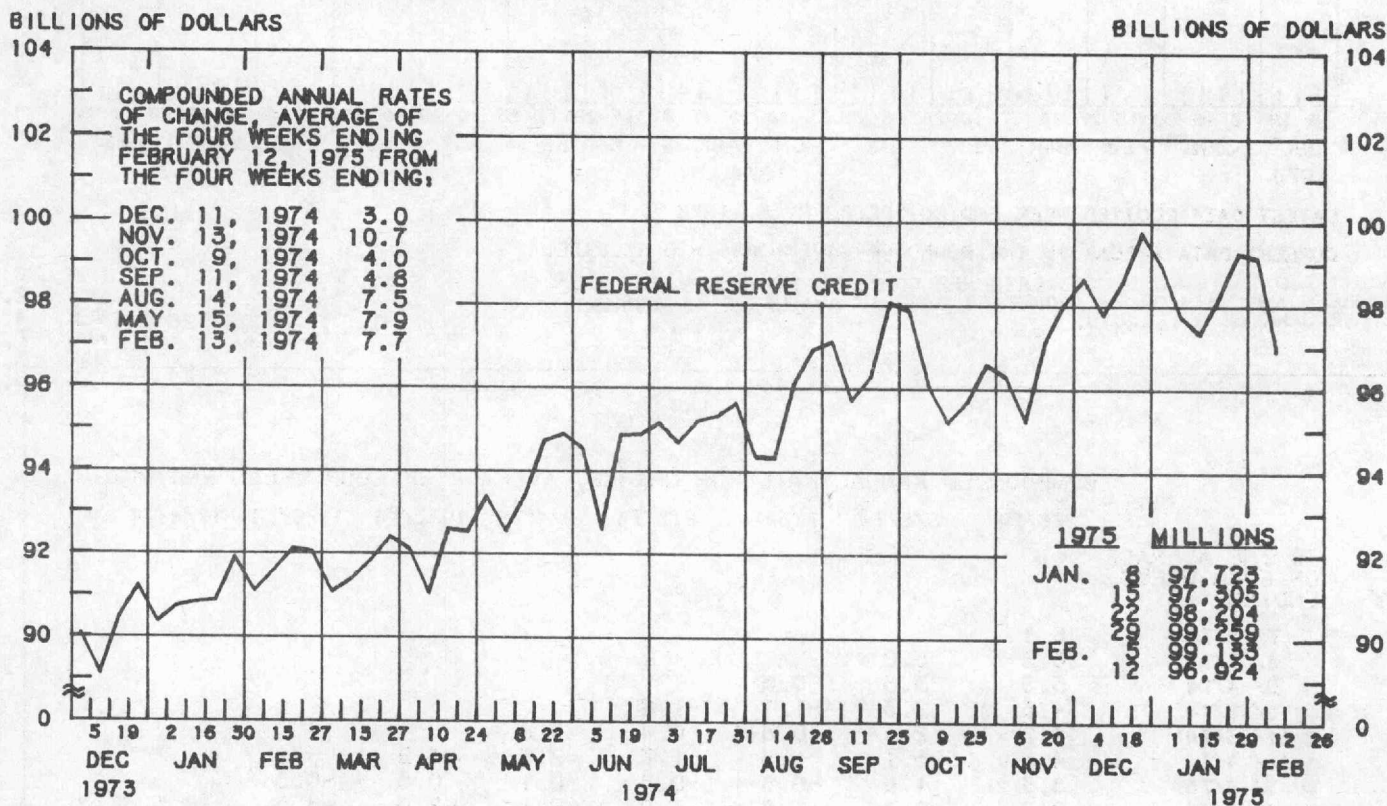
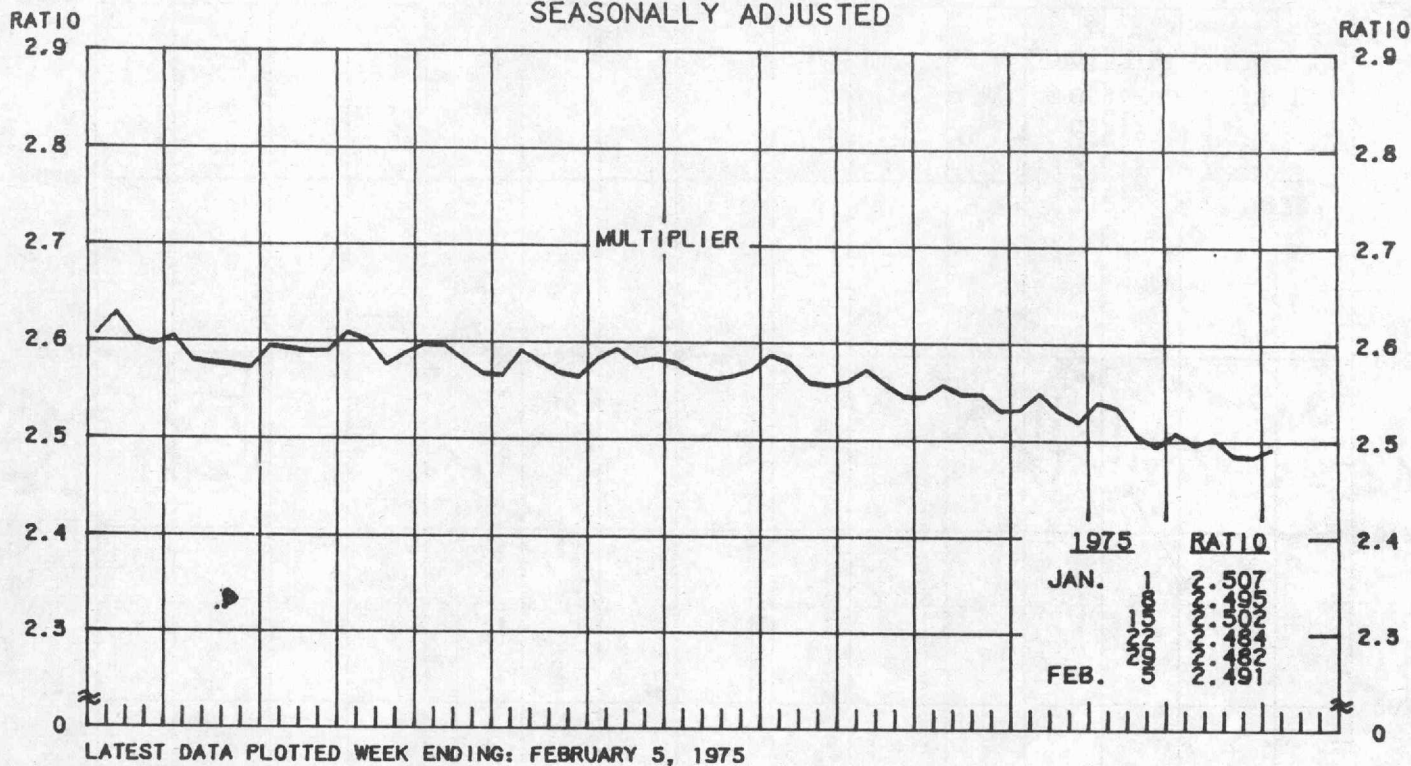
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

2/13/74 5/15/74 7/10/74 8/14/74 9/11/74 10/9/74 11/13/74 12/11/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/10/74	8.7						
8/14/74	7.5	5.0					
9/11/74	7.6	5.9	5.3				
10/ 9/74	7.4	5.8	5.3	7.1			
11/13/74	7.8	6.7	6.7	8.4	8.2		
12/11/74	8.5	7.8	8.3	10.0	10.4	12.8	
1/15/75	8.2	7.5	7.8	9.1	9.1	10.2	10.0
2/12/75	7.7	6.9	7.0	7.9	7.7	8.2	7.4 3.9

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



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

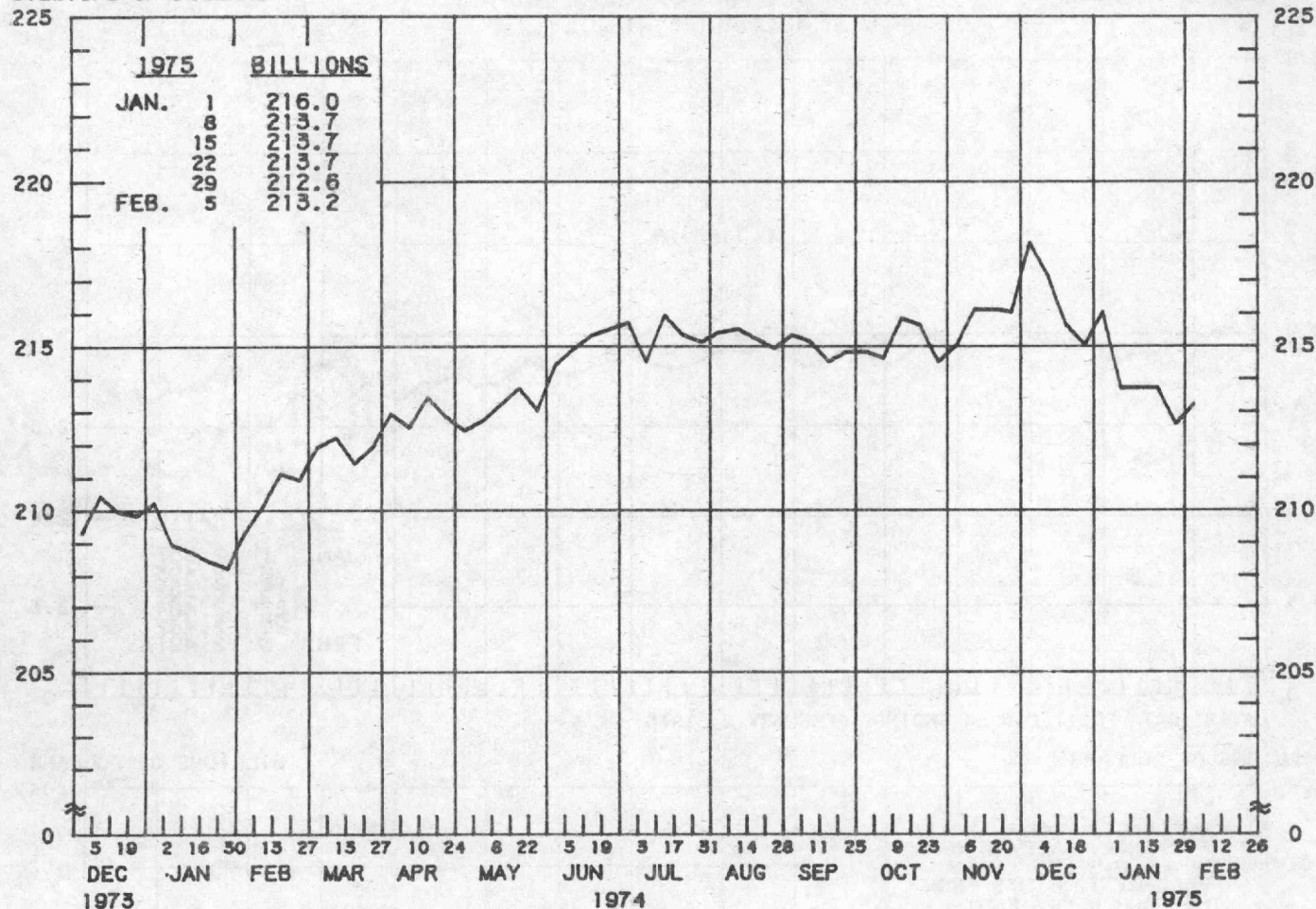
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS ADJUSTED FOR RESERVE REQUIREMENT CHANGES AND CHANGES IN REQUIREMENTS DUE TO SHIFTS IN DEPOSITS AMONG CLASSES OF BANKS. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

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

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

2/6/74 5/8/74 7/3/74 8/7/74 9/4/74 10/2/74 11/6/74 12/4/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

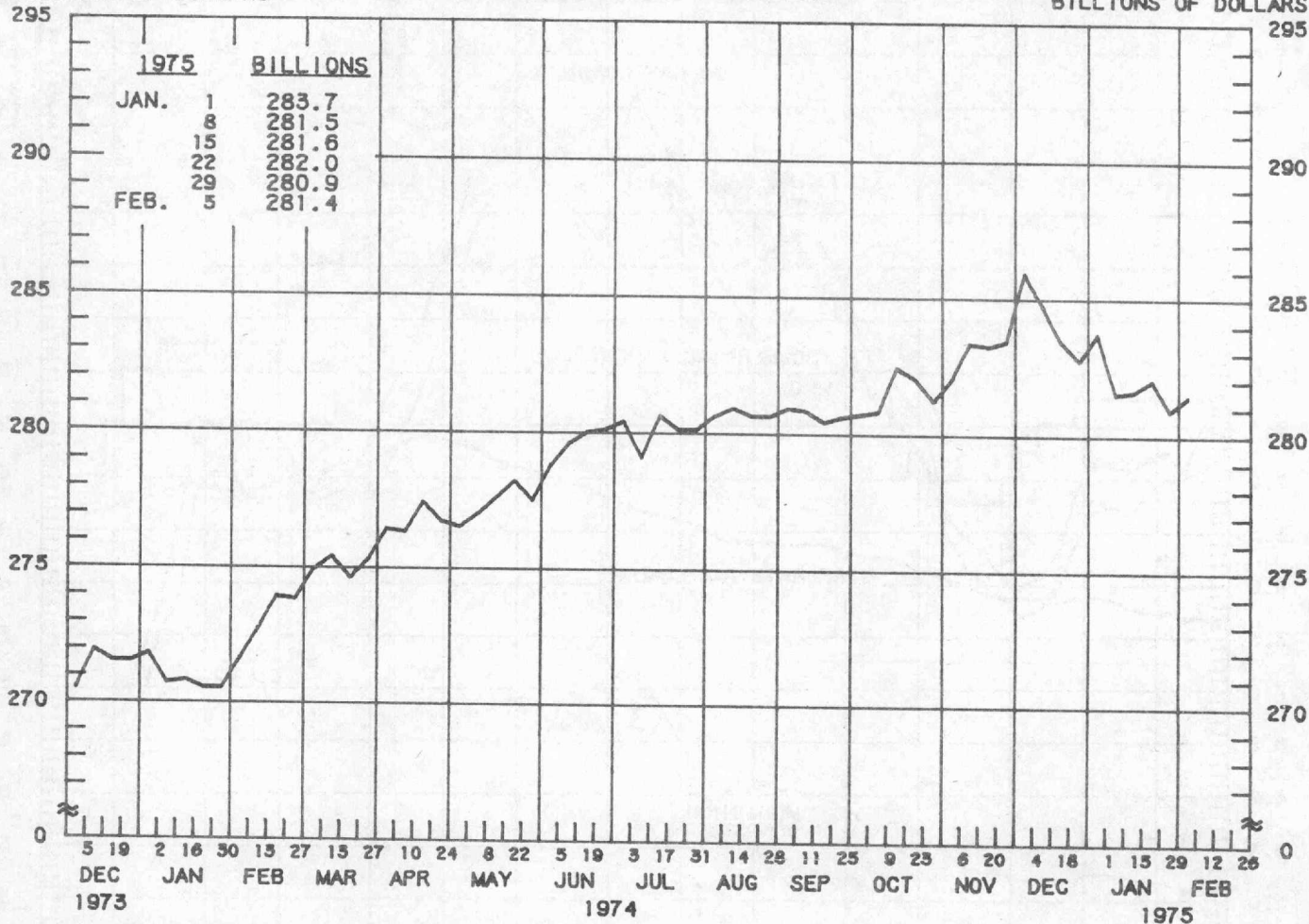
7/ 3/74	8.1							
8/ 7/74	6.5	5.0						
9/ 4/74	5.5	3.5	-0.5					
10/ 2/74	4.5	2.3	-1.1	-1.8				
11/ 6/74	4.2	2.3	-0.3	-0.4	0.0			
12/ 4/74	4.6	3.1	1.3	1.7	2.6	4.9		
1/ 8/75	3.3	1.6	-0.3	-0.3	-0.1	0.5	-0.3	
2/ 5/75	2.2	0.3	-1.6	-1.9	-2.1	-2.0	-3.5	-8.5

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

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

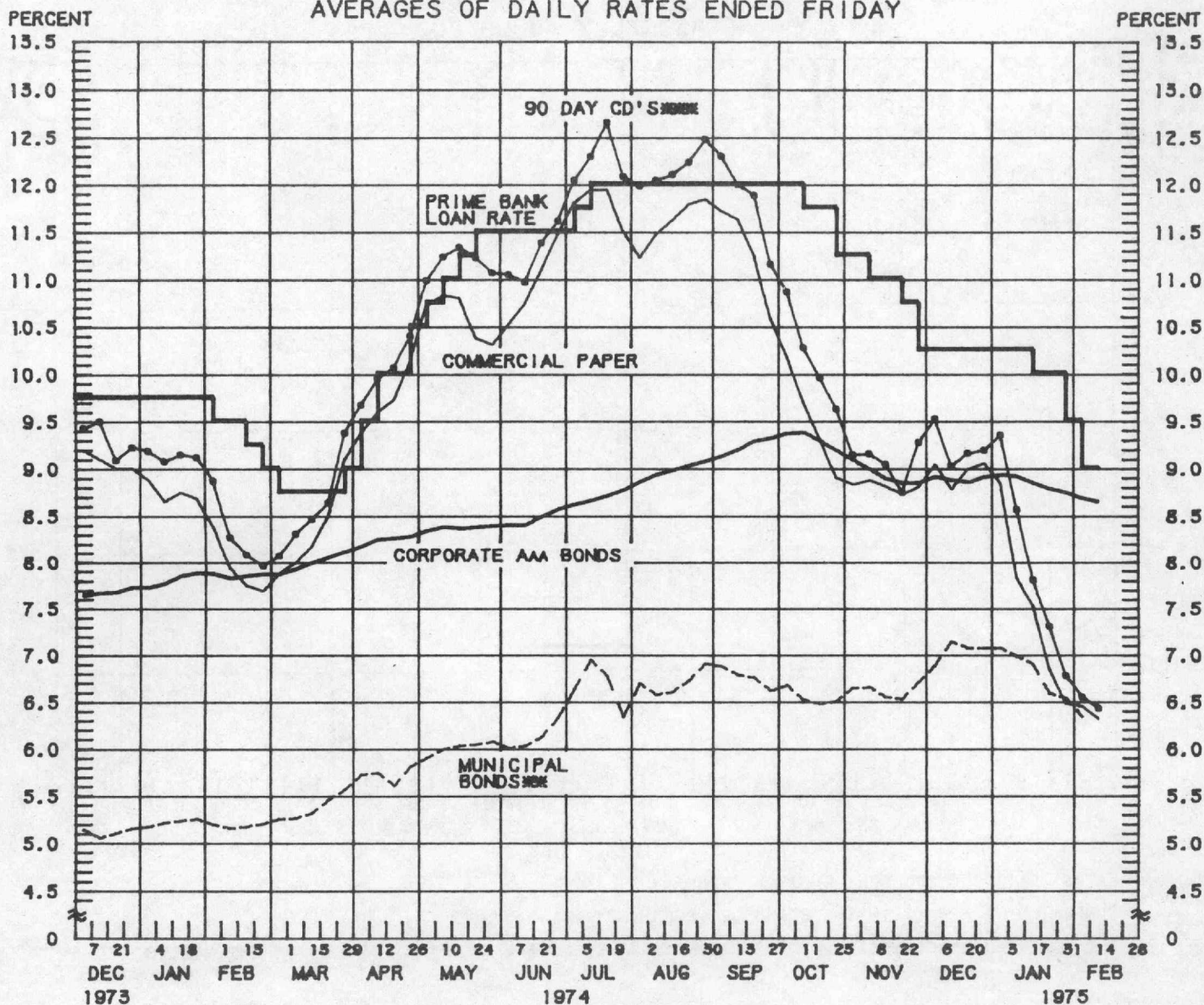
THE MONEY STOCK CONSISTS OF DEMAND DEPOSITS PLUS CURRENCY AND COIN HELD BY THE NONBANK PUBLIC.

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	2/6/74	5/8/74	7/3/74	8/7/74	9/4/74	10/2/74	11/6/74	12/4/74
7/ 3/74	8.5							
8/ 7/74	7.1	5.2						
9/ 4/74	6.4	4.4	1.7					
10/ 2/74	5.5	3.3	0.9	0.5				
11/ 6/74	5.5	3.6	2.0	2.2	2.3			
12/ 4/74	5.9	4.5	3.4	4.0	4.6	7.2		
1/ 8/75	4.8	3.2	1.9	2.0	2.1	2.9	1.9	
2/ 5/75	3.9	2.2	0.9	0.8	0.6	0.9	-0.6	-5.0

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: FEBRUARY 14, 1975

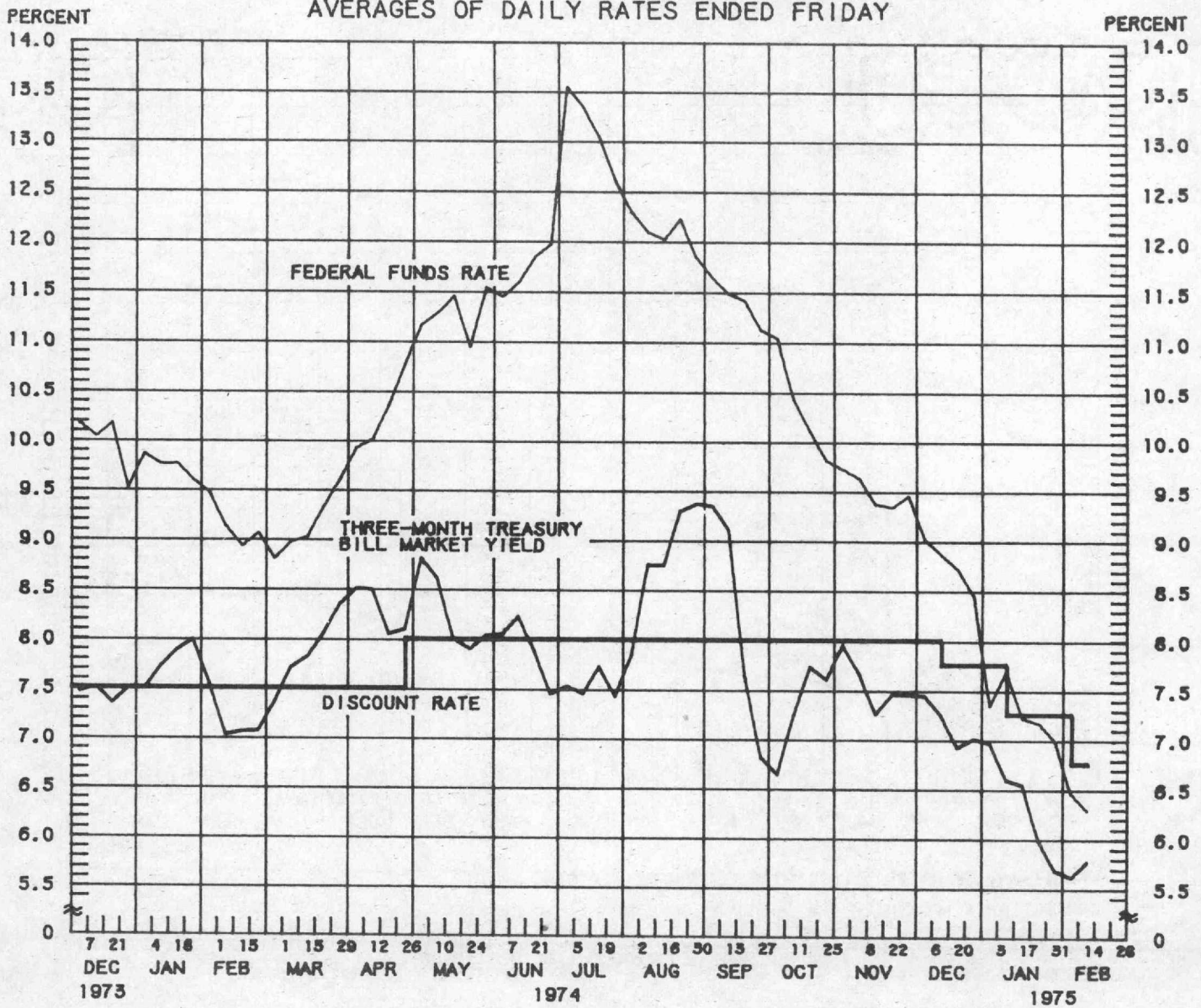
1975	90 DAY CD'S <small>SEVEN-DAY</small>	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS <small>SEVEN-DAY</small>
DEC. 6	9.53	9.05	9.55	8.91	6.89
13	9.03	8.78	9.03	8.87	7.15
20	9.17	9.00	9.03	8.85	7.08
27	9.20	9.06	9.16	8.91	7.08
JAN. 3	9.36	8.84	9.08	8.93	7.08
10	8.57	7.83	8.33	8.91	6.99
17	7.81	7.53	7.66	8.84	6.90
24	7.31	6.85	7.03	8.78	6.59
31	6.78	6.48	6.59	8.74	6.54
FEB. 7	6.55	6.45	6.34	8.68	6.34
14 *	6.43	6.32	6.53	8.64	N.A.
21					
28					

* AVERAGES OF RATES AVAILABLE.
SEVEN-DAY BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.
SEVEN-DAY 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: FEBRUARY 14, 1975

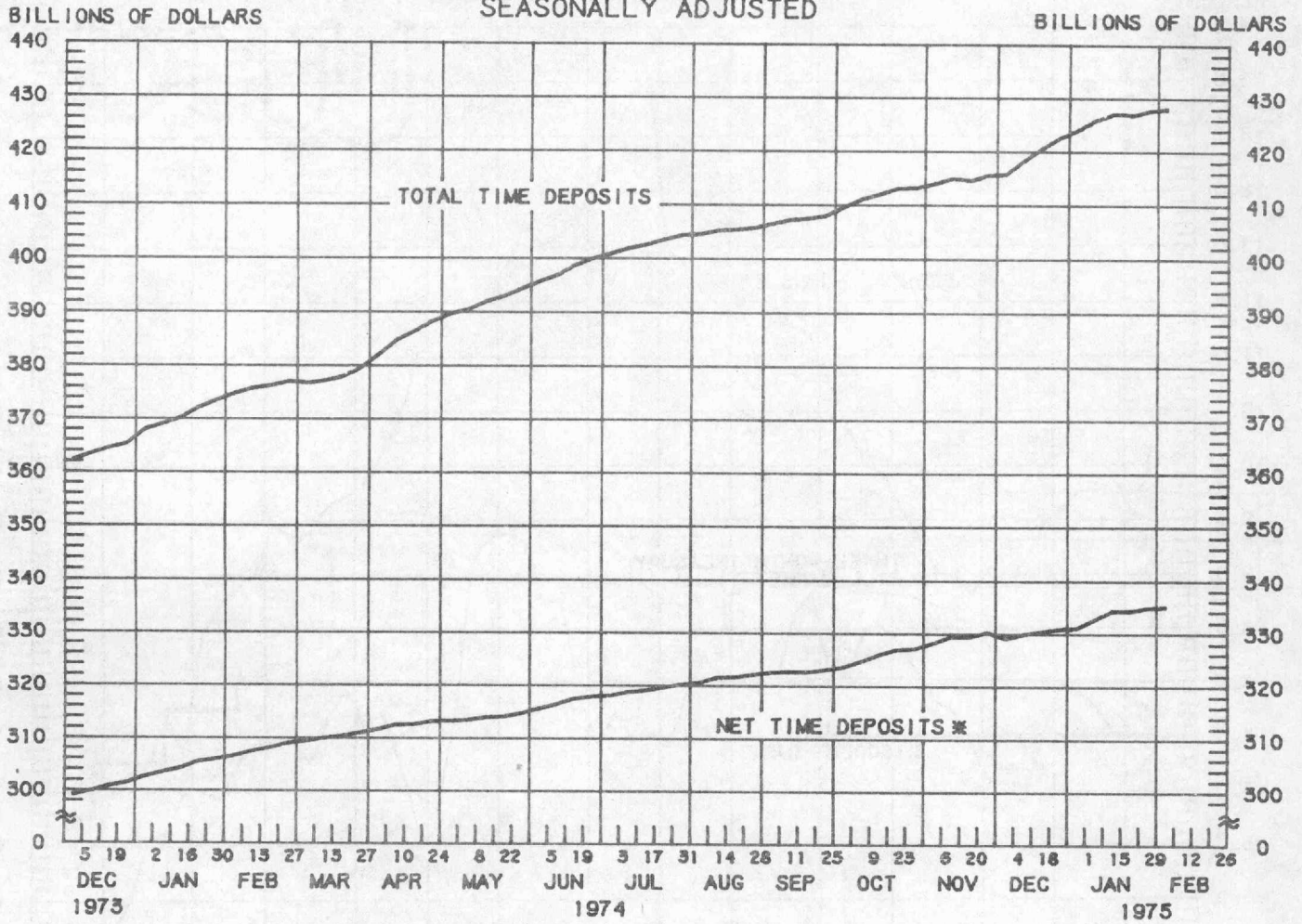
1975	FEDERAL FUNDS ***	3-MONTH TREASURY BILLS	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
DEC. 6	9.02	7.44	7.46	6.89
13	8.86	7.24	7.16	6.75
20	8.72	6.92	7.06	6.70
27	8.45	7.01	7.17	6.77
JAN. 3	7.35	6.96	7.26	6.77
10	7.70	6.59	7.23	6.68
17	7.22	6.54	7.32	6.66
24	7.17	5.98	7.36	6.69
31	6.99	5.68	7.23	6.67
FEB. 7	6.46	5.61	6.91	6.59
14 *	6.29	5.77	6.98	6.58
21				
28				

* 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

TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

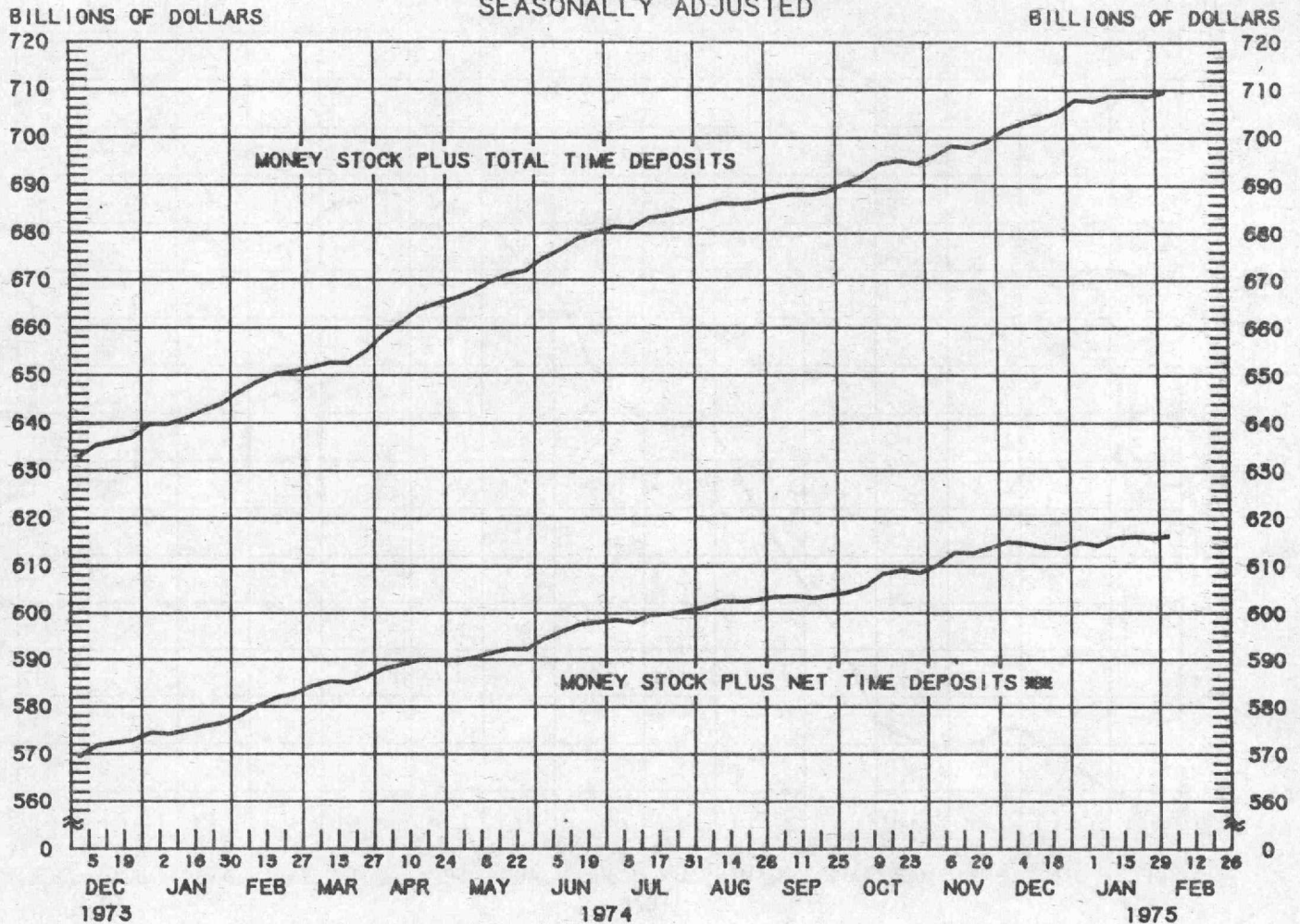
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

* 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:									
	2/6/74	5/8/74	7/3/74	8/7/74	9/4/74	10/2/74	11/6/74	12/4/74	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
7/ 3/74	10.0								
8/ 7/74	9.7	9.0							
9/ 4/74	9.5	9.0	8.5						
10/ 2/74	8.9	8.0	7.1	6.5					
11/ 6/74	9.5	9.1	8.9	9.2	9.3				
12/ 4/74	9.6	9.3	9.2	9.6	9.8	12.4			
1/ 8/75	9.2	8.8	8.5	8.6	8.6	9.9	7.8		
2/ 5/75	9.5	9.2	9.1	9.3	9.4	10.6	9.5	8.9	

MONEY STOCK PLUS TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

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:

2/6/74 5/8/74 7/3/74 8/7/74 9/4/74 10/2/74 11/8/74 12/4/74

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

7/ 3/74	9.3								
8/ 7/74	8.5	7.2							
9/ 4/74	8.1	6.8	5.2						
10/ 2/74	7.3	5.8	4.2	3.7					
11/ 8/74	7.6	6.5	5.6	5.9	6.0				
12/ 4/74	7.8	7.0	6.4	6.9	7.3	9.8			
1/ 8/75	7.1	6.1	5.4	5.5	5.5	6.6	5.0		
2/ 5/75	6.9	5.9	5.2	5.3	5.3	6.0	4.7	2.4	

**CERTIFICATES OF DEPOSIT
LARGE COMMERCIAL BANKS
WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED**



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

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

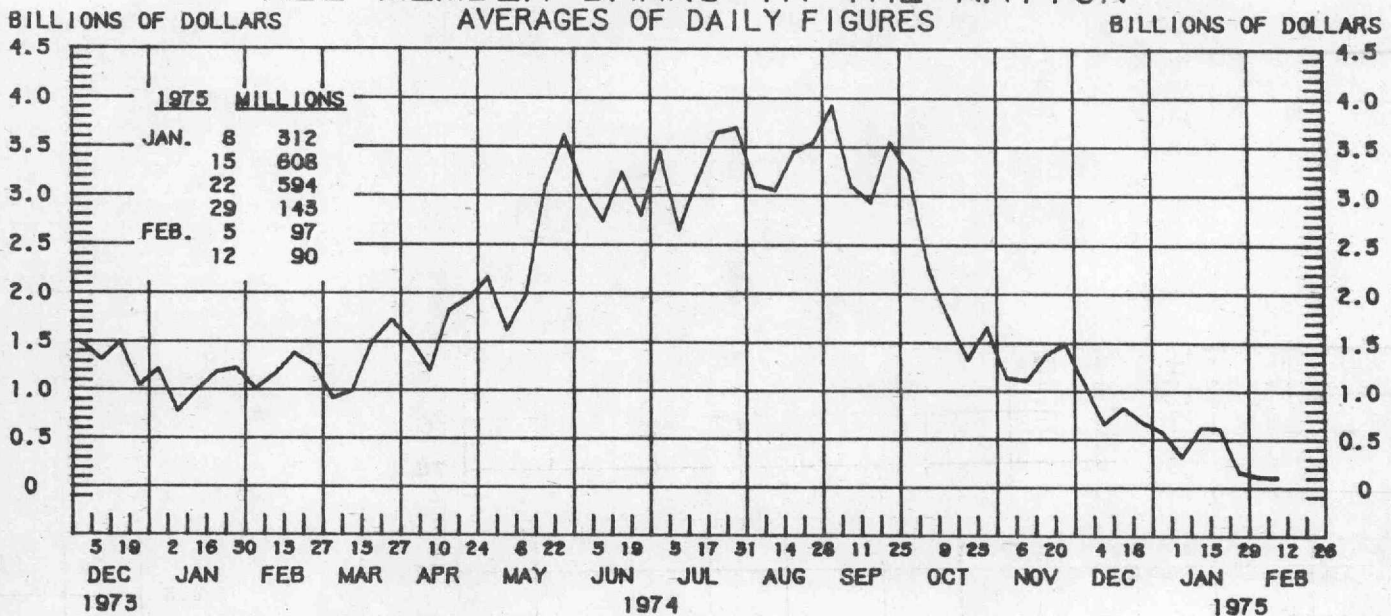
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

MONEY AND TIME DEPOSIT DATA				
1975	BILLIONS			
	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT	NET TIME DEPOSITS *	M2 ***
DEC. 4	87.7	86.7	329.0	614.9
11	88.9	88.5	329.8	614.4
18	90.4	90.2	330.3	613.7
25	91.7	91.7	330.8	613.5
JAN. 1	92.7	93.1	331.0	614.7
8	92.8	93.3	332.5	614.0
15	92.3	92.9	334.1	615.7
22	91.9	92.7	334.1	616.0
29	91.7	92.8	334.7	615.6
FEB. 5	91.0	93.1	334.8	616.1
12				
19				
26				

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

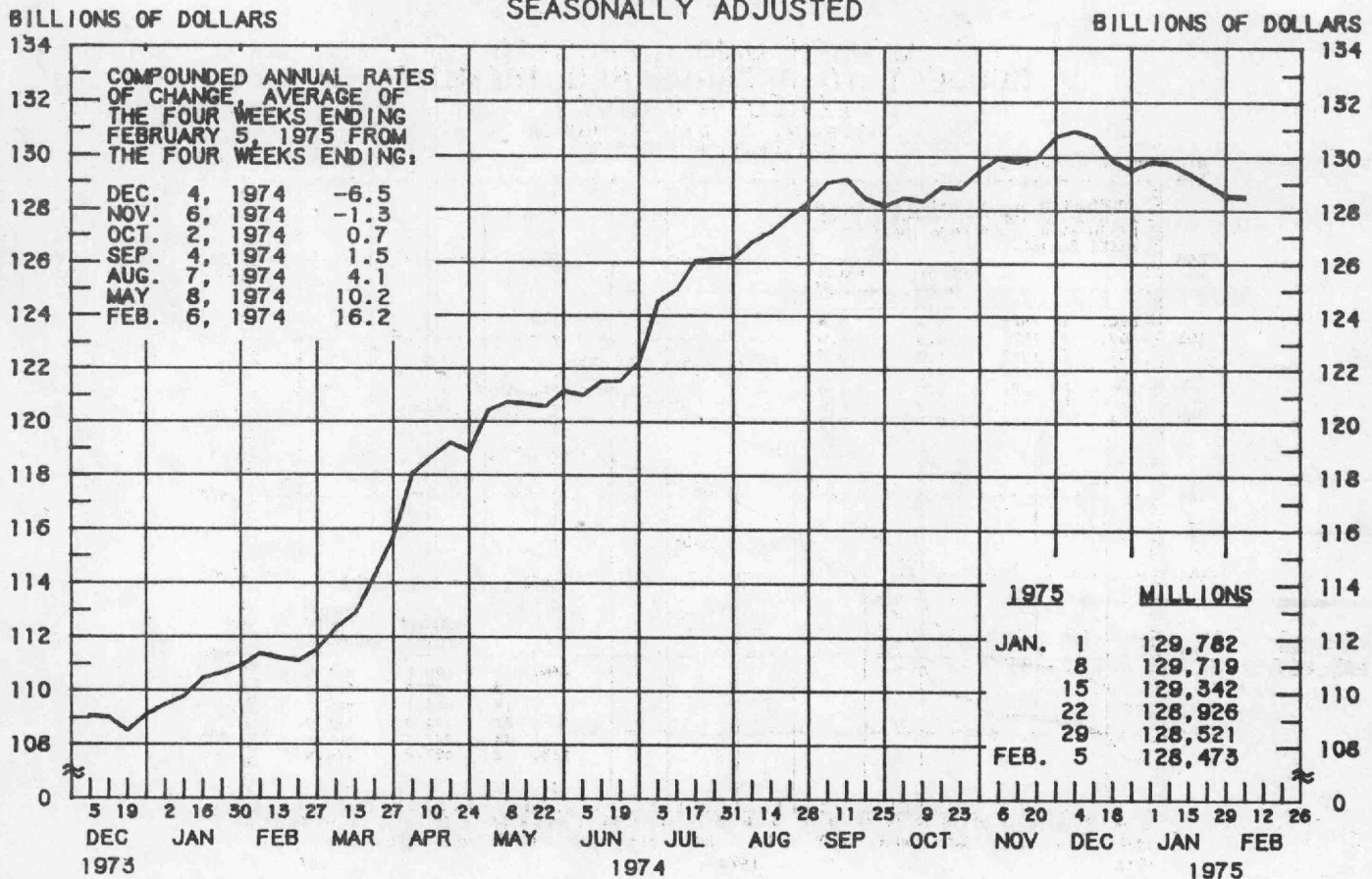
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



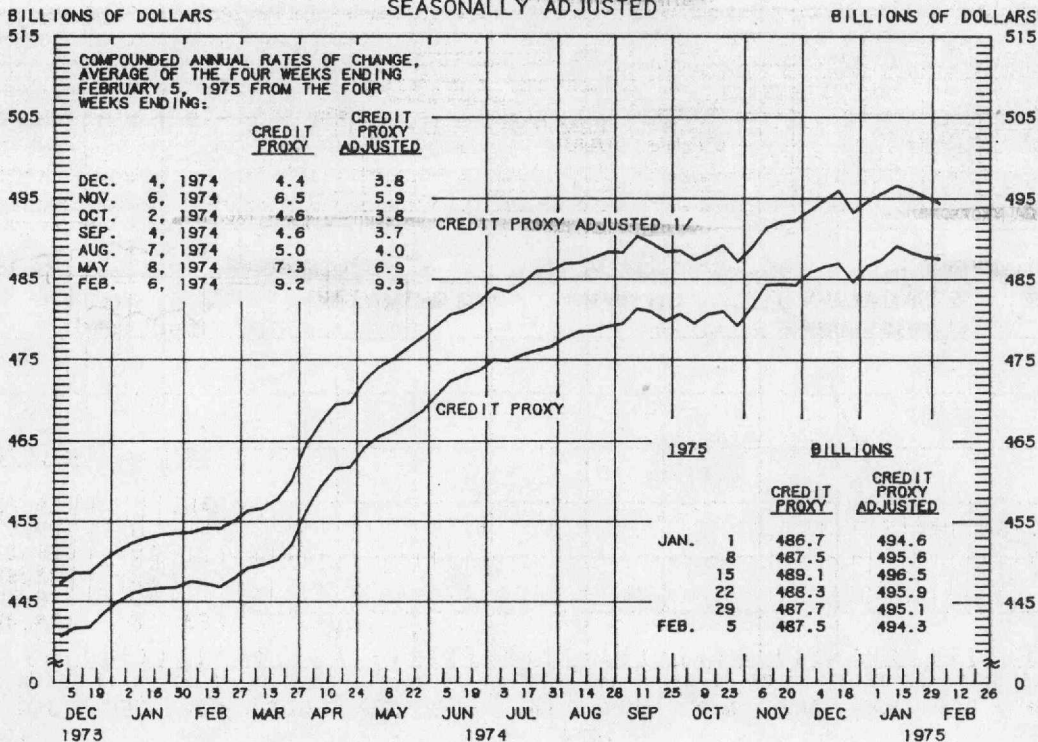
LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 12, 1975

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



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

**MEMBER BANK DEPOSITS
SUBJECT TO RESERVE REQUIREMENTS
(CREDIT PROXY)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED**



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 5, 1975

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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS