



Week ending: November 5, 1975

The growth rates of the major monetary aggregates have slowed in the last three months, compared to the previous three months. The narrowly defined money stock (M1) grew at a 0.7 percent annual rate in the most recent three months, in contrast to an 11.4 percent rate in the previous three months. The demand deposit component of M1 has shown a similar pattern, declining slightly in the last three months, in comparison to an 11.4 percent rate of growth in the previous three months. Growth of the currency component of M1, which has slowed substantially since mid-July, has nevertheless increased more rapidly than demand deposits in the most recent period.

The growth of net time deposits, which are added to M1 to obtain the broadly defined money stock (M2), slowed to an annual rate of 8.1 percent in the last three months from a 17.2 percent annual rate in the previous three months. Consequently, M2 increased at about a 4.7 percent rate in the most recent three months, in contrast to a 14.6 percent rate of growth from mid-April through mid-July.

Since mid-July the monetary base has increased at a 6.4 percent annual rate, compared to an 8.1 percent rate in the previous three months. Although Federal Reserve credit, the major component of monetary base, has grown more rapidly in this period as compared with the previous three months, it has been partially offset by large accumulations of Treasury deposits in Federal Reserve Banks. This, on balance, has restrained the growth of the monetary base.

For the second consecutive week some commercial banks have lowered their prime lending rate (the rate charged by commercial banks on short-term loans to large businesses with the highest credit standing). This week's reduction was from 7.75 to 7.5 percent. Other short-term interest rates have also moved downward over the last month. Rates on prime four- to six-month commercial paper and three-month Treasury bills are 81 and 68 basis points, respectively, below their levels of a month ago.

Prepared by Federal Reserve Bank of St. Louis

Released: November 7, 1975

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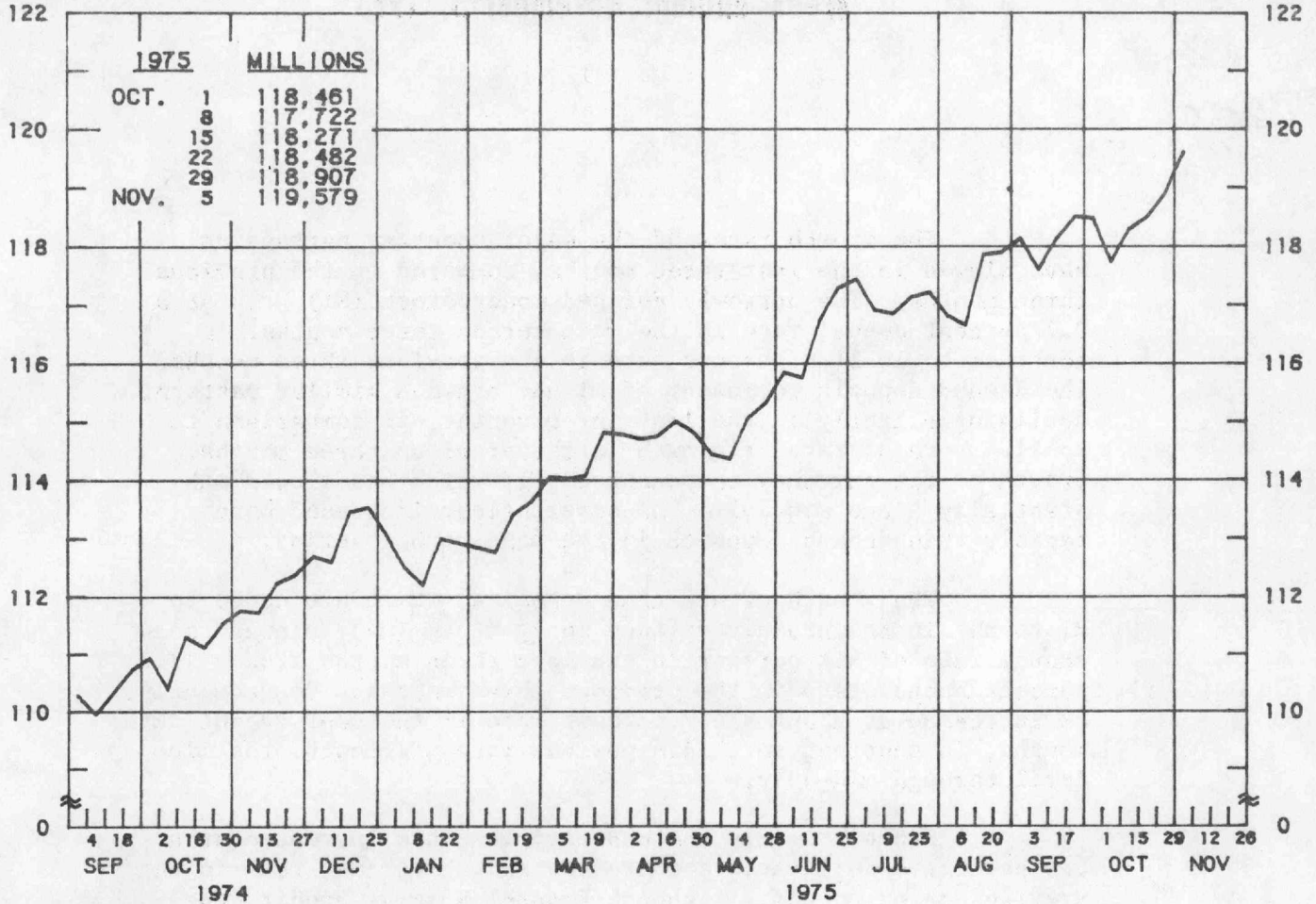
MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



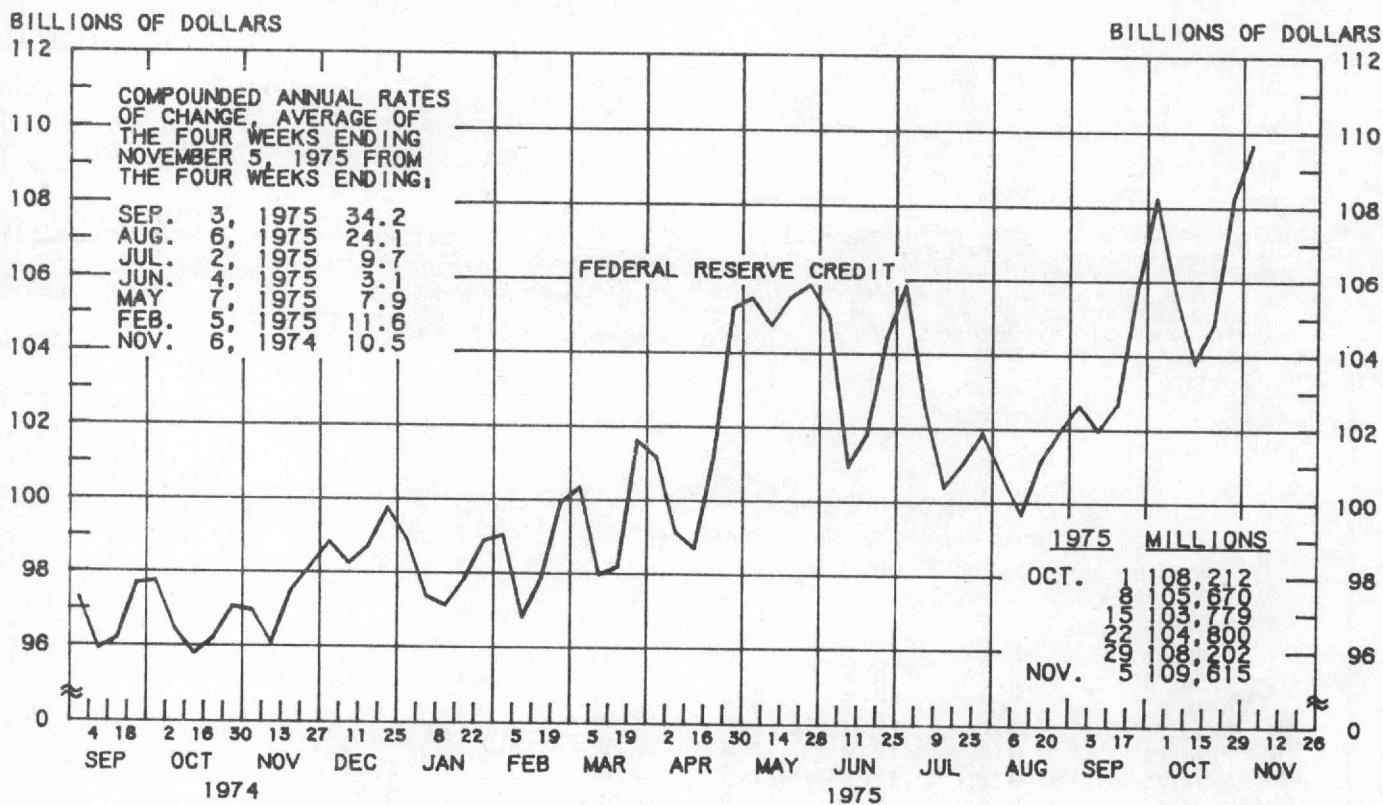
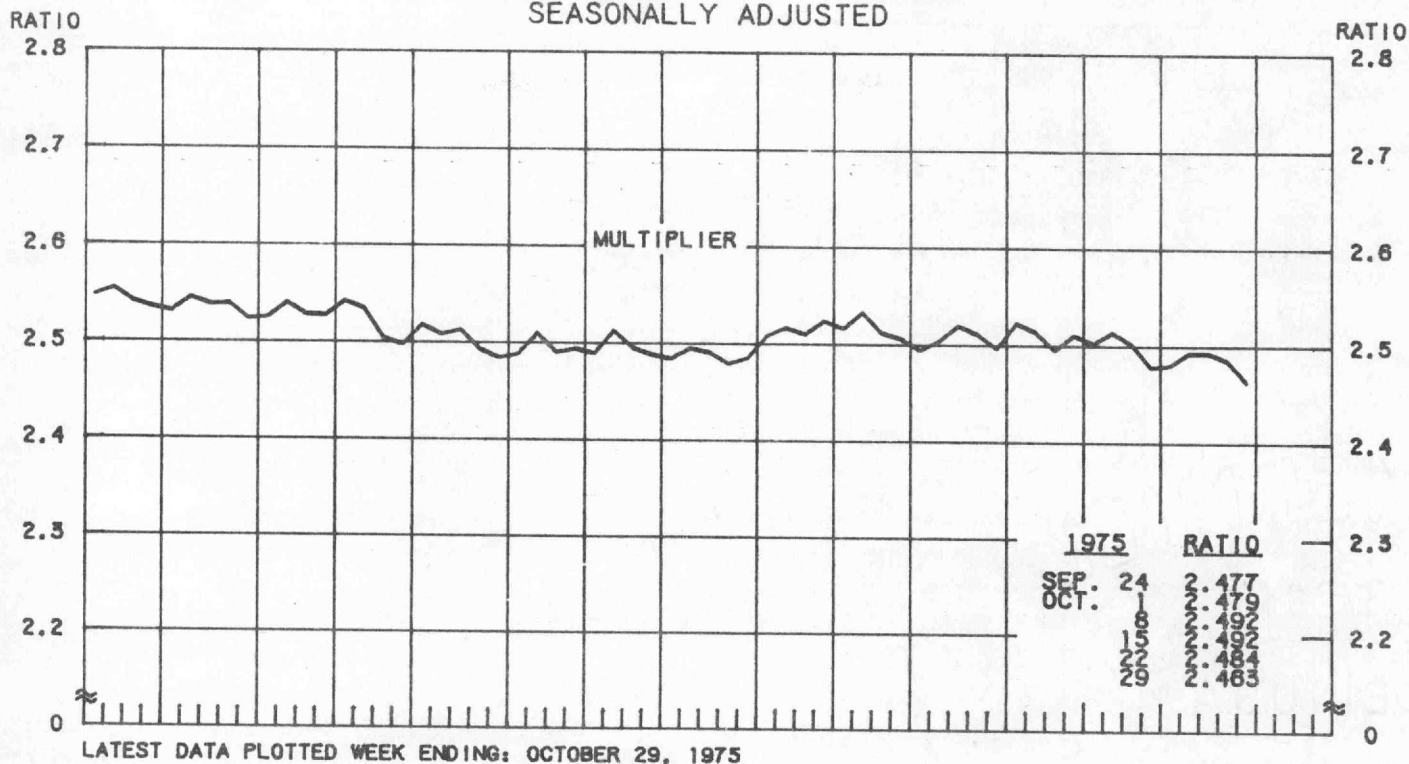
LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 5, 1975

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:

	11/6/74	2/5/75	4/2/75	5/7/75	6/4/75	7/2/75	8/6/75	9/3/75
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/ 2/75	6.8							
5/ 7/75	6.1	7.3						
6/ 4/75	5.9	6.7	3.7					
7/ 2/75	7.5	9.2	8.6	12.3				
8/ 6/75	6.7	7.7	6.7	8.1	9.7			
9/ 3/75	6.8	7.6	6.8	7.9	8.9	4.1		
10/ 8/75	6.6	7.3	6.5	7.3	7.9	4.5	6.1	
11/ 5/75	6.6	7.3	6.5	7.2	7.7	5.1	6.4	6.0

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 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.

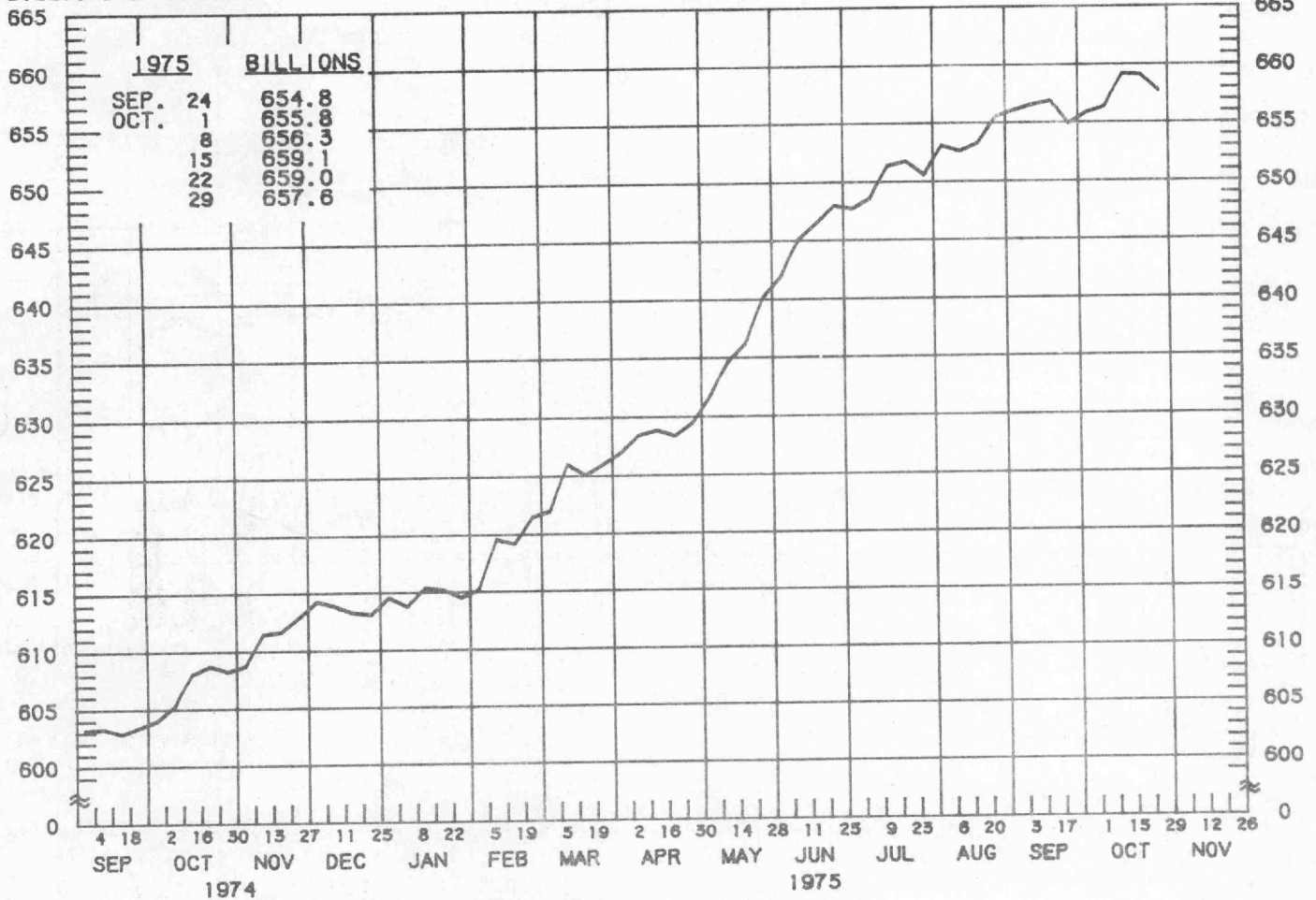
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS NET TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 1975

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

MONEY STOCK PLUS NET TIME DEPOSITS (M₂)

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

10/30/74 1/29/75 3/26/75 4/30/75 5/28/75 7/2/75 7/30/75 8/27/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

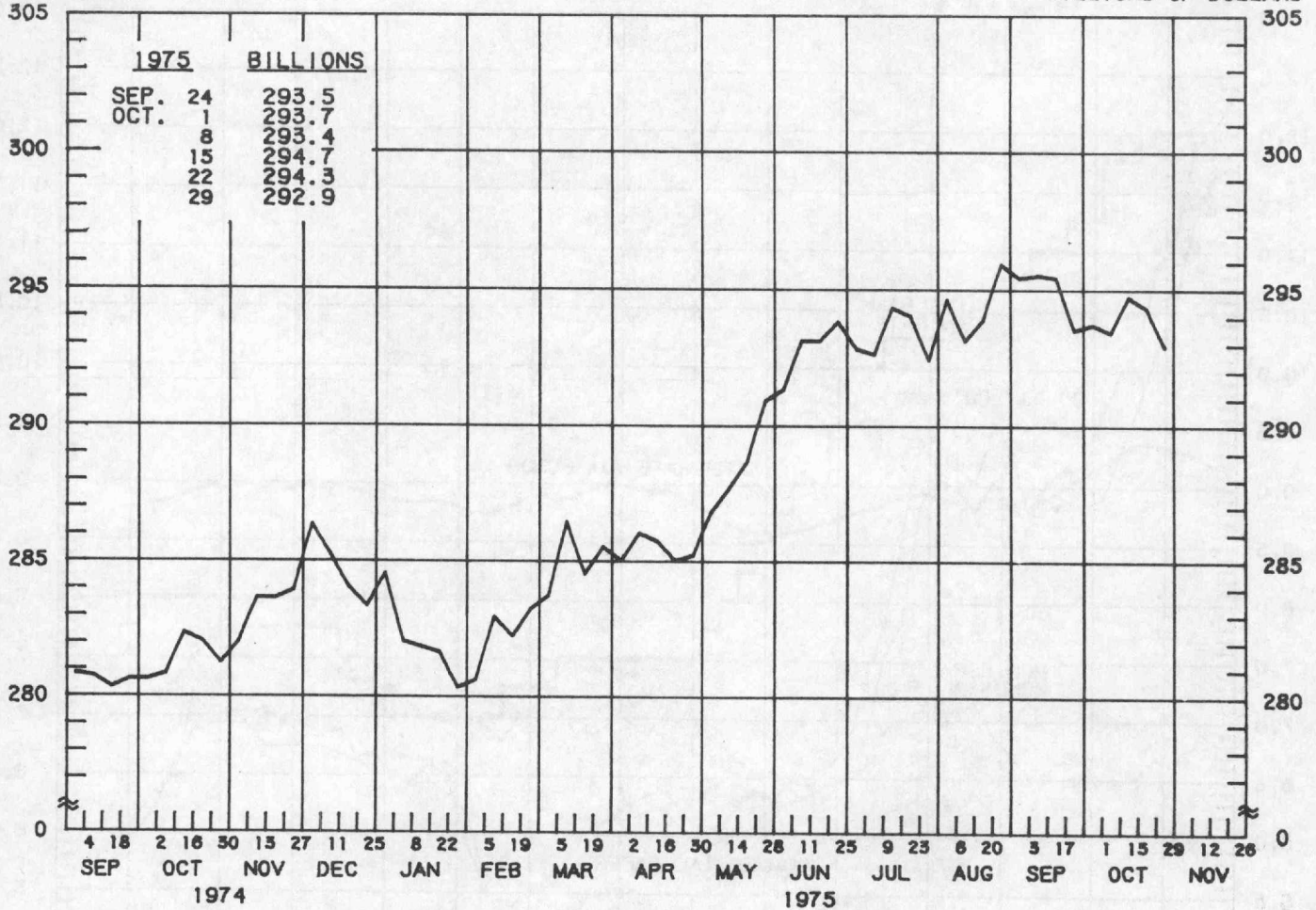
3/26/75	7.2							
4/30/75	7.1	9.5						
5/28/75	8.2	10.9	10.6					
7/2/75	9.7	12.8	13.7	17.7				
7/30/75	9.5	12.0	12.4	14.6	14.2			
8/27/75	9.2	11.3	11.3	12.6	11.7	7.1		
10/1/75	8.7	10.2	9.9	10.6	9.5	5.9	5.0	
10/29/75	8.3	9.5	9.1	9.5	8.5	5.4	4.7	4.0

MONEY STOCK

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 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.

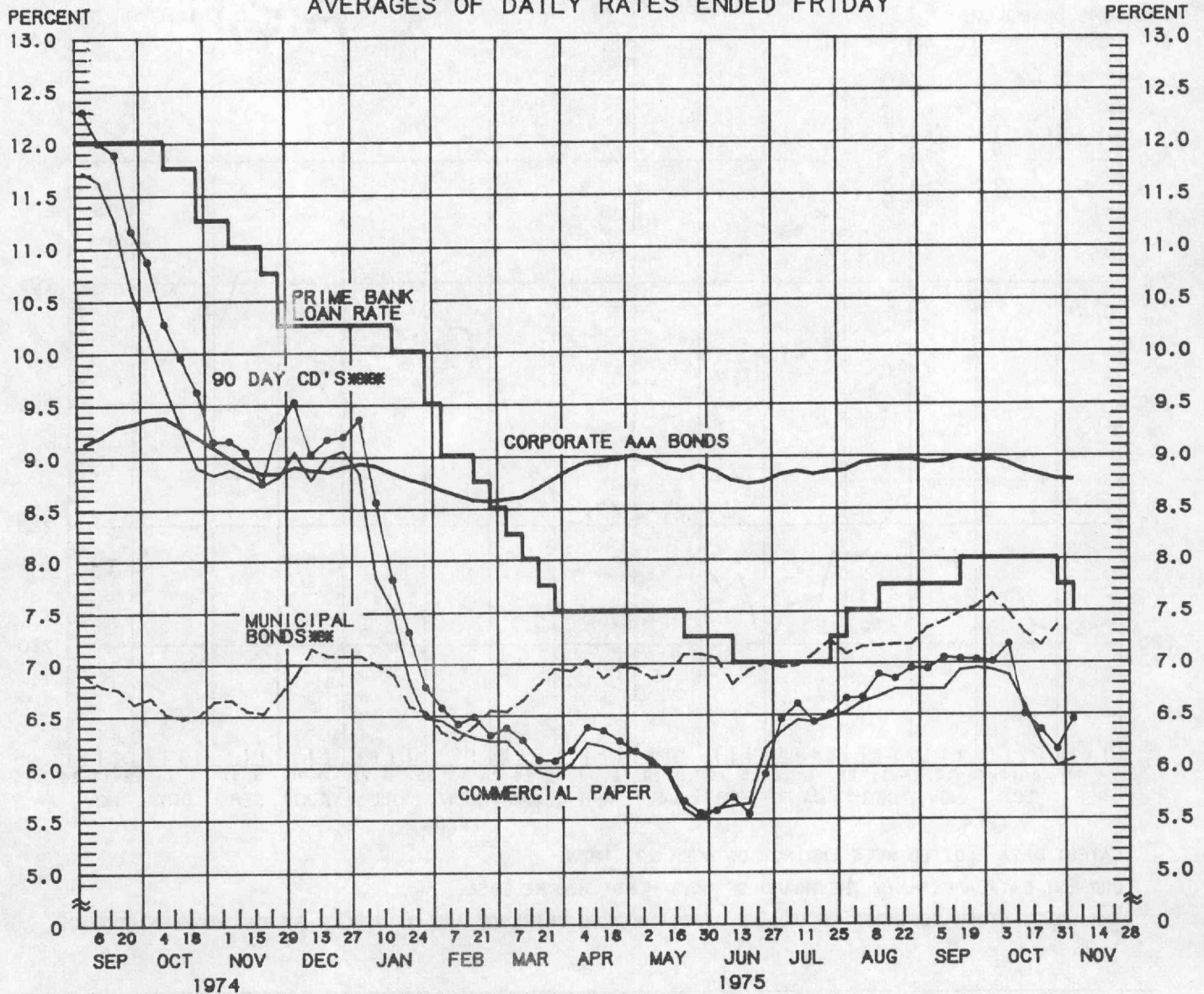
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	10/30/74	1/29/75	3/26/75	4/30/75	5/28/75	7/2/75	7/30/75	8/27/75
3/26/75		3.0						
4/30/75		2.8	6.0					
5/28/75		4.3	7.9	7.3				
7/2/75		6.2	10.2	11.1	16.6			
7/30/75		5.6	8.6	8.6	11.4	10.0		
8/27/75		5.5	8.1	8.0	9.8	8.4	2.7	
10/1/75		5.0	7.0	6.5	7.6	6.1	1.8	2.4
10/29/75		4.3	5.9	5.2	5.9	4.4	0.6	0.7
								-1.2

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 7, 1975

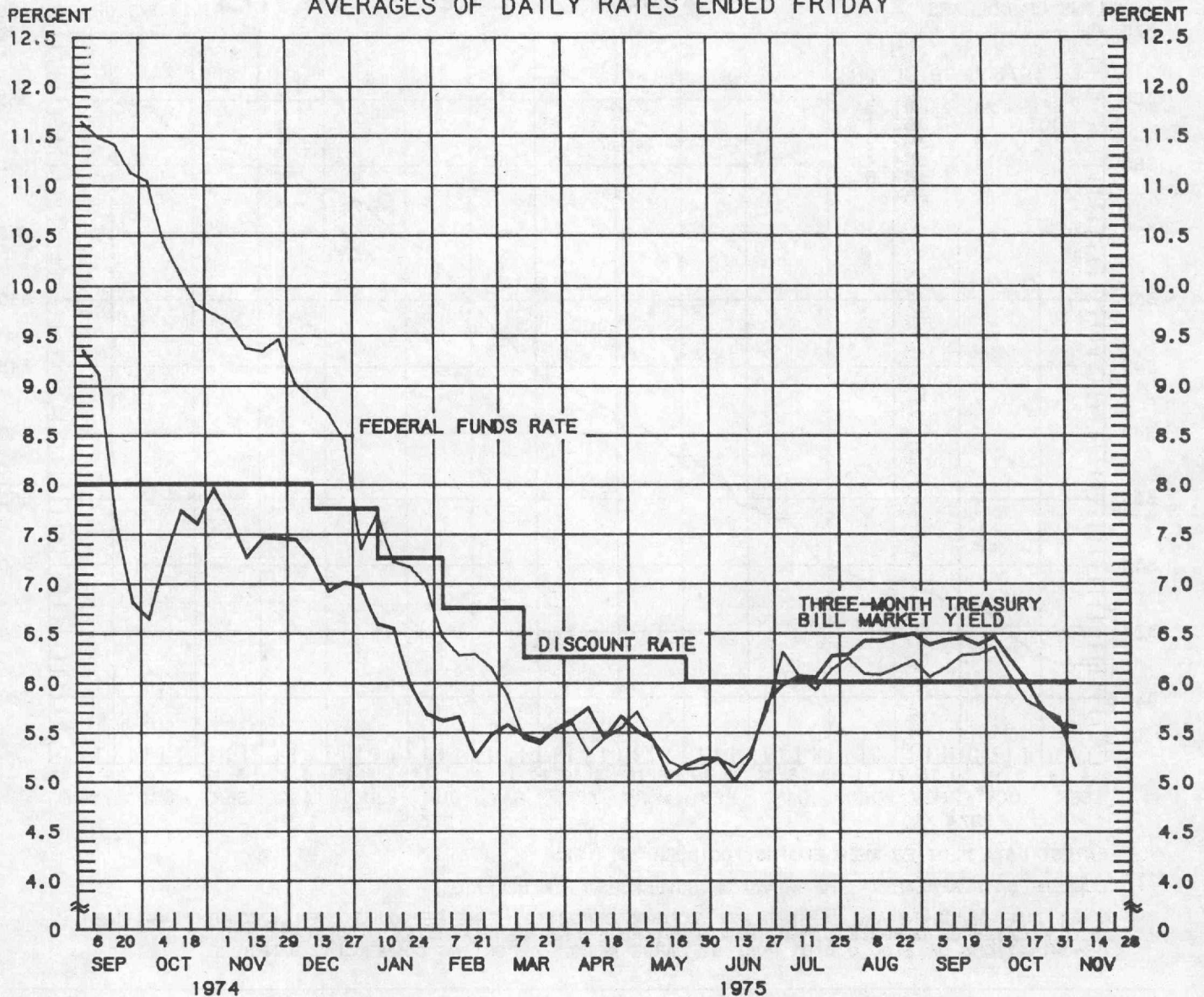
1975	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
SEP. 5	6.94	6.75	6.82	8.93	7.34
12	7.05	6.75	6.85	8.94	7.40
19	7.04	6.93	6.82	8.98	7.49
26	7.03	6.95	6.81	8.94	7.54
OCT. 3	7.01	6.93	6.79	8.96	7.67
10	7.18	6.88	6.59	8.92	7.48
17	6.50	6.59	6.38	8.85	7.29
24	6.35	6.23	6.02	8.81	7.17
31	6.16	6.00	5.83	8.77	7.36
NOV. 7 *	6.45	6.07	5.83	8.76	N.A.
14					
21					
28					

* 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: NOVEMBER 7, 1975

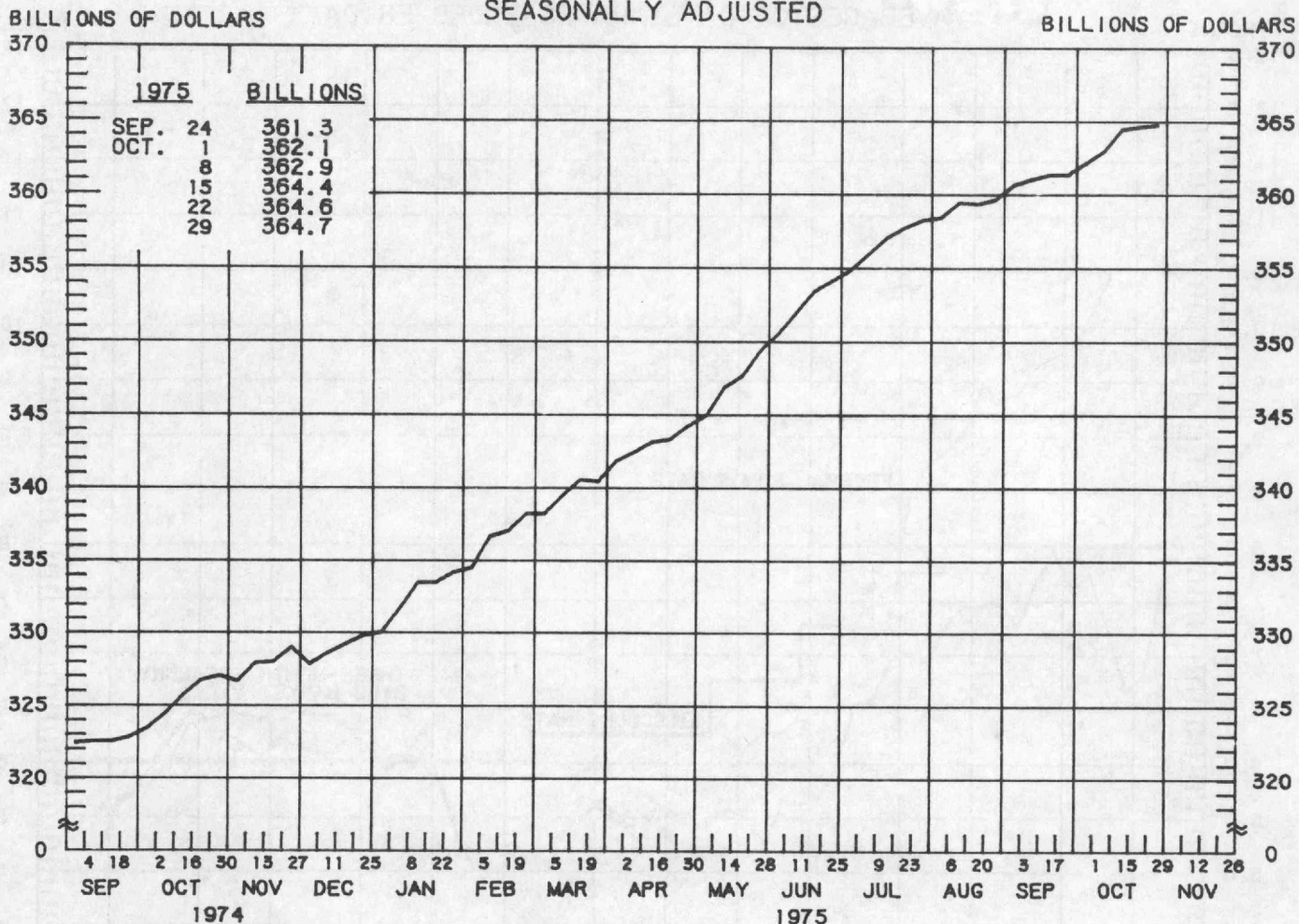
1975	FEDERAL FUNDS ***	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
SEP. 5	6.06	6.38	7.07	8.07	7.11
12	6.15	6.43	7.14	8.26	7.25
19	6.28	6.45	7.31	8.34	7.34
26	6.29	6.38	7.21	8.18	7.35
OCT. 3	6.36	6.46	7.16	8.22	7.43
10	6.06	6.23	6.74	8.00	7.36
17	5.82	6.01	6.51	7.87	7.31
24	5.73	5.73	6.29	7.67	7.22
31	5.65	5.58	6.02	7.50	7.18
NOV. 7 *	5.17	5.55	5.91	7.44	7.17
14					
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

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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 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.

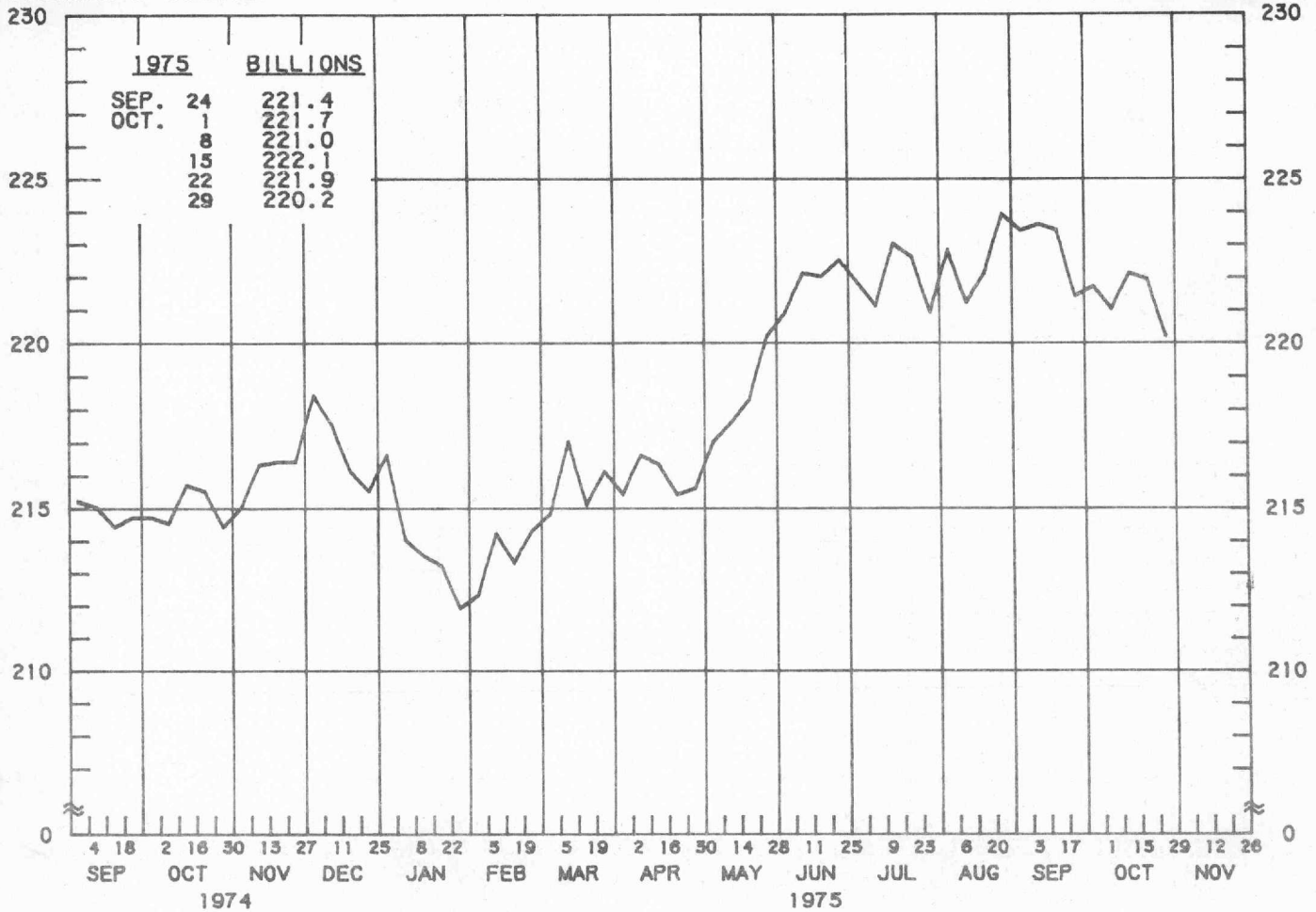
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	10/30/74	1/29/75	3/26/75	4/30/75	5/28/75	7/2/75	7/30/75	8/27/75	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
3/26/75	10.7								
4/30/75	10.9	12.7							
5/28/75	11.5	13.4	13.6						
7/ 2/75	12.8	15.1	16.2	18.6					
7/30/75	13.0	14.9	15.7	17.2	17.8				
8/27/75	12.4	13.9	14.2	14.9	14.6	10.8			
10/ 1/75	11.8	12.8	12.7	12.9	12.3	9.1	7.0		
10/29/75	11.7	12.6	12.4	12.5	12.0	9.5	8.1	8.3	

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 1975

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

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

10/30/74 1/29/75 3/26/75 4/30/75 5/28/75 7/2/75 7/30/75 8/27/75

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

3/26/75	0.9							
4/30/75	0.9	5.4						
5/28/75	2.7	7.5	6.9					
7/ 2/75	4.9	10.1	11.3	17.5				
7/30/75	4.3	8.3	8.4	11.4	9.9			
8/27/75	4.2	7.7	7.5	9.5	7.9	1.2		
10/ 1/75	3.8	6.5	6.1	7.3	5.7	0.7	1.6	
10/29/75	2.9	5.1	4.3	5.0	3.3	-1.1	-1.1	-3.1

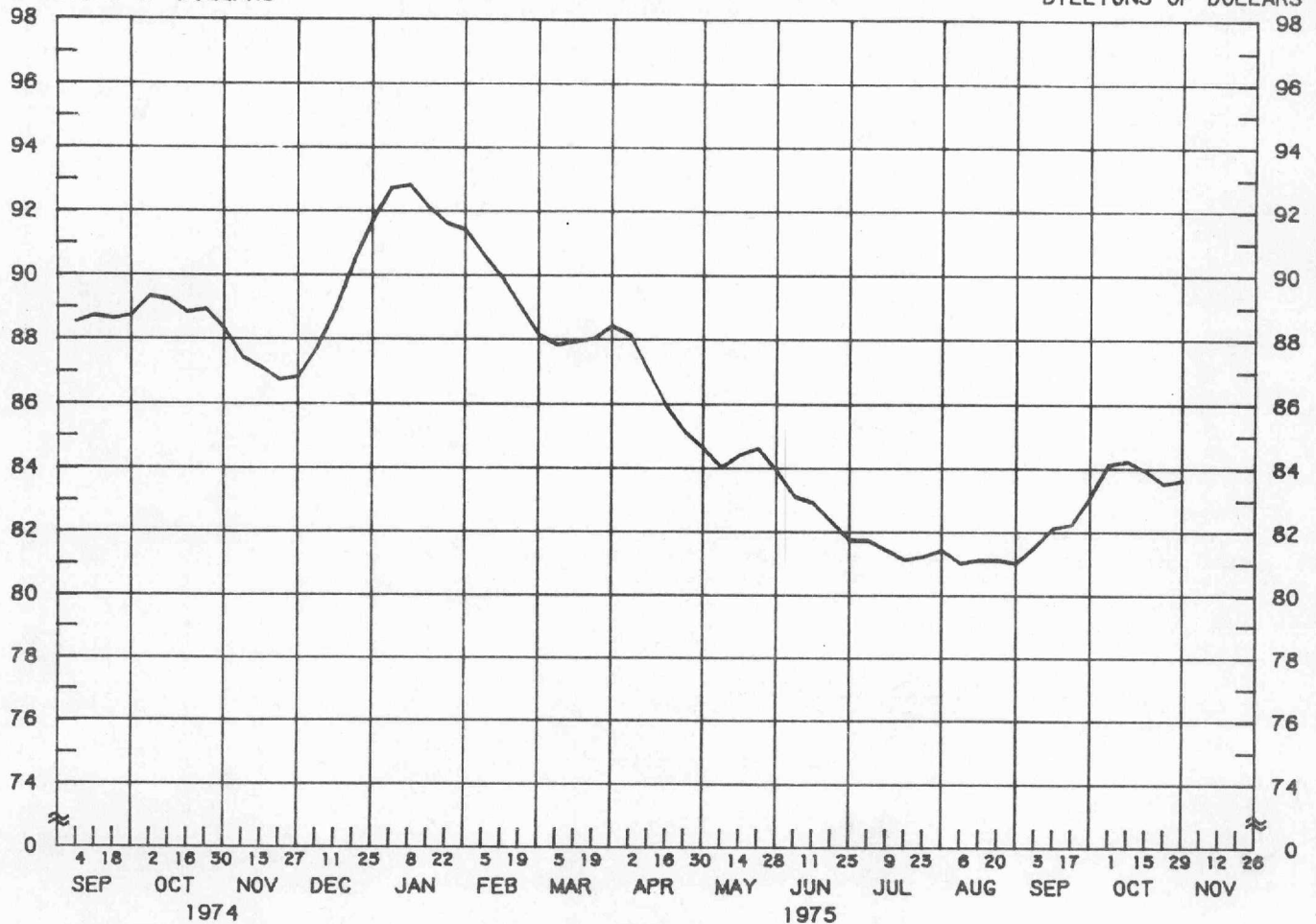
CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES

NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 1975

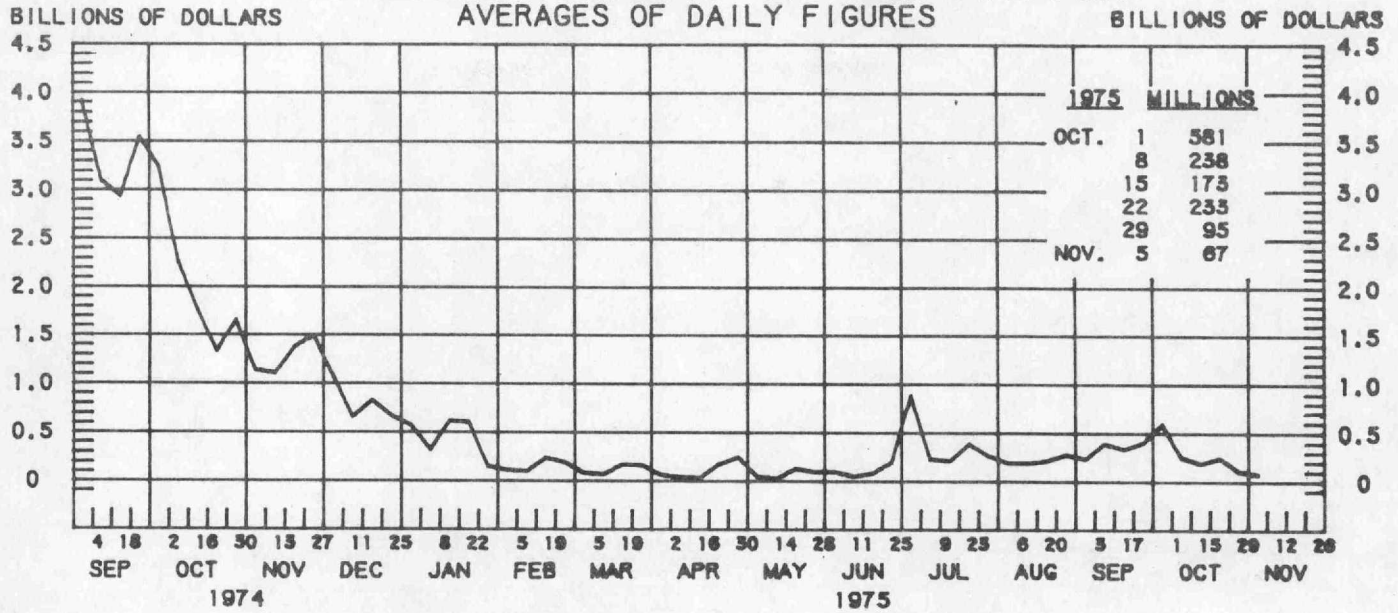
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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.
SEP. 3	81.5	77.1
10	82.1	78.1
17	82.2	78.7
24	83.1	79.7
OCT. 1	84.1	80.9
8	84.2	81.6
15	83.9	81.4
22	83.5	81.0
29	83.6	81.3
NOV. 5		
12		
19		
26		

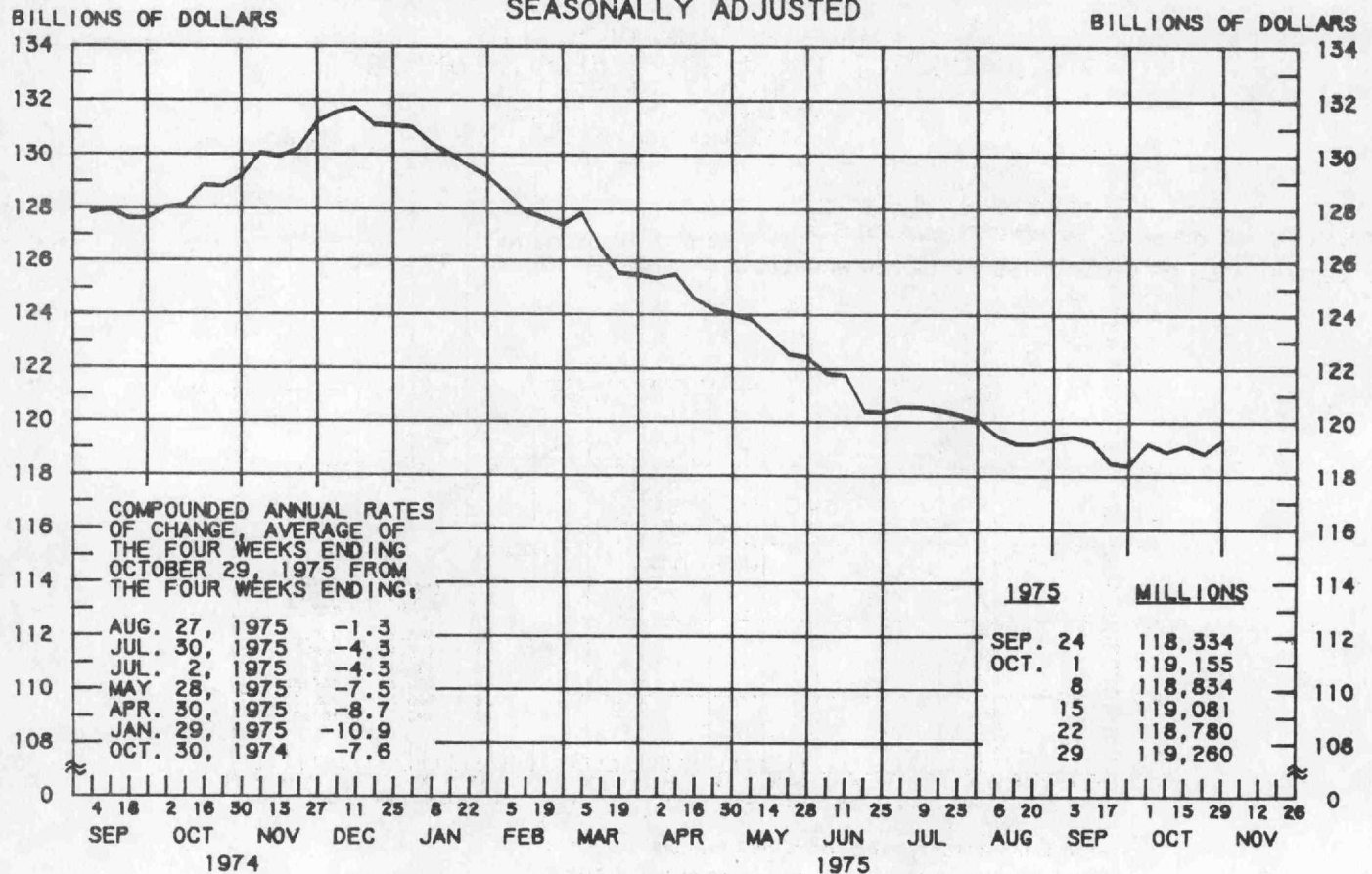
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 5, 1975

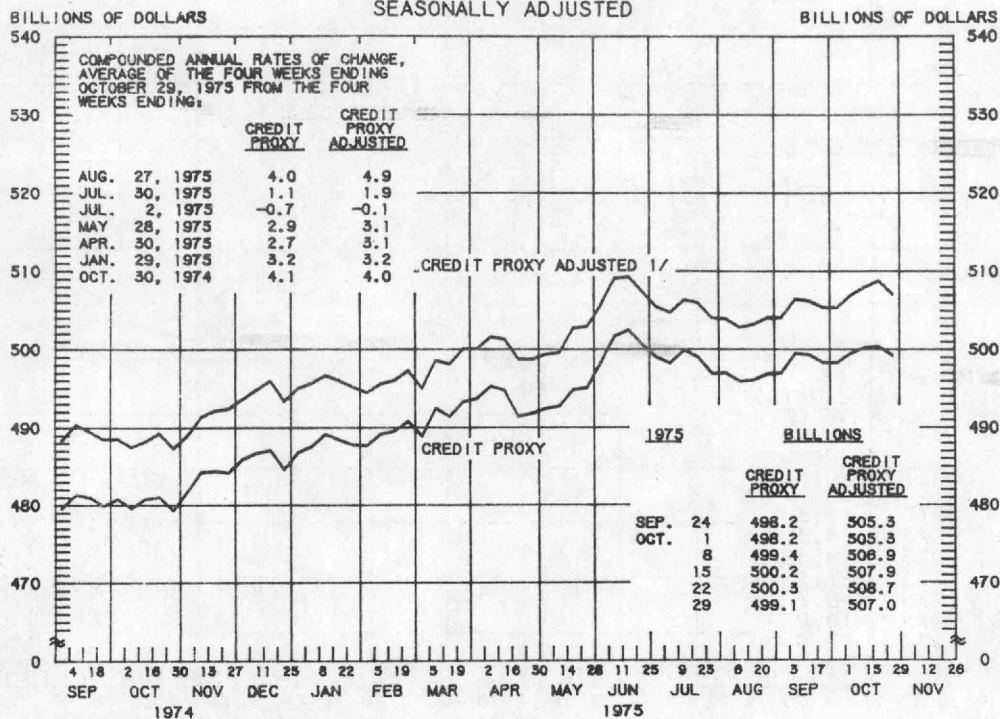
BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 1975

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 29, 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