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## Week ending: March 31, 1976

The narrowly defined money stock (M1) has increased at a 3 percent annual rate over the past six months, a rate close to the 3.2 percent rate of increase for the same period a year ago. In the intervening six months, from mid-March to mid-September 1975, M1 increased at the substantially higher rate of 6.9 percent per year. In contrast to this fluctuating pattern of growth, the monetary base increased at the relatively steady pace of about 7 percent over all three of the six-month periods. The growth rates of M1 and the monetary base diverge over these three six-month periods because of different patterns of use of the increases in the monetary base.

Increases in the monetary base can be used either as currency or as reserves to support demand, time, or Government deposits. As the table below indicates, in the most recent six months and in the same period a year earlier, currency and total time deposits increased at relatively rapid rates; thus, less of the increase in the monetary base could be used to support demand deposits. This resulted in the relatively slow growth of demand deposits over these two periods. Since demand deposits account, on balance, for 75 percent of M1, the relatively slow growth of demand deposits restrained the growth of M1. From March to September 1975, in contrast, the growth of currency and total time deposits was relatively slow, leaving more reserves available to support demand deposits. Consequently, the growth of demand deposits and M1 were more rapid in this intervening period than in either the preceding or following six-month periods.

Net time deposits, which include all time deposits other than large certificates of deposit, have increased progressively faster over the last 18 months. From mid-September 1974 to mid-March 1975, net time deposits increased at a 10.3 percent rate. This was followed by a 12.2 percent rate from mid-March to mid-September 1975. In the most recent six months net time deposits have increased at a 13.8 percent annual rate. The more broadly defined money stock (M2) consists of M1 plus net time deposits. The growth pattern of M2 over the past 18 months reflects the combination of the fluctuating growth rate of M1 and the steadily increasing growth of net time deposits.

Compound Annual Rates of Change  
for the Four Weeks Ended

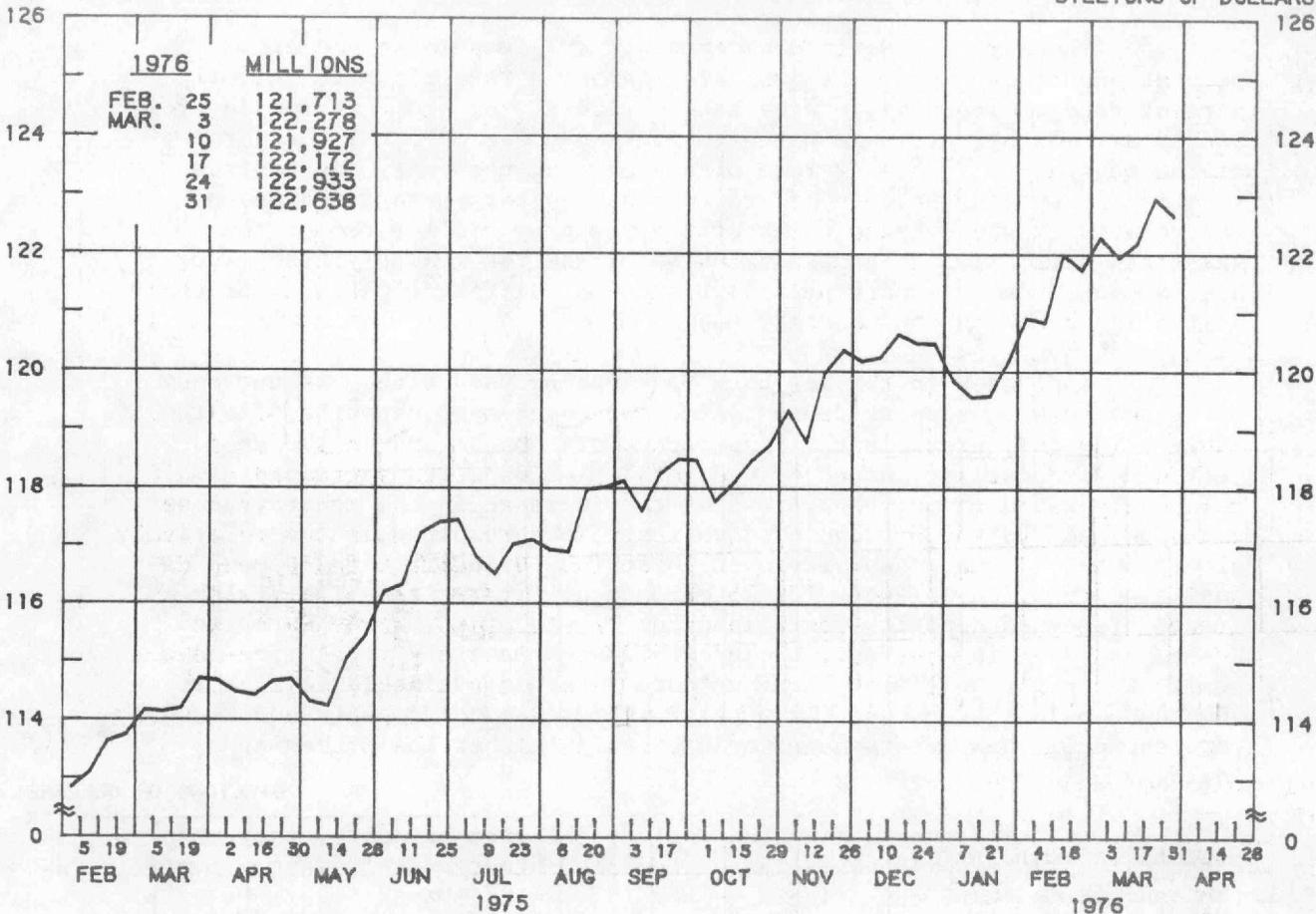
	9/25/74 to 3/26/75	3/26/75 to 9/24/75	9/24/75 to 3/24/76
Monetary Base	7.4 %	6.8 %	7.3 %
M1	3.2	6.9	3.0
Currency	10.9	7.9	10.3
Demand Deposits	0.9	6.4	0.6
Total Time	10.8	4.2	8.6
Net Time	10.3	12.2	13.8
M2	7.0	9.8	8.9

Prepared by Federal Reserve Bank of St. Louis  
Released: April 2, 1976

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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 31, 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:

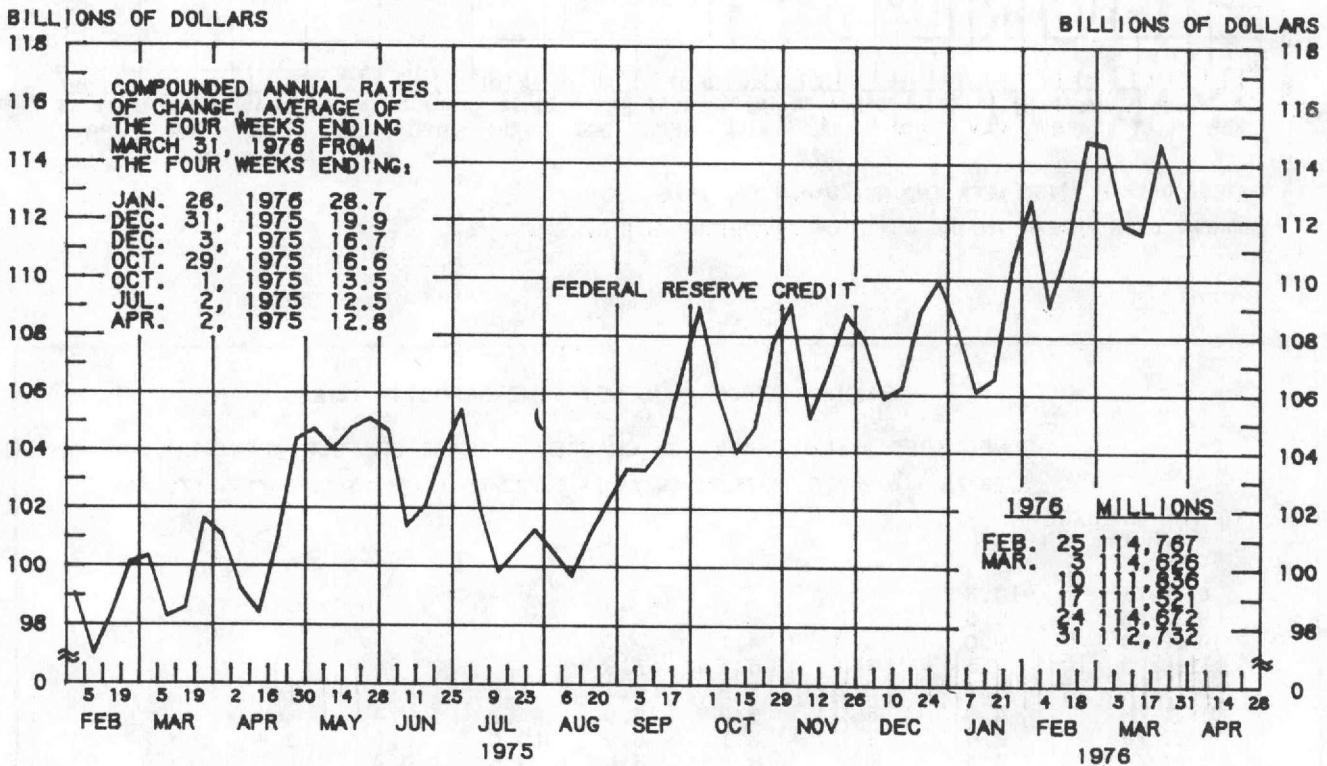
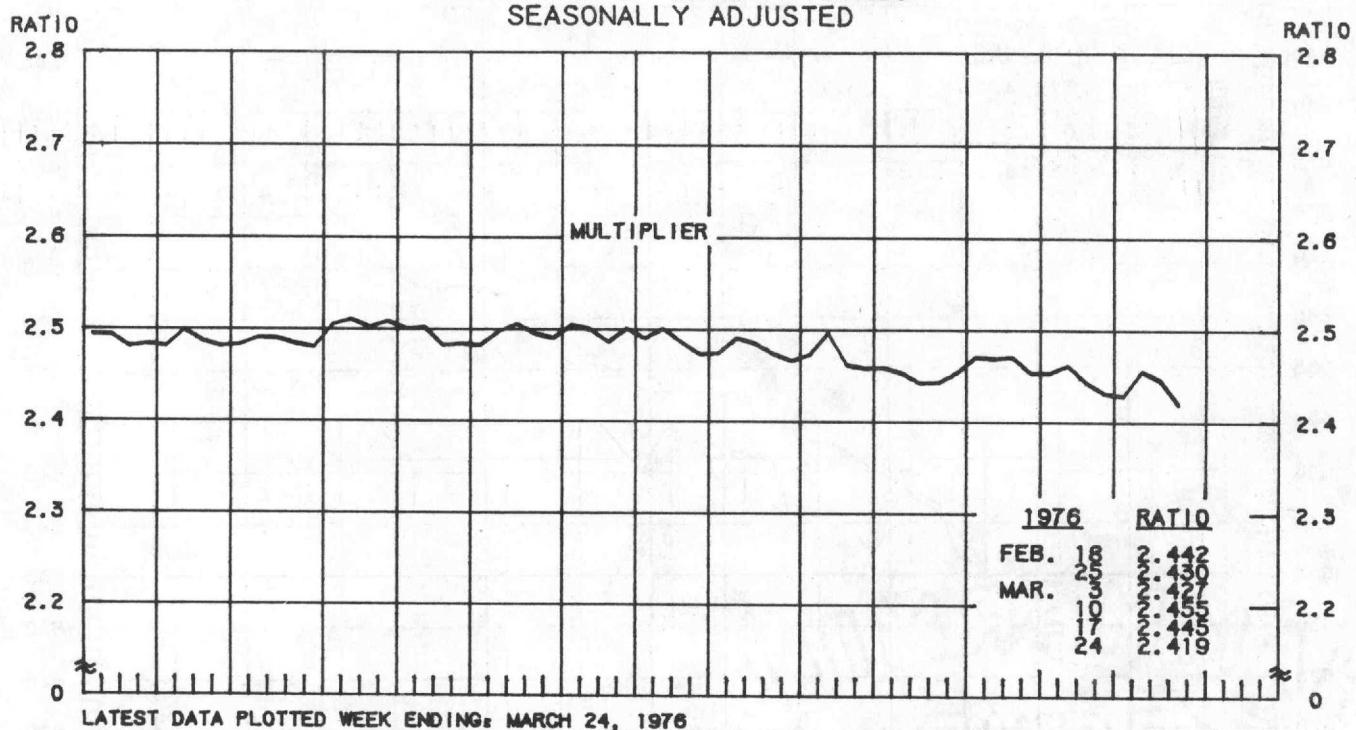
4/2/75 7/2/75 9/3/75 10/1/75 10/29/75 12/3/75 12/31/75 1/28/76

TO THE AVERAGE  
 OF FOUR WEEKS  
 ENDING:

9/ 3/75	7.0						
10/ 1/75	6.7	3.8					
10/29/75	5.9	3.1	2.9				
12/ 3/75	7.1	5.6	7.2	8.2			
12/31/75	7.1	5.8	7.2	7.8	11.2		
1/28/76	5.7	4.0	4.4	4.2	5.2	-0.2	
3/ 3/76	6.9	5.9	6.8	7.1	8.6	6.4	6.1
3/31/76	7.0	6.1	7.0	7.3	8.5	6.8	6.7
							13.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**MULTIPLIER 1/  
FEDERAL RESERVE CREDIT 2/  
AVG OF DAILY FIGURES  
SEASONALLY ADJUSTED**



LATEST DATA PLOTTED WEEK ENDING: MARCH 31, 1976

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

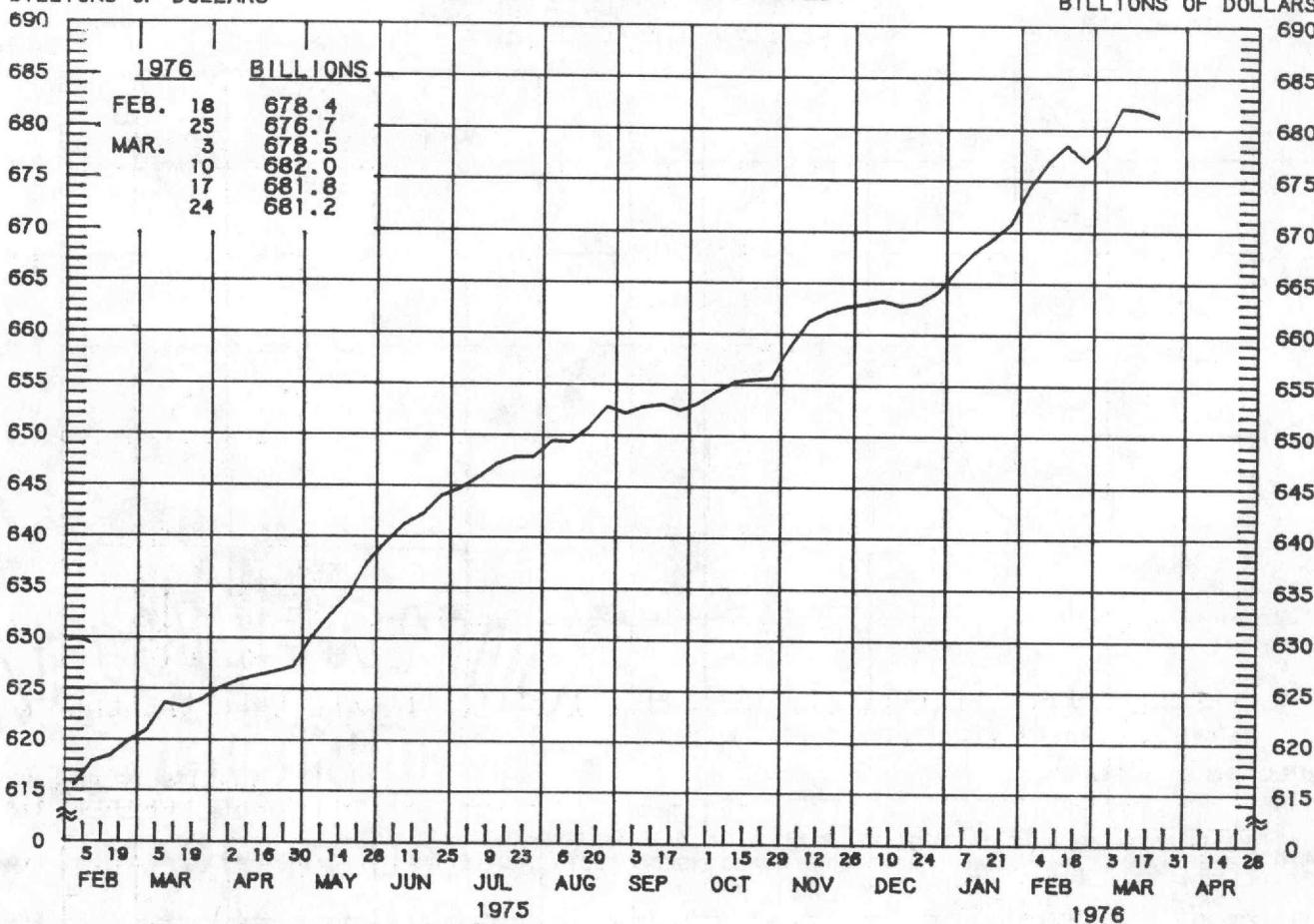
2/ DEFINED TO INCLUDE HOLDINGS OF SECURITIES, LOANS, FLOAT AND "OTHER" ASSETS, ADJUSTED FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE REQUIREMENT RATIOS APPLY. DATA ARE SEASONALLY ADJUSTED BY THIS BANK.

# MONEY STOCK PLUS NET TIME DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MARCH 24, 1976

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

## MONEY STOCK PLUS NET TIME DEPOSITS (M2)

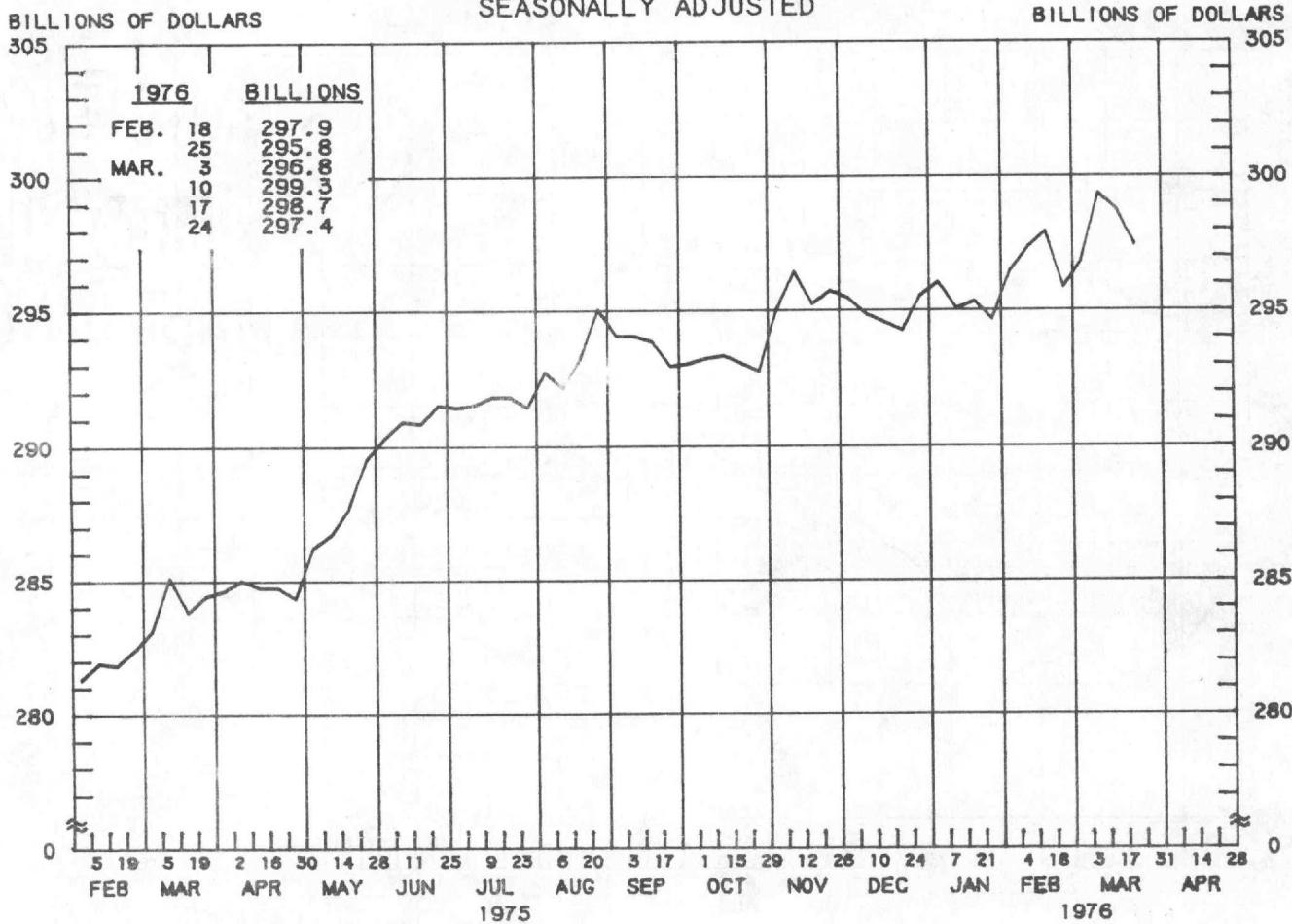
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

3/26/75 6/25/75 8/27/75 9/24/75 10/22/75 11/26/75 12/24/75 1/21/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

8/27/75	10.8						
9/24/75	9.8	7.0					
10/22/75	9.0	6.3	4.1				
11/26/75	9.3	7.3	6.7	7.9			
12/24/75	8.7	6.7	5.9	6.5	7.6		
1/21/76	8.6	6.9	6.3	6.9	7.7	5.7	
2/25/76	9.4	8.2	8.1	8.9	10.0	9.6	12.4
3/24/76	9.3	8.2	8.2	8.9	9.8	9.4	11.2
							12.8

**MONEY STOCK**  
 AVERAGES OF DAILY FIGURES  
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 24, 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:

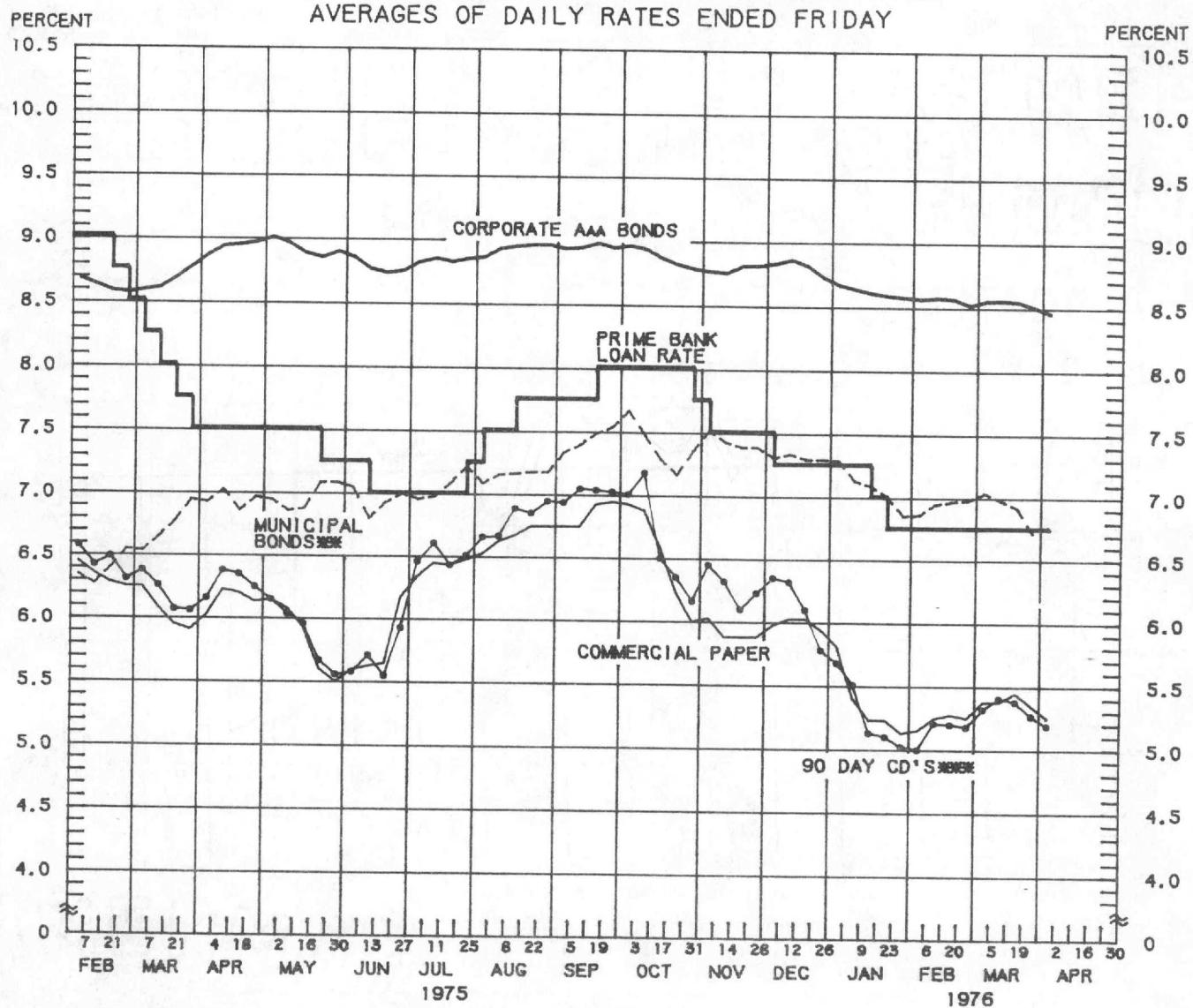
3/26/75 6/25/75 8/27/75 9/24/75 10/22/75 11/26/75 12/24/75 1/21/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

8/27/75	7.8						
9/24/75	6.9	3.9					
10/22/75	5.6	2.3	-0.4				
11/26/75	6.1	3.9	3.2	3.8			
12/24/75	5.0	2.6	1.5	1.4	3.2		
1/21/76	4.9	2.8	1.9	1.9	3.3	-0.2	
2/25/76	4.9	3.1	2.5	2.6	3.8	1.8	4.4
3/24/76	4.9	3.3	2.9	3.0	4.1	2.6	4.7
							5.2

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 2, 1976

1976	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
FEB. 6	5.00	5.15	4.95	8.56	6.86
13	5.21	5.25	4.97	8.57	6.95
20	5.20	5.28	5.02	8.56	6.97
27	5.18	5.25	5.04	8.51	6.98
MAR. 5	5.32	5.38	5.26	8.55	7.04
12	5.41	5.38	5.21	8.55	6.98
19	5.38	5.45	5.19	8.54	6.92
26	5.27	5.35	5.12	8.50	6.72
APR. 2 *	5.19	5.25	5.09	8.45	N.A.
9					
16					
23					
30					

\* AVERAGES OF RATES AVAILABLE.

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

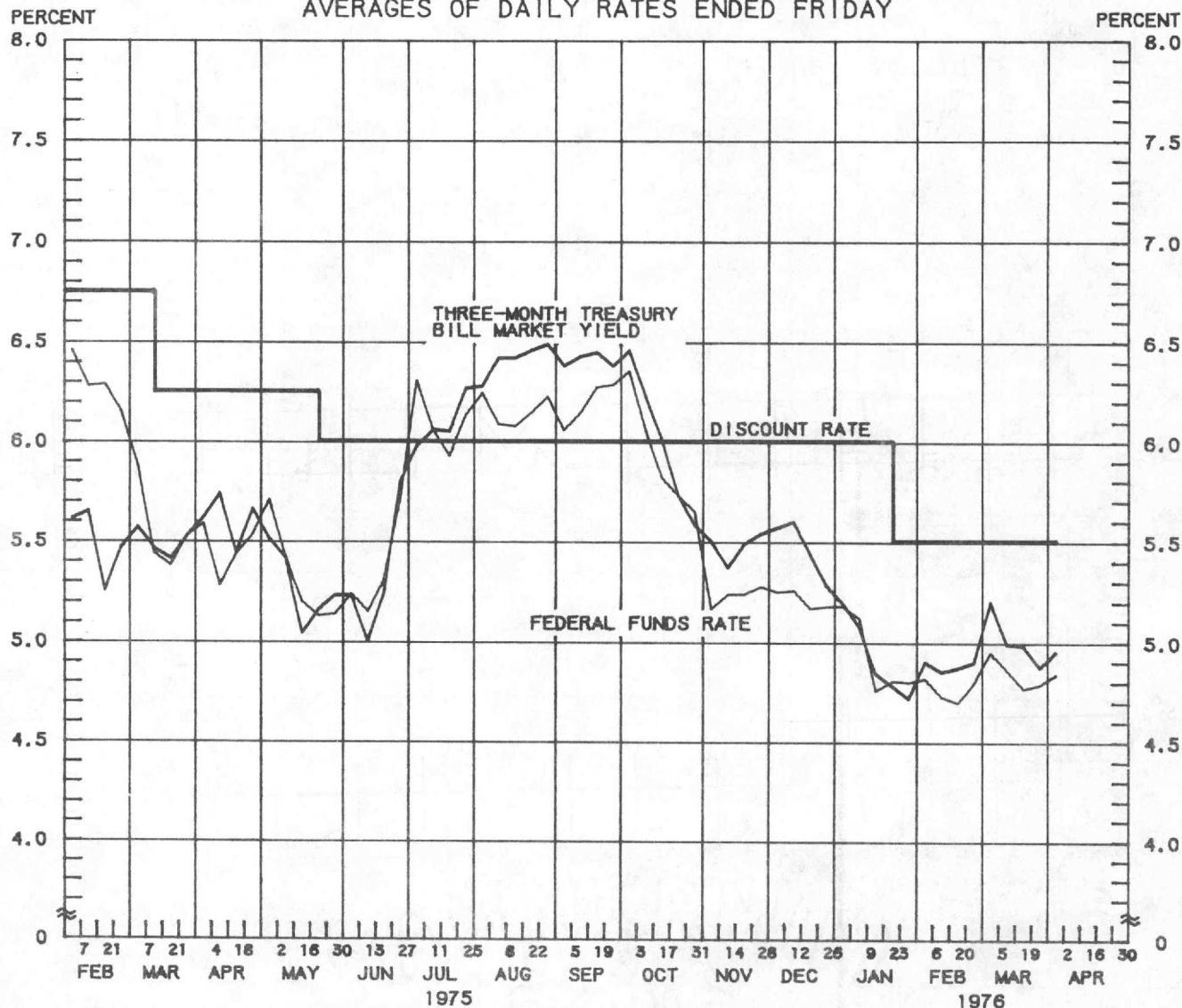
\*\*\* SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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 2, 1976

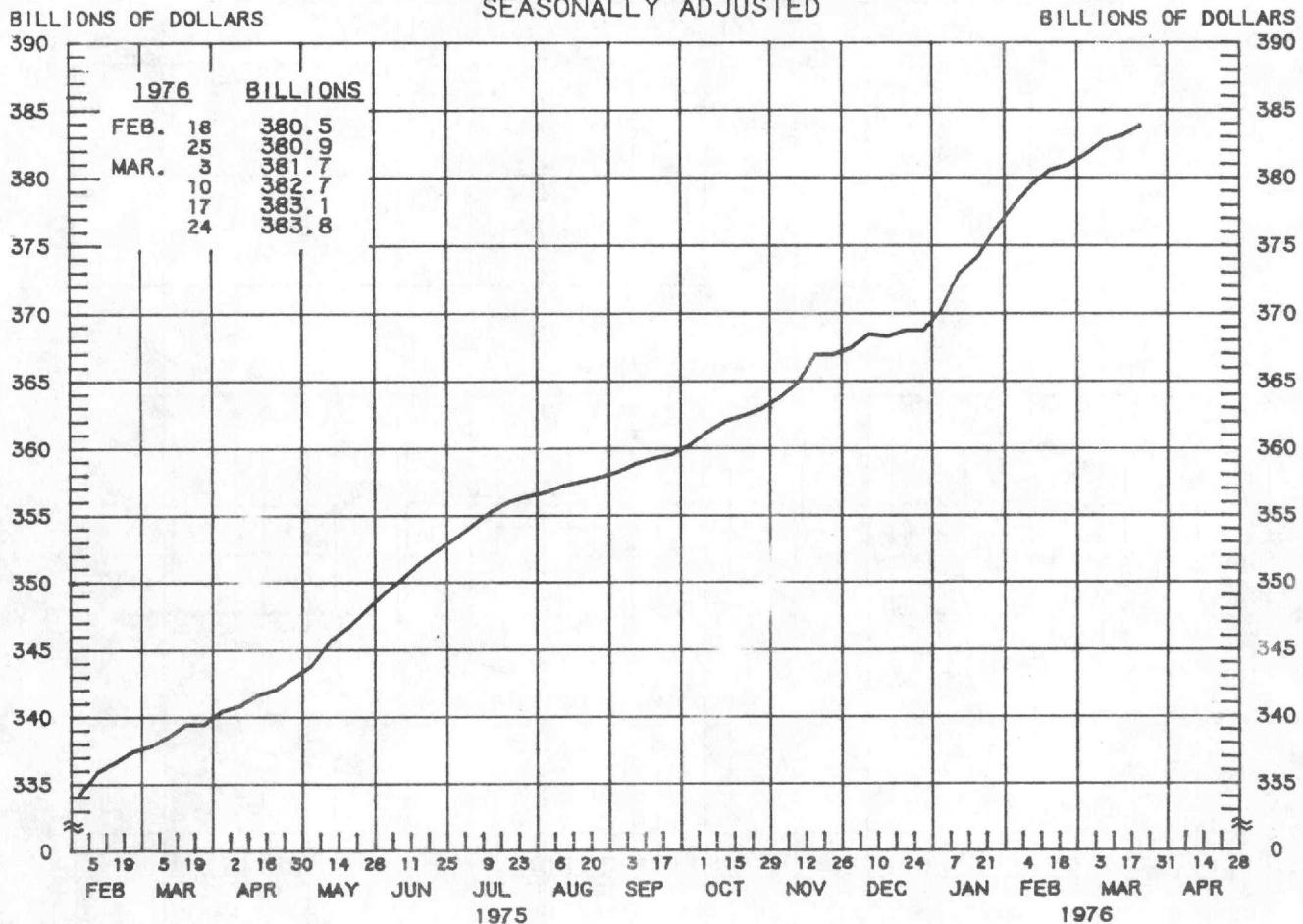
1976	FEDERAL FUNDS <small>**</small>	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
FEB. 6	4.82	4.90	5.45	7.16	6.93
13	4.73	4.85	5.47	7.17	6.96
20	4.70	4.87	5.58	7.20	6.94
27	4.80	4.90	5.62	7.18	6.88
MAR. 5	4.95	5.20	5.98	7.36	6.96
12	4.86	4.99	5.86	7.30	6.91
19	4.77	4.98	5.82	7.25	6.89
26	4.79	4.87	5.67	7.14	6.80
APR. 2 <small>**</small>	4.84	4.95	5.74	7.06	6.77
9					
16					
23					
30					

\* 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 24, 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:

3/26/75 6/25/75 8/27/75 9/24/75 10/22/75 11/26/75 12/24/75 1/21/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

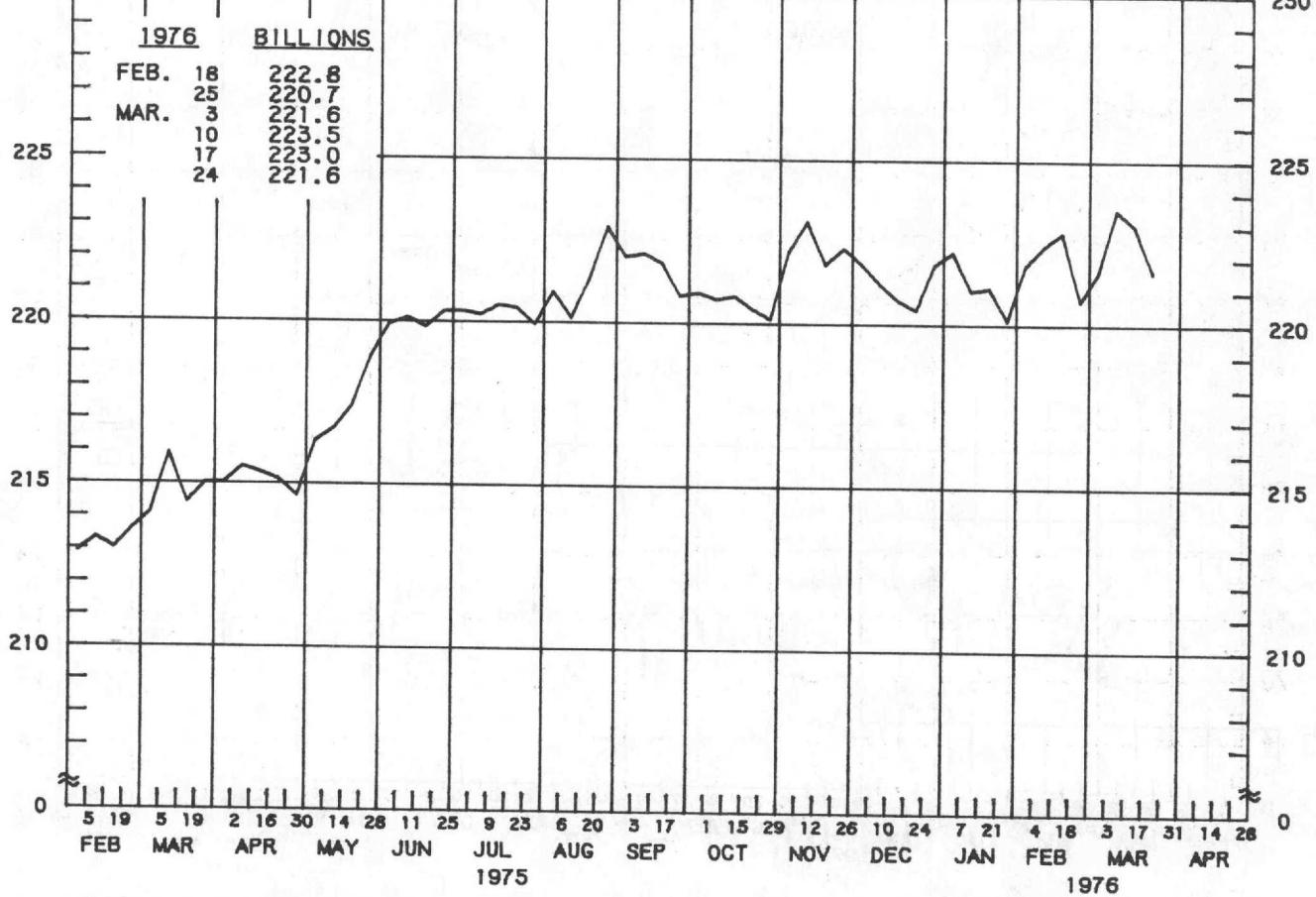
8/27/75	13.4						
9/24/75	12.2	9.6					
10/22/75	11.9	9.6	7.9				
11/26/75	12.0	10.3	9.6	11.3			
12/24/75	11.7	10.2	9.6	10.8	11.2		
1/21/76	11.8	10.4	10.1	11.1	11.5	11.0	
2/25/76	13.1	12.5	12.9	14.2	15.2	16.3	19.4
3/24/76	13.0	12.3	12.7	13.8	14.5	15.1	16.8
							18.9

# 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: MARCH 24, 1976

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

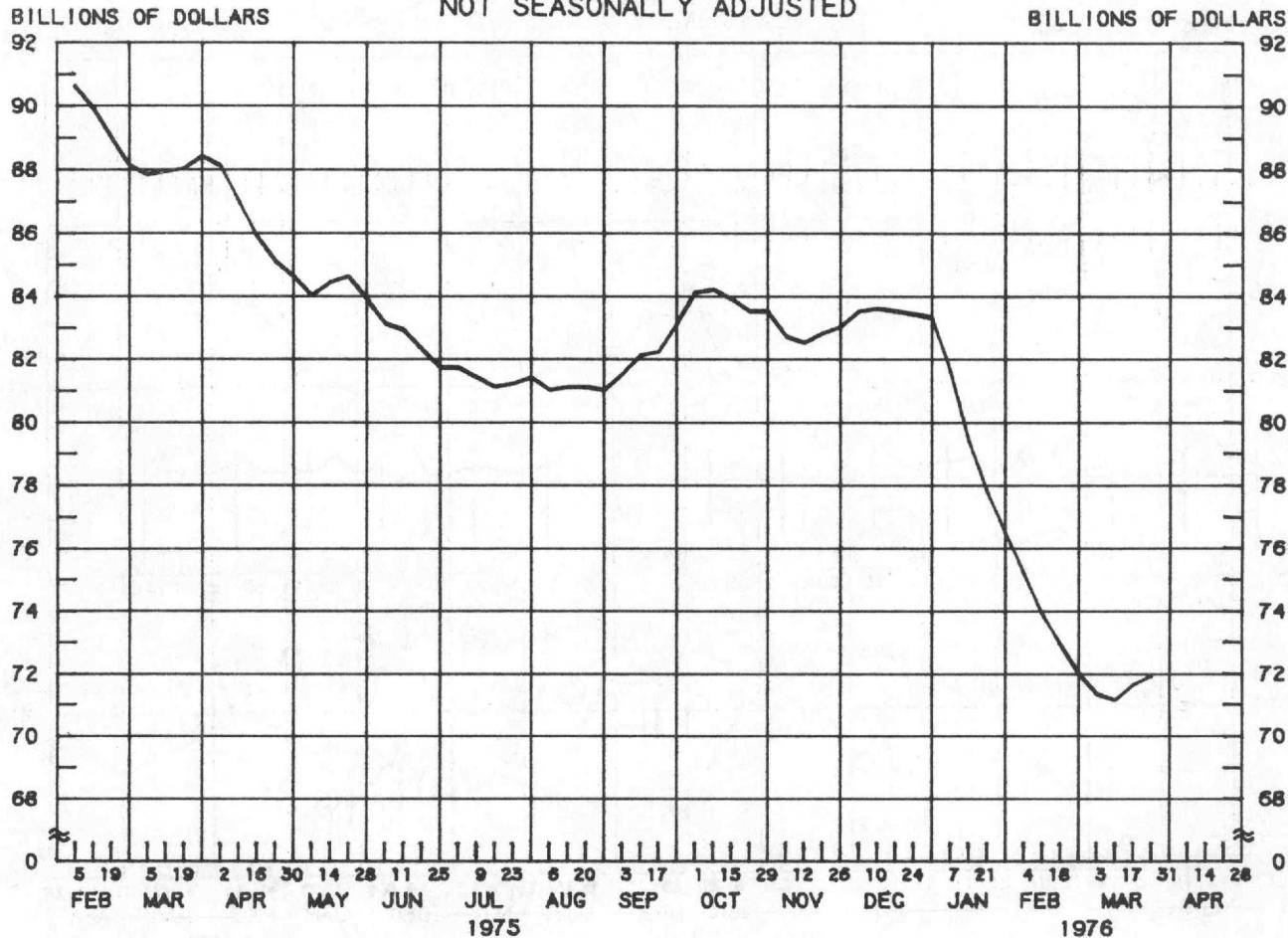
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

3/26/75 6/25/75 8/27/75 9/24/75 10/22/75 11/26/75 12/24/75 1/21/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

	8/27/75	7.2						
9/24/75	6.4		3.1					
10/22/75	4.7		1.0	-1.7				
11/26/75	5.2		2.6	2.0	1.8			
12/24/75	3.8		0.9	-0.4	-1.3	0.8		
1/21/76	3.7		1.2	0.2	-0.3	1.5	-2.6	
2/25/76	3.5		1.3	0.5	0.2	1.6	-0.9	2.4
3/24/76	3.5		1.5	0.9	0.6	1.8	0.0	2.6
								2.4

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 24, 1976

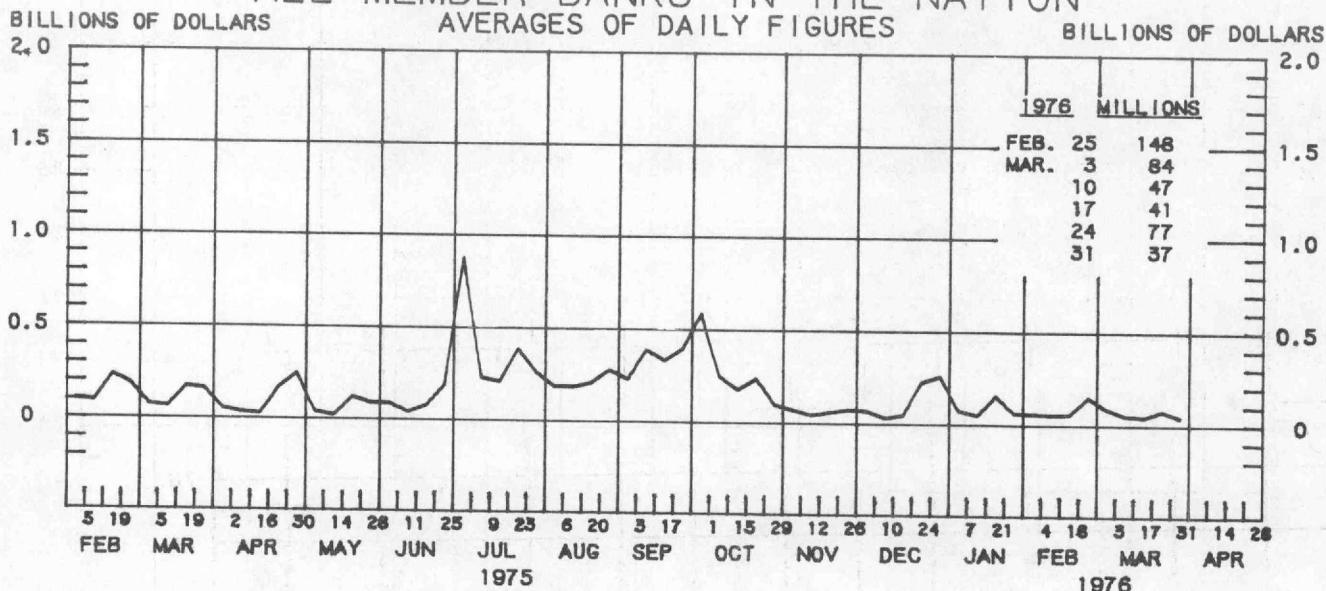
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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.
FEB. 4	75.2	76.7
11	73.9	75.8
18	72.9	75.3
25	72.0	74.8
MAR. 3	71.3	73.8
10	71.1	73.0
17	71.6	73.0
24	71.9	72.9
31		
APR. 7		
14		
21		
28		

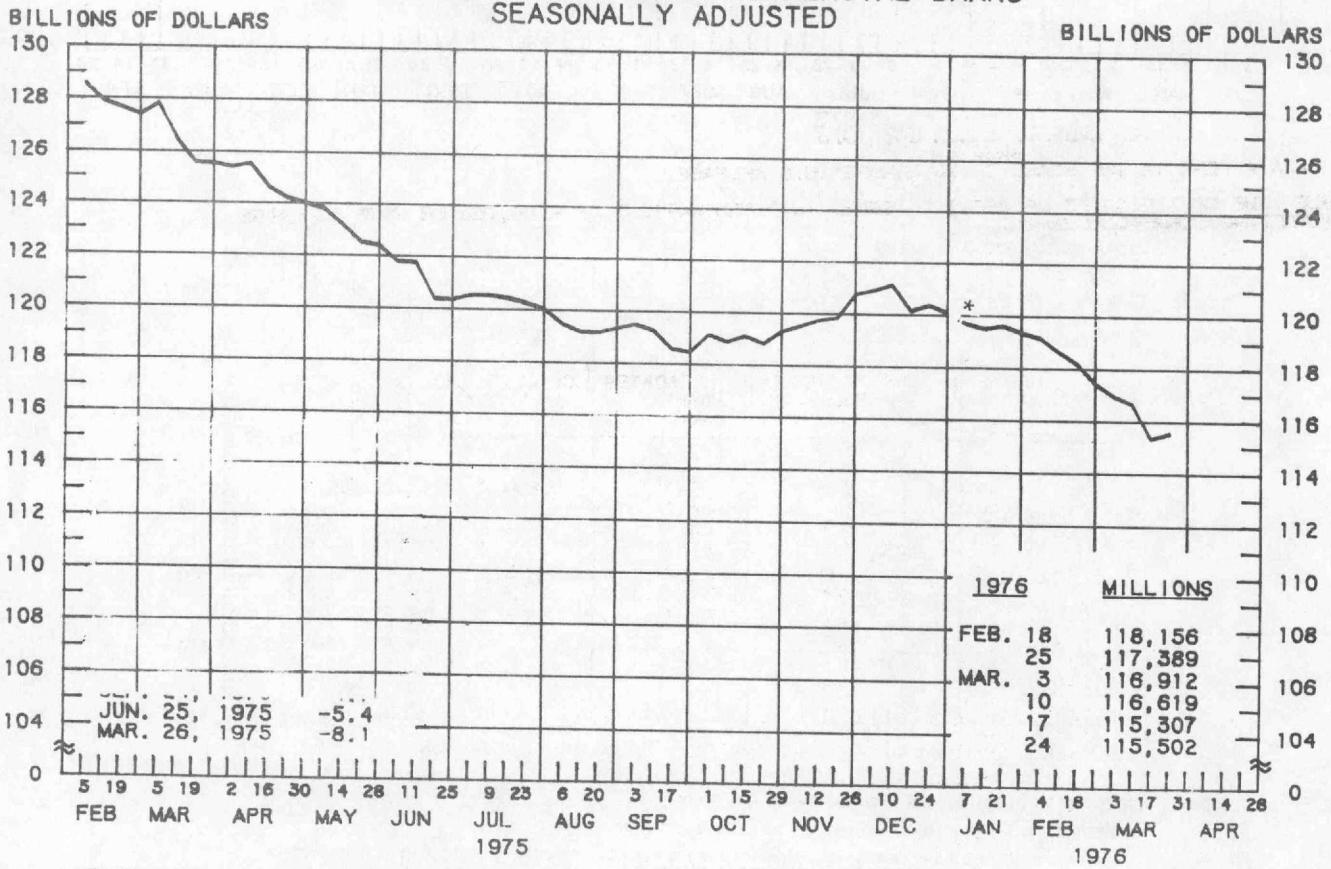
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 31, 1976

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

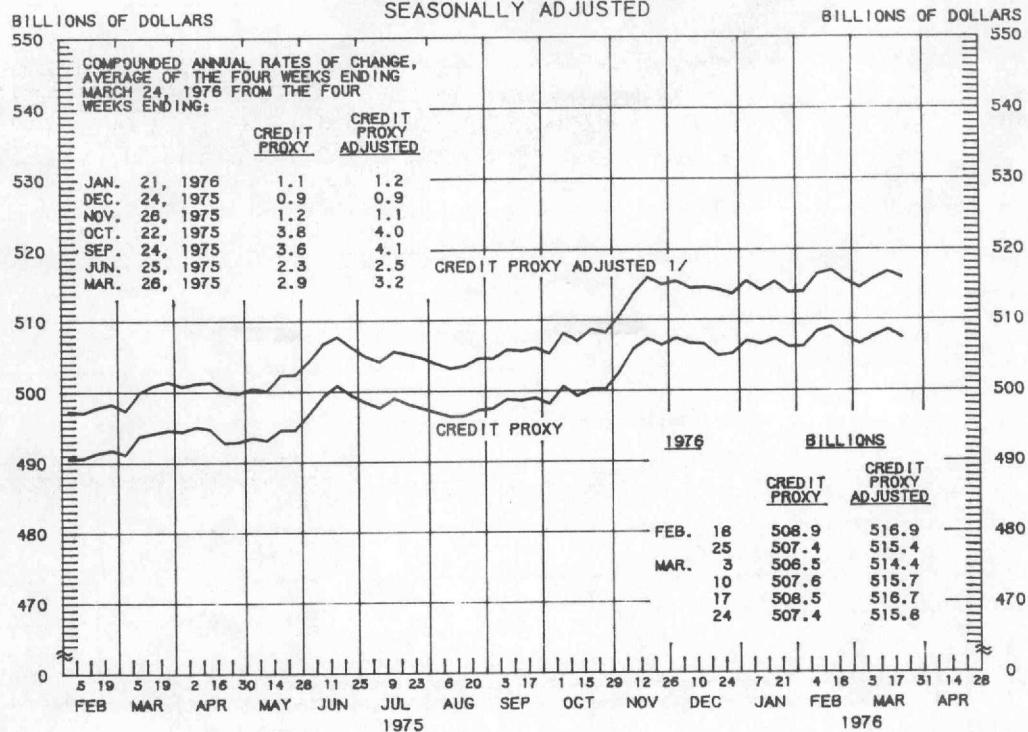


LATEST DATA PLOTTED WEEK ENDING: MARCH 24, 1976  
LEVELS OF BUSINESS ACTIVITY

\* 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: MARCH 24, 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