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Week ending: April 16, 1975

Over the last three months adjusted Federal Reserve credit has shown a very jagged pattern, falling sharply during the first half of each month and then rising sharply over the second half of each month. On average, Federal Reserve credit has grown at about a 5.6 percent rate from late December to the four weeks ended April 9, compared to a 10 percent rate over the previous nine months.^{1/}

Federal Reserve credit is the major source component of the monetary base and changes in its rate of growth tend to dominate the rate of growth of the monetary base. The growth rate of the monetary base has slowed to a 5.4 percent rate from late December to the four weeks ended April 9, compared to an 8.4 percent rate over the previous nine months.

Since late December the money multiplier (page 3) has stabilized after declining rapidly from mid-1974 to late December. Consequently, the growth rate of the money stock, at a 5.6 percent rate, has closely paralleled the growth of the monetary base over the last three months.

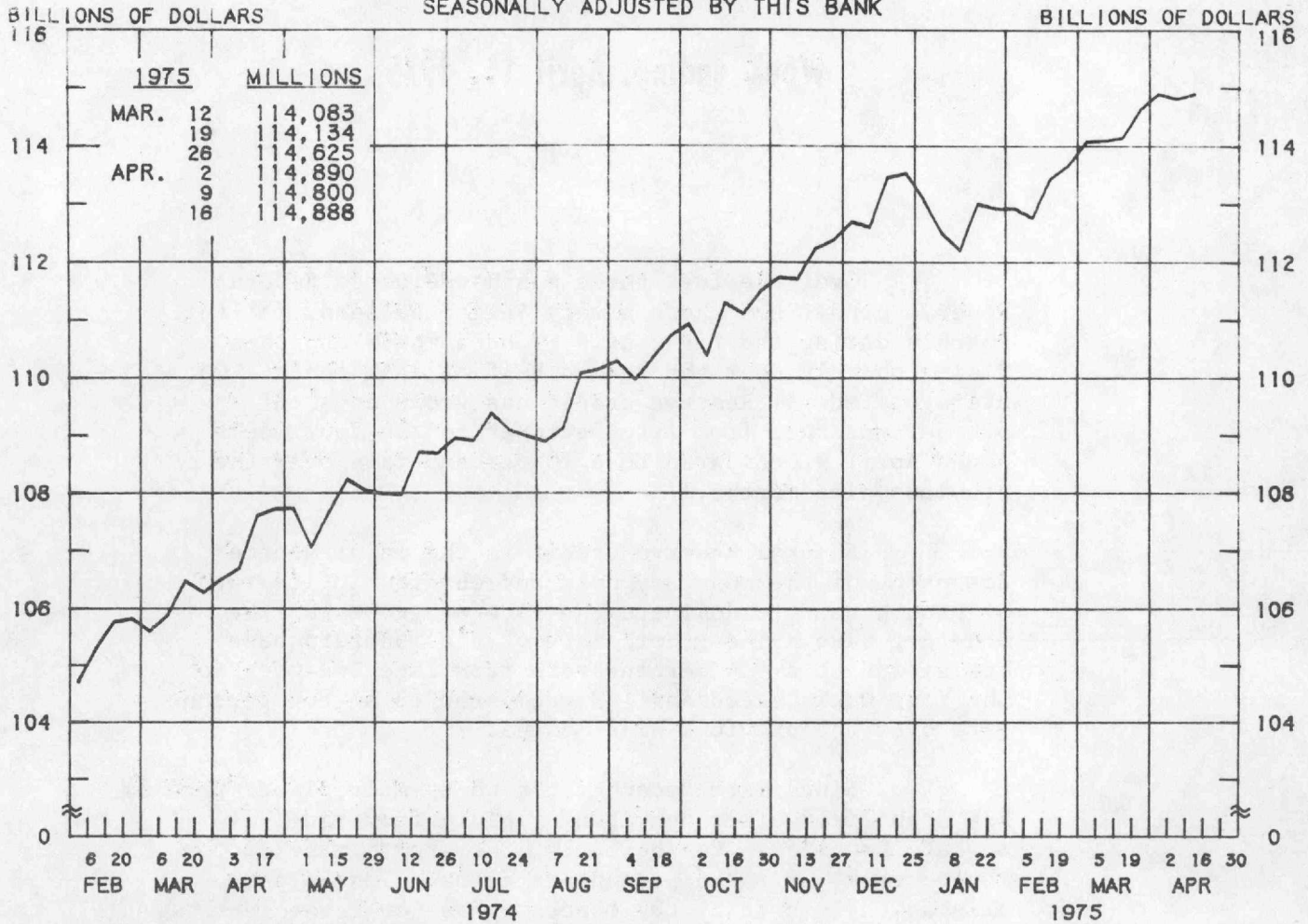
The spread between the prime rate and the rates that individual banks pay for funds has narrowed since early March. During the latest week the rates paid for Federal funds and 90-day certificates of deposit (CDs) were 5.44 and 6.35 percent, respectively. With the prime rate currently at 7.5 percent, it exceeds the Federal funds rate and the CD rate by 206 and 115 basis points, respectively. In contrast, during the week of March 5 the prime rate exceeded the Federal funds rate and the CD rate by 237 and 187 basis points, respectively.

^{1/} Growth rates of Federal Reserve credit and monetary base reported on this page are based on data for the four weeks ended April 9 to make them comparable to money stock data. Growth rates of Federal Reserve credit and base shown with the charts on pages 2 and 3 are based on data from the four weeks ended April 16.

MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: APRIL 16, 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.

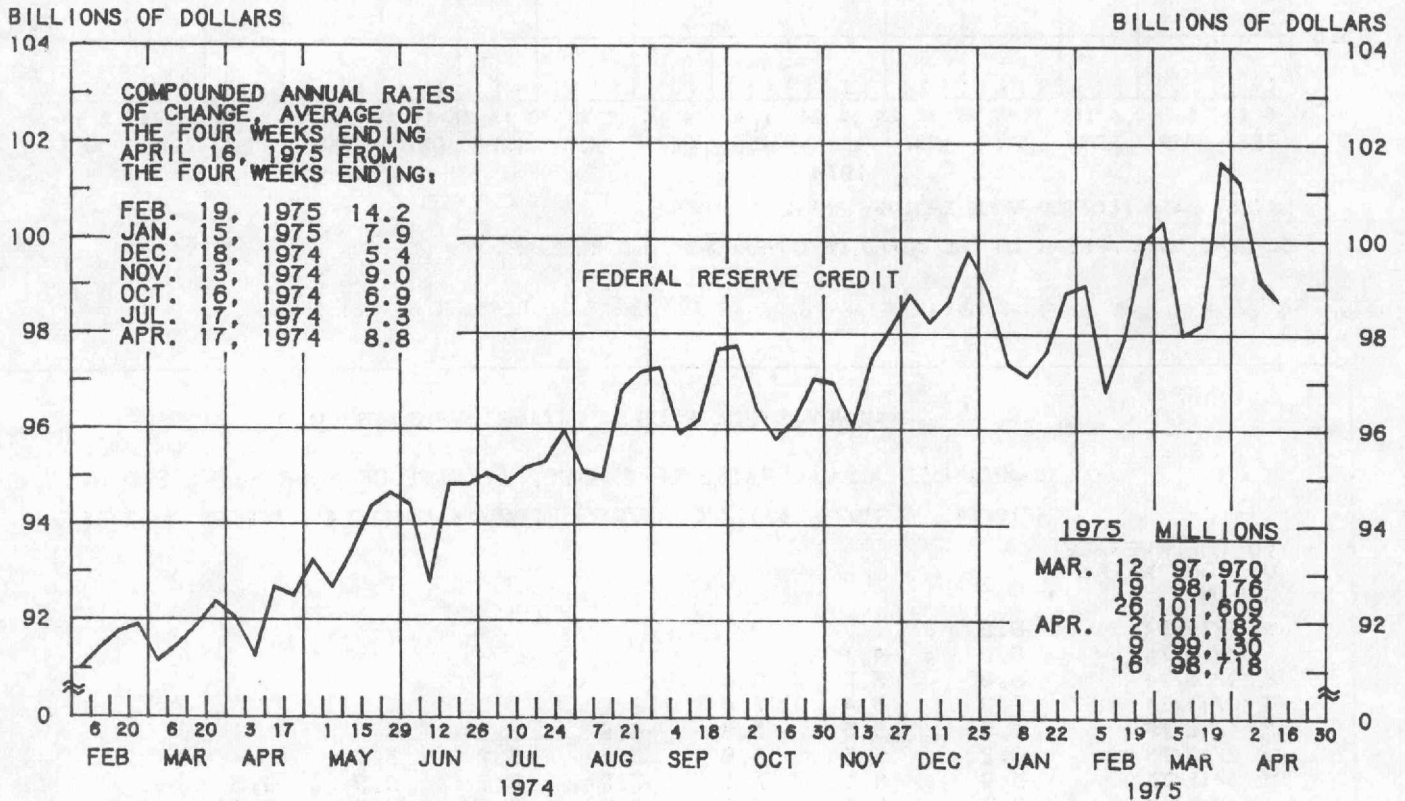
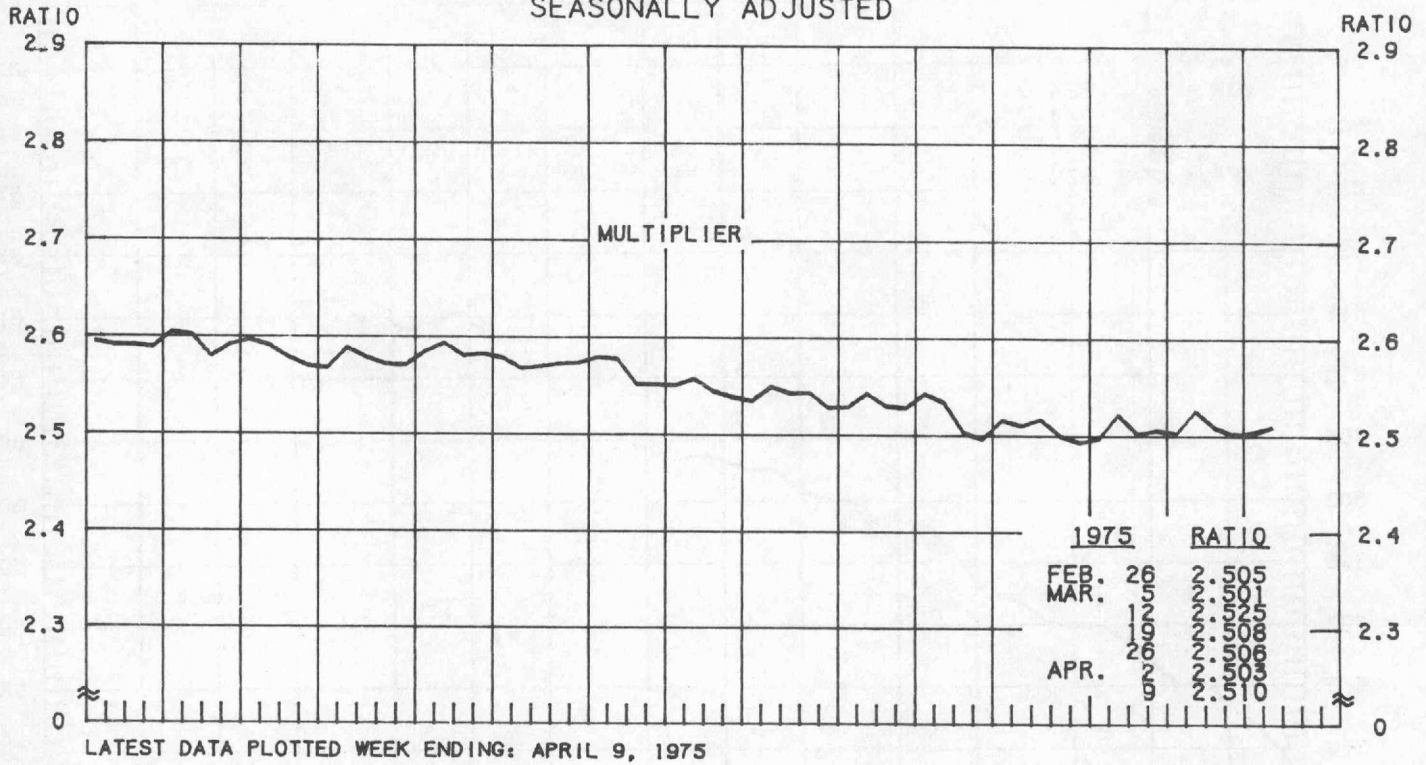
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

4/17/74 7/17/74 9/18/74 10/16/74 11/13/74 12/18/74 1/15/75 2/19/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/18/74	7.7								
10/16/74	7.8	7.0							
11/13/74	7.8	7.3	8.2						
12/18/74	8.5	8.5	9.8	10.6					
1/15/75	7.6	7.2	7.5	7.4	6.9				
2/19/75	6.9	6.3	6.2	5.8	5.0	1.1			
3/19/75	7.4	6.9	7.0	6.9	6.6	4.4	6.2		
4/16/75	7.5	7.2	7.4	7.3	7.1	5.6	7.3	10.9	

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 16, 1975

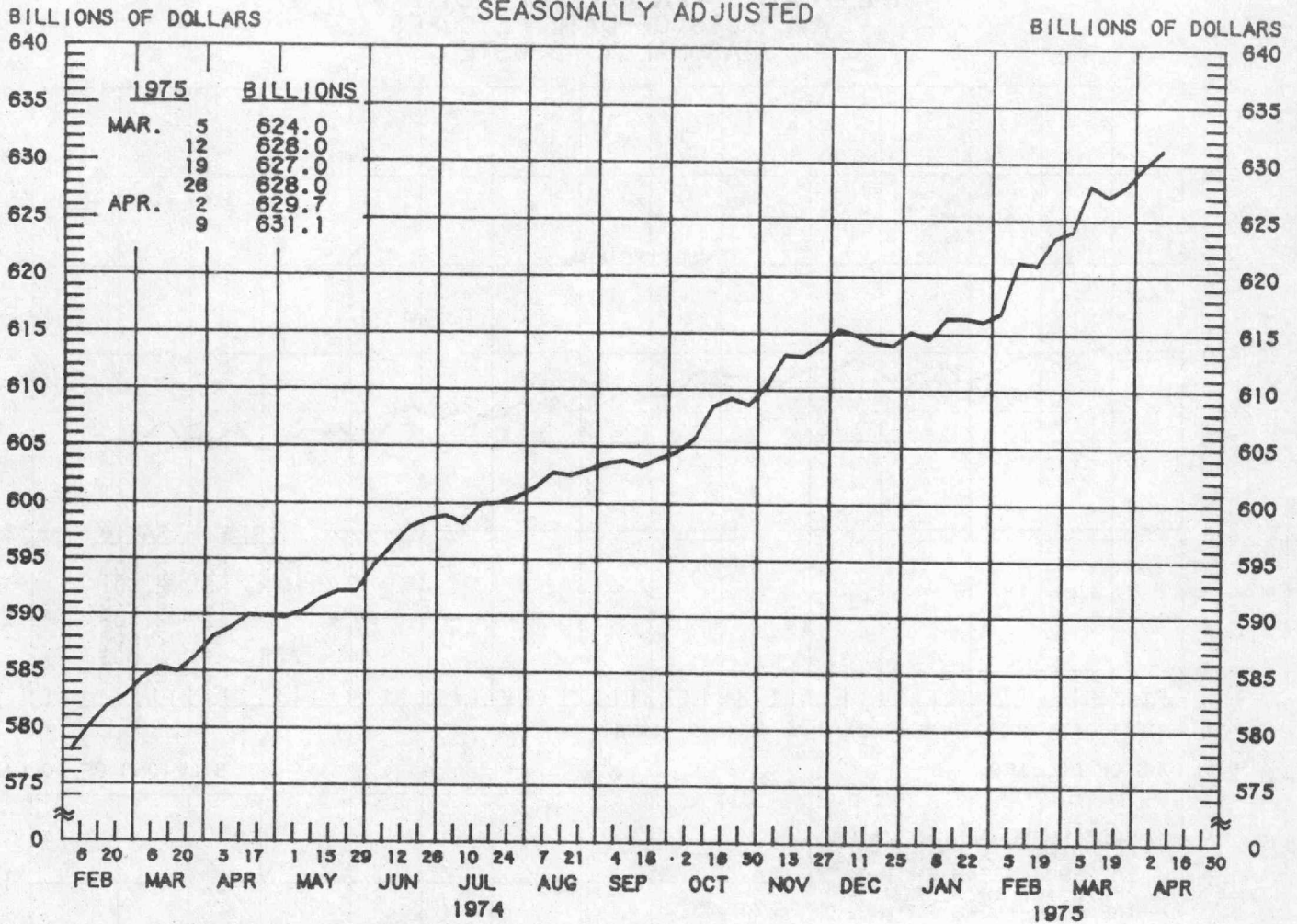
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: APRIL 9, 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:

4/10/74 7/10/74 9/11/74 10/9/74 11/8/74 12/11/74 1/8/75 2/12/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

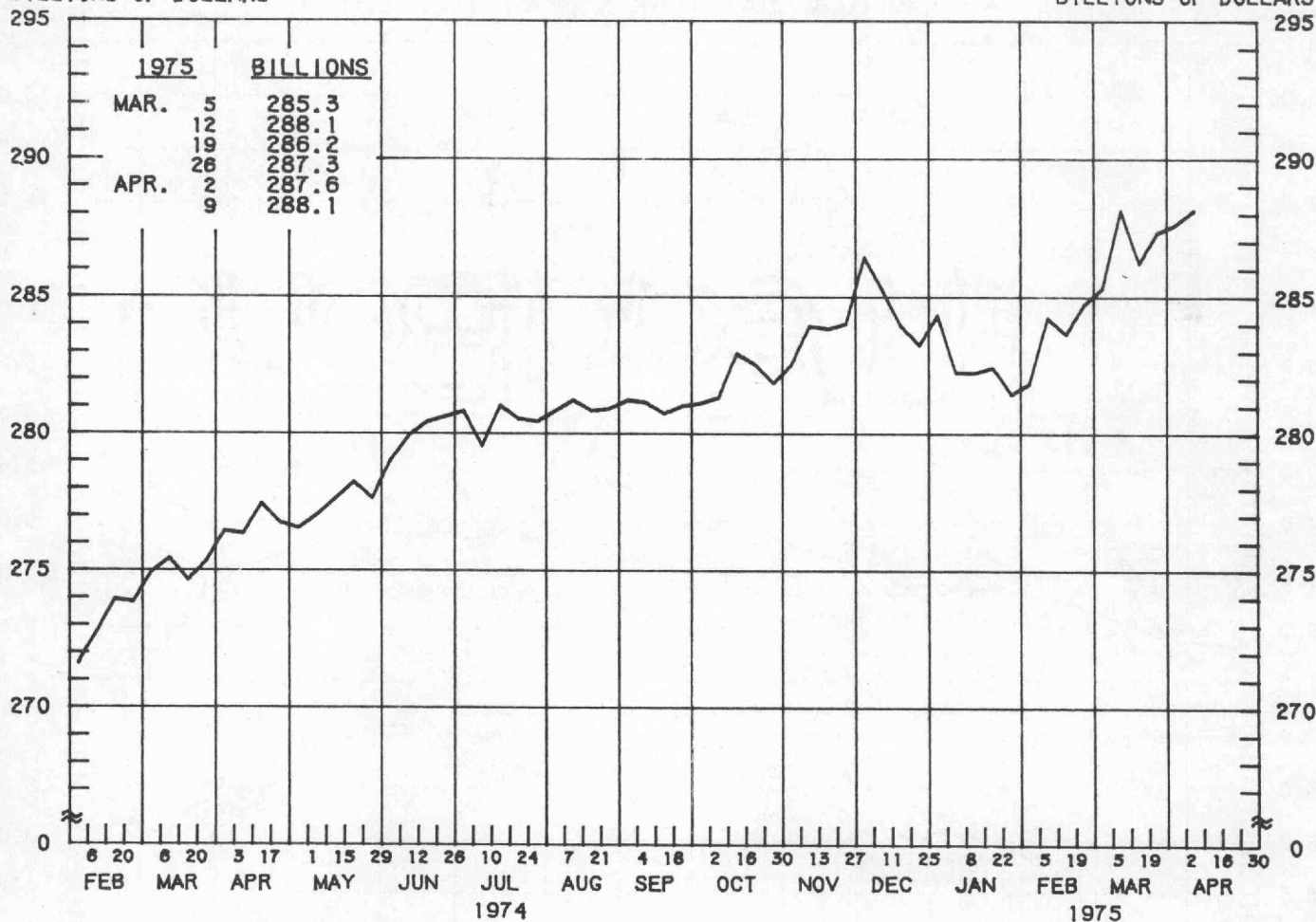
9/11/74	6.6								
10/ 9/74	6.0	4.1							
11/ 8/74	6.6	5.7	6.8						
12/11/74	7.0	6.4	7.6	9.9					
1/ 8/75	6.3	5.5	5.8	6.9	5.0				
2/12/75	6.2	5.5	5.8	6.5	5.2	3.1			
3/12/75	6.9	6.5	7.1	7.9	7.2	6.5	9.5		
4/ 9/75	7.2	6.9	7.6	8.3	7.9	7.5	9.8	12.6	

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 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.

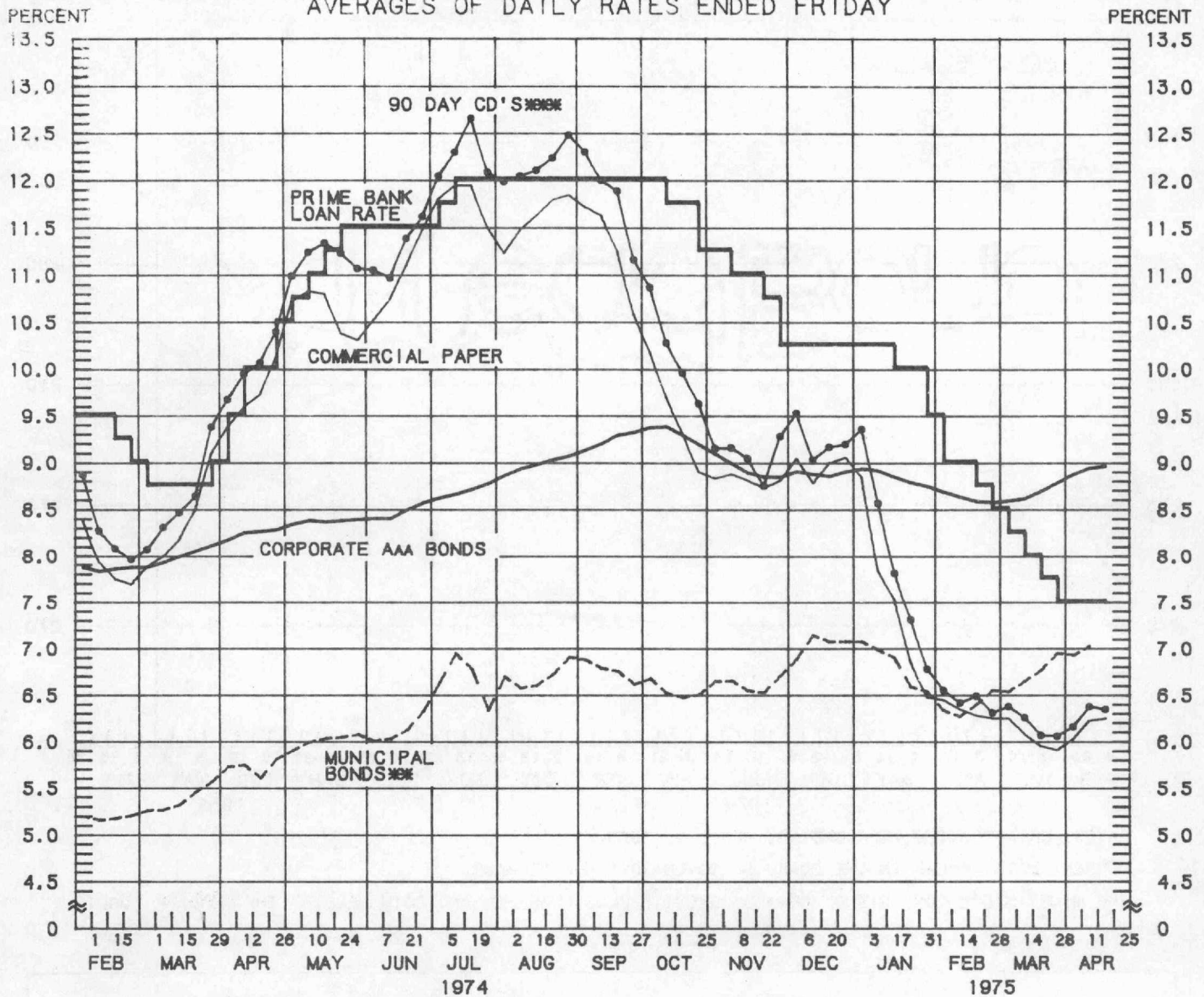
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
4/10/74 7/10/74 9/11/74 10/9/74 11/6/74 12/11/74 1/8/75 2/12/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/11/74	4.6								
10/ 9/74	3.9	1.0							
11/ 6/74	4.2	2.3	3.3						
12/11/74	5.0	3.9	5.7	8.3					
1/ 8/75	3.7	2.2	2.6	3.5	2.1				
2/12/75	2.9	1.3	1.3	1.5	0.1	-4.8			
3/12/75	3.8	2.7	3.2	3.7	3.1	0.7	4.1		
4/ 9/75	4.2	3.3	3.9	4.5	4.1	2.6	5.6	11.6	

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 18, 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	8.58	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	6.03	6.15	8.87	6.93
11	6.38	6.23	6.20	8.94	7.03
18 *	6.35	6.25	6.08	8.96	N.A.
25					

* AVERAGES OF RATES AVAILABLE.

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

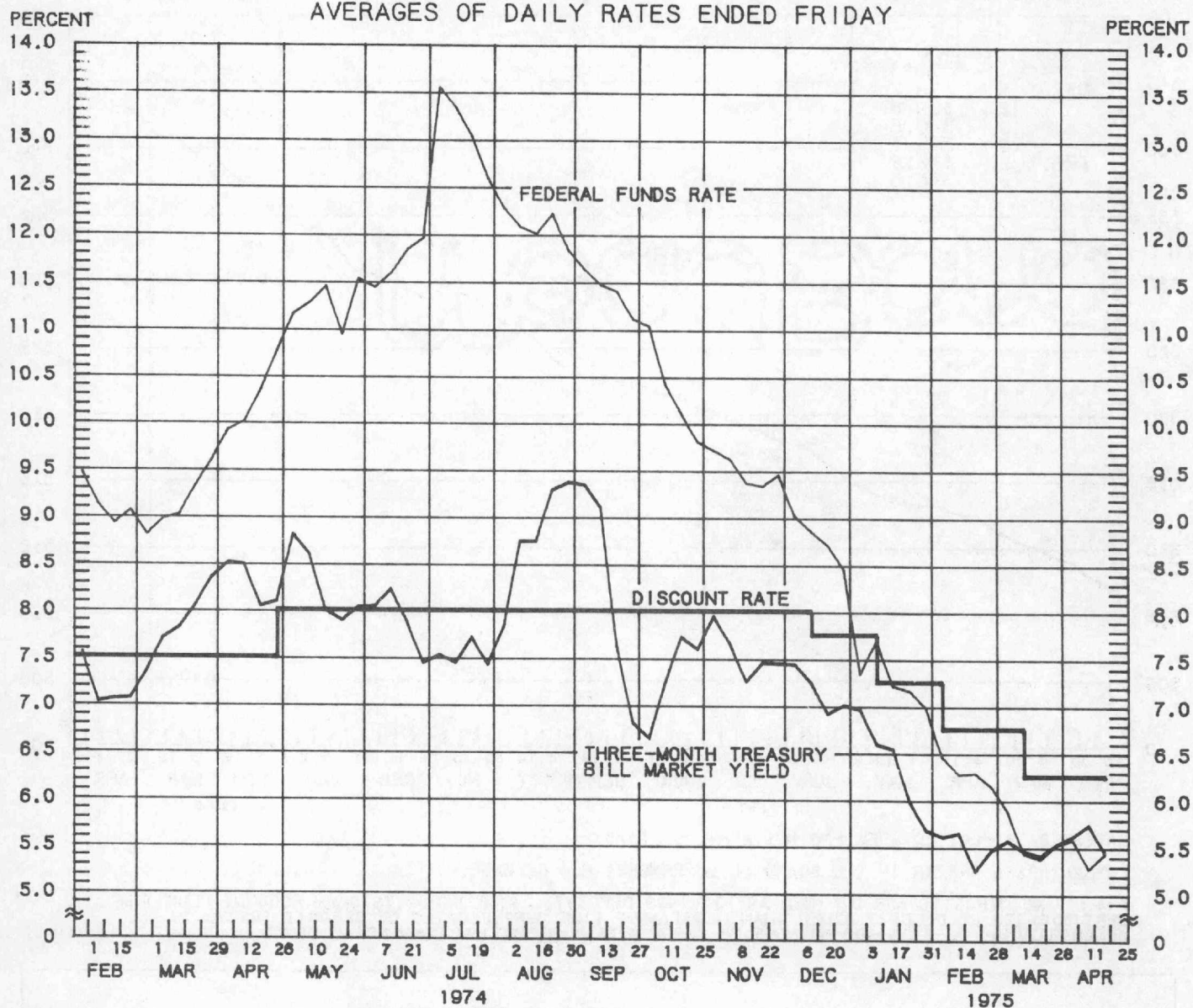
~~***~~ SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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 18, 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	5.62	7.47	6.88
11	5.28	5.74	7.74	7.05
18 *	5.44	5.45	7.70	7.01
25				

* AVERAGES OF RATES AVAILABLE.

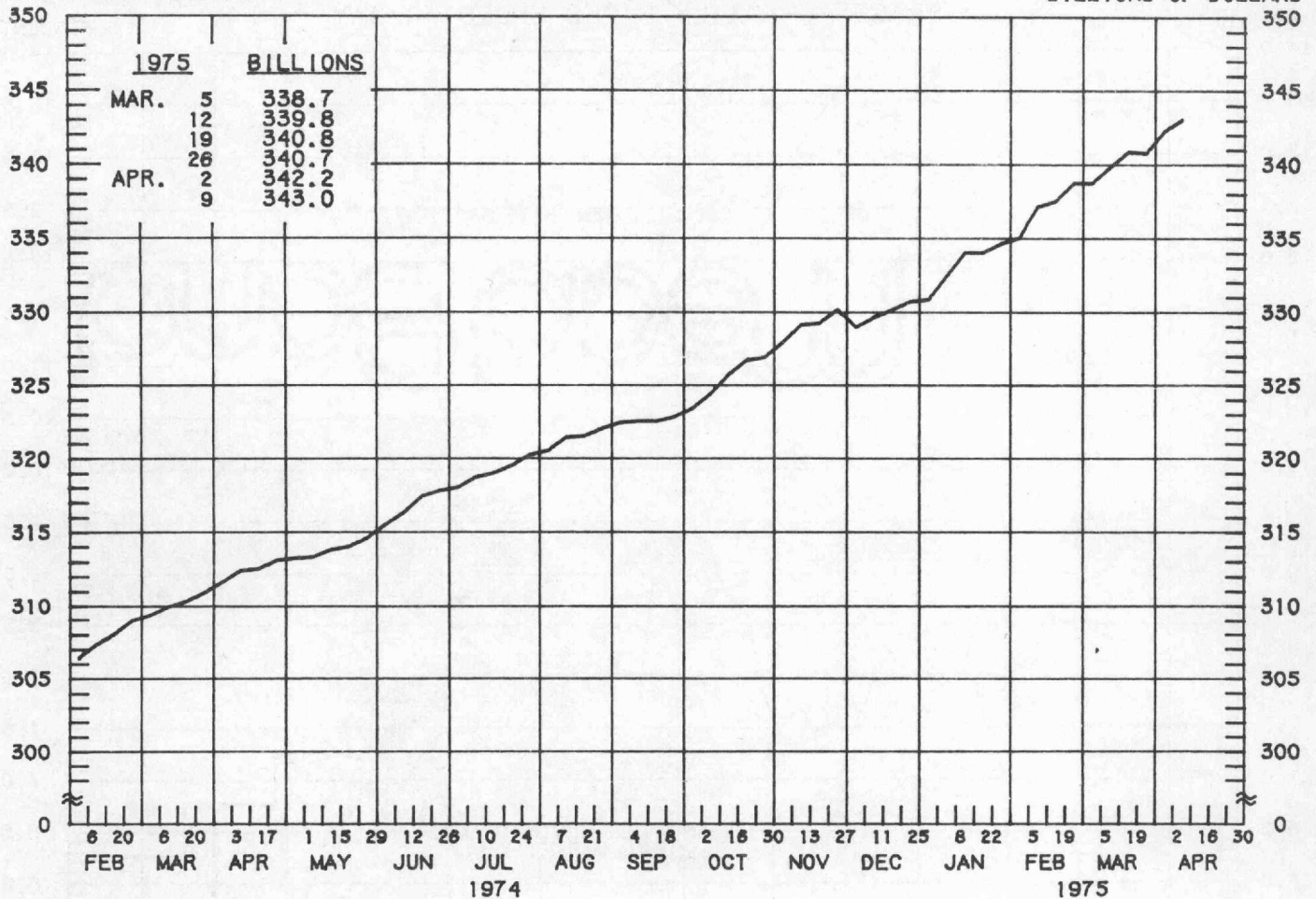
** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 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:

4/10/74 7/10/74 9/11/74 10/9/74 11/8/74 12/11/74 1/8/75 2/12/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

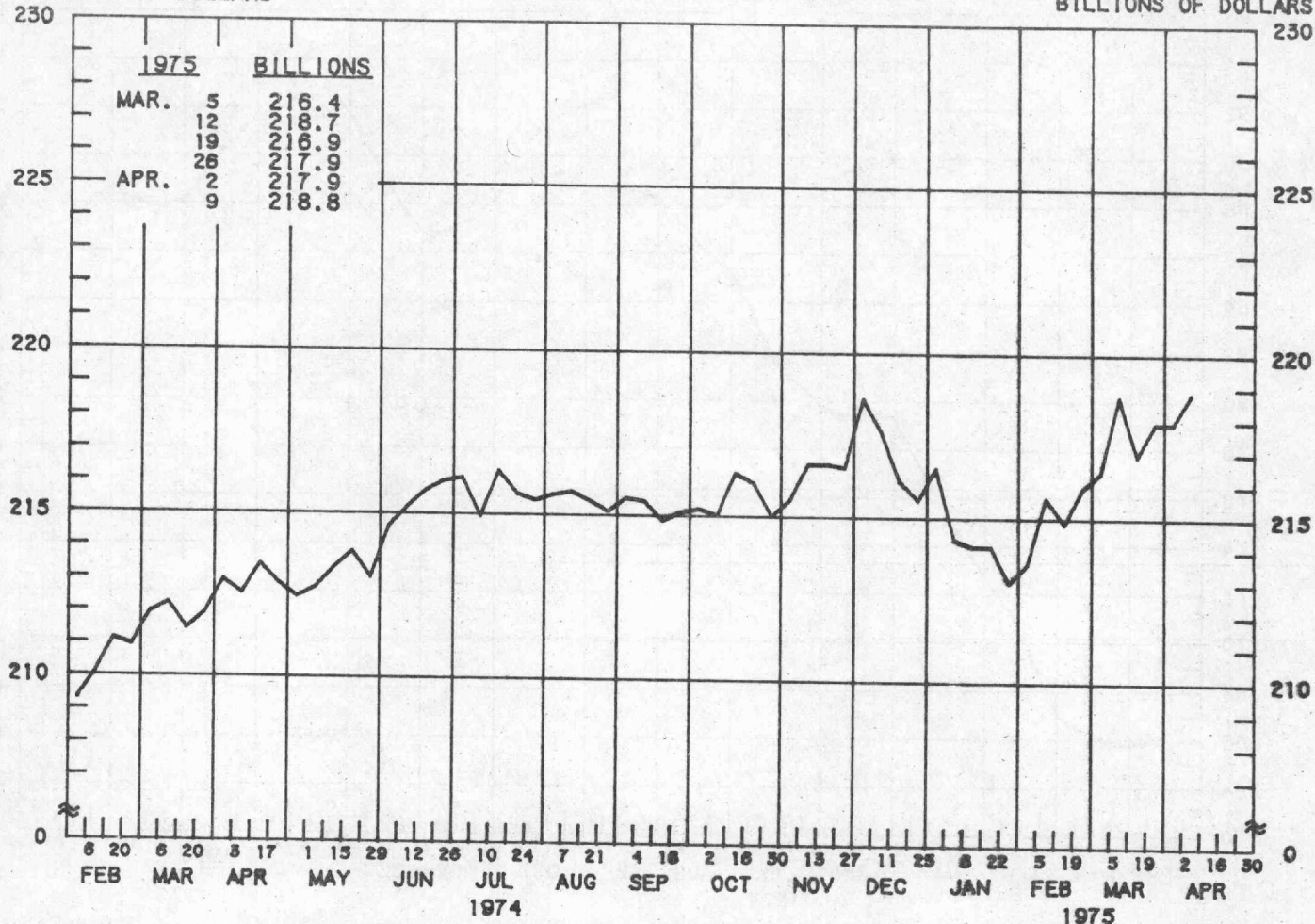
9/11/74	8.4							
10/ 9/74	7.9	6.8						
11/ 6/74	8.8	8.7	9.9					
12/11/74	8.8	8.8	9.5	11.6				
1/ 8/75	8.5	8.3	8.7	9.9	7.7			
2/12/75	9.1	9.2	9.9	11.0	9.9	10.4		
3/12/75	9.6	9.6	10.6	11.6	10.9	11.6	14.2	
4/ 9/75	9.8	10.1	10.8	11.7	11.1	11.8	13.6	13.3

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 1975

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

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

4/10/74 7/10/74 9/11/74 10/9/74 11/6/74 12/11/74 1/8/75 2/12/75

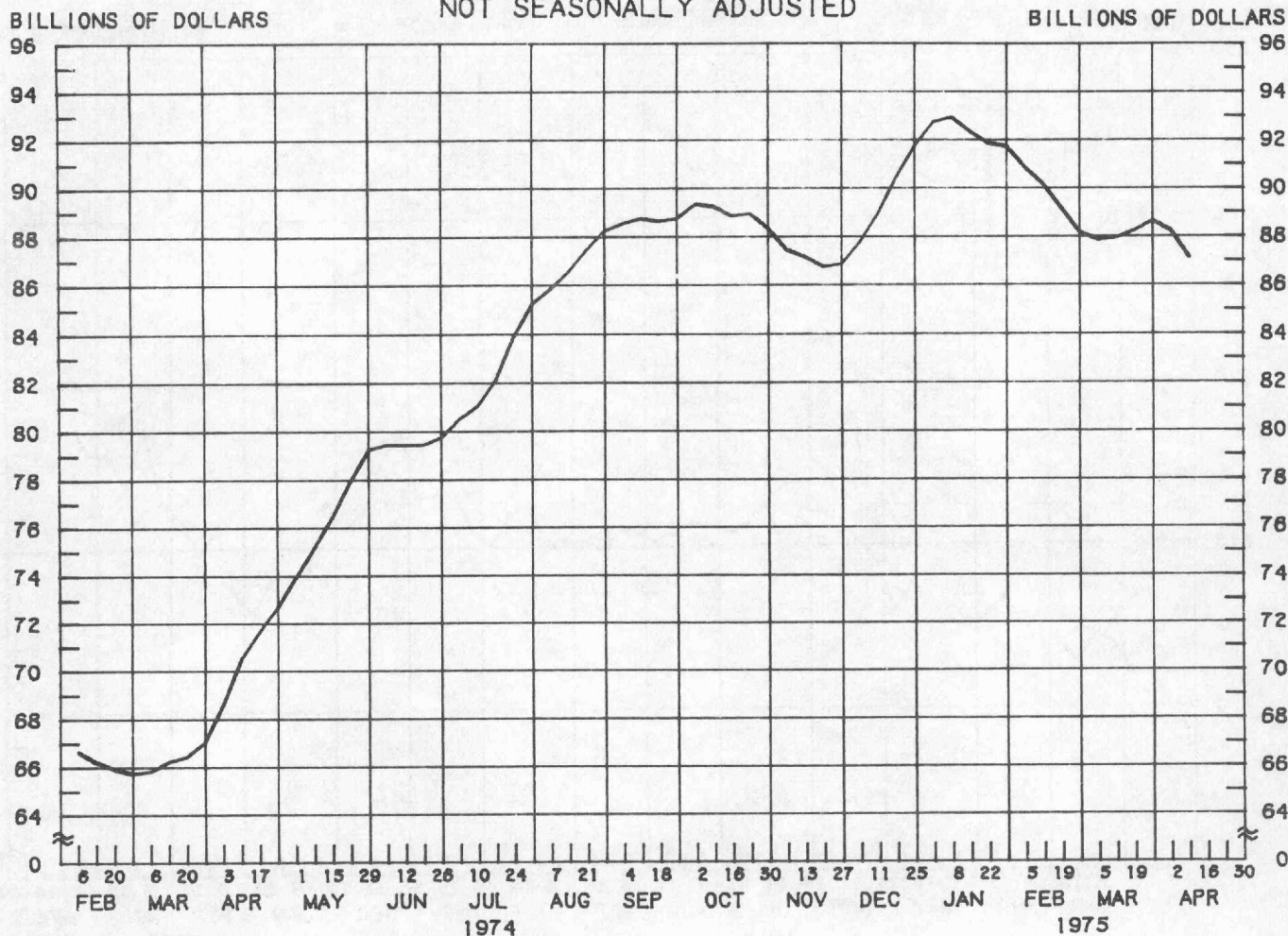
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/11/74	3.6						
10/ 9/74	2.7	-1.3					
11/ 6/74	2.9	0.0	0.9				
12/11/74	3.6	1.8	3.6	6.3			
1/ 8/75	2.1	-0.1	0.3	1.1	-0.3		
2/12/75	1.1	-1.2	-1.4	-1.2	-2.7	-8.2	
3/12/75	2.2	0.6	1.0	1.7	1.1	-1.5	2.4
4/ 9/75	2.7	1.4	2.0	2.7	2.4	0.6	4.3 12.1

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES

NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 1975

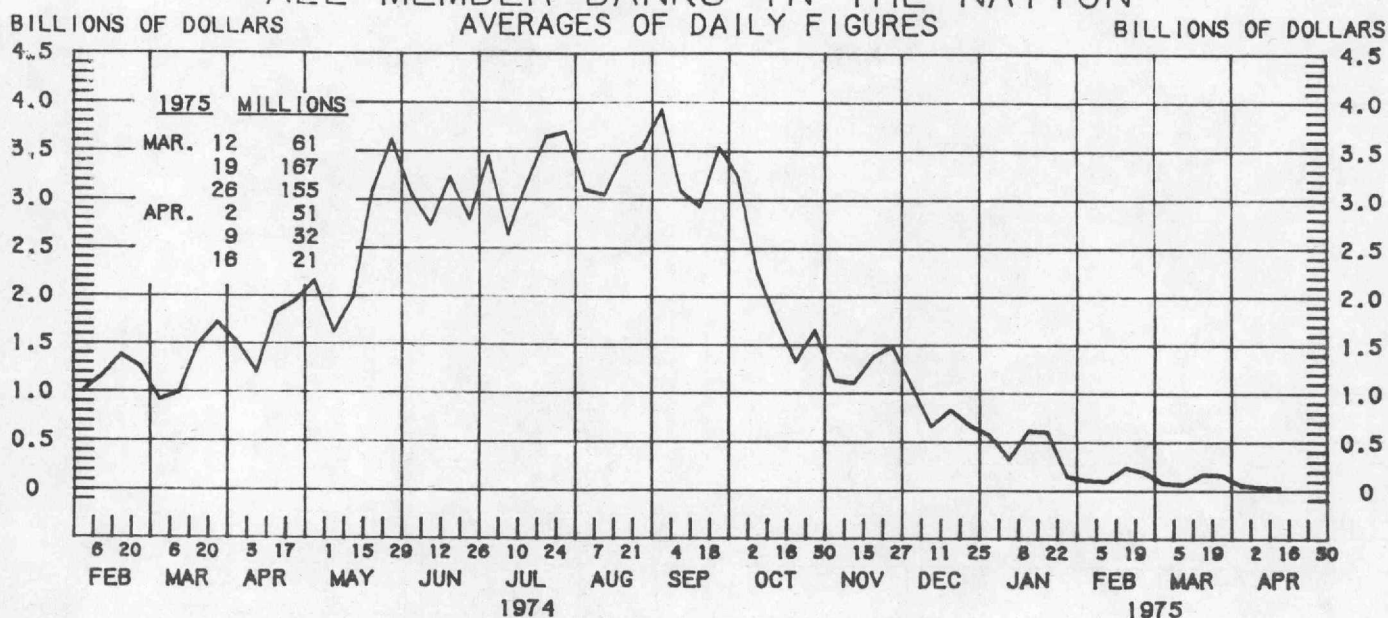
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

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	89.1	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	88.2	90.3
9	87.1	89.5
16		
23		
30		

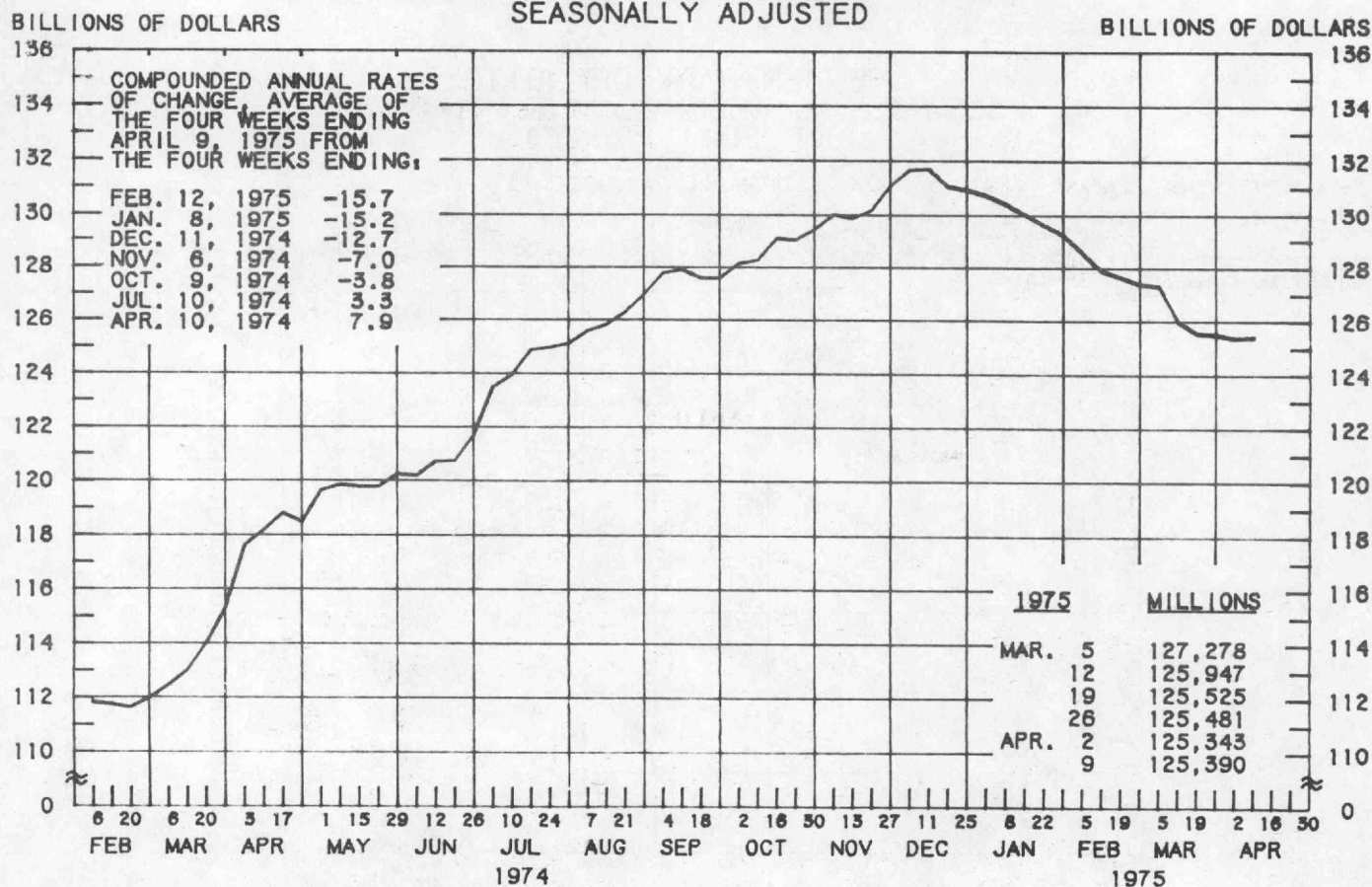
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



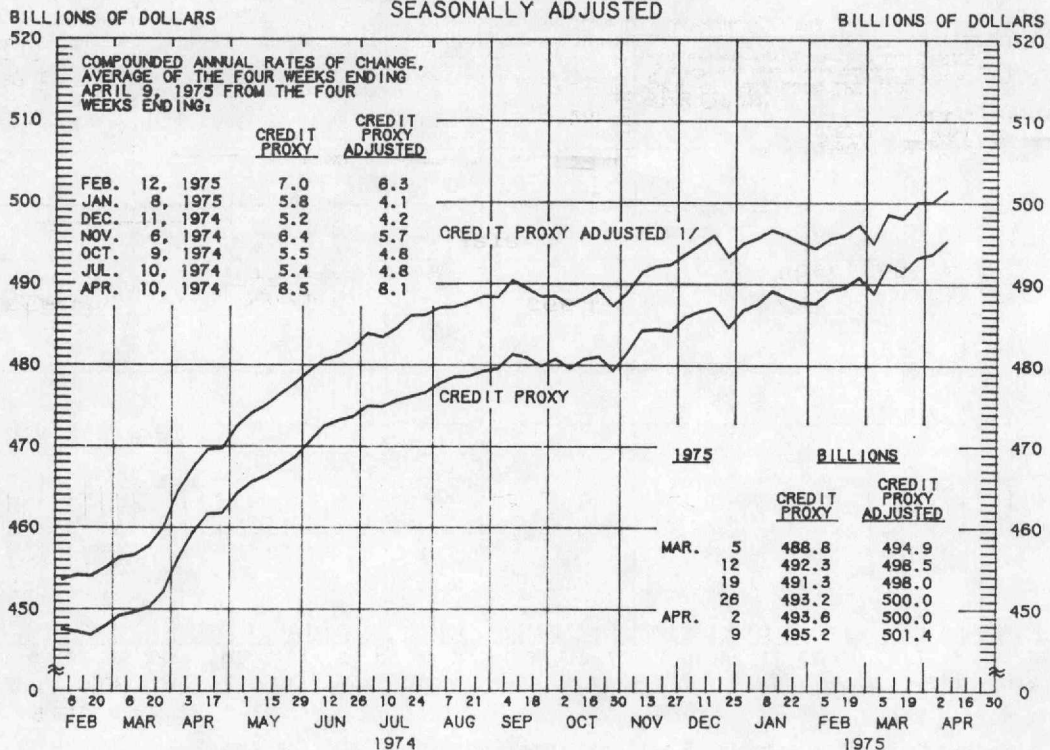
LATEST DATA PLOTTED WEEK ENDING: APRIL 16, 1975

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 1975

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 9, 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