



Week ending: July 2, 1975

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The money stock has grown at a 9.4 percent annual rate over the last five months, compared to about a 2 percent annual rate over the previous seven months. The demand deposit component of the money stock has risen at about a 9 percent annual rate over the last five months, compared to almost no change over the previous seven months.

The much more rapid growth of money and demand deposits over the most recent five months reflects two factors. First, the proportion of the increase in the monetary base being used as currency held by the public has dropped from 81.5 percent in the previous seven months to 77.9 percent in the recent five months. Concurrently, the growth of the proportion of the monetary base (member bank reserves plus vault cash of nonmember banks) available to support bank deposits has increased to a 4.5 percent annual rate, compared to a 3.2 percent rate over the previous seven months.

A second factor permitting a more rapid growth of demand deposits has been the slower growth of total time deposits -- at a 6.6 percent rate over the last five months, compared to about a 12 percent rate over the previous seven months. Since time deposits absorb reserves, a reduction in the growth rate of time deposits permits the same growth of total reserves to support a more rapid growth of demand deposits.

The slower growth of total time deposits reflects a substantial decrease in large negotiable certificates of deposits -- by about \$11 billion since mid-January. In contrast, the growth of net time deposits has been considerably more rapid in that period, reflecting a very rapid surge in savings deposits. Savings deposits, nonseasonally adjusted, at weekly reporting large commercial banks have grown at about a 26 percent annual rate over the last five months, compared to a 2.2 percent rate of increase over the previous seven months.

Prepared by Federal Reserve Bank of St. Louis

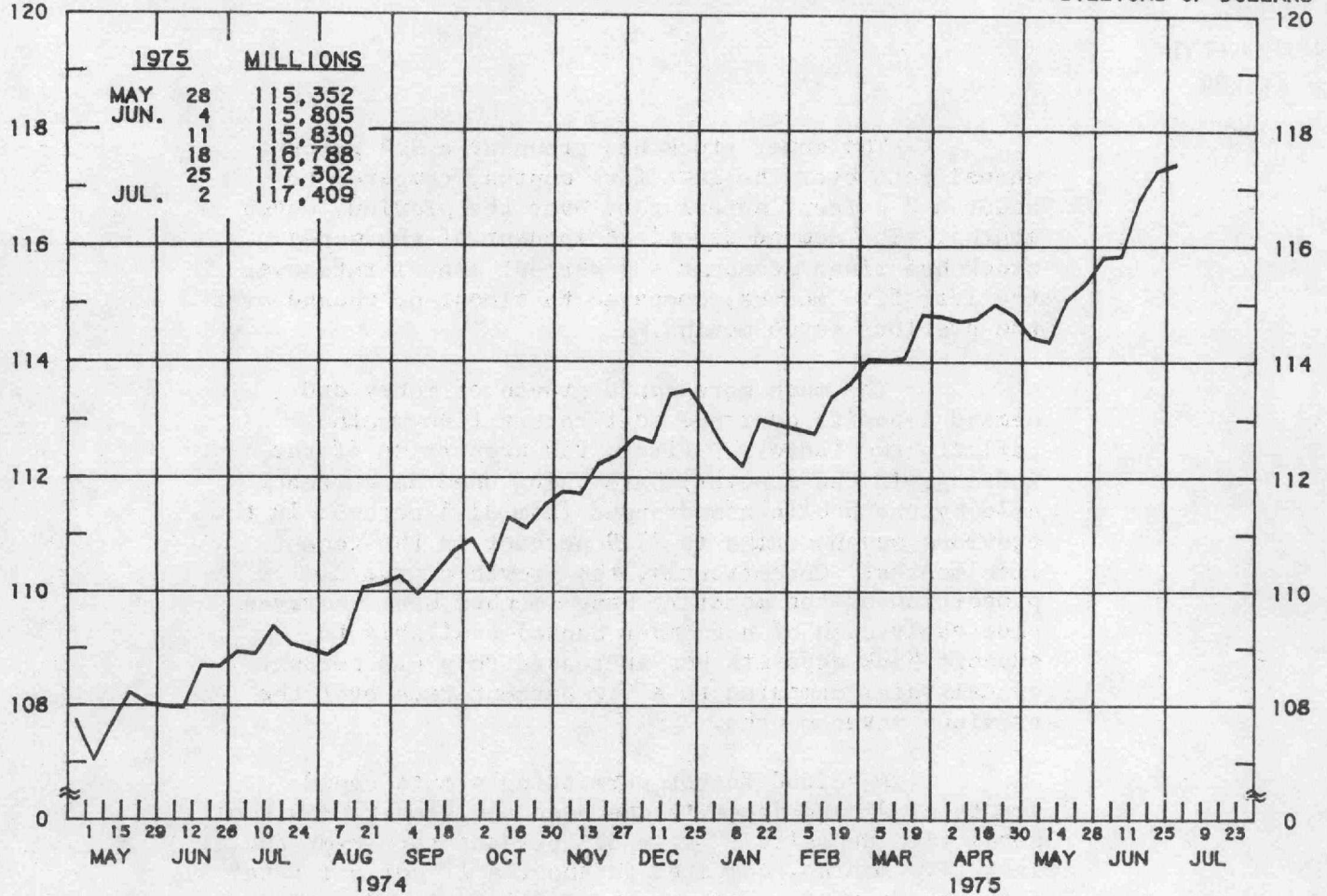
Released: July 4, 1975

MONETARY BASE

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 2, 1975

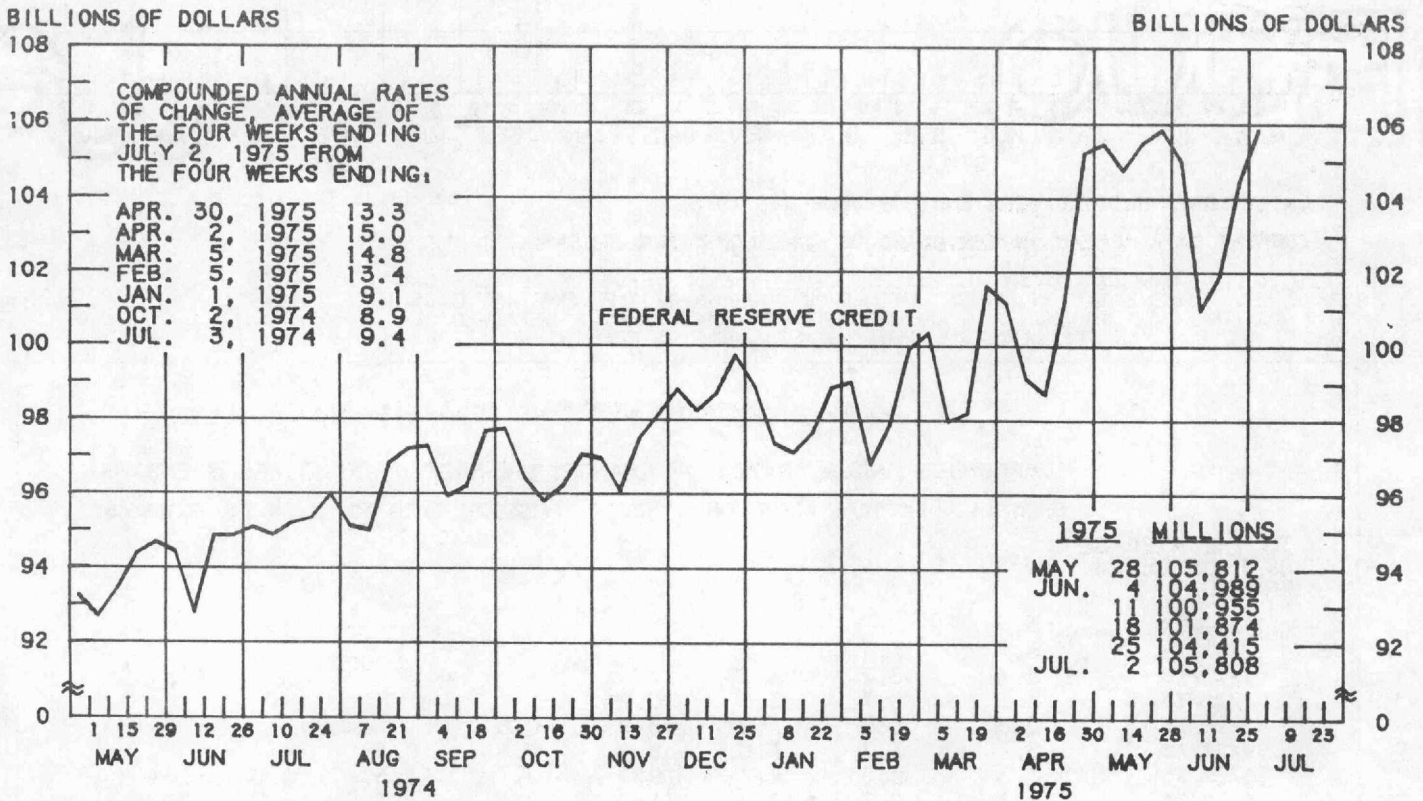
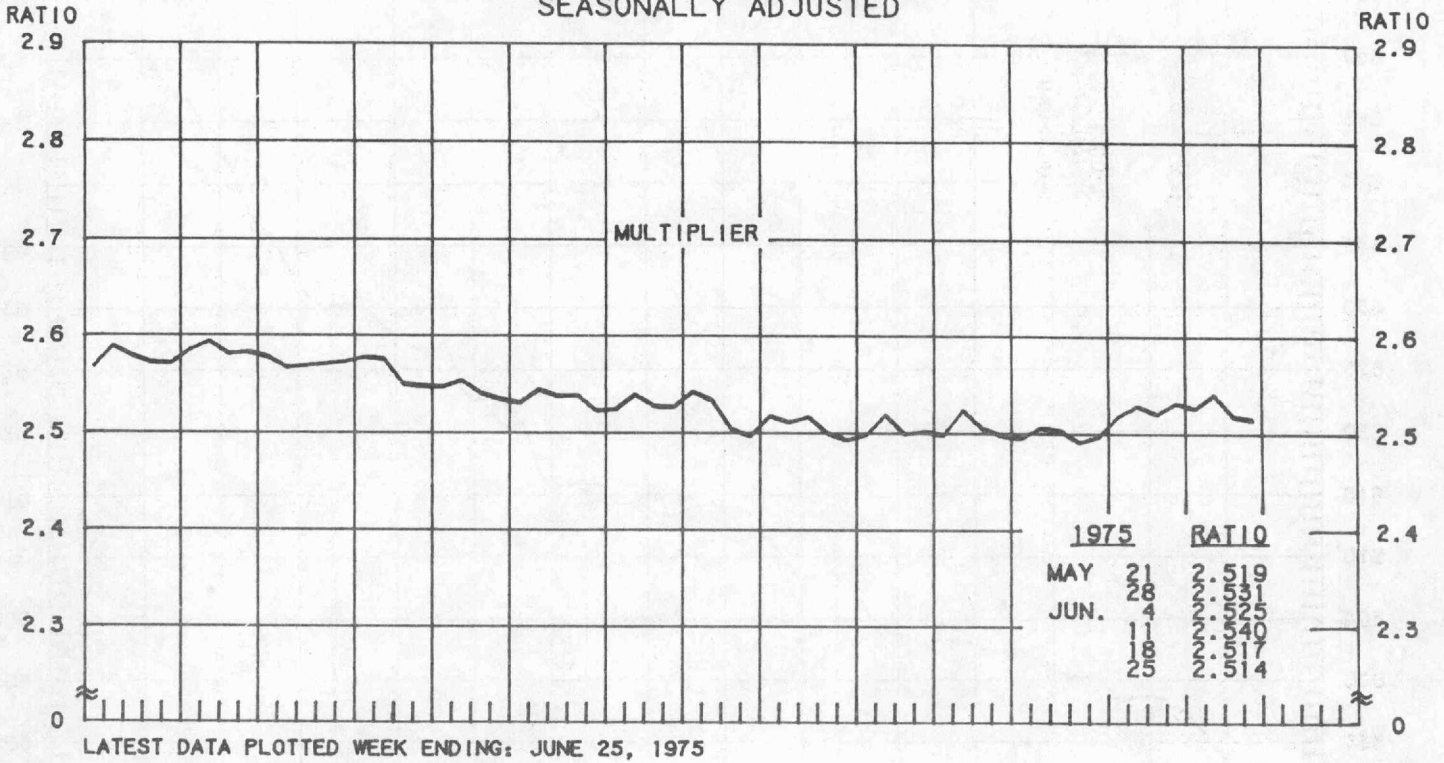
THE MONETARY BASE CONSISTS OF MEMBER BANK RESERVES AT THE FEDERAL RESERVE BANKS AND CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL BANKS), ADJUSTED FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE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

	7/3/74	10/2/74	12/4/74	1/1/75	2/5/75	3/5/75	4/2/75	4/30/75
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/ 4/74	8.2							
1/ 1/75	8.6	10.0						
2/ 5/75	6.5	6.0	2.5					
3/ 5/75	6.8	6.5	4.4	1.5				
4/ 2/75	7.3	7.3	6.0	4.5	10.1			
4/30/75	7.0	6.9	5.7	4.5	8.2	8.0		
6/ 4/75	6.6	6.3	5.2	4.2	6.7	6.1	3.7	
7/ 2/75	7.6	7.7	7.2	6.8	9.3	9.4	8.7	10.6

MULTIPLIER ^{1/} FEDERAL RESERVE CREDIT ^{2/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 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.

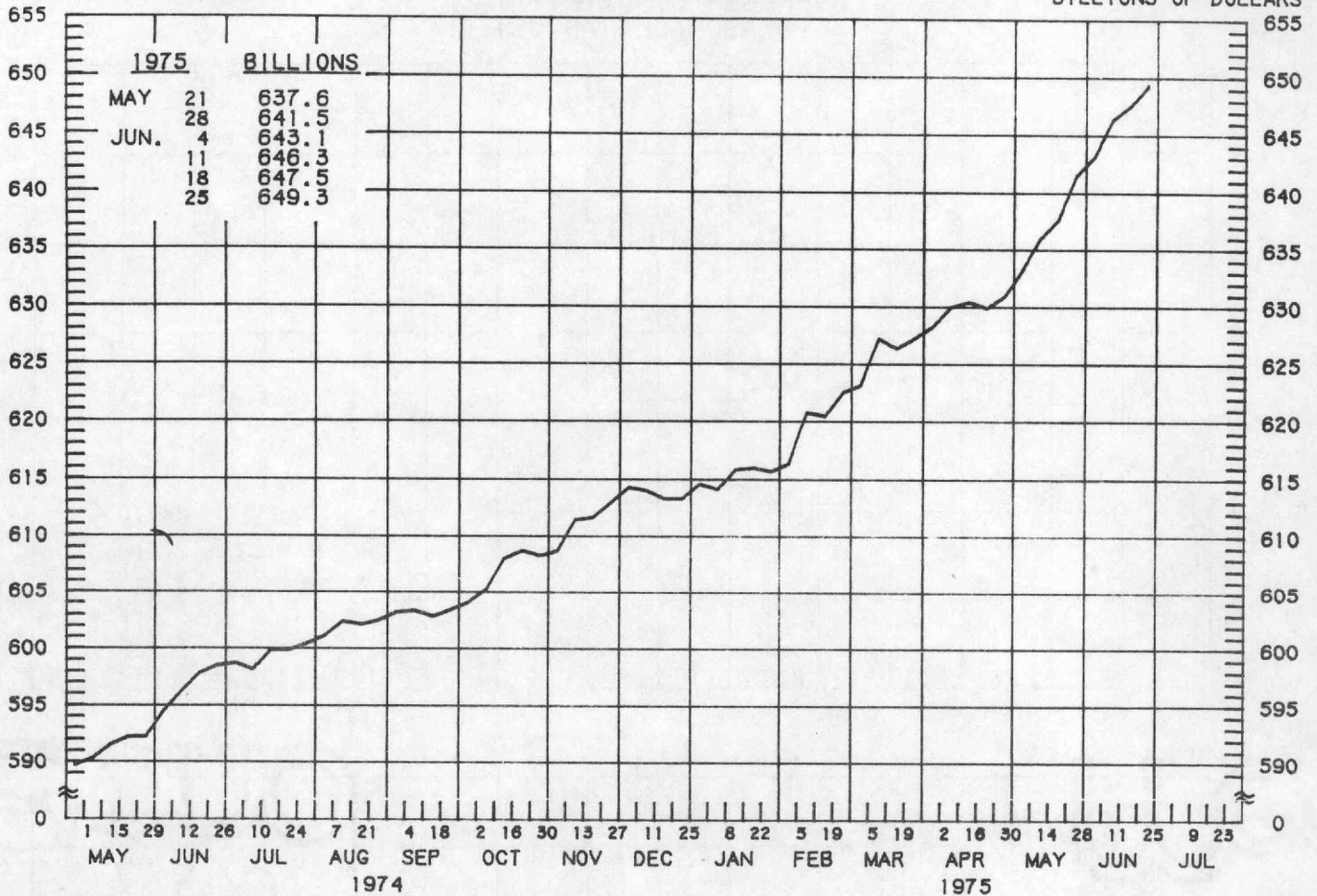
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS NET TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 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:

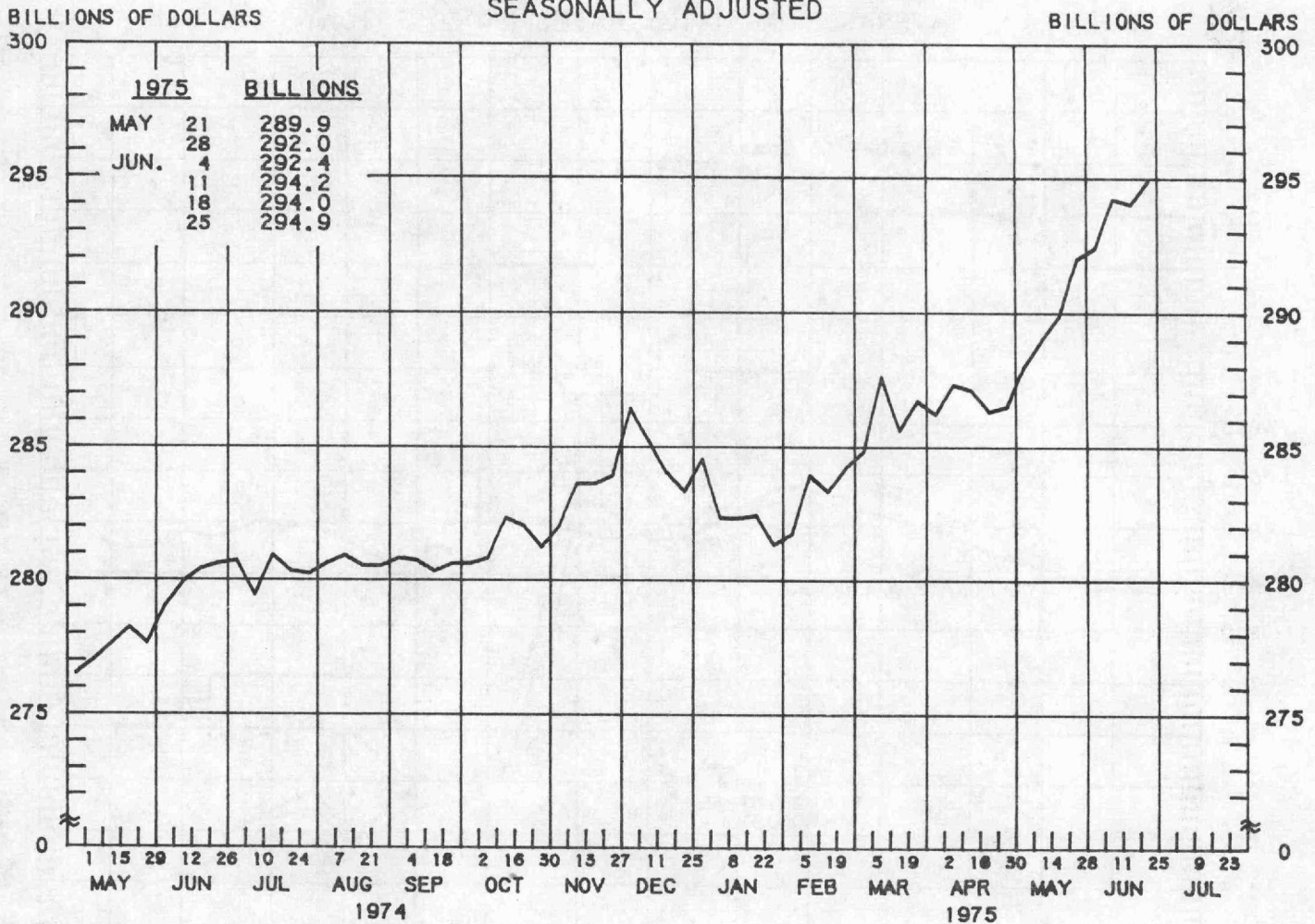
6/26/74 9/25/74 11/27/74 12/25/74 1/22/75 2/26/75 3/26/75 4/23/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/27/74	5.8							
12/25/74	5.7	7.1						
1/22/75	5.4	6.2	4.2					
2/26/75	5.8	6.7	5.9	6.2				
3/26/75	6.6	7.7	7.5	8.3	10.6			
4/23/75	6.7	7.7	7.6	8.2	9.8	10.5		
5/28/75	7.3	8.5	8.7	9.3	10.7	11.5	10.8	
6/25/75	8.3	9.7	10.3	11.0	12.5	13.7	13.9	16.6

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 1975

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

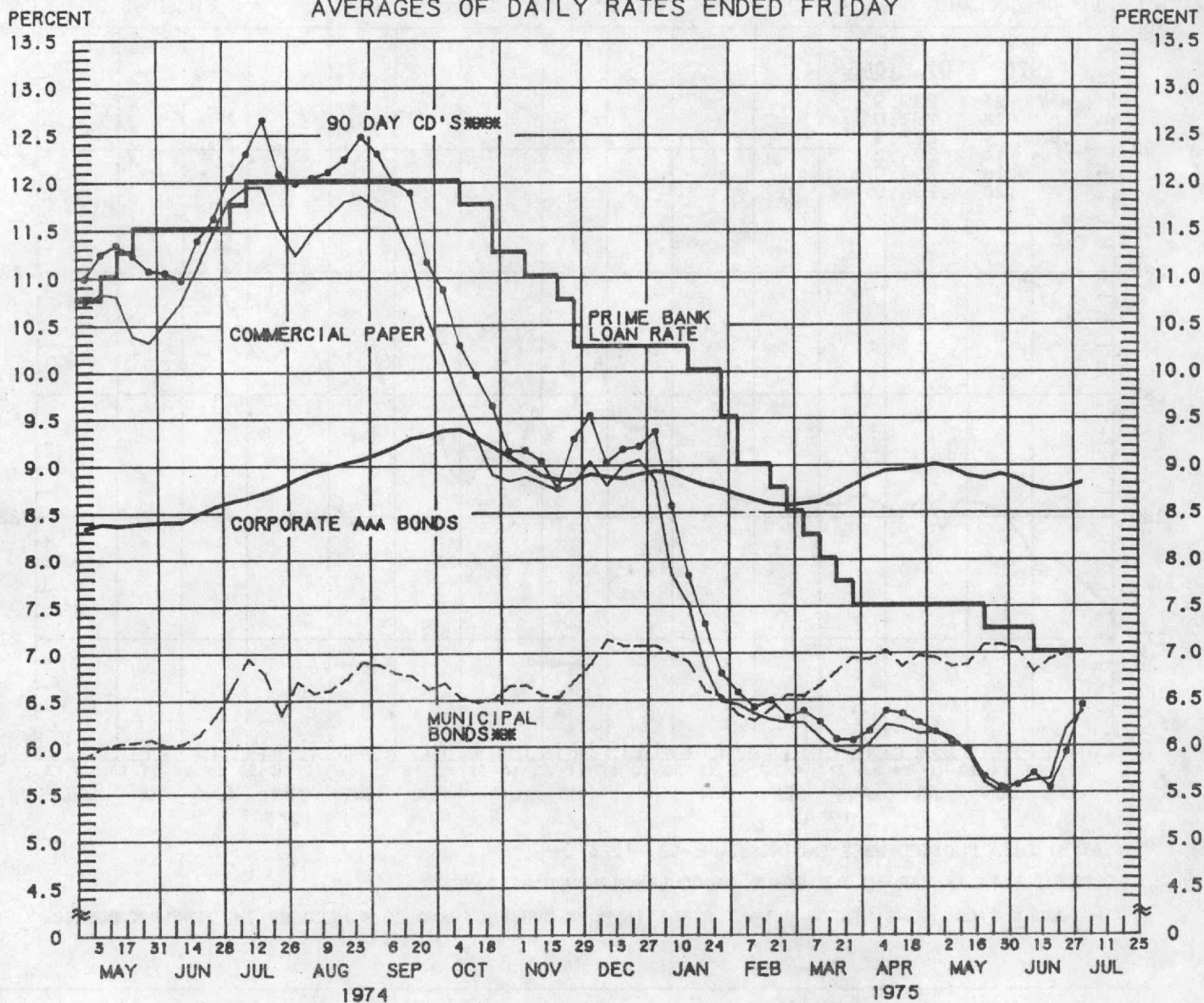
THE MONEY STOCK CONSISTS OF DEMAND DEPOSITS PLUS CURRENCY AND COIN HELD BY THE NONBANK PUBLIC.

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

	6/26/74	9/25/74	11/27/74	12/25/74	1/22/75	2/26/75	3/26/75	4/23/75
TO THE AVERAGE OF FOUR WEEKS ENDING:								
11/27/74	2.8							
12/25/74	3.4	6.0						
1/22/75	1.8	2.5	-0.9					
2/26/75	1.8	2.3	0.0	-2.8				
3/26/75	3.0	4.0	3.2	2.1	6.9			
4/23/75	2.9	3.8	3.0	2.2	5.5	8.1		
5/28/75	3.8	4.9	4.6	4.2	7.1	9.3	7.3	
6/25/75	5.0	6.4	6.6	6.6	9.4	11.9	11.2	15.4

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



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

1975		90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
MAY	2	6.15	6.15	6.07	9.01	6.95
	9	6.04	6.08	6.00	8.96	6.88
	16	5.96	5.93	5.83	8.88	6.88
	23	5.67	5.60	5.58	8.85	7.09
	30	5.56	5.50	5.45	8.90	7.09
JUNE	6	5.58	5.60	5.59	8.85	7.05
	13	5.71	5.63	5.55	8.76	6.80
	20	5.55	5.65	5.58	8.73	6.93
	27	5.93	6.18	6.03	8.75	7.00
JULY	4 *	6.44	6.38	6.15	8.81	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

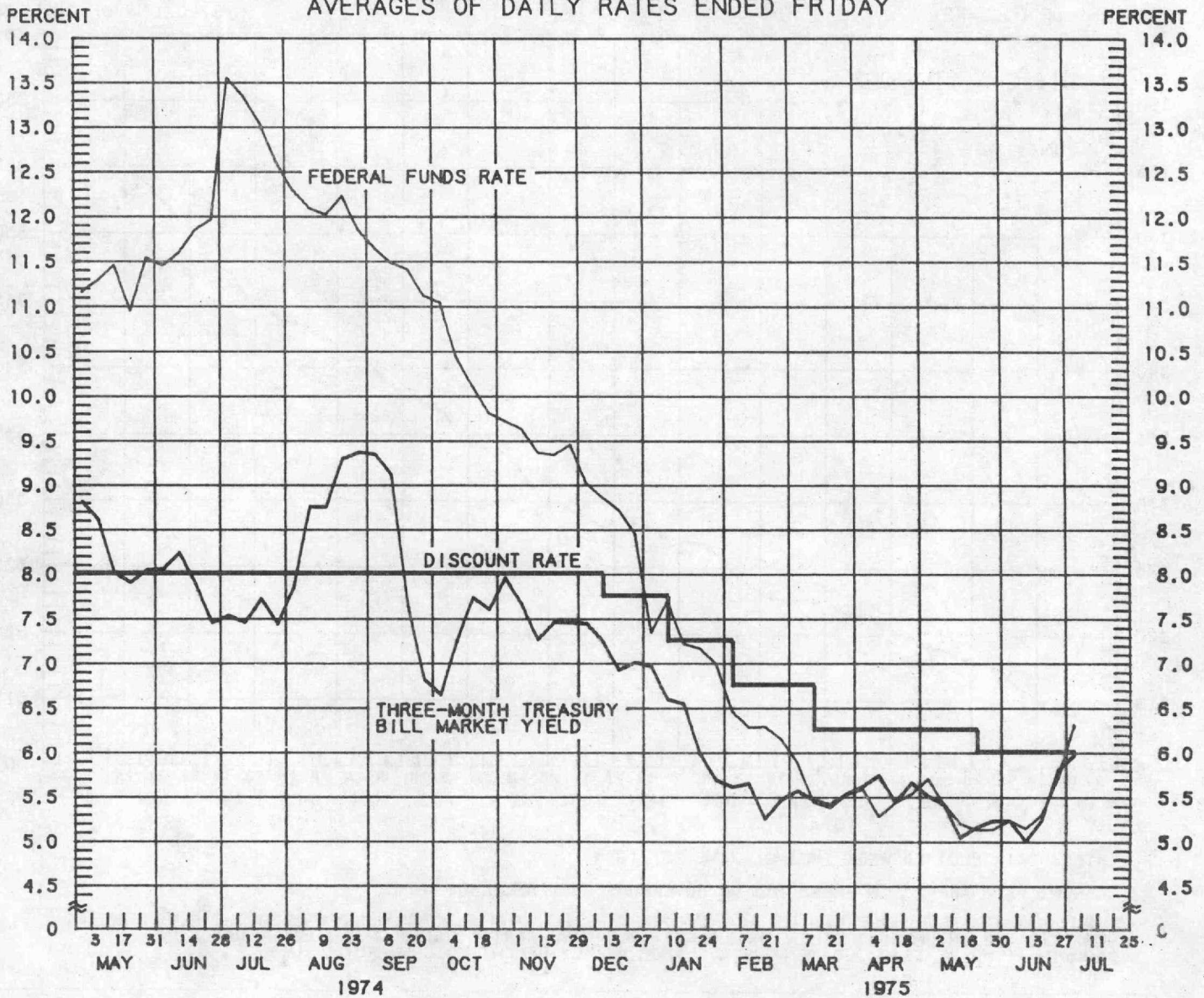
EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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: JULY 4, 1975

1975	FEDERAL FUNDS ***	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
MAY 2	5.71	5.51	6.36	7.87	7.09
9	5.42	5.41	6.13	7.64	6.98
16	5.20	5.04	5.81	7.45	6.94
23	5.13	5.16	5.74	7.34	6.98
30	5.14	5.23	5.80	7.38	7.03
JUNE 6	5.24	5.23	5.77	7.29	6.96
13	5.15	5.00	5.50	7.05	6.81
20	5.31	5.24	5.74	7.14	6.82
27	5.72	5.80	6.32	7.49	6.85
JULY 4 *	6.31	5.97	6.46	7.60	6.88
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.

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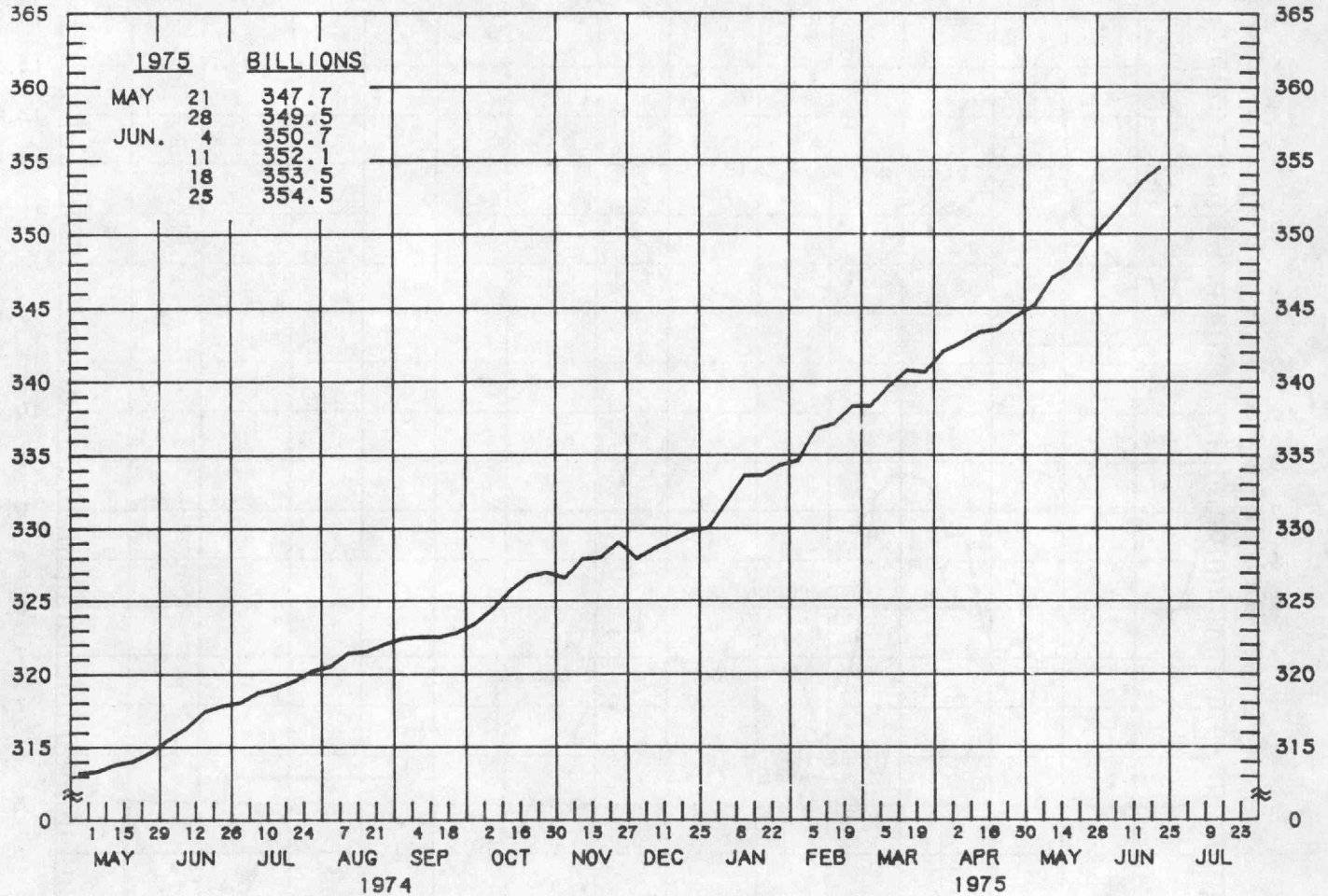
NET TIME DEPOSITS

ALL COMMERCIAL BANKS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 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:

6/26/74 9/25/74 11/27/74 12/25/74 1/22/75 2/28/75 3/26/75 4/23/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

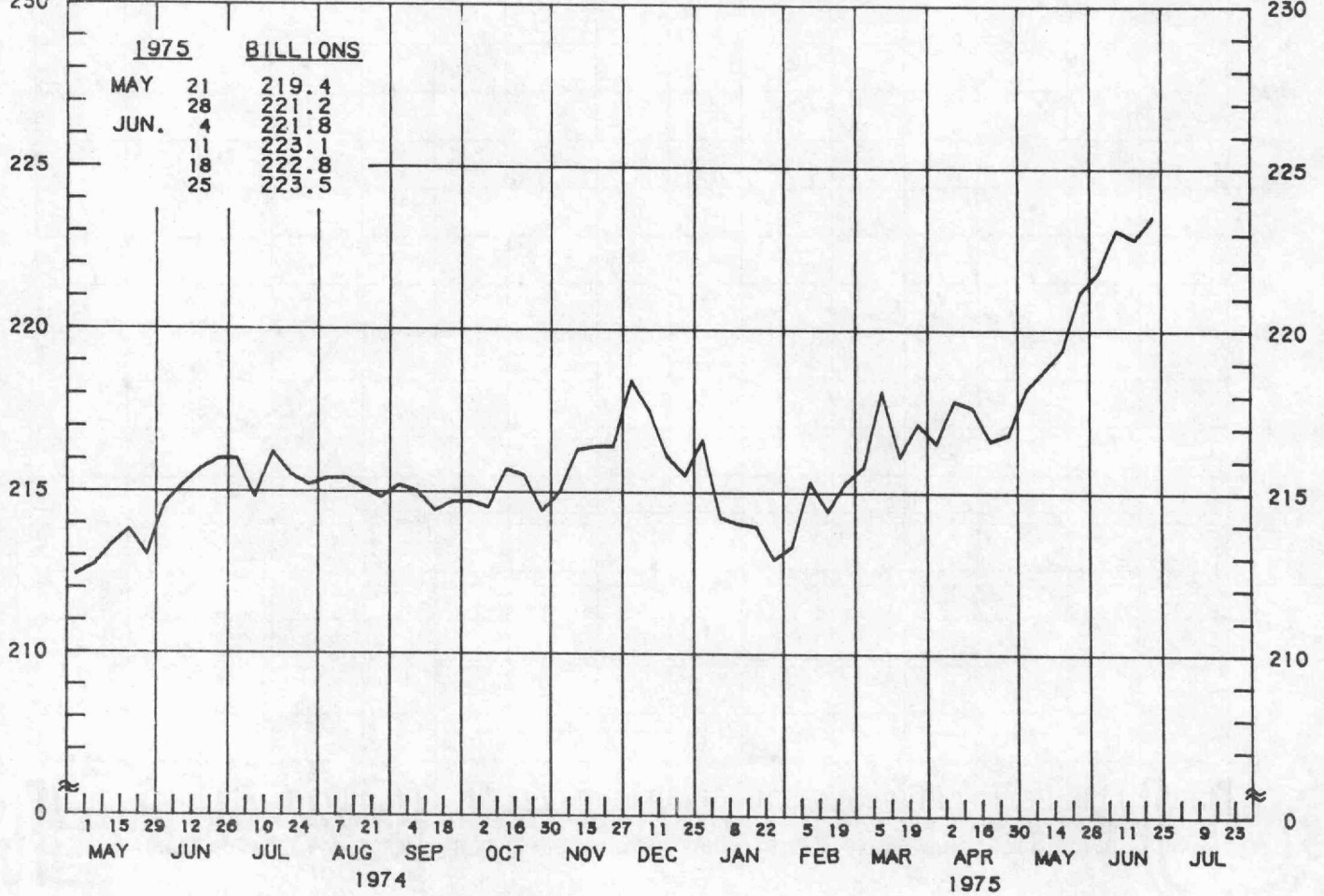
11/27/74	8.5							
12/25/74	7.8	8.0						
1/22/75	8.6	9.5	9.1					
2/28/75	9.5	10.6	11.2	14.5				
3/26/75	9.8	10.9	11.5	13.9	13.8			
4/23/75	10.0	11.2	11.7	13.6	13.4	12.6		
5/28/75	10.5	11.6	12.2	13.7	13.6	13.2	13.4	
6/25/75	11.3	12.6	13.5	15.0	15.1	15.3	16.1	17.7

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS
230

BILLIONS OF DOLLARS
230



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 1975

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

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
6/28/74 9/25/74 11/27/74 12/25/74 1/22/75 2/26/75 3/26/75 4/23/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

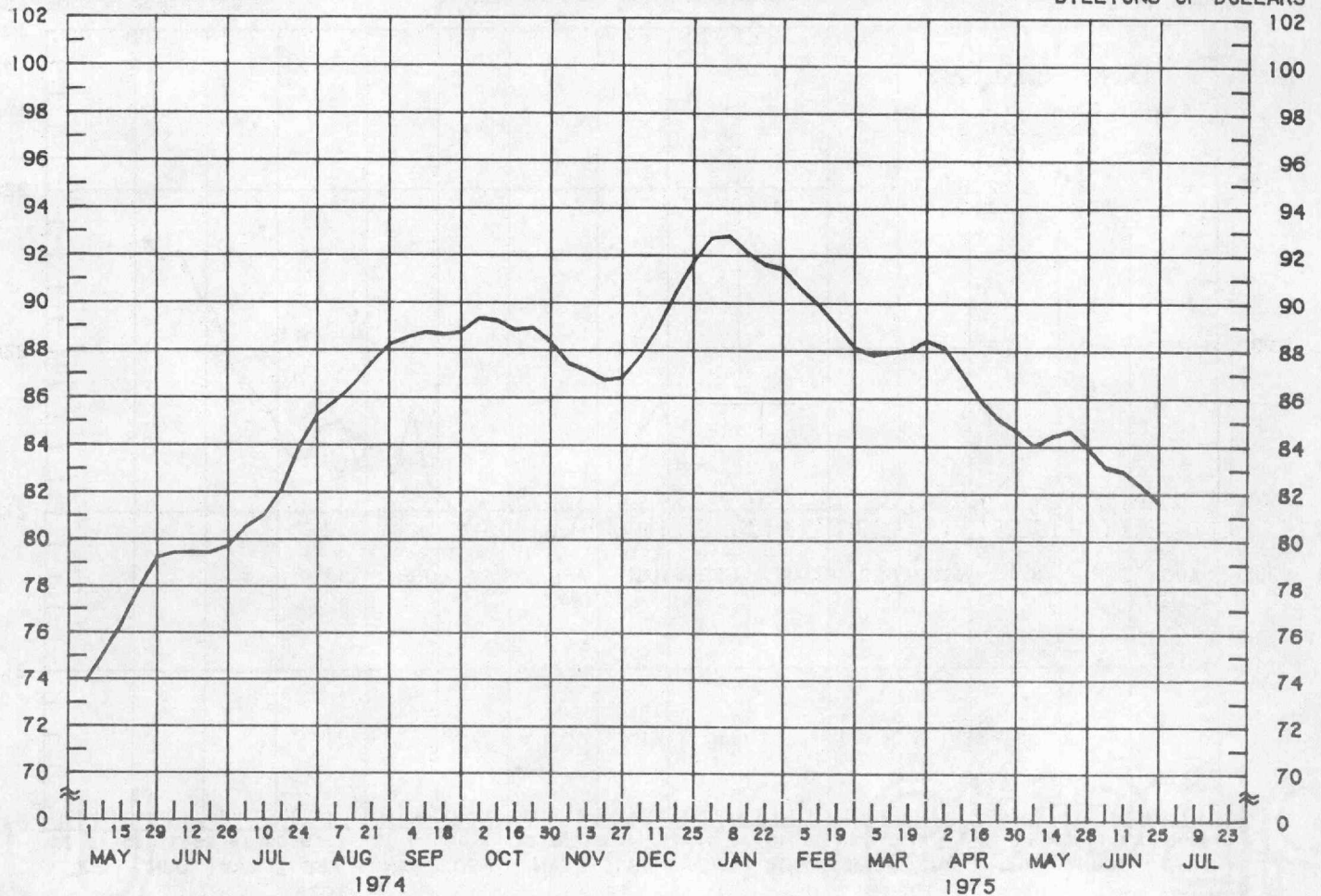
11/27/74	0.7						
12/25/74	1.4	4.0					
1/22/75	-0.6	-0.1	-3.8				
2/26/75	-0.6	-0.2	-2.6	-6.0			
3/26/75	0.9	1.9	1.1	-0.2	5.8		
4/23/75	1.0	1.9	1.3	0.3	4.5	7.8	
5/28/75	2.0	3.2	3.2	2.7	6.5	9.3	7.1
6/25/75	3.4	5.0	5.5	5.5	9.1	12.2	11.5 16.2

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 1975

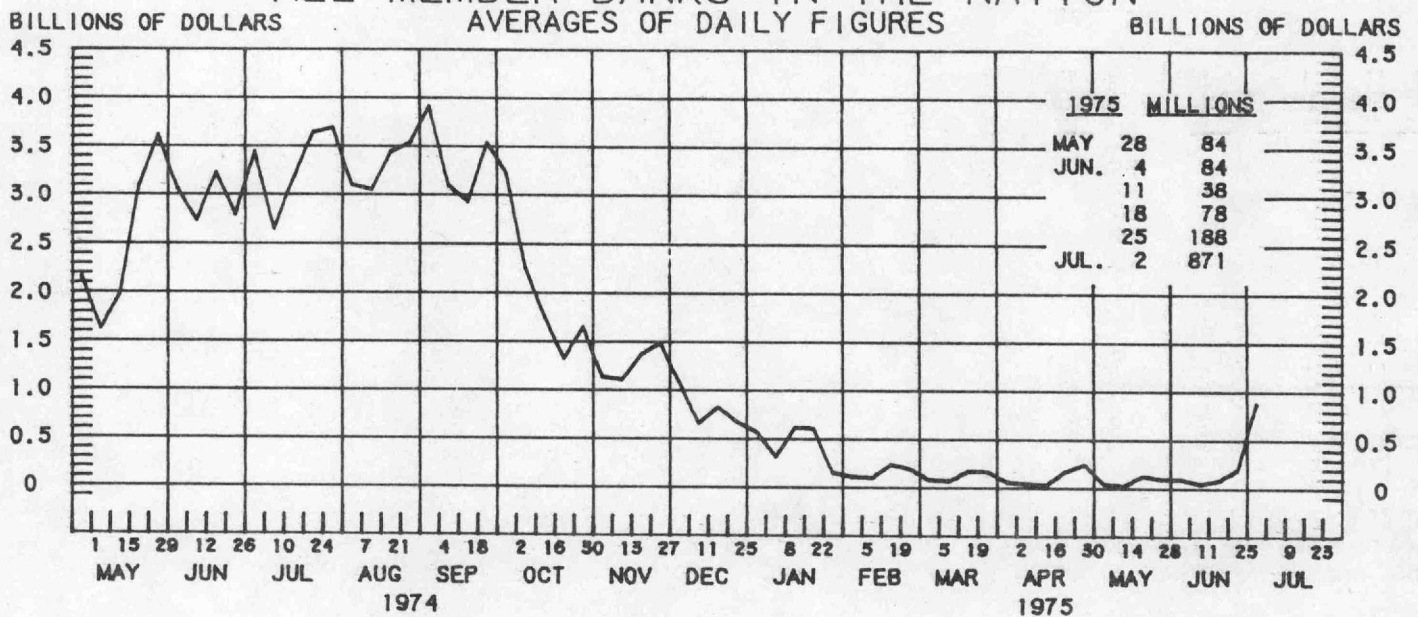
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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.
MAY 7	84.0	86.4
14	84.4	86.3
21	84.6	85.9
28	83.9	84.4
JUNE 4	83.1	83.9
11	82.9	84.1
18	82.3	84.1
25	81.6	84.0
JULY 2		
9		
16		
23		
30		

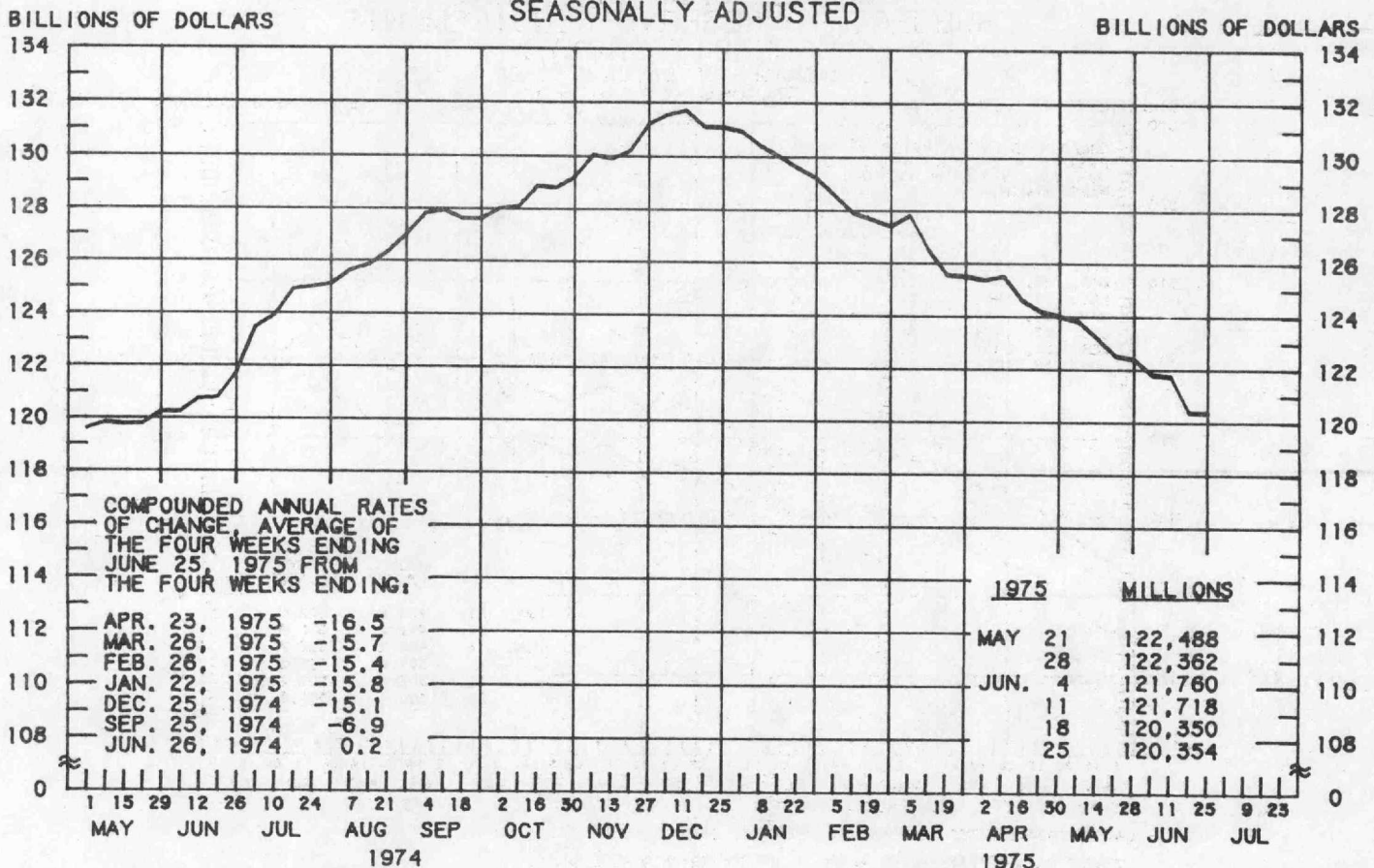
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



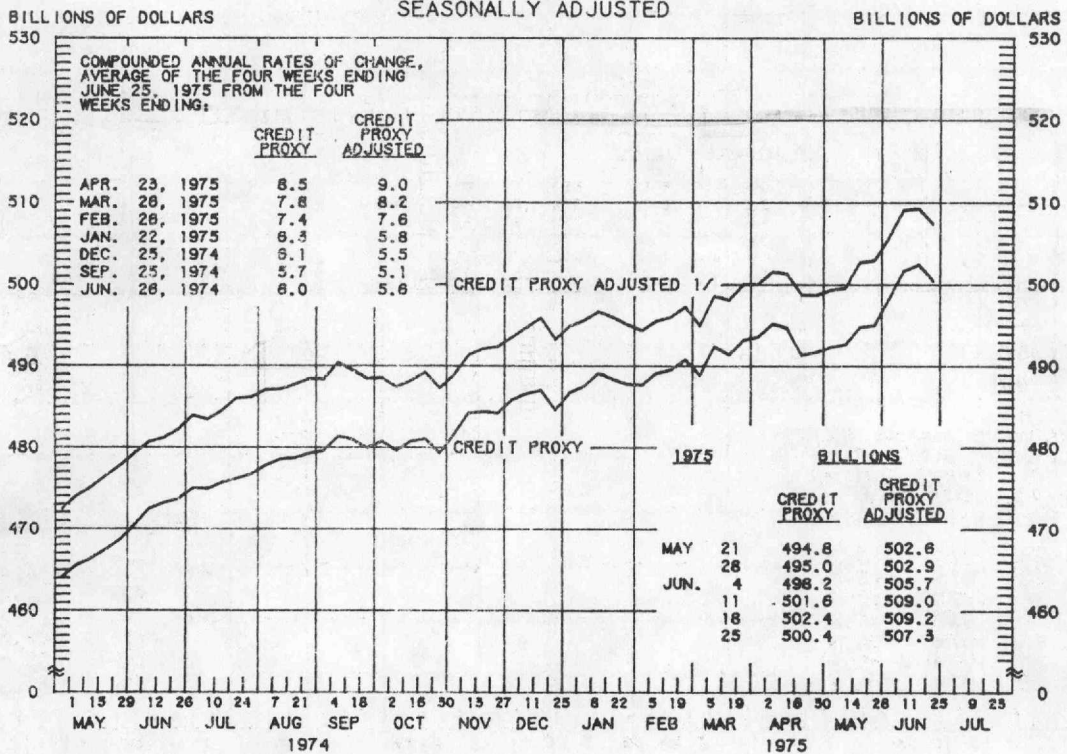
LATEST DATA PLOTTED WEEK ENDING: JULY 2, 1975

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



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 1975

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



LATEST DATA PLOTTED WEEK ENDING: JUNE 25, 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