

Week ending: February 4, 1976



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The current level of demand deposits is only a little more than \$1 billion greater than its level seven months ago. Using four-week averages of the data, demand deposits have grown at about a 1 percent annual rate since mid-June, compared to a 7.6 percent rate from mid-January 1975 to mid-June. Reflecting the predominance of demand deposits in its composition, the narrowly defined money stock (M1) has likewise shown rather slow growth since mid-June. In the most recent seven months, M1 has increased at a 2.6 percent annual rate, compared to an 8.1 percent rate in the previous five months.

Since the end of 1975 net time deposits have increased sharply. This surge in net time deposits may partly reflect the changes in Regulations D and Q, effective November 10, 1975, which permitted corporations, partnerships, and other profit-making organizations to maintain savings accounts at member banks, subject to a \$150,000 ceiling on the size of the accounts. Businesses thus had an incentive to transfer some demand deposits into interest-earning savings accounts, thereby contributing to the slower growth in demand deposits and the faster growth of net time deposits. On balance, however, in the most recent seven months net time deposits have grown at an 11 percent annual rate, compared to a 14 percent rate in the previous five months.

Reflecting the continued strong growth of net time deposits, the growth of the more broadly defined money supply (M2) has not shown such a pronounced slowing as the growth of M1. In the most recent seven months, M2 has increased at a 7.1 percent annual rate, compared to an 11.3 percent rate of growth in the previous five months.

The monetary base, considered the prime determinant of both measures of the money stock, has also shown some slowing in its rate of growth. The rate of growth of the monetary base has slowed to 5.2 percent since mid-June, compared to a 9.2 percent rate in the previous five months.

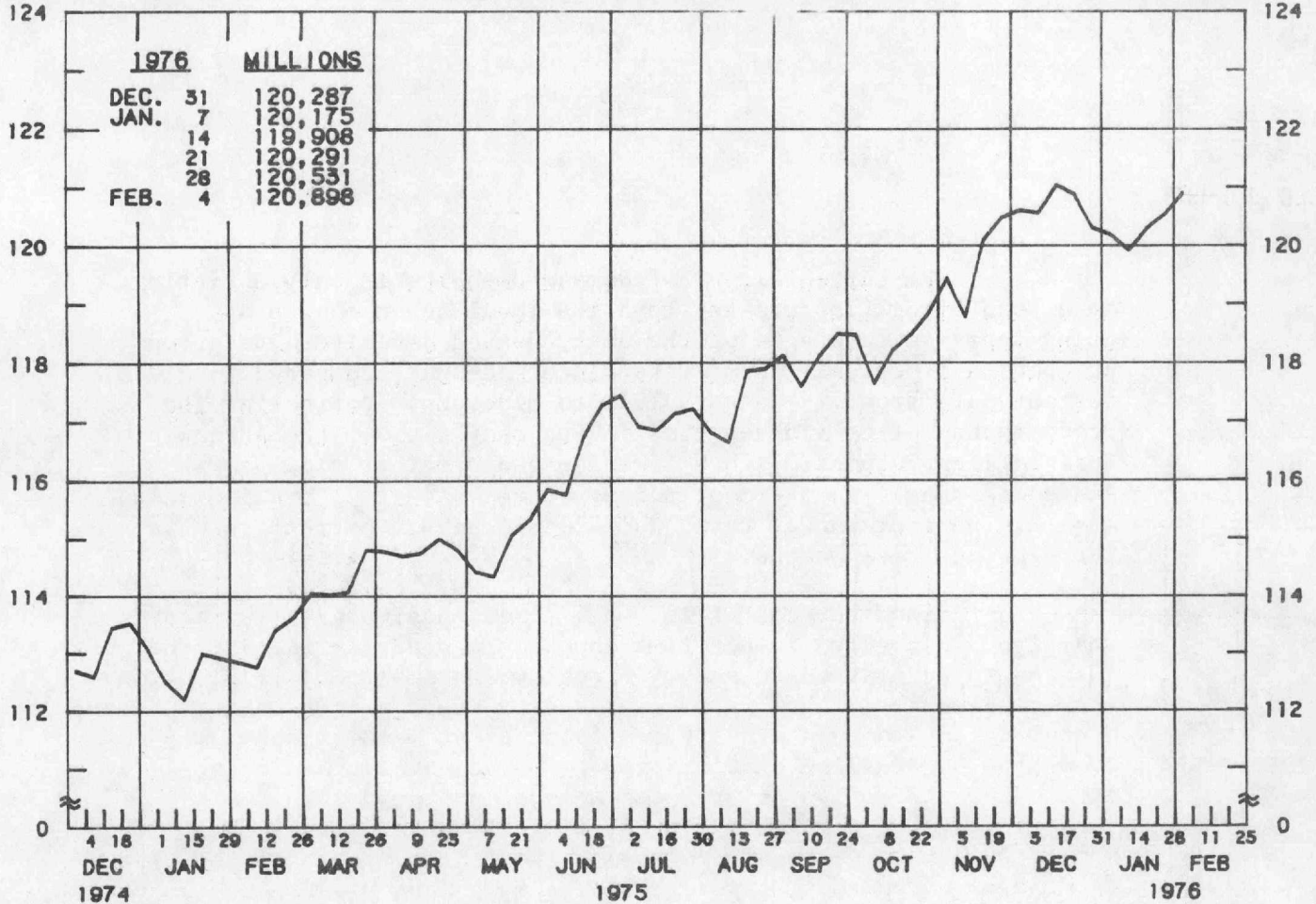
Prepared by Federal Reserve Bank of St. Louis

Released: February 6, 1976

**MONETARY BASE**  
**AVERAGES OF DAILY FIGURES**  
**SEASONALLY ADJUSTED BY THIS BANK**

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



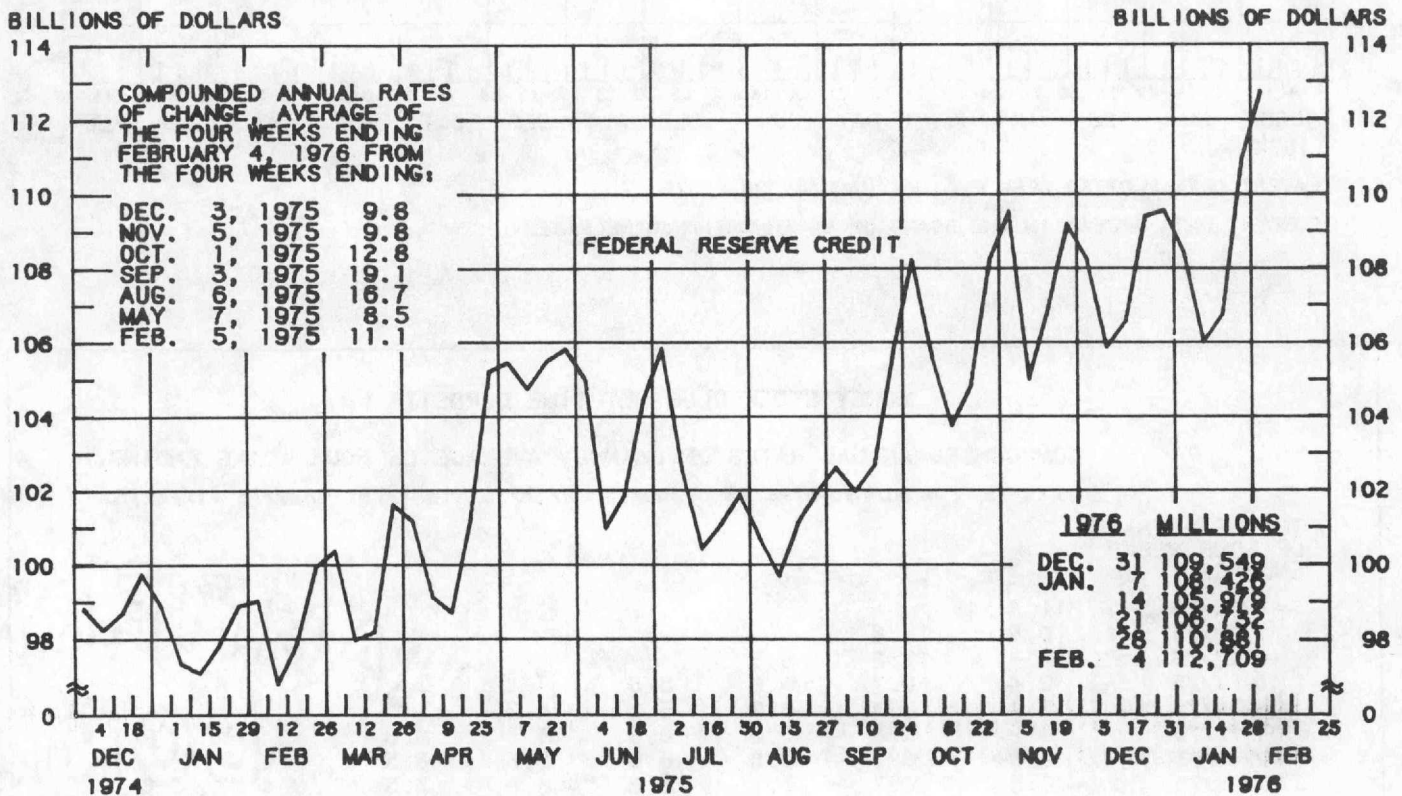
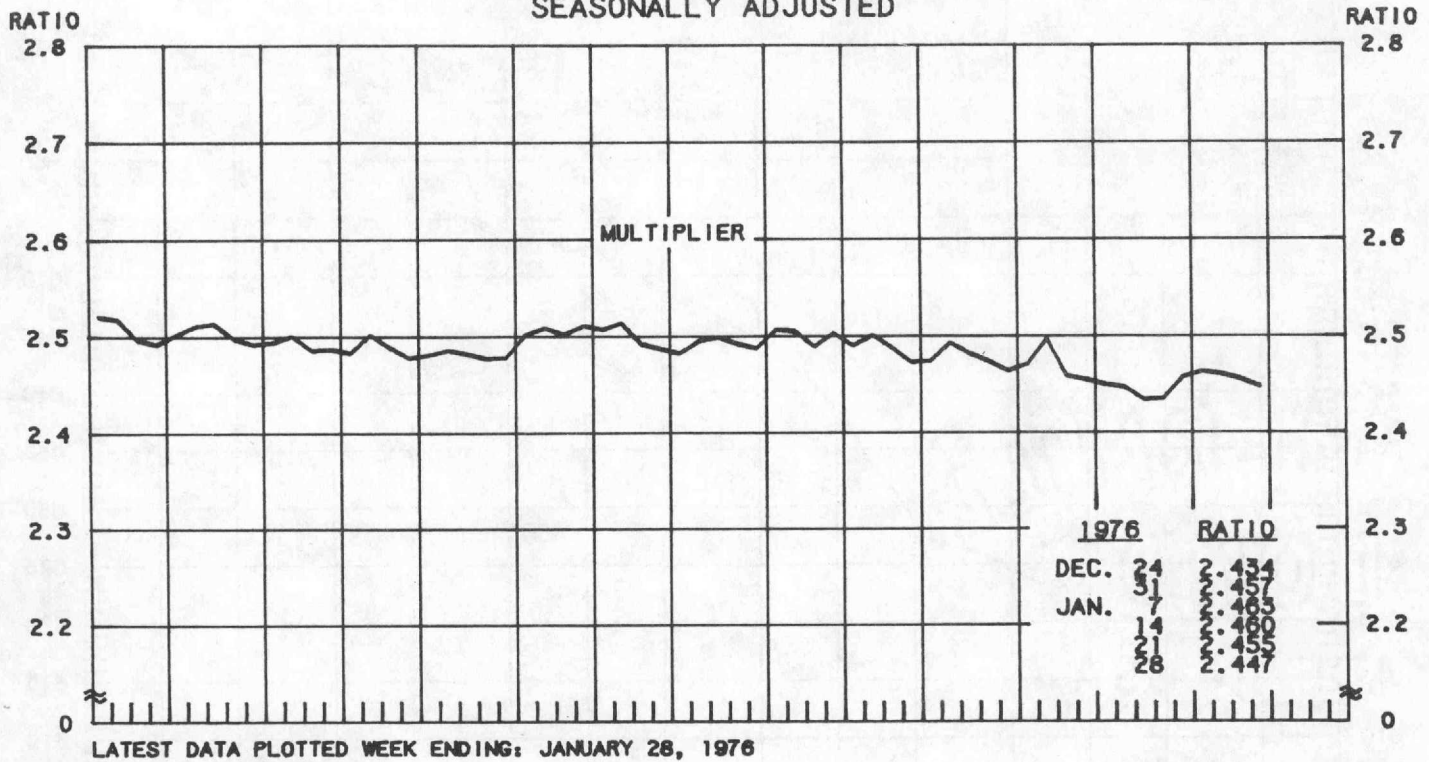
LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 4, 1976

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:**

	2/5/75	5/7/75	7/2/75	8/6/75	9/3/75	10/1/75	11/5/75	12/3/75
<b>TO THE AVERAGE OF FOUR WEEKS ENDING:</b>								
7/ 2/75	9.2							
8/ 6/75	7.7	8.1						
9/ 3/75	7.6	7.9	4.1					
10/ 1/75	7.5	7.6	4.8	6.7				
11/ 5/75	7.2	7.1	4.9	6.1	5.6			
12/ 3/75	7.8	8.1	6.6	8.0	8.3	9.2		
1/ 7/76	7.6	7.7	6.3	7.4	7.5	7.9	9.4	
2/ 4/76	6.8	6.6	5.2	5.9	5.7	5.6	5.7	2.1

# MULTIPLIER <sup>1/</sup> FEDERAL RESERVE CREDIT <sup>2/</sup> AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: FEBRUARY 4, 1976

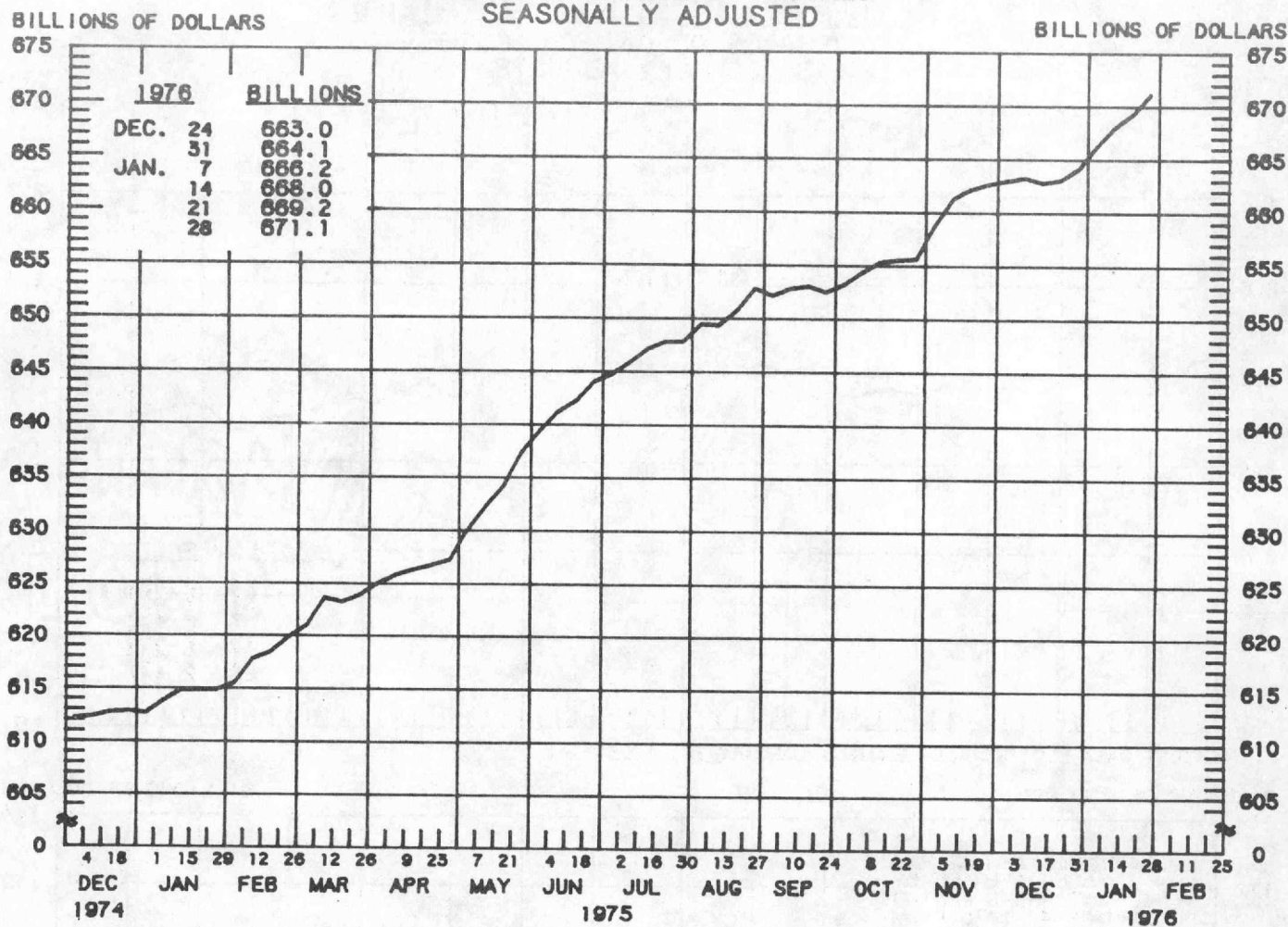
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: JANUARY 28, 1976

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:

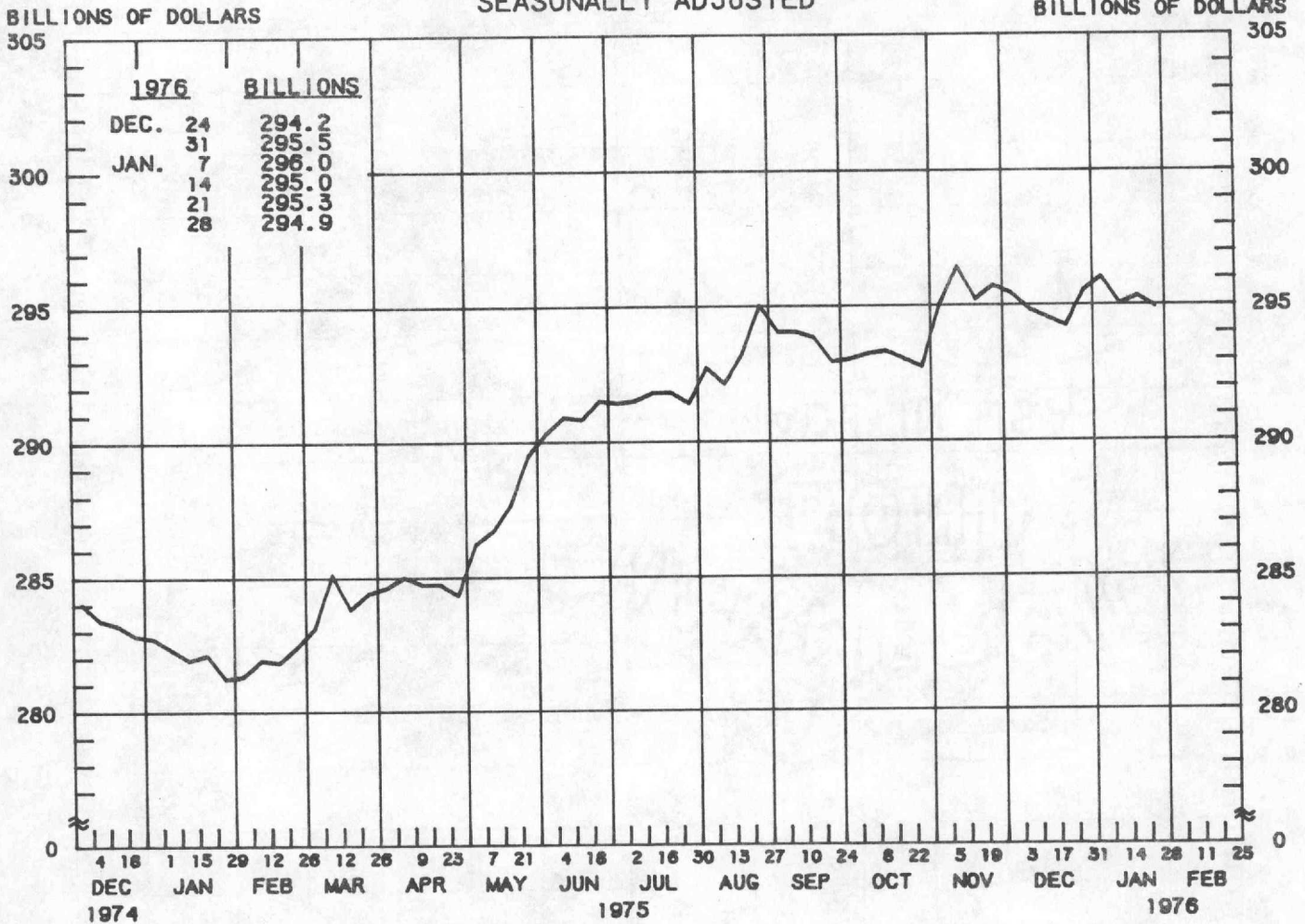
1/29/75 4/30/75 6/25/75 7/30/75 8/27/75 10/1/75 10/29/75 11/26/75

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

6/25/75	11.3							
7/30/75	10.9	13.8						
8/27/75	10.4	12.2	8.3					
10/1/75	9.4	10.2	6.6	5.3				
10/29/75	8.9	9.4	6.2	5.1	4.2			
11/26/75	9.2	9.8	7.3	6.8	6.7	8.6		
12/31/75	8.6	8.9	6.6	6.0	5.7	6.5	7.4	
1/28/76	8.8	9.1	7.1	6.8	6.7	7.5	8.4	6.6

# MONEY STOCK

## AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JANUARY 28, 1976

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:

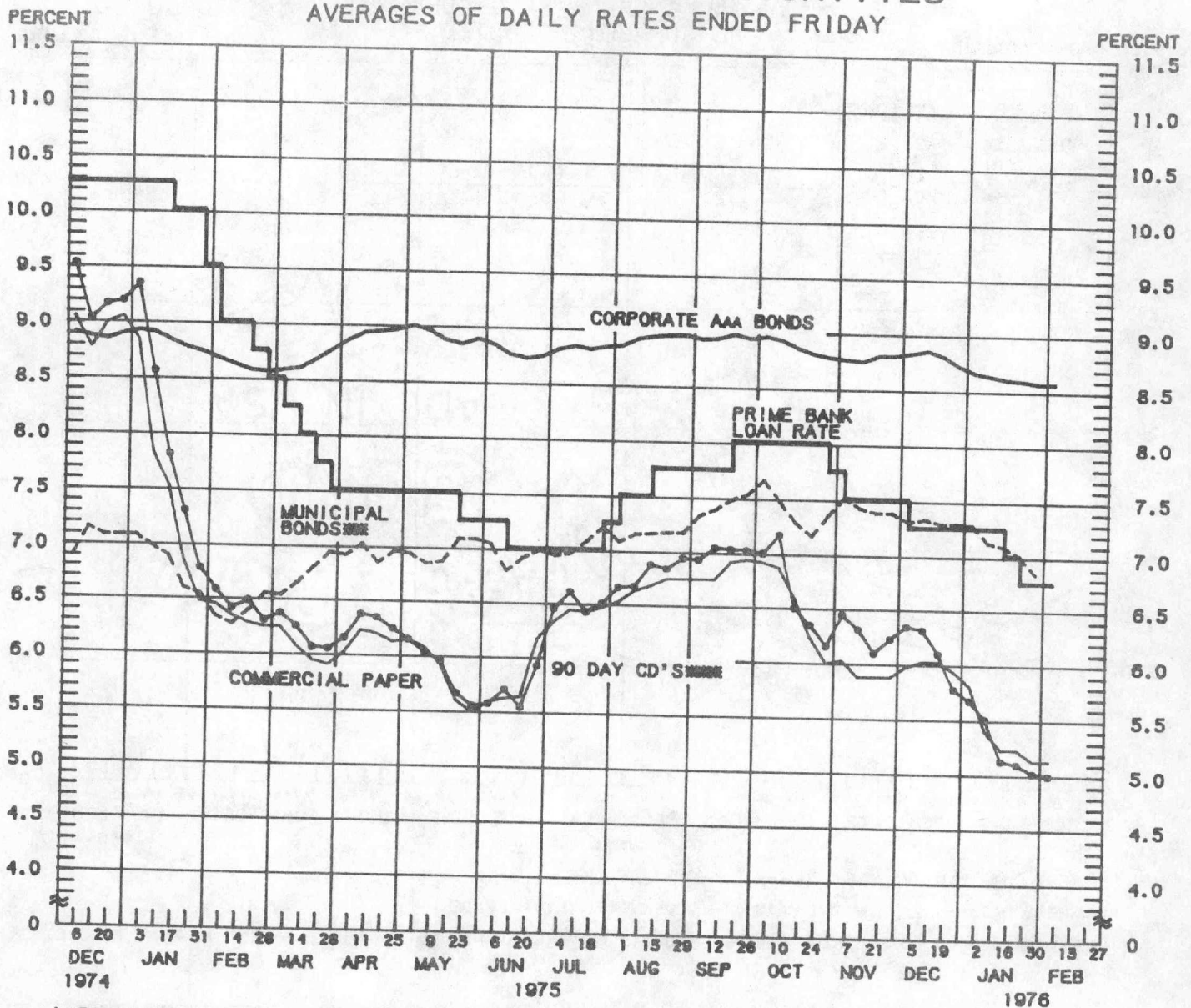
1/29/75    4/30/75    8/25/75    1/30/75    8/27/75    10/1/75    10/29/75    11/26/75

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

6/25/75	8.1							
7/30/75	7.0	10.1						
8/27/75	7.1	9.5	4.9					
10/1/75	6.1	7.4	3.2	3.6				
10/29/75	5.3	6.0	2.2	2.1	-0.4			
11/26/75	5.9	6.7	3.9	4.3	3.2	5.0		
12/31/75	5.0	5.3	2.6	2.6	1.5	1.9	3.4	
1/28/76	4.8	5.0	2.6	2.6	1.6	2.0	3.0	-0.6

# YIELDS ON SELECTED SECURITIES

## AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: FEBRUARY 6, 1976

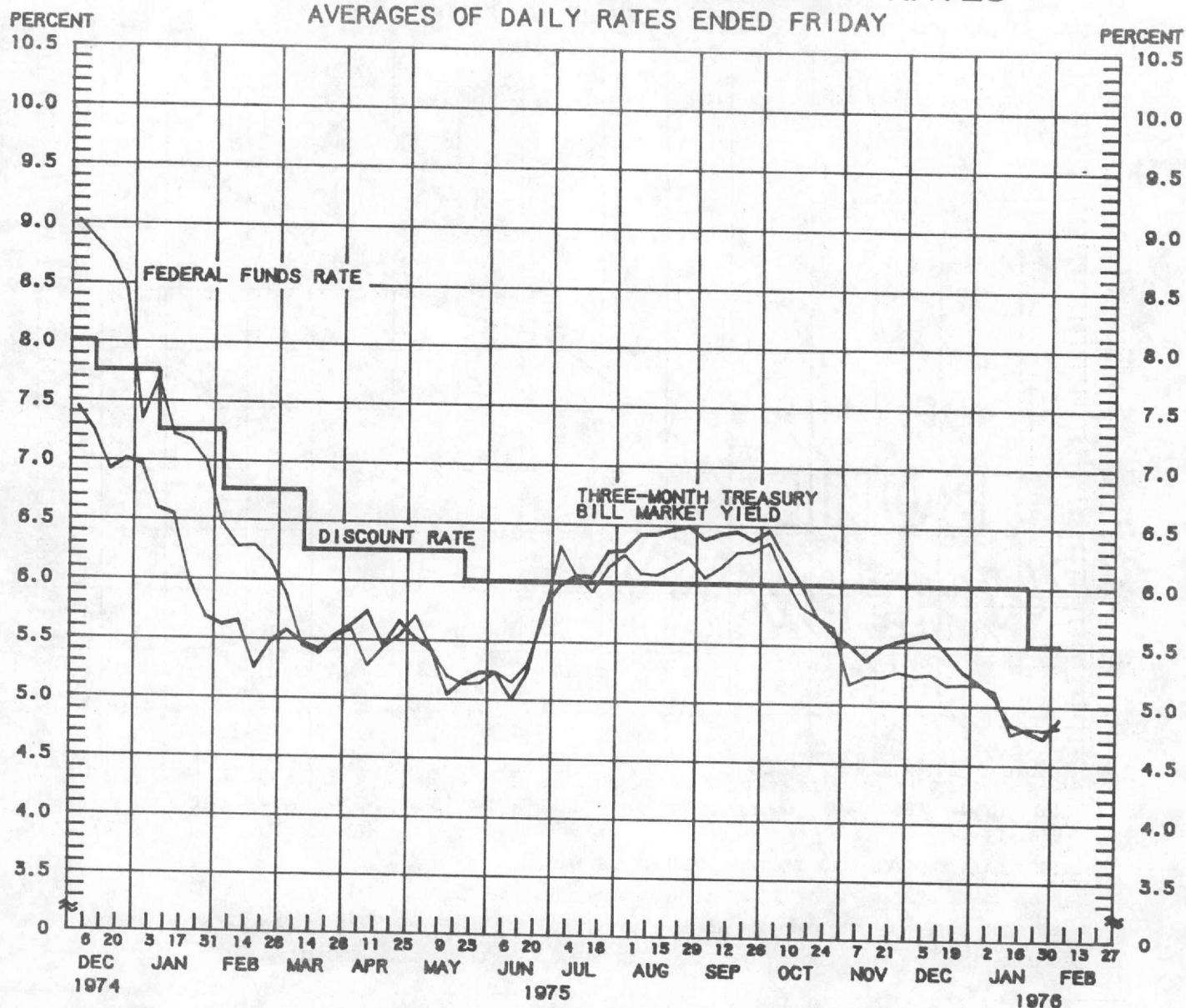
1976	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
DEC. 5	6.35	5.98	5.80	8.83	7.31
12	6.32	6.03	5.81	8.86	7.34
19	6.10	6.03	5.72	8.81	7.30
JAN. 26	5.78	5.94	5.65	8.72	7.30
2	5.68	5.81	5.52	8.66	7.29
9	5.51	5.40	5.25	8.63	7.13
16	5.13	5.23	5.04	8.60	7.09
23	5.10	5.23	5.01	8.59	7.01
FEB. 30	5.02	5.13	4.94	8.57	6.85
FEB. 6 *	5.00	5.13	4.91	8.57	N.A.
13					
20					
27					

\* 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: FEBRUARY 6, 1976

1976	FEDERAL FUNDS <small>***</small>	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
DEC. 5	5.25	5.57	6.30	7.59	7.23
12	5.26	5.60	6.43	7.67	7.26
19	5.17	5.44	6.20	7.50	7.17
26	5.18	5.28	5.91	7.37	7.09
JAN. 2	5.18	5.19	5.77	7.28	7.05
9	5.12	5.07	5.58	7.20	6.96
16	4.76	4.84	5.41	7.14	6.90
23	4.81	4.78	5.37	7.18	6.93
30	4.80	4.72	5.32	7.16	6.94
FEB. 6 <small>*</small>	4.82	4.89	5.41	7.16	6.94
13					
20					
27					

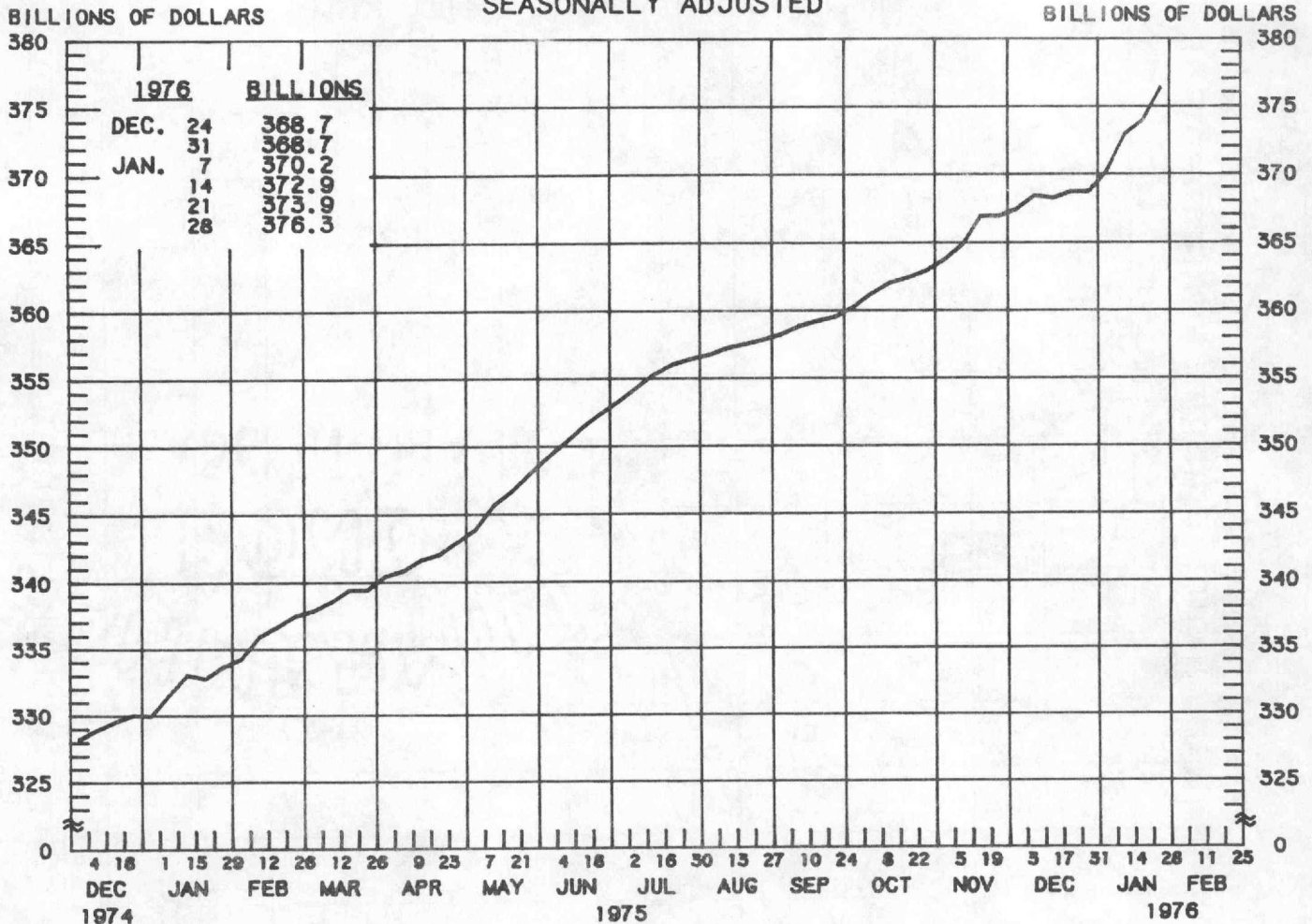
\* AVERAGES OF RATES AVAILABLE.

\*\* 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: JANUARY 28, 1976

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:									
	1/29/75	4/30/75	6/25/75	7/30/75	8/27/75	10/1/75	10/29/75	11/26/75	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
6/25/75	14.0								
7/30/75	14.2	17.0							
8/27/75	13.2	14.5	11.2						
10/ 1/75	12.2	12.6	9.4	6.5					
10/29/75	12.0	12.2	9.6	7.6	8.0				
11/26/75	12.1	12.4	10.3	8.9	9.6	11.8			
12/31/75	11.7	11.8	9.9	8.9	9.3	10.5	10.7		
1/28/76	12.2	12.5	11.0	10.3	10.9	12.3	13.0	12.8	

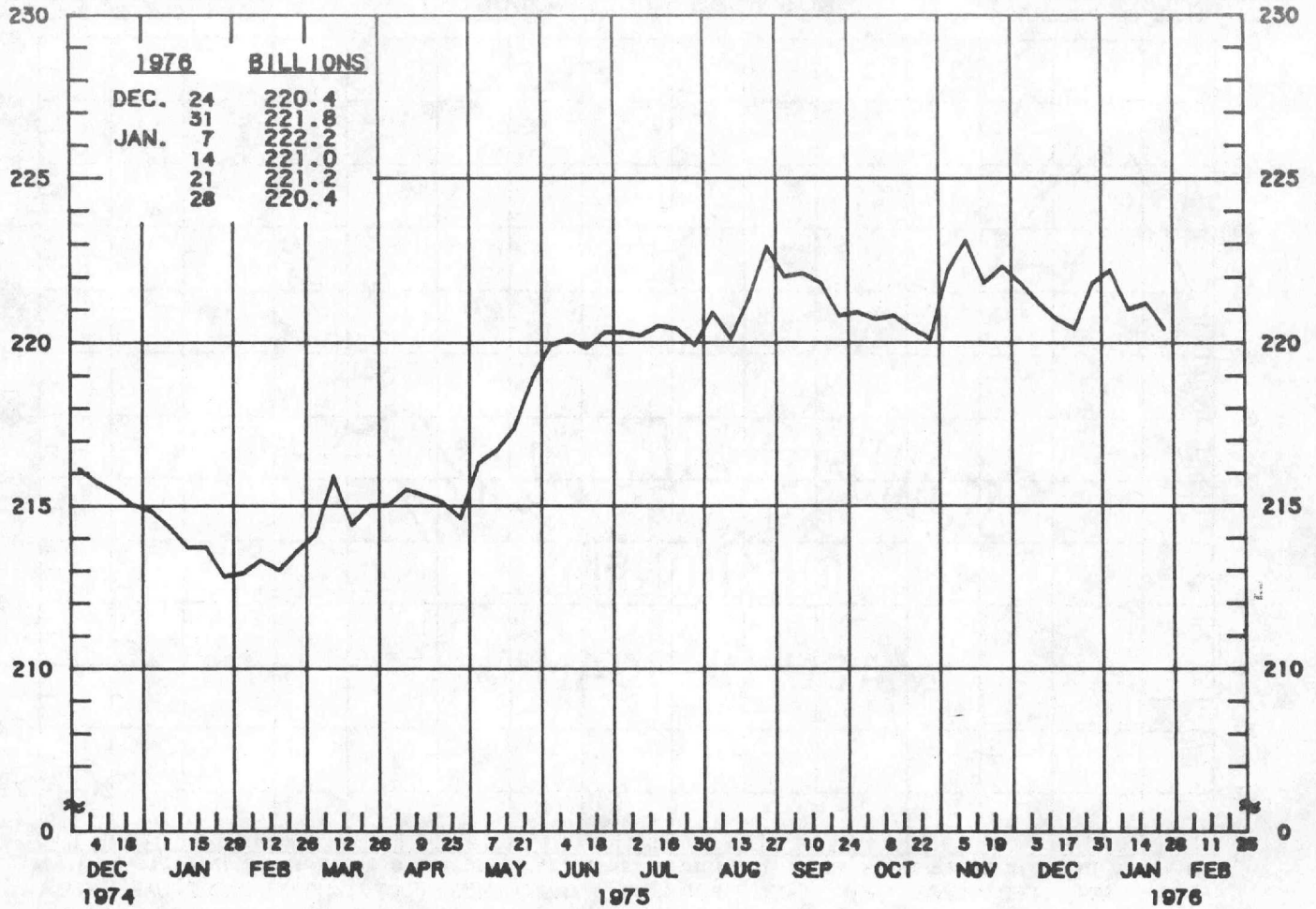


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JANUARY 28, 1976

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

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

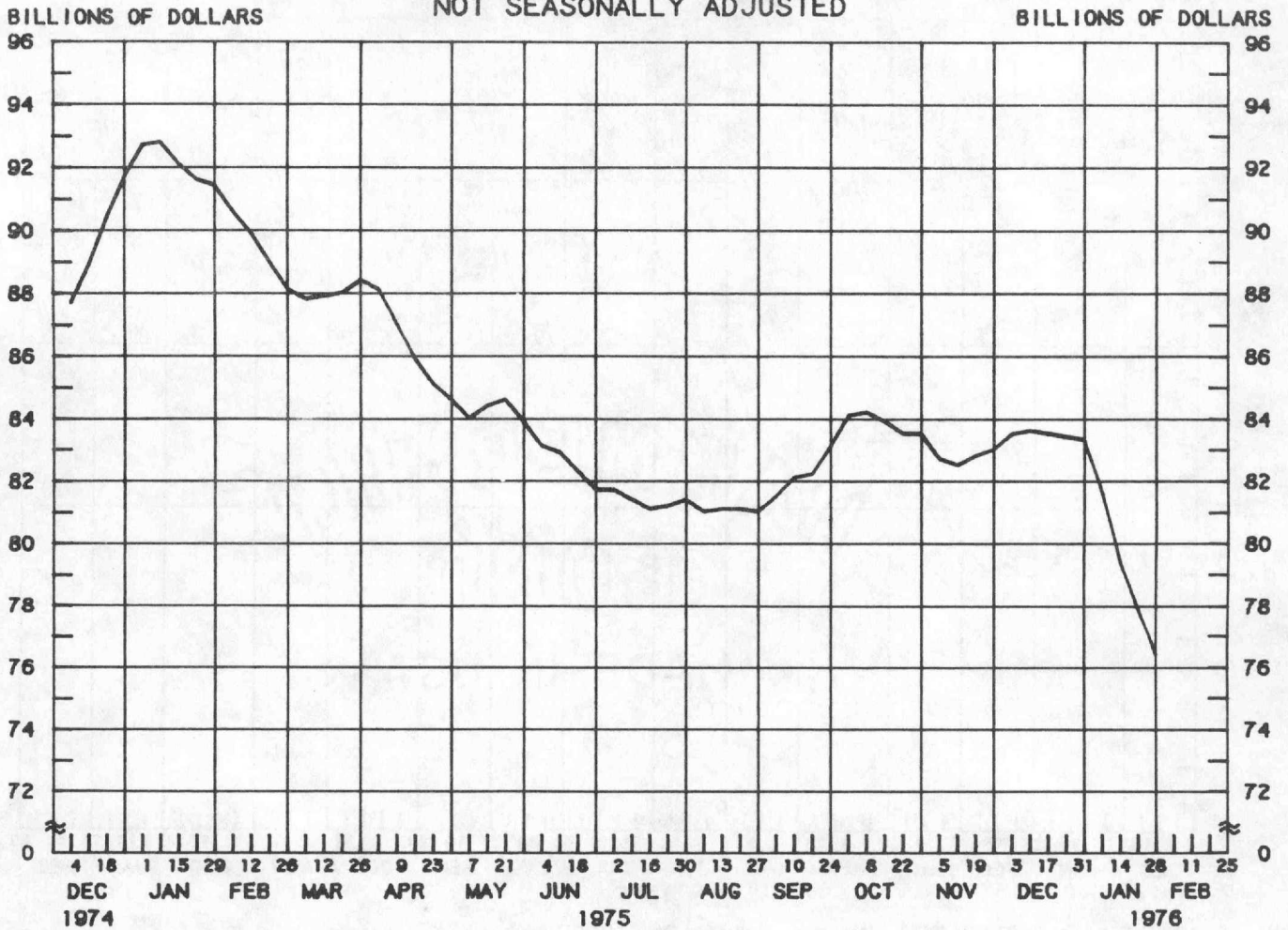
1/28/75    4/30/75    6/25/75    7/30/75    8/27/75    10/1/75    10/29/75    11/26/75

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

6/25/75	7.6							
7/30/75	6.4	10.0						
8/27/75	6.3	9.1	3.5					
10/1/75	5.5	7.1	2.4	2.9				
10/29/75	4.3	5.1	0.7	0.4	-2.1			
11/26/75	5.0	6.0	2.6	2.9	2.0	3.0		
12/31/75	3.8	4.1	0.9	0.8	-0.4	-0.7	1.3	
1/28/76	3.6	3.8	0.9	0.8	-0.1	-0.3	1.3	-3.1

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES  
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JANUARY 28, 1976

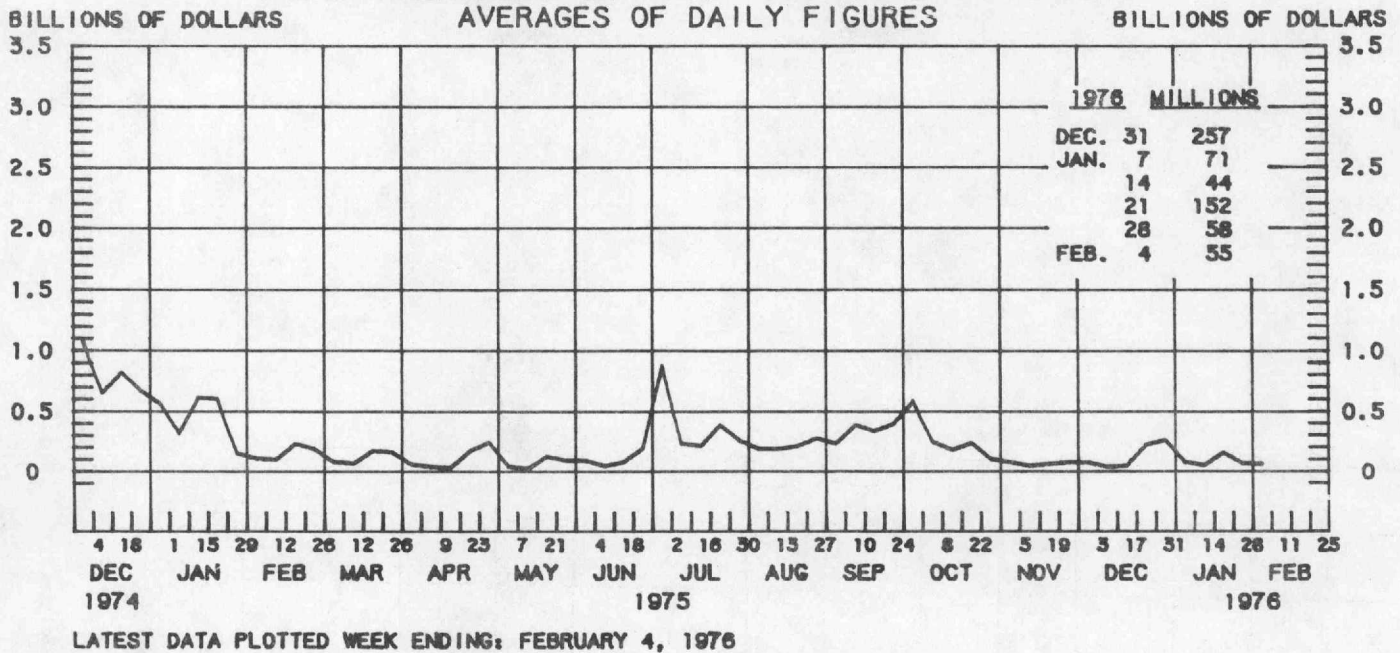
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

1976	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT SEAS. ADJ.
DEC. 3	83.5	82.6
10	83.6	82.8
17	83.5	82.9
24	83.4	82.9
31	83.3	82.8
JAN. 7	81.6	81.9
14	79.4	79.9
21	77.9	78.7
28	76.4	77.3
FEB. 4		
11		
18		
25		

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

## BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



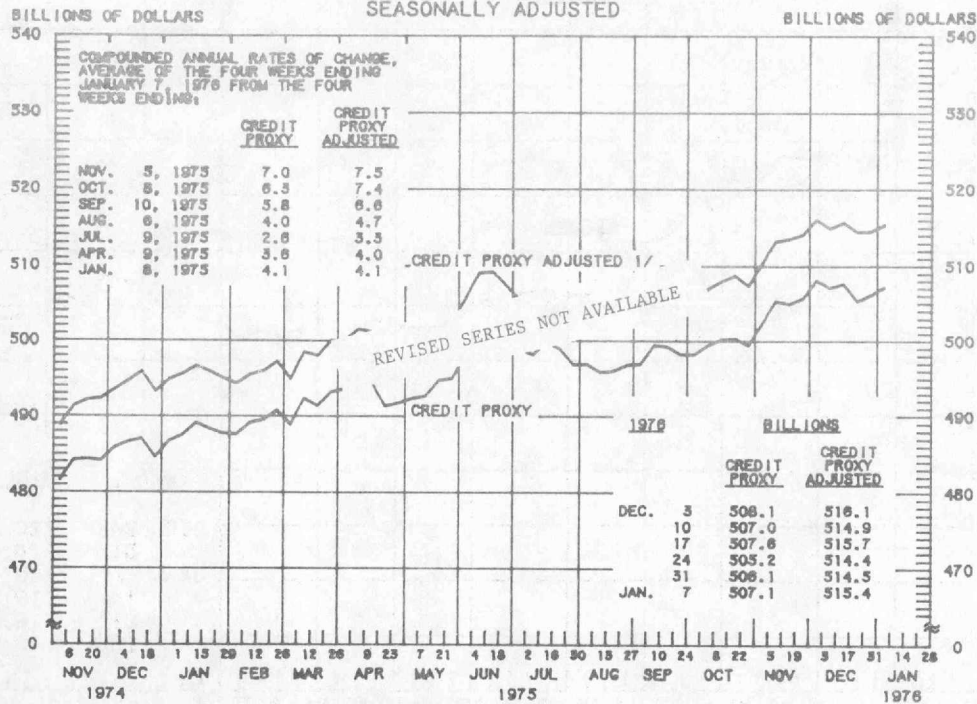
## BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



\* LEVELS OF BUSINESS LOANS BEGINNING JANUARY 7 ARE NOT COMPARABLE TO PREVIOUS DATA.

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: JANUARY 7, 1976

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