



Week ending: April 2, 1975

JUN LIBRARY

JUN 08 1979

Over the last year the narrowly defined money stock (M1) has risen 4.3 percent. During the first three months of this period M1 grew at a 7.3 percent annual rate, then, from mid-1974 through the end of January, M1 grew on average at a 1.3 percent annual rate. Since late January, M1 has grown at an 11.3 percent annual rate.

The broadly defined money stock (M2)--see page 4 of this release--has exhibited a growth pattern similar to that of M1. Over the last year M2 has risen 7.0 percent. During the first three months of this period M2 grew at an 8.2 percent annual rate, then, from mid-1974 through the end of January, M2 grew on average at a 5.4 percent annual rate. Since late January, M2 has grown at an 11.4 percent annual rate.

Since the end of last year there has been a substantial decrease in the demand for short-term credit, while the demand for longer-term financing has sharply increased. Consequently, short-term interest rates have fallen below long-term interest rates, reversing the situation that prevailed during the spring and summer of last year. For example, at their peaks in July 1974, the rates on 90-day certificates of deposit (CDs) and prime four- to six-month commercial paper exceeded the rate on corporate Aaa bonds by about 360 basis points. However, since early this year a different relationship between short- and long-term rates has emerged, with long-term rates consistently higher than short-term rates. Although long-term rates have risen somewhat recently, they have generally declined along with, but at a slower pace than, short-term rates since last fall. As a result, during the latest week, the corporate Aaa rates exceeded rates on CDs and commercial paper by 270 and 288 basis points, respectively.

Prepared by Federal Reserve Bank of St. Louis

Released: April 4, 1975

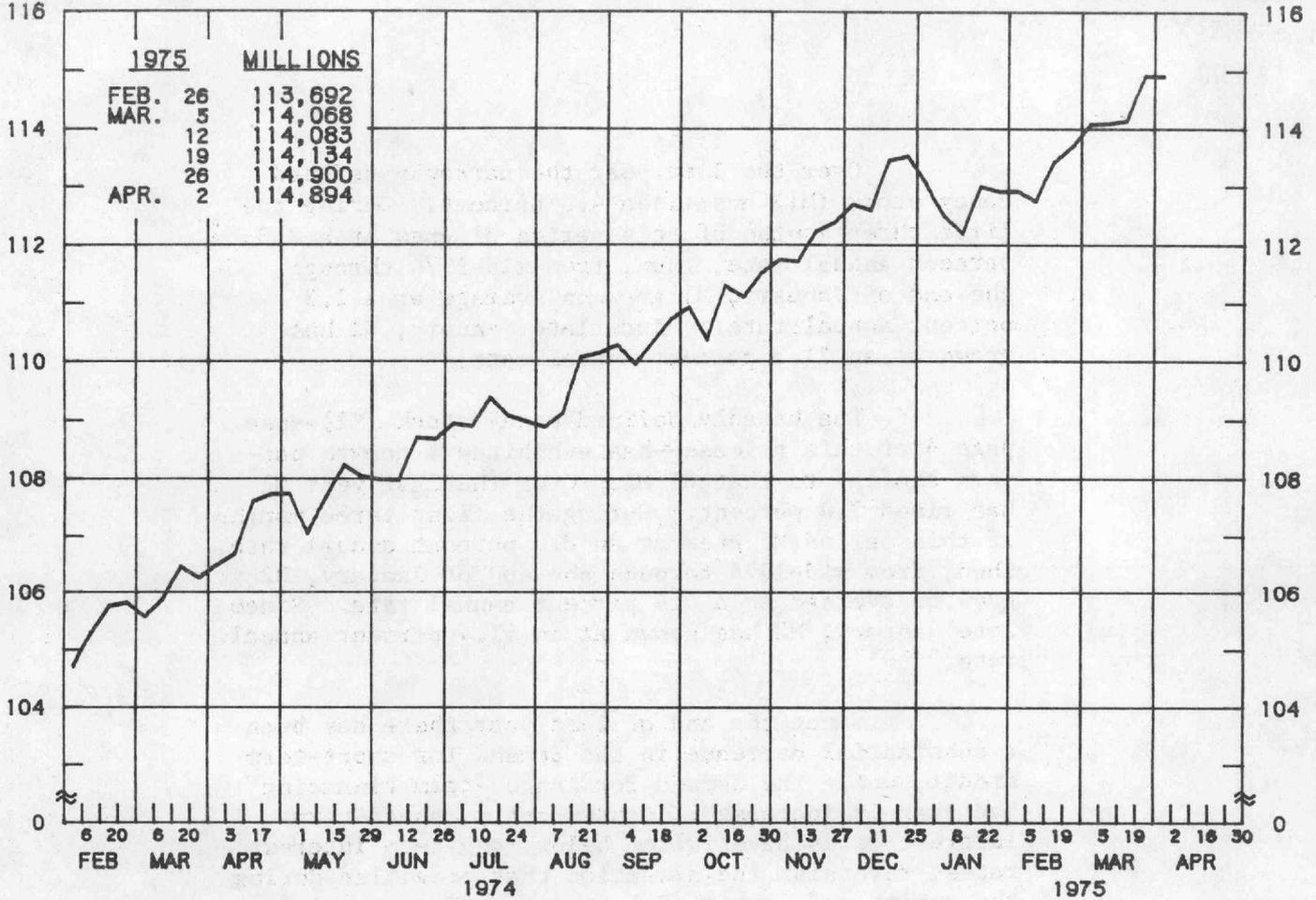
MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



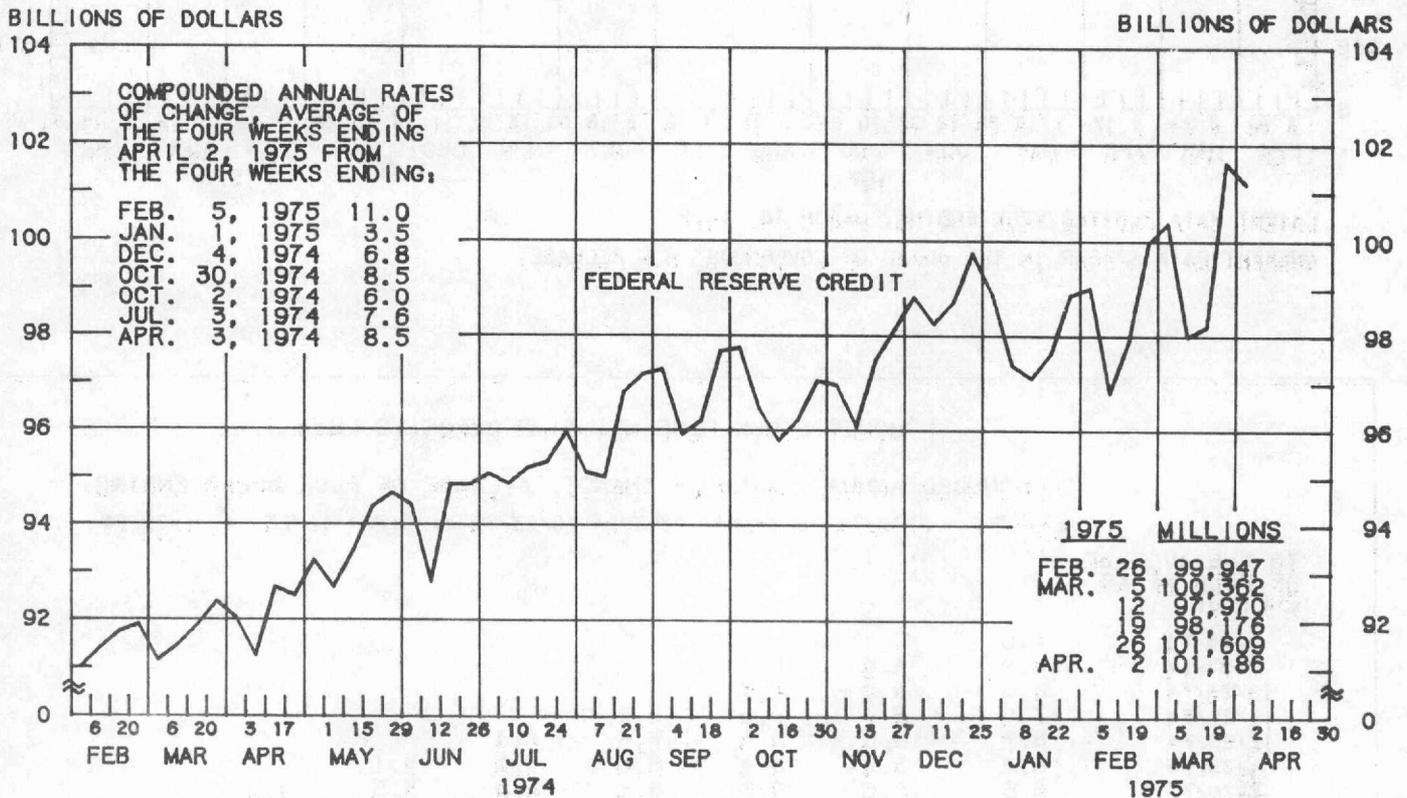
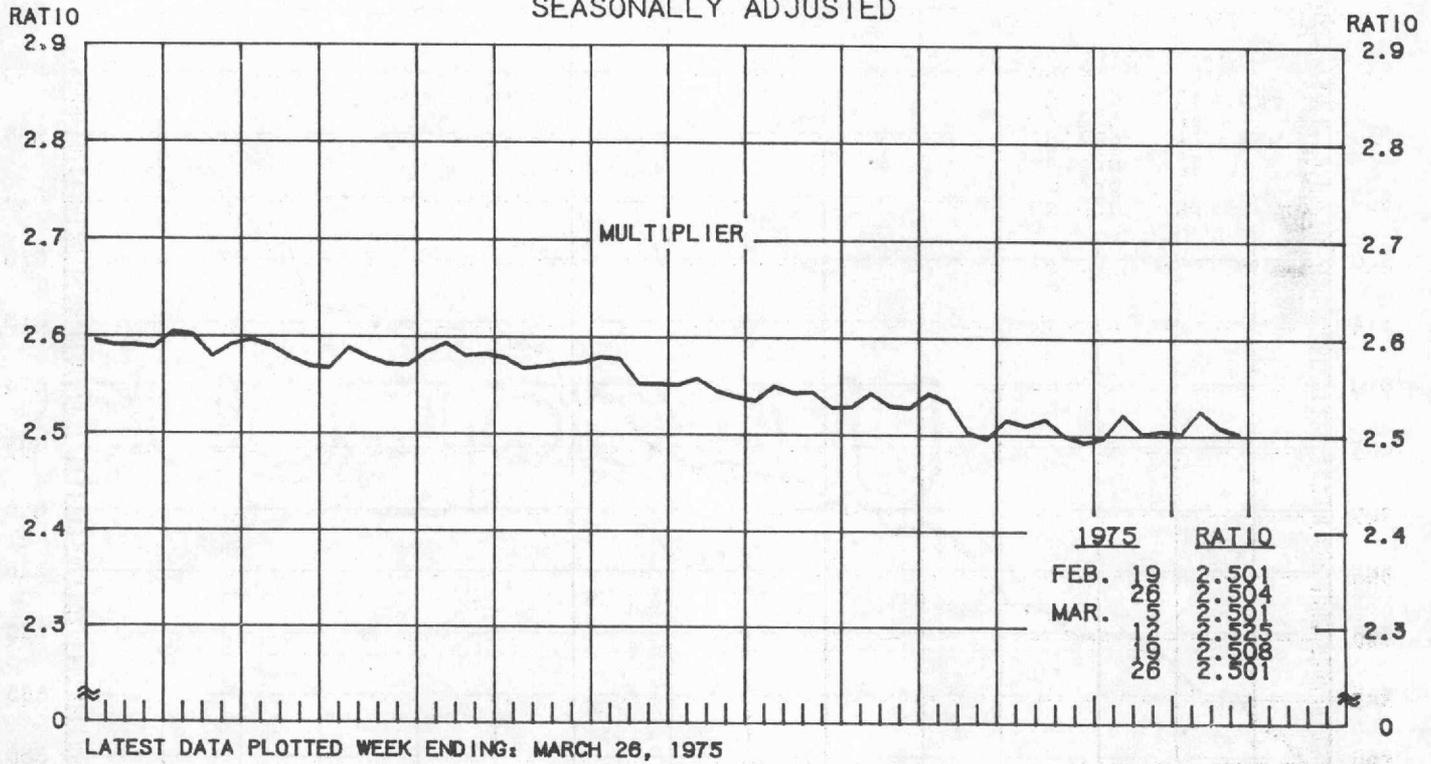
LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1975

THE MONETARY BASE CONSISTS OF MEMBER BANK RESERVES AT THE FEDERAL RESERVE BANKS AND CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL BANKS), ADJUSTED FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE REQUIREMENT RATIOS APPLY. 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:

| | 4/3/74 | 7/3/74 | 9/4/74 | 10/2/74 | 10/30/74 | 12/4/74 | 1/1/75 | 2/5/75 |
|----------|--------|--------|--------|---------|----------|---------|--------|--------|
| 9/ 4/74 | 8.3 | | | | | | | |
| 10/ 2/74 | 8.1 | 7.3 | | | | | | |
| 10/30/74 | 8.0 | 7.2 | 7.1 | | | | | |
| 12/ 4/74 | 8.5 | 8.2 | 8.8 | 9.6 | | | | |
| 1/ 1/75 | 8.7 | 8.6 | 9.3 | 10.0 | 11.3 | | | |
| 2/ 5/75 | 7.2 | 6.6 | 6.2 | 6.0 | 5.7 | 2.6 | | |
| 3/ 5/75 | 7.4 | 6.8 | 6.6 | 6.5 | 6.4 | 4.5 | 1.7 | |
| 4/ 2/75 | 7.8 | 7.4 | 7.4 | 7.4 | 7.5 | 6.3 | 4.9 | 10.6 |

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1975

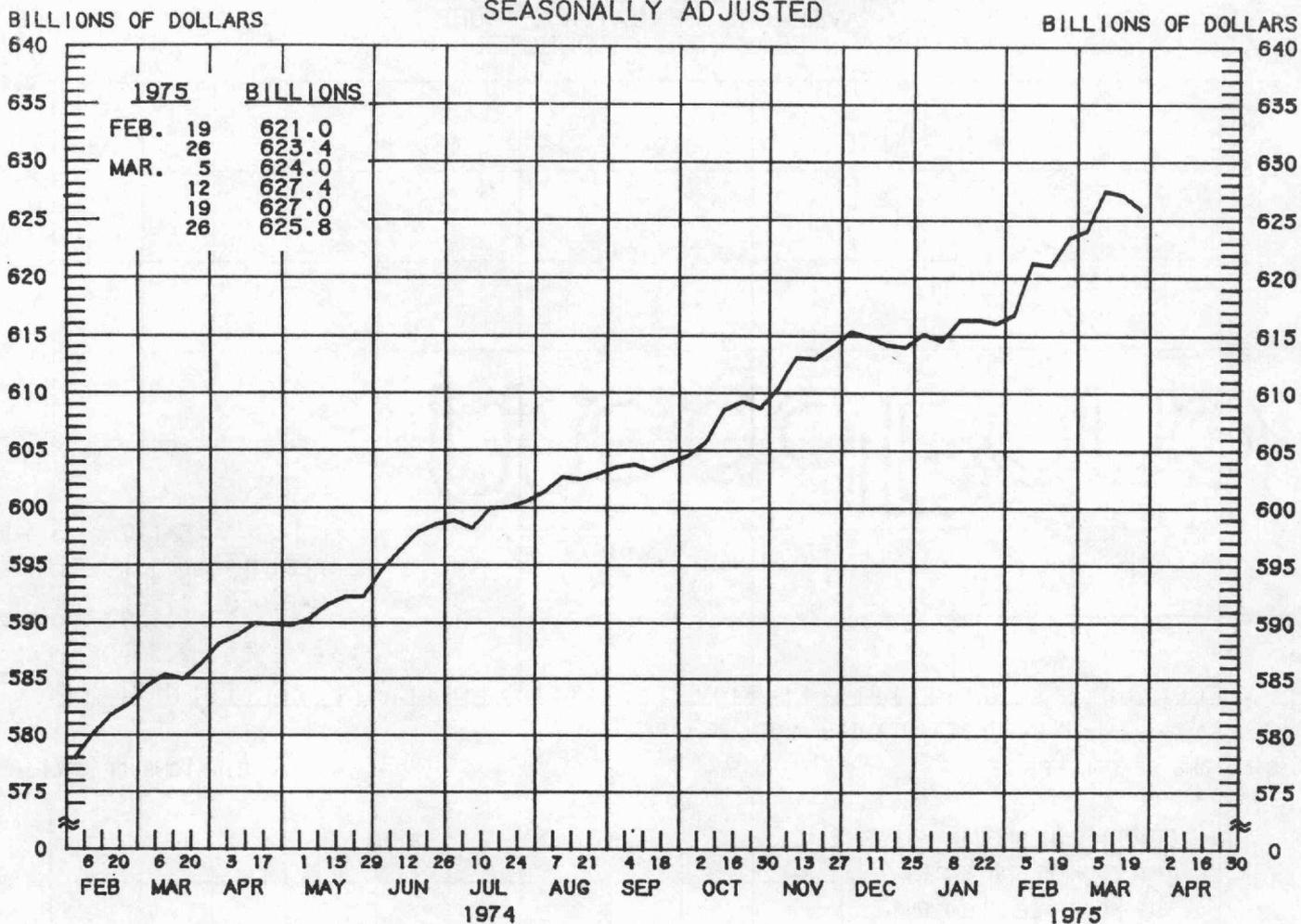
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE REQUIREMENT RATIOS APPLY. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS NET TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 1975
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

3/27/74 6/28/74 8/28/74 9/25/74 10/23/74 11/27/74 12/25/74 1/29/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

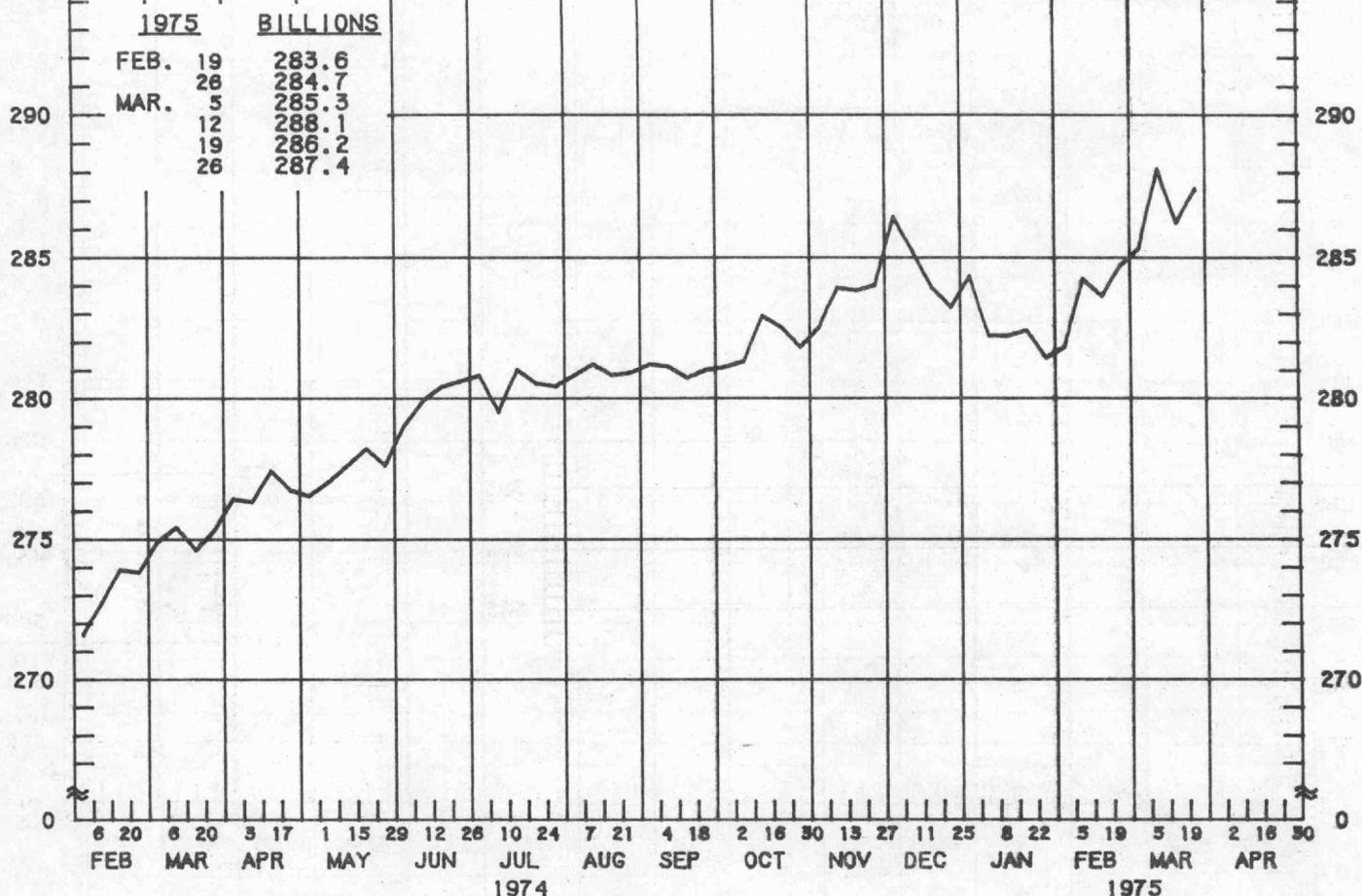
| TO THE AVERAGE OF FOUR WEEKS ENDING: | 3/27/74 | 6/28/74 | 8/28/74 | 9/25/74 | 10/23/74 | 11/27/74 | 12/25/74 | 1/29/75 |
|--|---------|---------|---------|---------|----------|----------|----------|---------|
| 8/28/74 | 7.0 | | | | | | | |
| 9/25/74 | 6.4 | 4.6 | | | | | | |
| 10/23/74 | 6.5 | 5.3 | 5.2 | | | | | |
| 11/27/74 | 7.0 | 6.4 | 7.0 | 8.9 | | | | |
| 12/25/74 | 6.7 | 6.0 | 6.3 | 7.4 | 7.4 | | | |
| 1/29/75 | 6.2 | 5.4 | 5.4 | 6.0 | 5.5 | 3.1 | | |
| 2/26/75 | 6.6 | 6.0 | 6.2 | 6.8 | 6.6 | 5.3 | 5.9 | |
| 3/26/75 | 7.0 | 6.6 | 6.9 | 7.6 | 7.6 | 6.9 | 7.8 | 11.4 |

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS
295

BILLIONS OF DOLLARS
295



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 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.

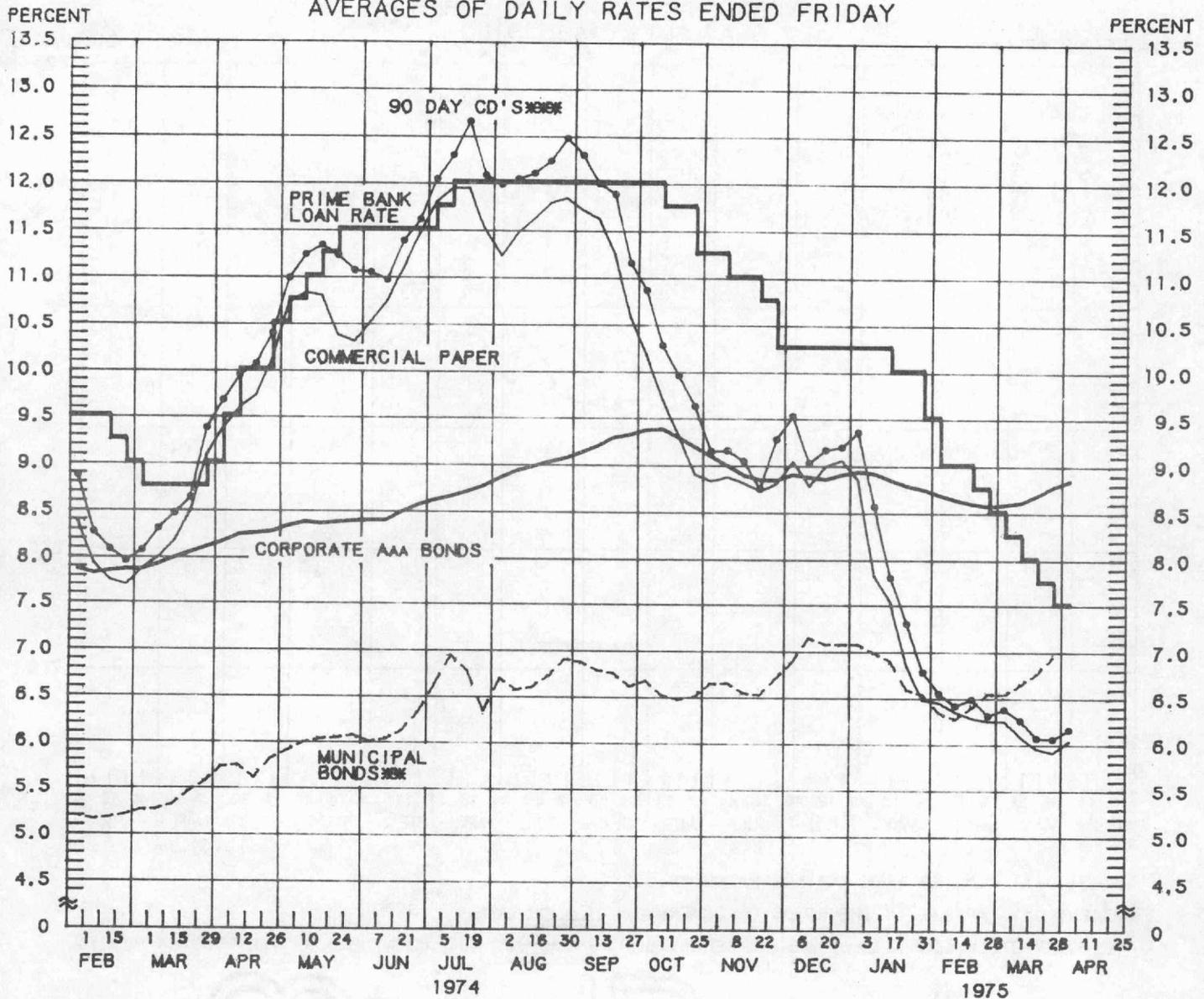
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
3/27/74 6/26/74 8/28/74 9/25/74 10/23/74 11/27/74 12/25/74 1/29/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

| | | | | | | | | | |
|----------|-----|-----|-----|-----|-----|------|------|------|--|
| 8/28/74 | 5.1 | | | | | | | | |
| 9/25/74 | 4.3 | 1.4 | | | | | | | |
| 10/23/74 | 4.4 | 2.2 | 2.6 | | | | | | |
| 11/27/74 | 4.6 | 3.1 | 3.9 | 5.5 | | | | | |
| 12/25/74 | 4.7 | 3.4 | 4.2 | 5.4 | 5.7 | | | | |
| 1/29/75 | 3.0 | 1.3 | 1.0 | 1.1 | 0.1 | -3.0 | | | |
| 2/28/75 | 3.4 | 1.9 | 1.9 | 2.2 | 1.6 | 0.0 | -2.2 | | |
| 3/26/75 | 4.3 | 3.3 | 3.7 | 4.2 | 4.1 | 3.5 | 3.0 | 11.3 | |

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 4, 1975

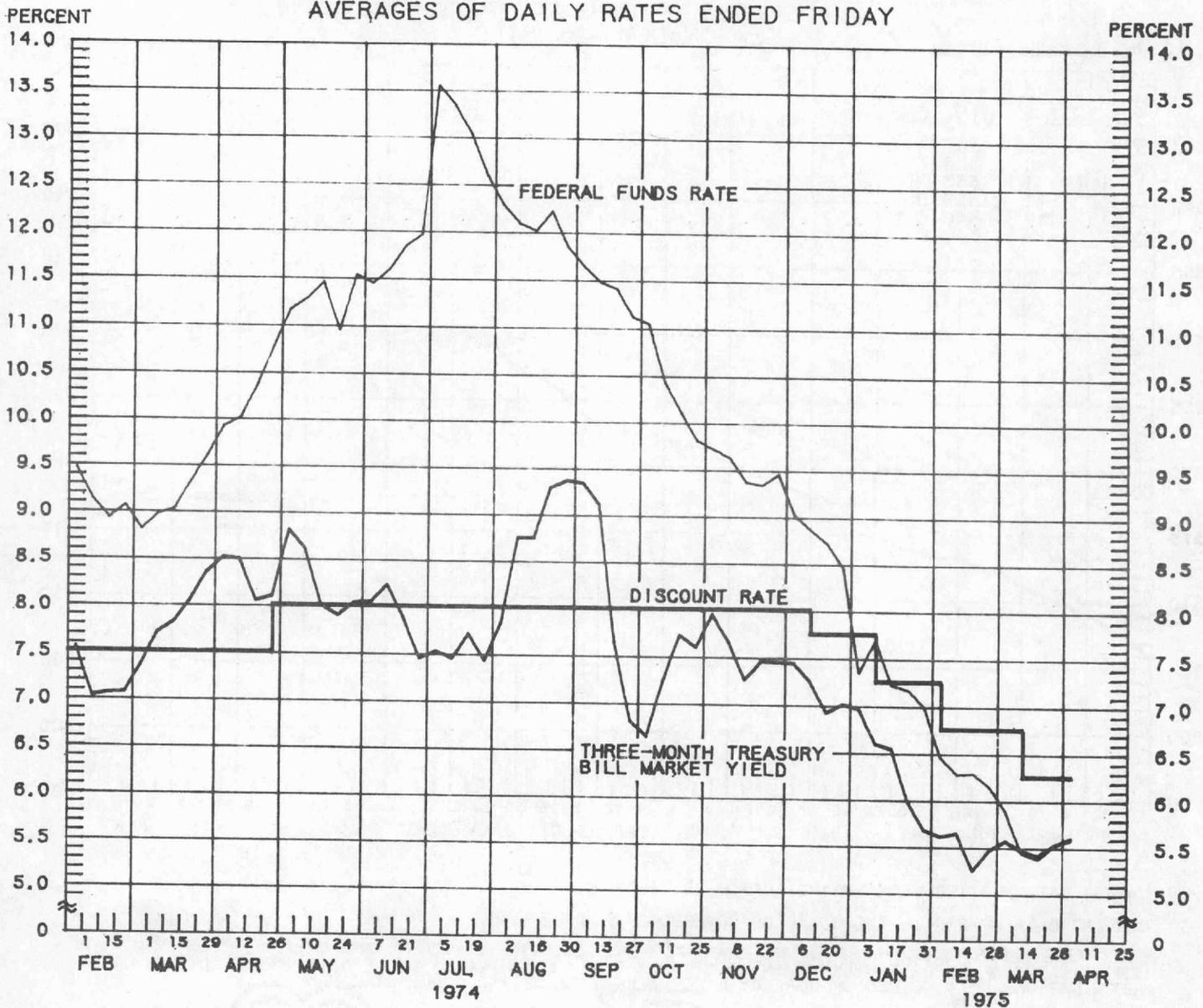
| 1975 | 90 DAY CD'S | PRIME COMMERCIAL PAPER 4-6 MONTH | PRIME BANKERS' ACCEPTANCES | CORPORATE AAA BONDS | MUNICIPAL BONDS |
|----------|-------------|----------------------------------|----------------------------|---------------------|-----------------|
| FEB. 7 | 6.55 | 6.45 | 6.34 | 8.68 | 6.34 |
| 14 | 6.42 | 6.35 | 6.47 | 8.63 | 6.27 |
| 21 | 6.49 | 6.28 | 6.26 | 8.59 | 6.40 |
| 28 | 6.31 | 6.25 | 6.33 | 8.57 | 6.55 |
| MAR. 7 | 6.38 | 6.25 | 6.37 | 8.59 | 6.54 |
| 14 | 6.26 | 6.08 | 6.29 | 8.61 | 6.65 |
| 21 | 6.07 | 5.95 | 6.11 | 8.69 | 6.77 |
| 28 | 6.06 | 5.91 | 6.11 | 8.78 | 6.95 |
| APR. 4 * | 6.16 | 6.04 | 6.14 | 8.84 | N.A. |
| 11 | | | | | |
| 18 | | | | | |
| 25 | | | | | |

* 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 4, 1975

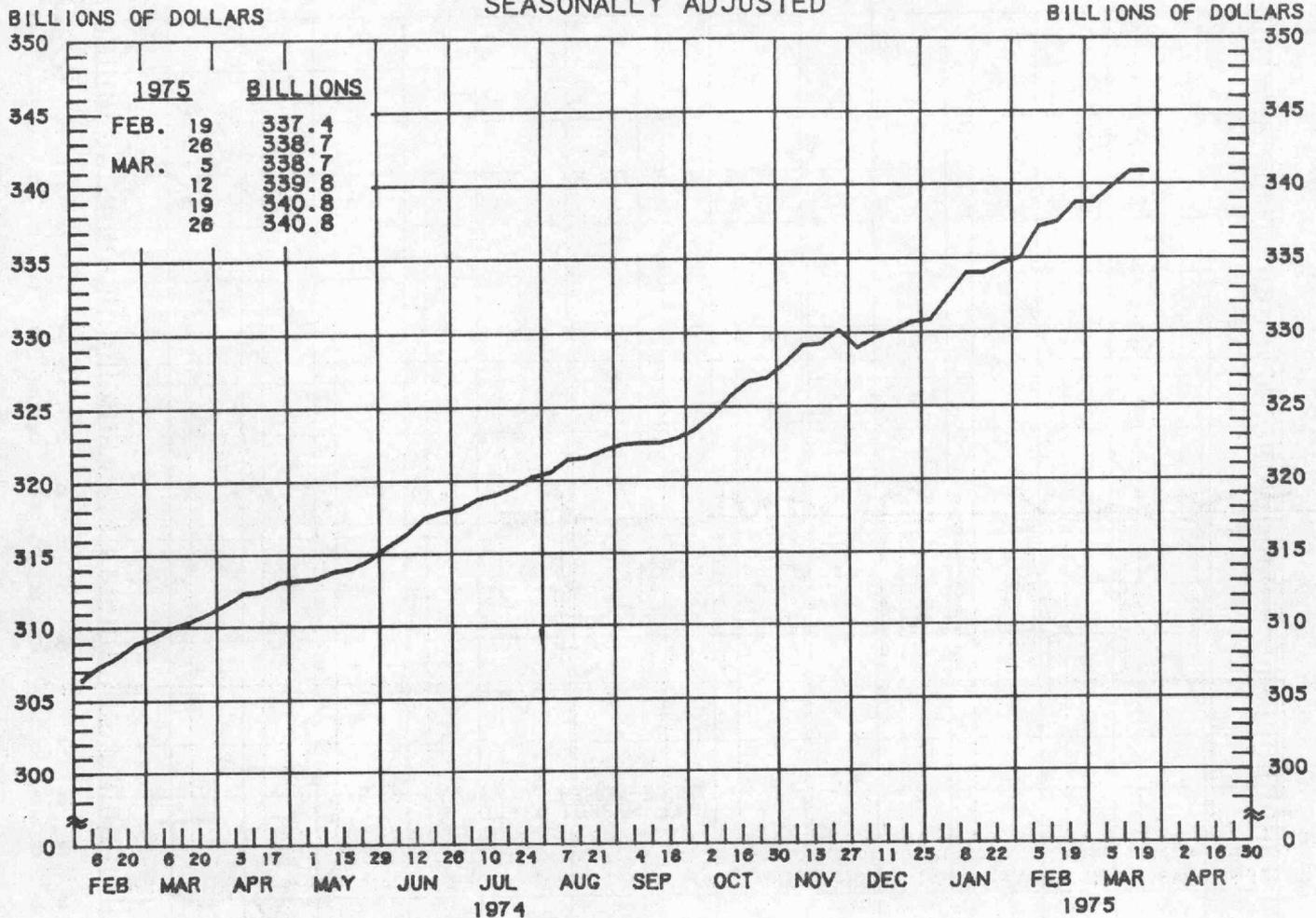
| 1975 | FEDERAL FUNDS % | 3-MONTH TREASURY BILLS | 3-5 YEAR GOVERNMENT SECURITIES | LONG-TERM GOVERNMENT SECURITIES |
|----------|-----------------|------------------------|--------------------------------|---------------------------------|
| FEB. 7 | 6.46 | 5.61 | 6.91 | 6.59 |
| 14 | 6.28 | 5.65 | 6.92 | 6.58 |
| 21 | 6.29 | 5.25 | 6.71 | 6.63 |
| 28 | 6.15 | 5.47 | 6.83 | 6.64 |
| MAR. 7 | 5.88 | 5.57 | 6.86 | 6.67 |
| 14 | 5.44 | 5.46 | 6.88 | 6.67 |
| 21 | 5.38 | 5.41 | 7.05 | 6.75 |
| 28 | 5.53 | 5.53 | 7.19 | 6.83 |
| APR. 4 * | 5.59 | 5.60 | 7.38 | 6.86 |
| 11 | | | | |
| 18 | | | | |
| 25 | | | | |

* 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

NET TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 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.

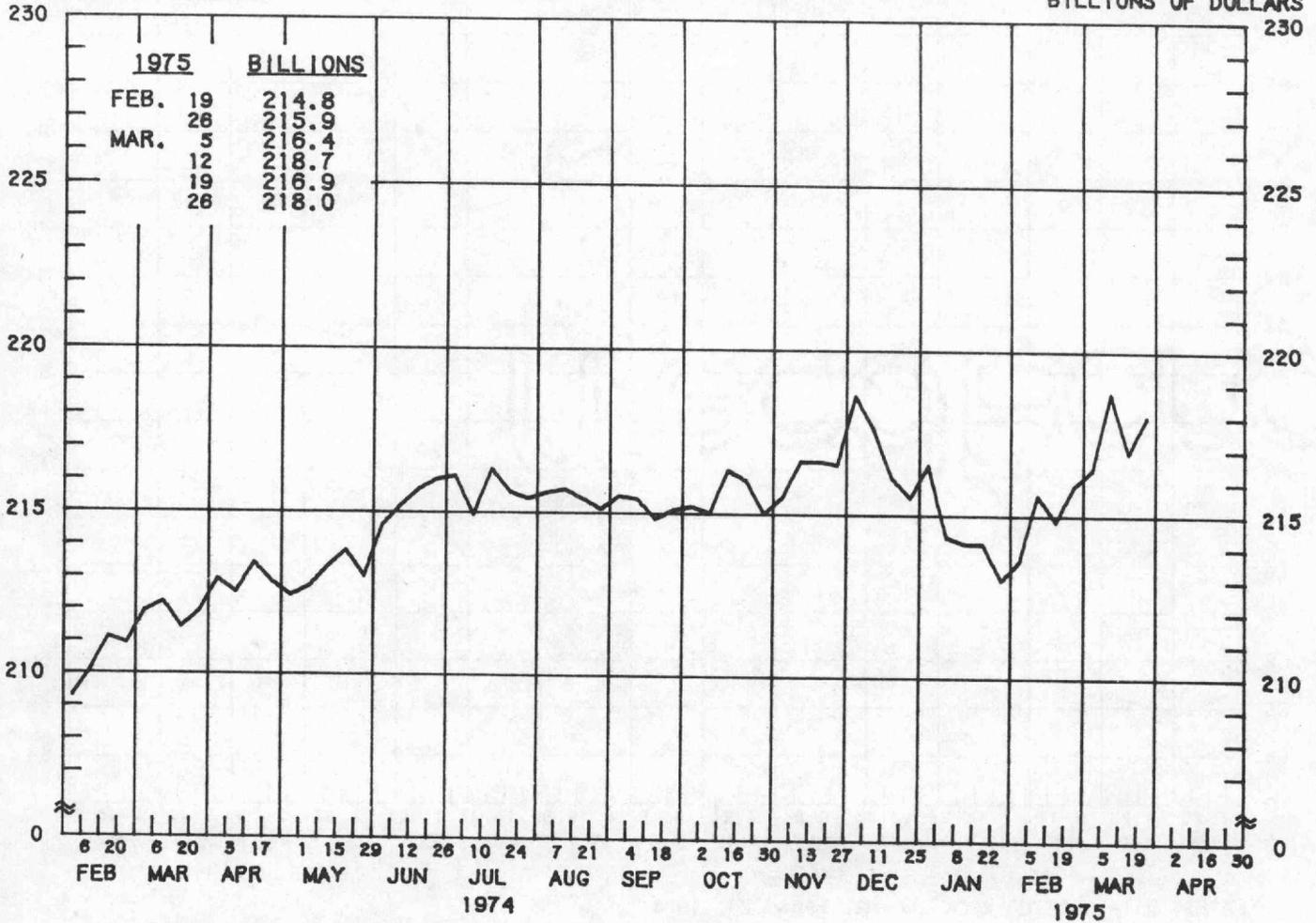
| NET TIME DEPOSITS | | | | | | | | | |
|--|---------|---------|---------|---------|----------|----------|----------|---------|--|
| COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING: | | | | | | | | | |
| | 3/27/74 | 6/26/74 | 8/28/74 | 9/25/74 | 10/23/74 | 11/27/74 | 12/25/74 | 1/29/75 | |
| TO THE AVERAGE OF FOUR WEEKS ENDING: | | | | | | | | | |
| 8/28/74 | 8.8 | | | | | | | | |
| 9/25/74 | 8.2 | 7.5 | | | | | | | |
| 10/23/74 | 8.5 | 8.2 | 7.7 | | | | | | |
| 11/27/74 | 9.2 | 9.4 | 9.9 | 12.2 | | | | | |
| 12/25/74 | 8.6 | 8.4 | 8.2 | 9.2 | 8.6 | | | | |
| 1/29/75 | 9.1 | 9.2 | 9.4 | 10.4 | 10.3 | 8.5 | | | |
| 2/26/75 | 9.5 | 9.7 | 10.0 | 11.0 | 11.0 | 10.1 | 13.5 | | |
| 3/26/75 | 9.6 | 9.9 | 10.2 | 11.1 | 11.2 | 10.5 | 13.0 | 12.7 | |

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 1975

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

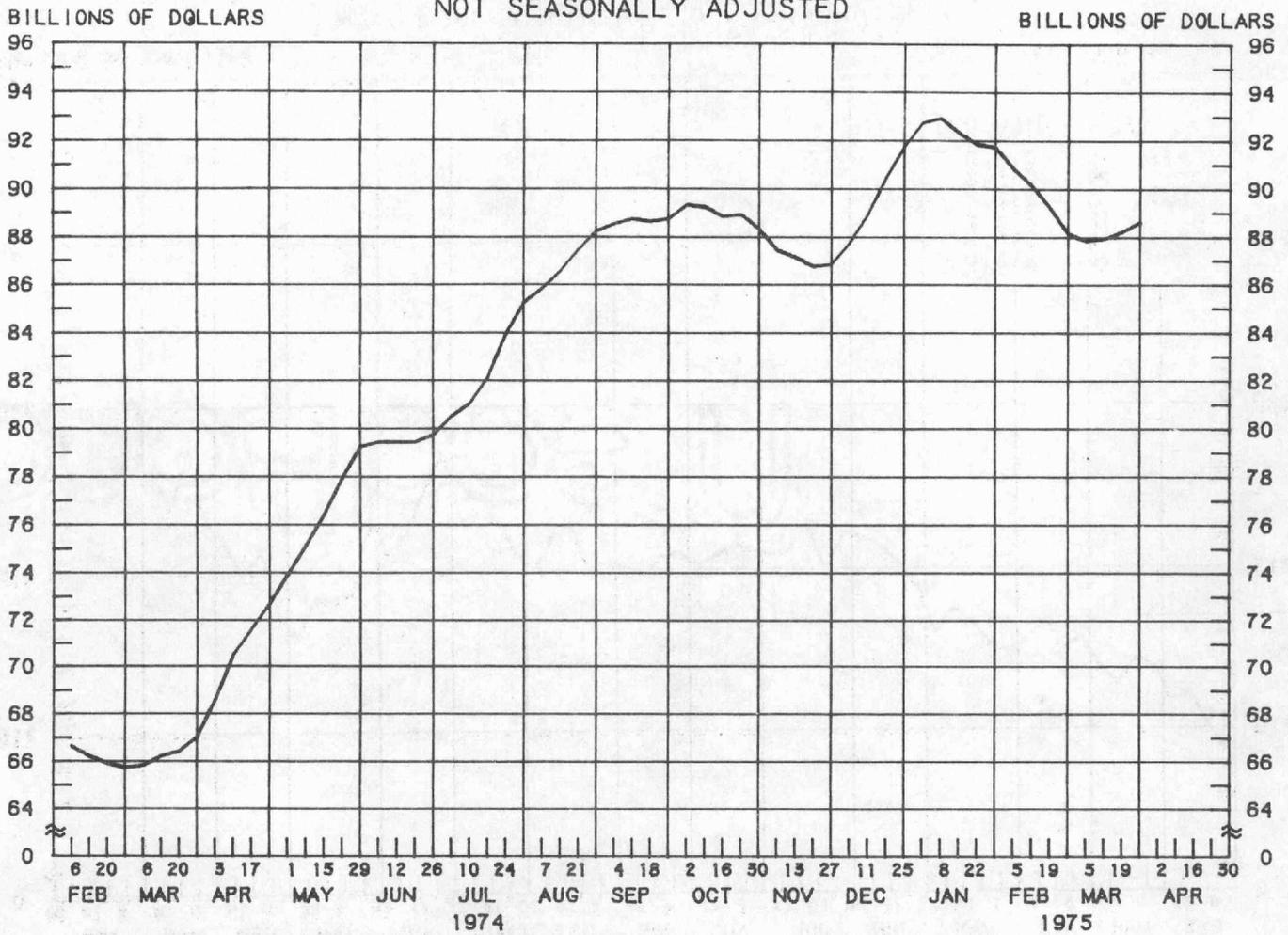
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

3/27/74 6/26/74 8/28/74 9/25/74 10/23/74 11/27/74 12/25/74 1/29/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

| | | | | | | | | | |
|----------|-----|------|------|------|------|------|------|------|--|
| 8/28/74 | 4.1 | | | | | | | | |
| 9/25/74 | 3.1 | -0.4 | | | | | | | |
| 10/23/74 | 3.0 | 0.3 | 0.3 | | | | | | |
| 11/27/74 | 3.1 | 1.0 | 1.5 | 3.0 | | | | | |
| 12/25/74 | 3.2 | 1.5 | 2.1 | 3.4 | 3.8 | | | | |
| 1/29/75 | 1.1 | -1.2 | -1.7 | -1.7 | -2.9 | -6.2 | | | |
| 2/26/75 | 1.6 | -0.3 | -0.5 | -0.2 | -0.8 | -2.4 | -5.2 | | |
| 3/26/75 | 2.6 | 1.3 | 1.6 | 2.1 | 2.1 | 1.7 | 0.9 | 11.5 | |

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 1975

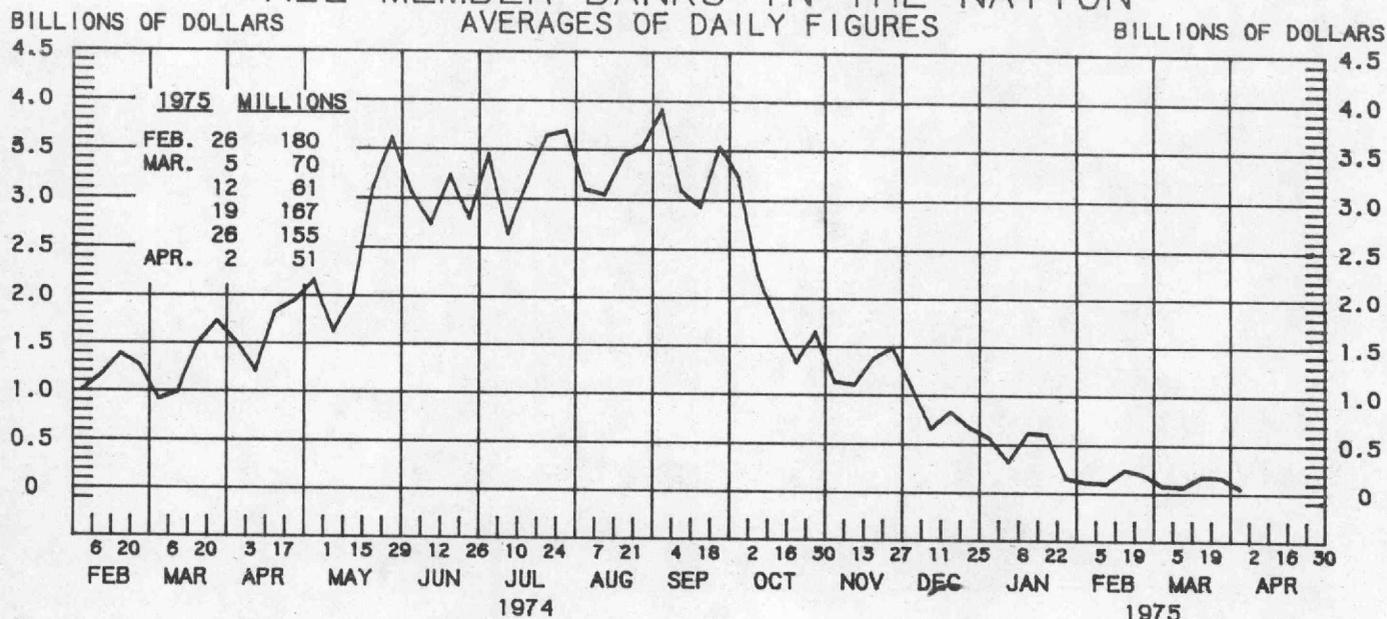
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

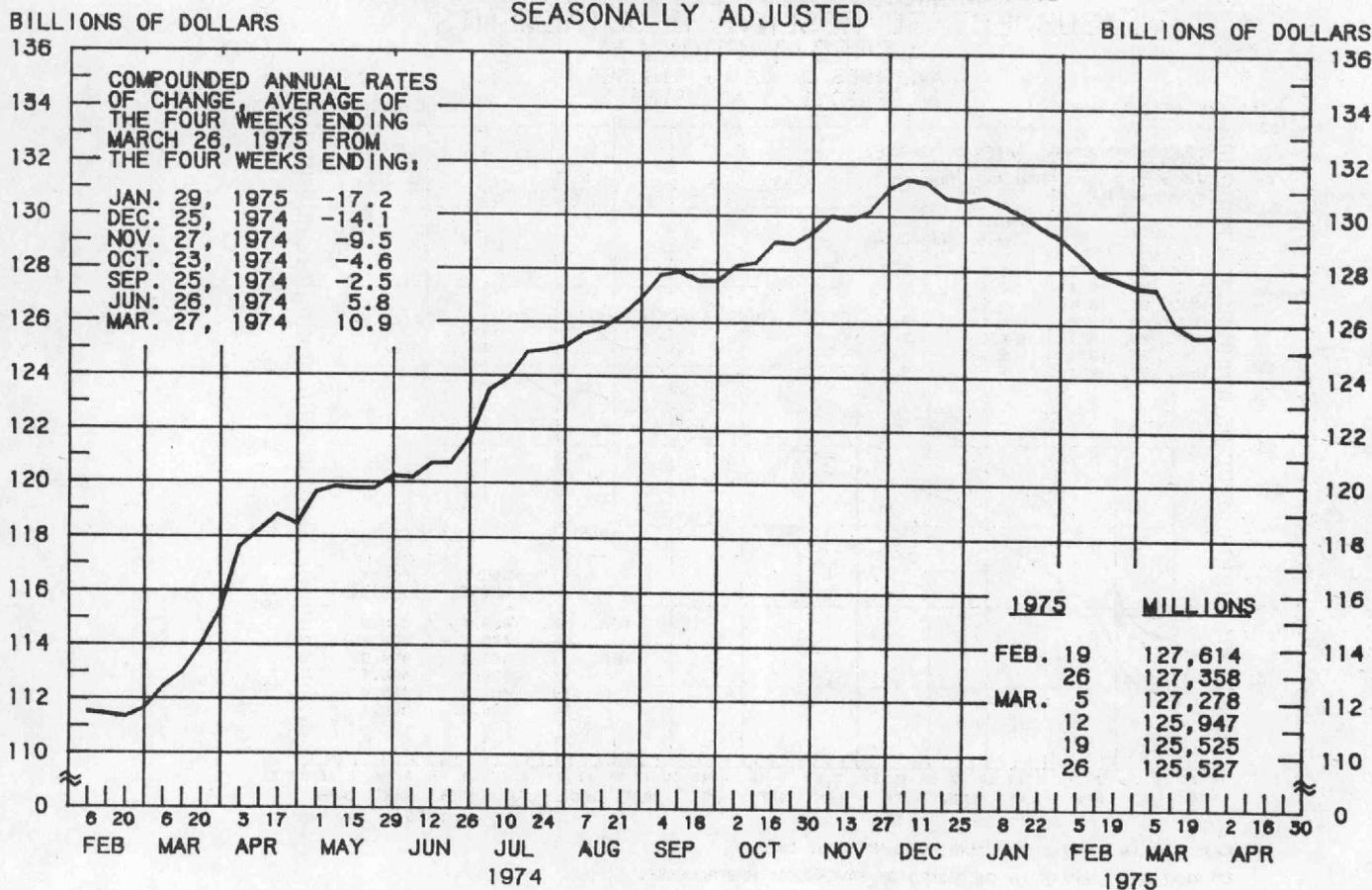
| 1975 | CERTIFICATES OF DEPOSIT NOT SEAS. ADJ. | CERTIFICATES OF DEPOSIT SEAS. ADJ. |
|--------|--|------------------------------------|
| FEB. 5 | 90.8 | 93.0 |
| 12 | 90.1 | 92.9 |
| 19 | 89.2 | 92.3 |
| 26 | 88.1 | 91.3 |
| MAR. 5 | 87.8 | 90.2 |
| 12 | 87.9 | 89.3 |
| 19 | 88.2 | 89.6 |
| 26 | 88.6 | 90.3 |
| APR. 2 | | |
| 9 | | |
| 16 | | |
| 23 | | |
| 30 | | |

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

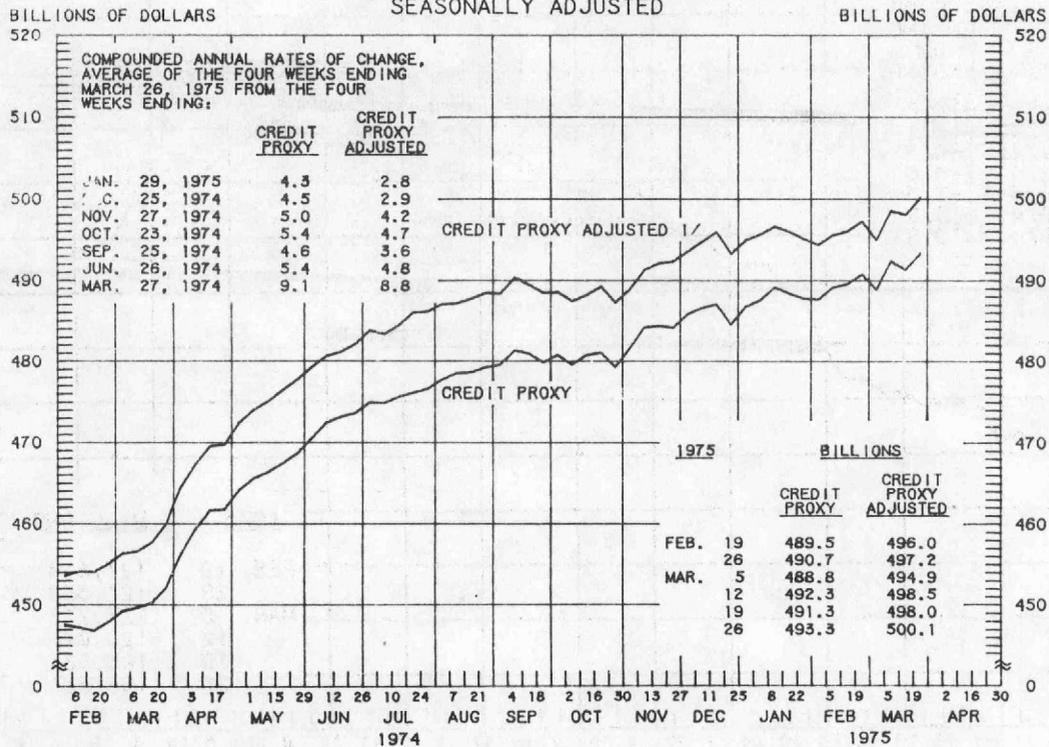
BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



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



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



LATEST DATA PLOTTED WEEK ENDING: MARCH 26, 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