



Week ending: June 23, 1976

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Movements in Federal Reserve credit primarily reflect the Federal Reserve's open market operations and lending to member banks. The monetary aggregate shown on page 3 is termed "adjusted" Federal Reserve credit because the basic Federal Reserve credit series has been adjusted in two ways. First, the series is adjusted to reflect reserves "absorbed" or "liberated" by changes in reserve requirement ratios. Second, the series is adjusted to net out the short-run fluctuations due to large changes in the amount of Treasury deposits held at the Federal Reserve Banks. Treasury balances fluctuate sharply over short periods and cause short-run changes in bank reserves. To offset these movements the Federal Reserve buys or sells Government securities from its portfolio. Only the changes in the Federal Reserve's portfolio are reflected in the "unadjusted" series, resulting in sharp fluctuations in the data. These fluctuations are netted out by including Treasury deposits in the computation of adjusted Federal Reserve credit. The adjusted series, therefore, facilitates analysis of the impact of Federal Reserve actions on bank reserves, the monetary base, and other monetary aggregates.

The monetary base consists of the components of adjusted Federal Reserve credit as well as certain other items on the balance sheets of the Federal Reserve and the Treasury. Rates of change in the monetary base are usually very close to those of adjusted Federal Reserve credit. For example, over the most recent three months the monetary base increased at an 8.7 percent annual rate, compared to the 9.1 percent rate of increase in adjusted Federal Reserve credit. This relationship also holds over longer periods. For example, over the last year both the base and adjusted Federal Reserve credit increased by 6.9 percent.

Over extended periods the growth rate of the base and that of the narrowly defined money stock (M1) tend to be close. However, over shorter time periods the growth rates can vary because of changing portfolio decisions by the public and banks. Over the most recent three months both the base and M1 have increased at an 8.7 percent annual rate. In contrast, over the previous three months the base grew at a 6.5 percent rate, while M1 increased at a 3.2 percent rate. Although the difference between their growth rates was greater in this earlier period than in the current one, the monetary base and M1 still followed the same general pattern of movement over these months. That is, the growth rates of both M1 and the base have increased in the most recent three months after the relatively slow growth in the previous period.

Prepared by Federal Reserve Bank of St. Louis

Released: June 25, 1976

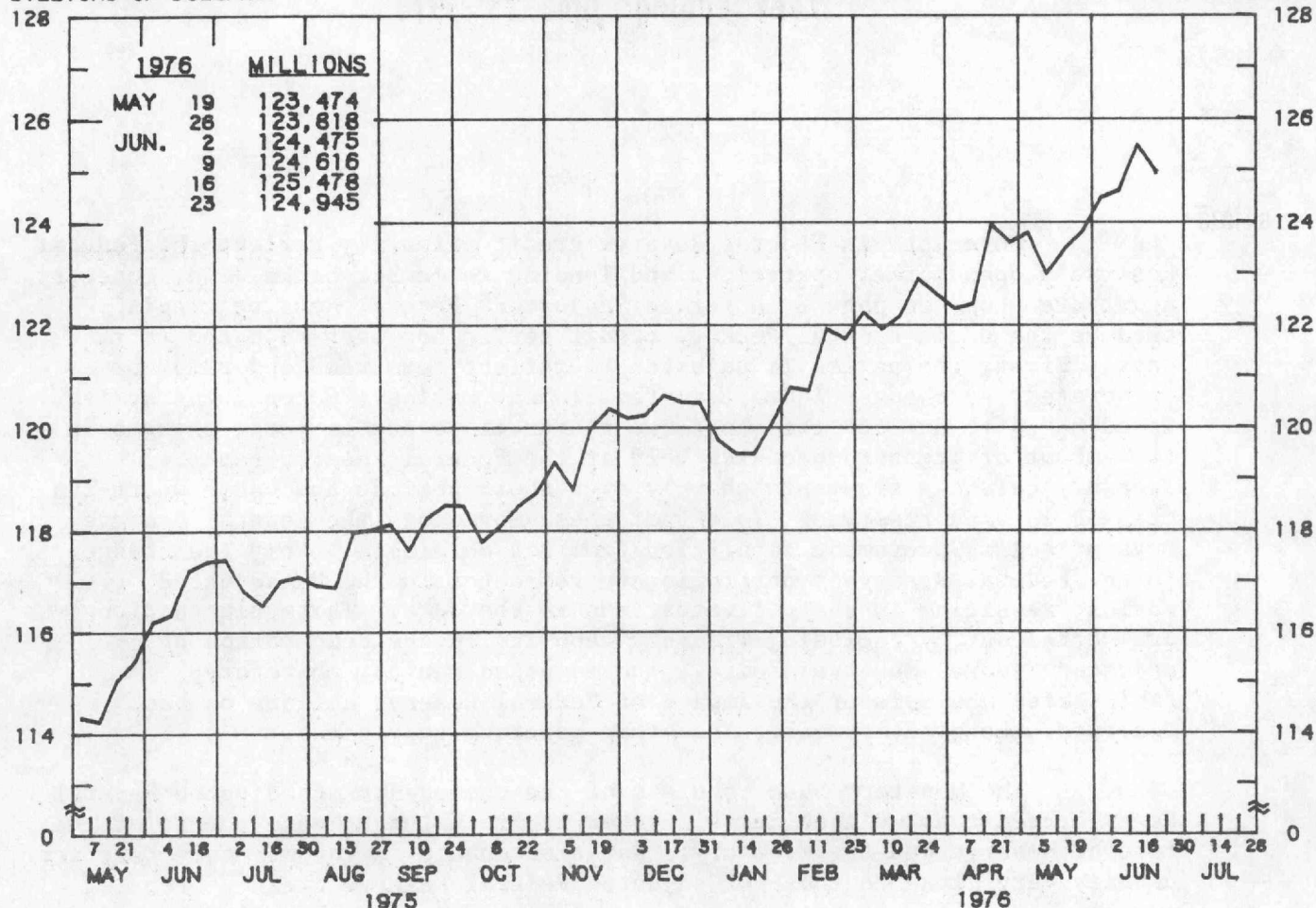
# MONETARY BASE

## AVERAGES OF DAILY FIGURES

### SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 23, 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.

### MONETARY BASE

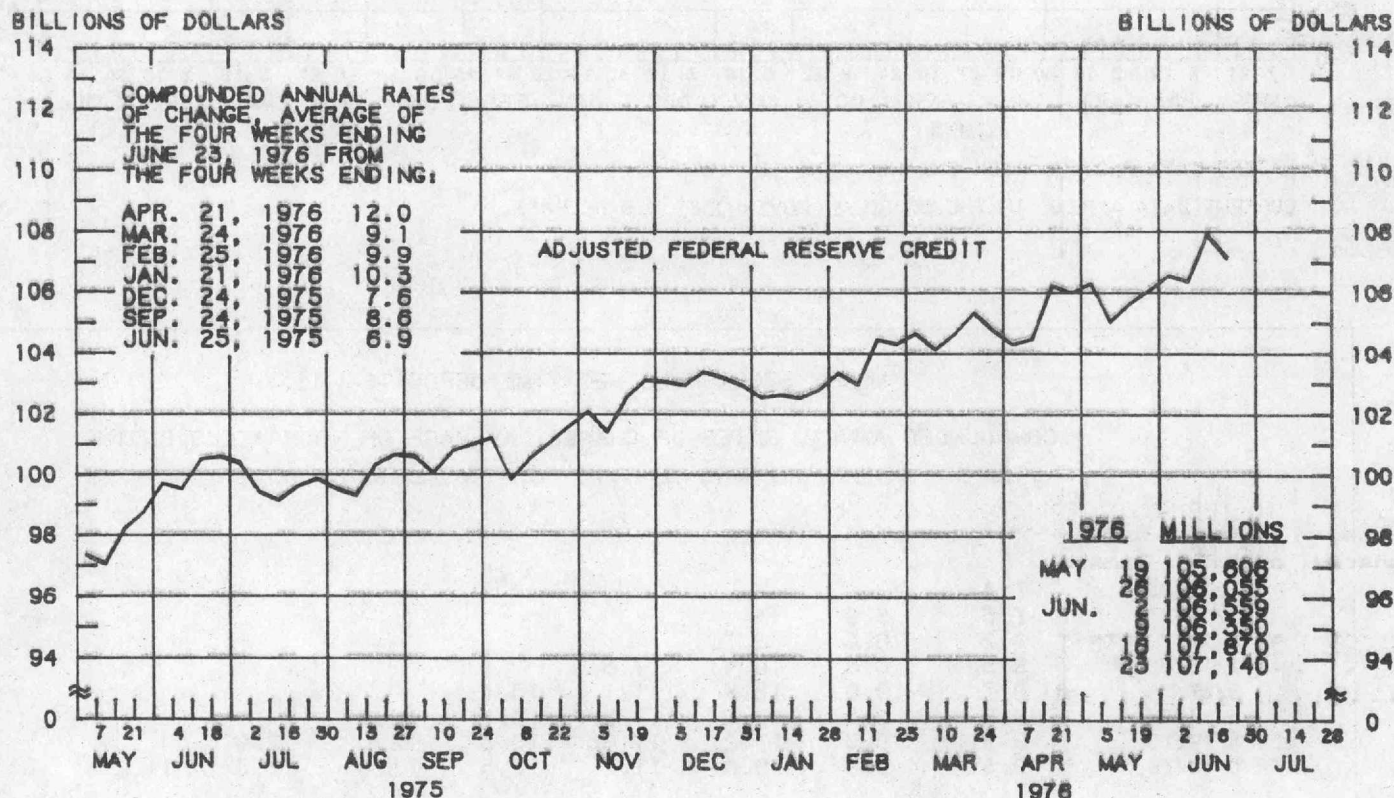
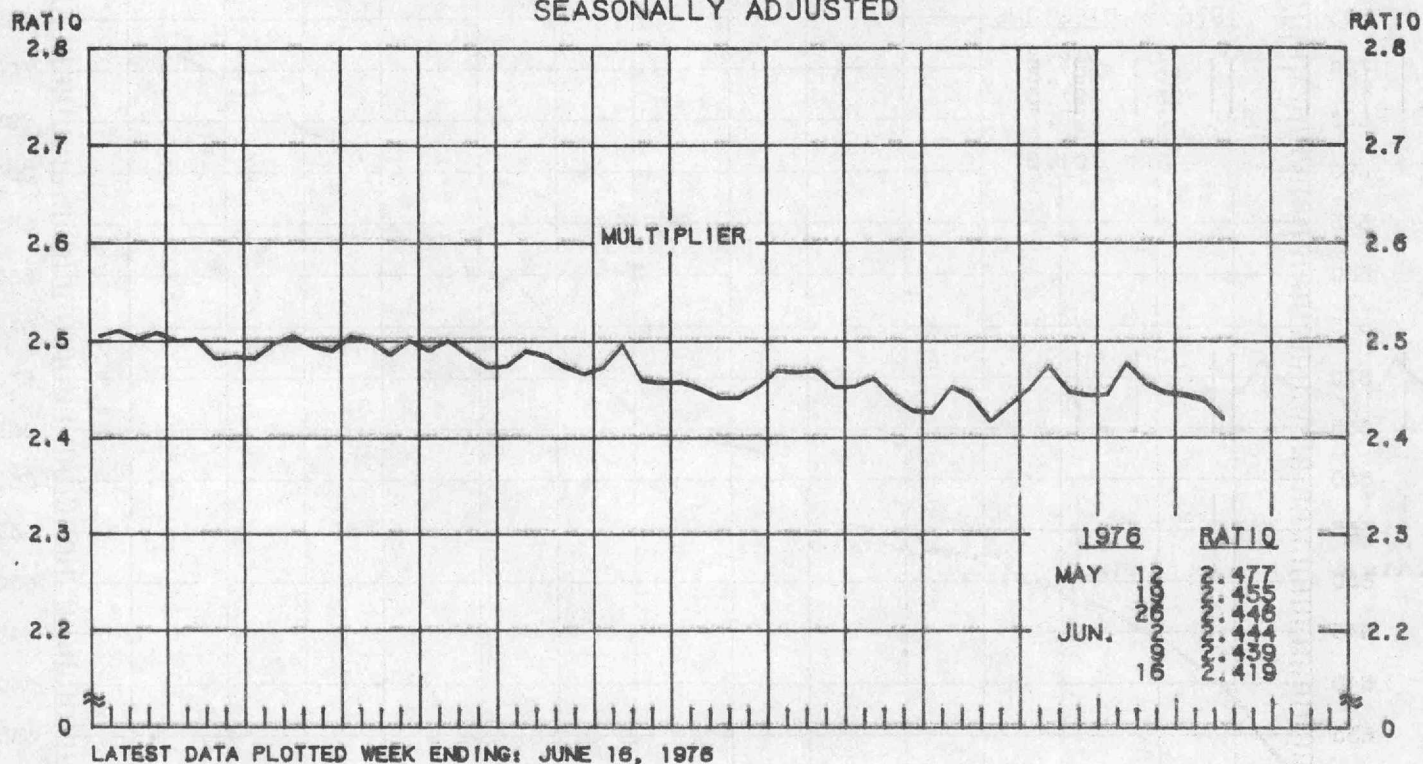
#### COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          | 6/25/75 | 9/24/75 | 11/26/75 | 12/24/75 | 1/21/76 | 2/25/76 | 3/24/76 | 4/21/76 |
|----------|---------|---------|----------|----------|---------|---------|---------|---------|
| 11/26/75 | 5.8     |         |          |          |         |         |         |         |
| 12/24/75 | 6.2     | 7.9     |          |          |         |         |         |         |
| 1/21/76  | 4.5     | 4.4     | 1.0      |          |         |         |         |         |
| 2/25/76  | 5.8     | 6.4     | 5.7      | 4.4      |         |         |         |         |
| 3/24/76  | 6.3     | 7.2     | 7.0      | 6.5      | 12.7    |         |         |         |
| 4/21/76  | 6.3     | 7.0     | 6.8      | 6.3      | 10.5    | 8.5     |         |         |
| 5/26/76  | 6.3     | 6.9     | 6.7      | 6.3      | 9.2     | 7.6     | 5.9     |         |
| 6/23/76  | 6.9     | 7.7     | 7.8      | 7.6      | 10.3    | 9.4     | 8.7     | 10.1    |



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



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

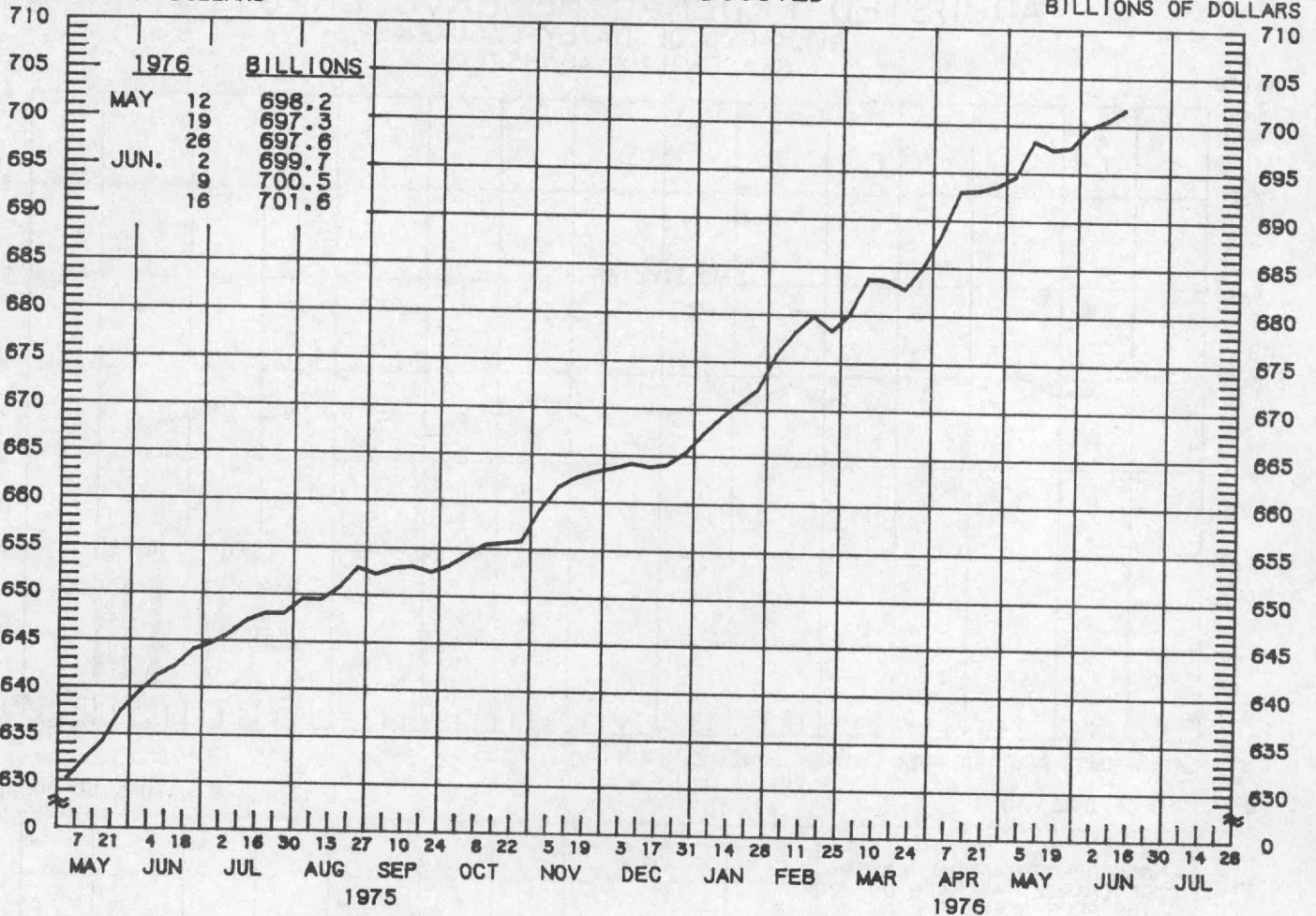
2/ FEDERAL RESERVE CREDIT CONSISTS OF FEDERAL RESERVE HOLDINGS OF SECURITIES, LOANS, FLOAT AND OTHER ASSETS. ADJUSTED FEDERAL RESERVE CREDIT IS COMPUTED BY SUBTRACTING TREASURY DEPOSITS AT FEDERAL RESERVE BANKS FROM THIS SERIES, AND ADJUSTING THE SERIES FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE REQUIREMENT RATIOS APPLY. DATA ARE COMPUTED BY THIS BANK.

# MONEY STOCK PLUS NET TIME DEPOSITS (M2)

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 16, 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:

6/18/75 9/17/75 11/19/75 12/17/75 1/14/76 2/18/76 3/17/76 4/14/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          |     |      |      |      |      |      |      |
|----------|-----|------|------|------|------|------|------|
| 11/19/75 | 7.4 |      |      |      |      |      |      |
| 12/17/75 | 7.5 | 6.9  |      |      |      |      |      |
| 1/14/76  | 7.2 | 6.6  | 6.7  |      |      |      |      |
| 2/18/76  | 8.5 | 8.8  | 10.4 | 11.6 |      |      |      |
| 3/17/76  | 8.7 | 9.0  | 10.4 | 11.1 | 13.7 |      |      |
| 4/14/76  | 9.0 | 9.3  | 10.6 | 11.2 | 13.1 | 10.8 |      |
| 5/19/76  | 9.5 | 10.0 | 11.2 | 11.8 | 13.3 | 12.0 | 12.9 |
| 6/16/76  | 9.3 | 9.8  | 10.8 | 11.2 | 12.3 | 11.0 | 11.3 |
|          |     |      |      |      |      |      | 11.2 |

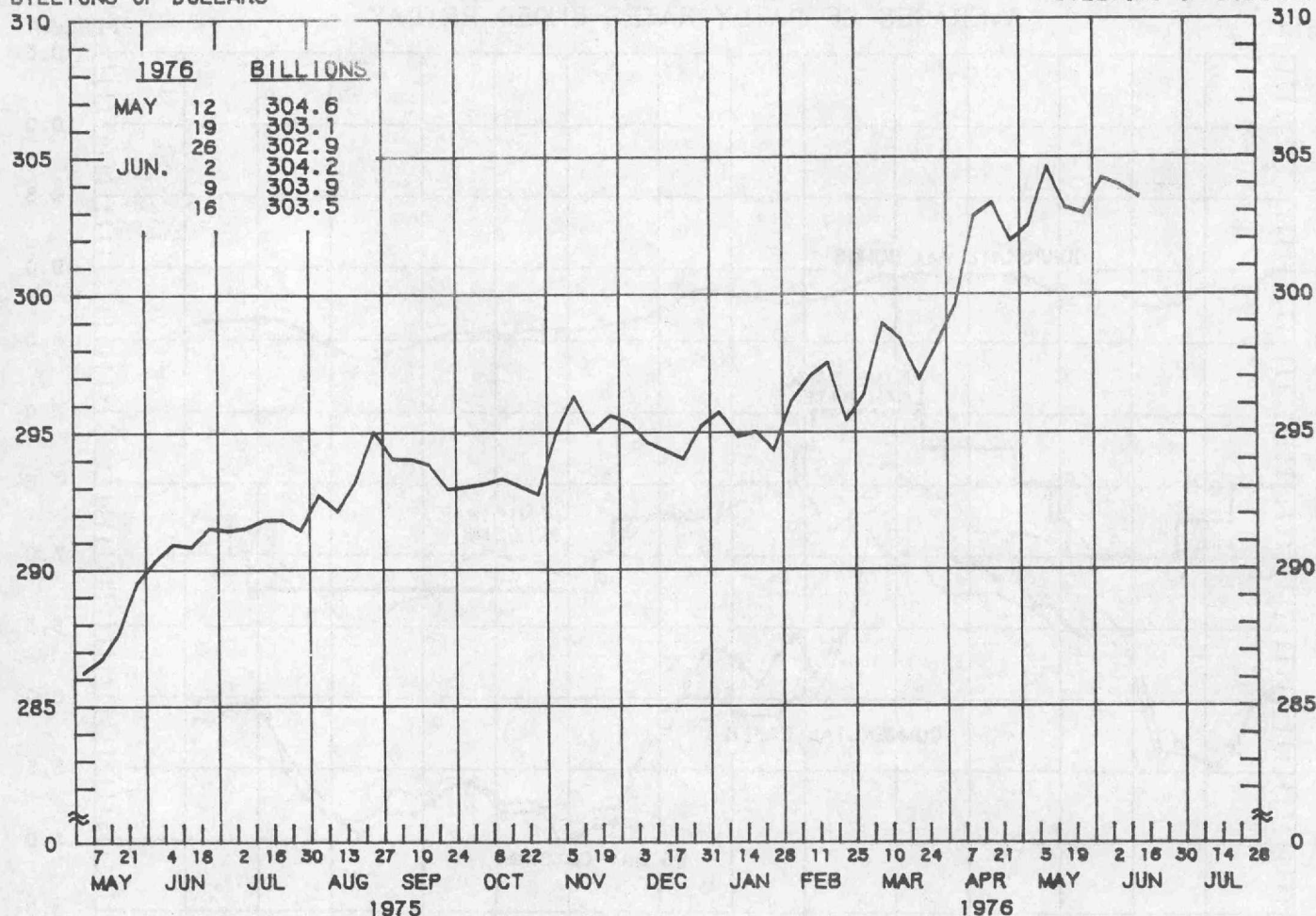


# MONEY STOCK (M1)

## AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 16, 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.

### MONEY STOCK (M1)

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

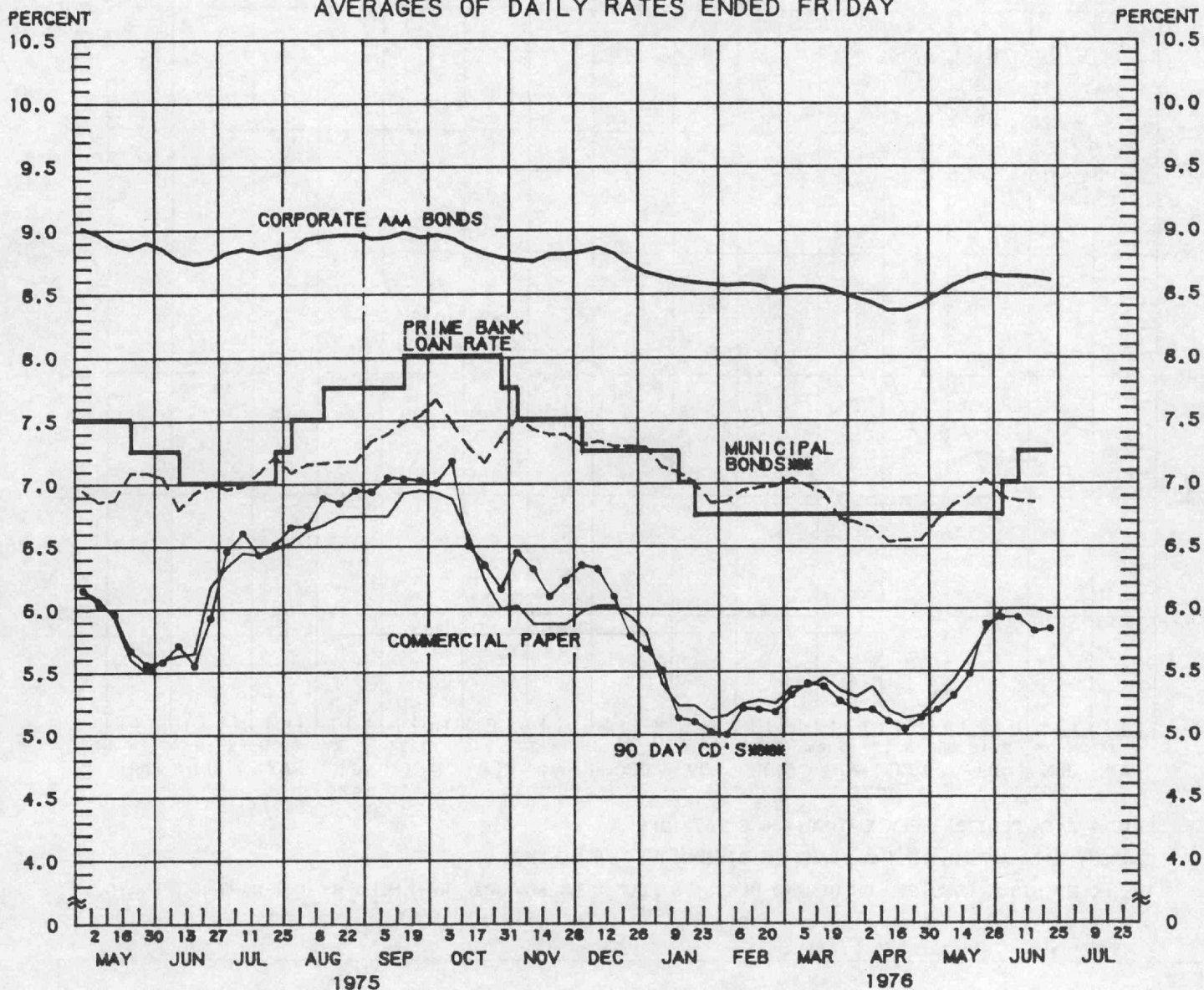
6/18/75    9/17/75    11/19/75    12/17/75    1/14/76    2/18/76    3/17/76    4/14/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          |     |     |     |     |     |     |      |
|----------|-----|-----|-----|-----|-----|-----|------|
| 11/19/75 | 3.5 |     |     |     |     |     |      |
| 12/17/75 | 3.2 | 1.1 |     |     |     |     |      |
| 1/14/76  | 2.7 | 0.7 | 0.4 |     |     |     |      |
| 2/18/76  | 3.0 | 1.6 | 2.1 | 2.4 |     |     |      |
| 3/17/76  | 3.2 | 2.1 | 2.7 | 3.2 | 4.8 |     |      |
| 4/14/76  | 3.8 | 3.1 | 4.0 | 4.6 | 6.2 | 7.2 |      |
| 5/19/76  | 4.7 | 4.5 | 5.7 | 6.5 | 8.1 | 9.5 | 11.6 |
| 6/16/76  | 4.5 | 4.3 | 5.3 | 5.9 | 7.1 | 7.8 | 8.7  |
|          |     |     |     |     |     |     | 8.4  |

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: JUNE 25, 1976

| 1976   | 90 DAY<br>CD'S | PRIME<br>COMMERCIAL<br>PAPER<br>4-6 MONTH | PRIME<br>BANKERS'<br>ACCEPTANCES | CORPORATE<br>AAA BONDS | MUNICIPAL<br>BONDS |
|--------|----------------|---|----------------------------------|------------------------|--------------------|
| MAY 7  | 5.20           | 5.30                                      | 5.21                             | 8.48                   | 6.71               |
| 14     | 5.31           | 5.43                                      | 5.39                             | 8.56                   | 6.83               |
| 21     | 5.48           | 5.63                                      | 5.67                             | 8.62                   | 6.91               |
| 28     | 5.88           | 5.83                                      | 5.87                             | 8.65                   | 7.03               |
| JUNE 4 | 5.93           | 6.00                                      | 5.92                             | 8.63                   | 6.89               |
| 11     | 5.93           | 6.00                                      | 5.82                             | 8.63                   | 6.86               |
| 18     | 5.82           | 6.00                                      | 5.74                             | 8.62                   | 6.85               |
| 25 *   | 5.84           | 5.96                                      | 5.70                             | 8.60                   | N.A.               |
| JULY 2 |                |   |                                  |                        |                    |
| 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.

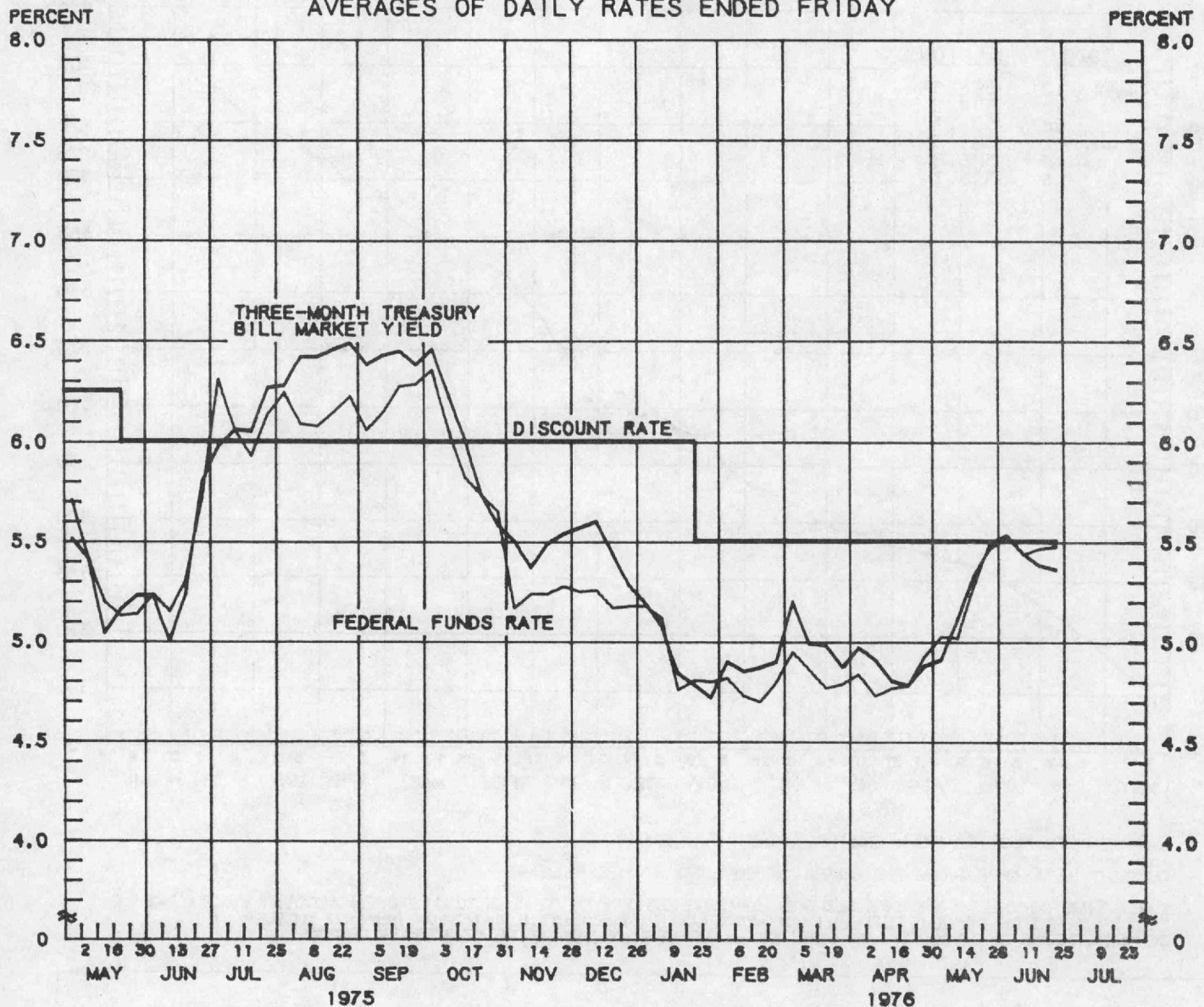
N.A. - NOT AVAILABLE

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: JUNE 25, 1976

| 1976   | FEDERAL FUNDS RATE | 3-MONTH TREASURY BILLS | 1-YEAR TREASURY BILL | 3-5 YEAR GOVERNMENT SECURITIES | LONG-TERM GOVERNMENT SECURITIES |
|--------|--------------------|------------------------|----------------------|--------------------------------|---------------------------------|
| MAY 7  | 5.03               | 4.91                   | 5.68                 | 7.11                           | 7.79                            |
| 14     | 5.02               | 5.11                   | 5.89                 | 7.29                           | 7.93                            |
| 21     | 5.28               | 5.33                   | 6.11                 | 7.46                           | 7.95                            |
| 28     | 5.50               | 5.47                   | 6.26                 | 7.56                           | 7.97                            |
| JUNE 4 | 5.54               | 5.53                   | 6.27                 | 7.52                           | 7.89                            |
| 11     | 5.44               | 5.44                   | 6.11                 | 7.42                           | 7.86                            |
| 18     | 5.47               | 5.38                   | 6.07                 | 7.37                           | 7.86                            |
| 25 *   | 5.48               | 5.36                   | 6.06                 | 7.31                           | 7.84                            |
| JULY 2 |                    |                        |                      |                                |                                 |
| 9      |                    |                        |                      |                                |                                 |
| 16     |                    |                        |                      |                                |                                 |
| 23     |                    |                        |                      |                                |                                 |
| 30     |                    |                        |                      |                                |                                 |

\* AVERAGES OF RATES AVAILABLE.

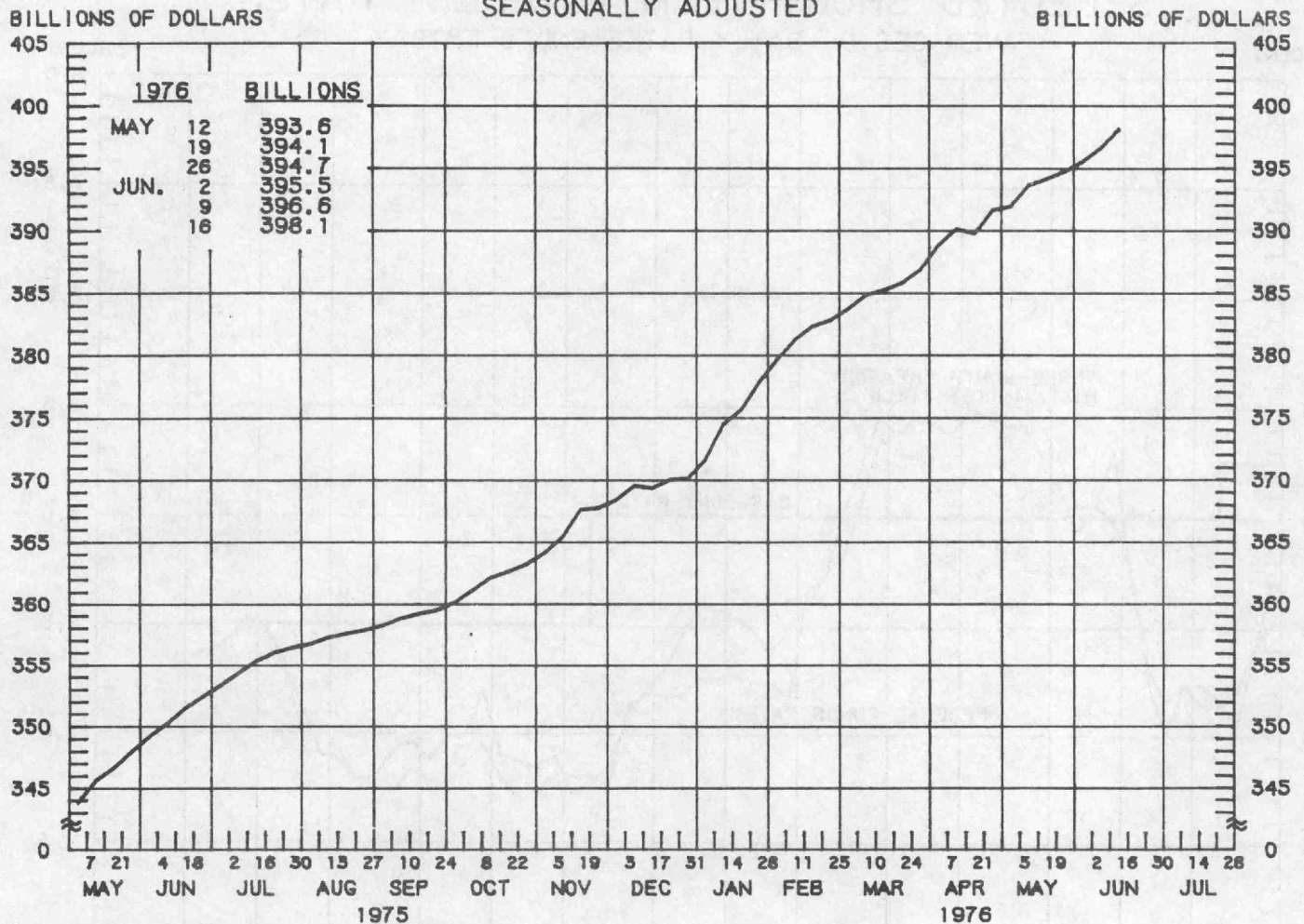
\*\* SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

RATES ON LONG-TERM GOVERNMENT SECURITIES ARE COMPUTED BY THE FEDERAL RESERVE BANK OF ST. LOUIS.

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: JUNE 16, 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:

6/18/75 9/17/75 11/19/75 12/17/75 1/14/76 2/18/76 3/17/76 4/14/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          |      |      |      |      |      |      |           |
|----------|------|------|------|------|------|------|-----------|
| 11/19/75 | 10.7 |      |      |      |      |      |           |
| 12/17/75 | 11.2 | 11.9 |      |      |      |      |           |
| 1/14/76  | 11.1 | 11.5 | 12.0 |      |      |      |           |
| 2/18/76  | 13.2 | 14.9 | 17.6 | 19.4 |      |      |           |
| 3/17/76  | 13.3 | 14.8 | 16.8 | 17.8 | 21.3 |      |           |
| 4/14/76  | 13.4 | 14.6 | 16.2 | 16.8 | 18.9 | 13.9 |           |
| 5/19/76  | 13.4 | 14.5 | 15.7 | 16.1 | 17.5 | 13.9 | 13.8      |
| 6/16/76  | 13.3 | 14.3 | 15.2 | 15.5 | 16.4 | 13.4 | 13.2 13.0 |

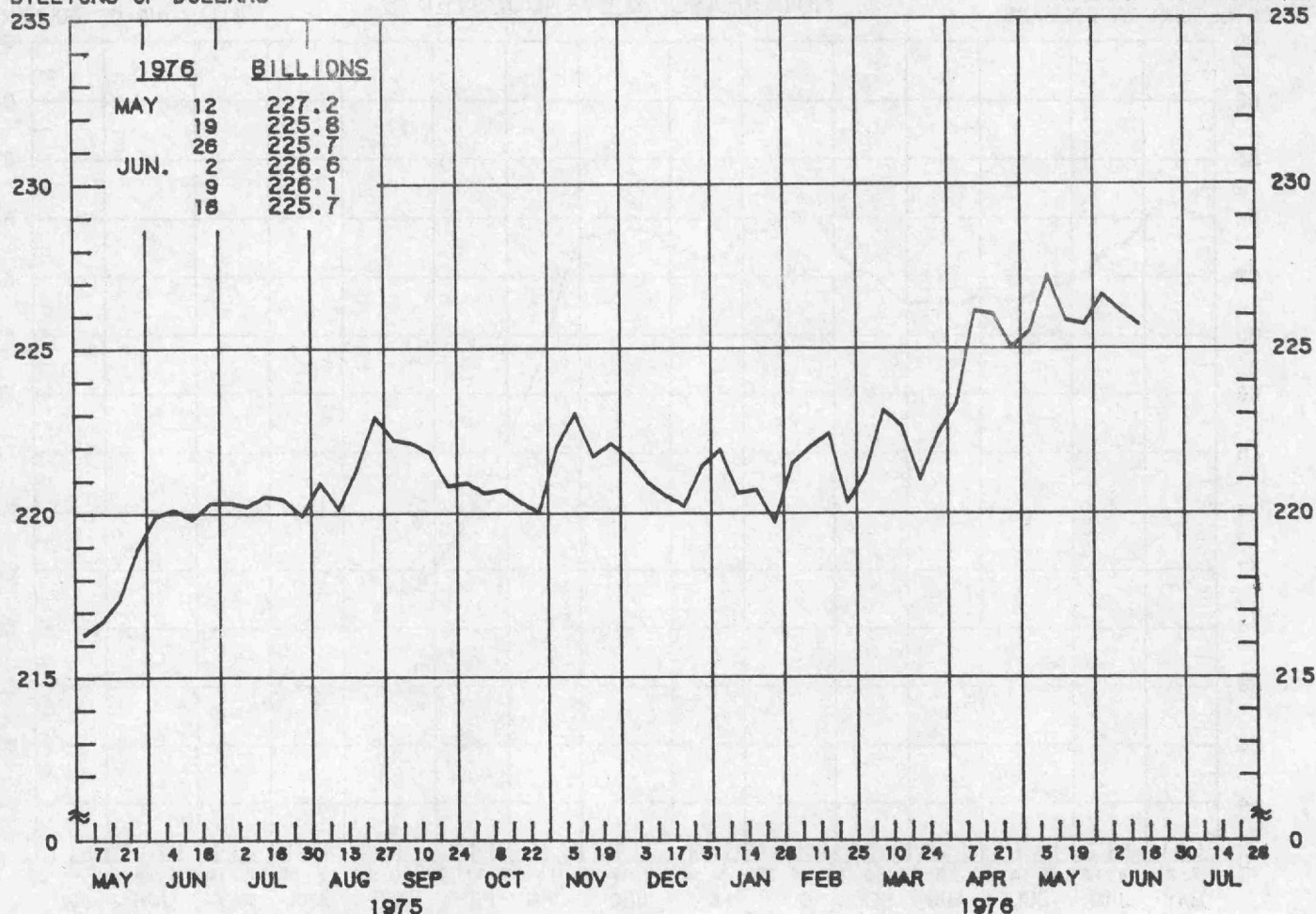


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 16, 1976

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

## DEMAND DEPOSIT COMPONENT OF MONEY STOCK

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

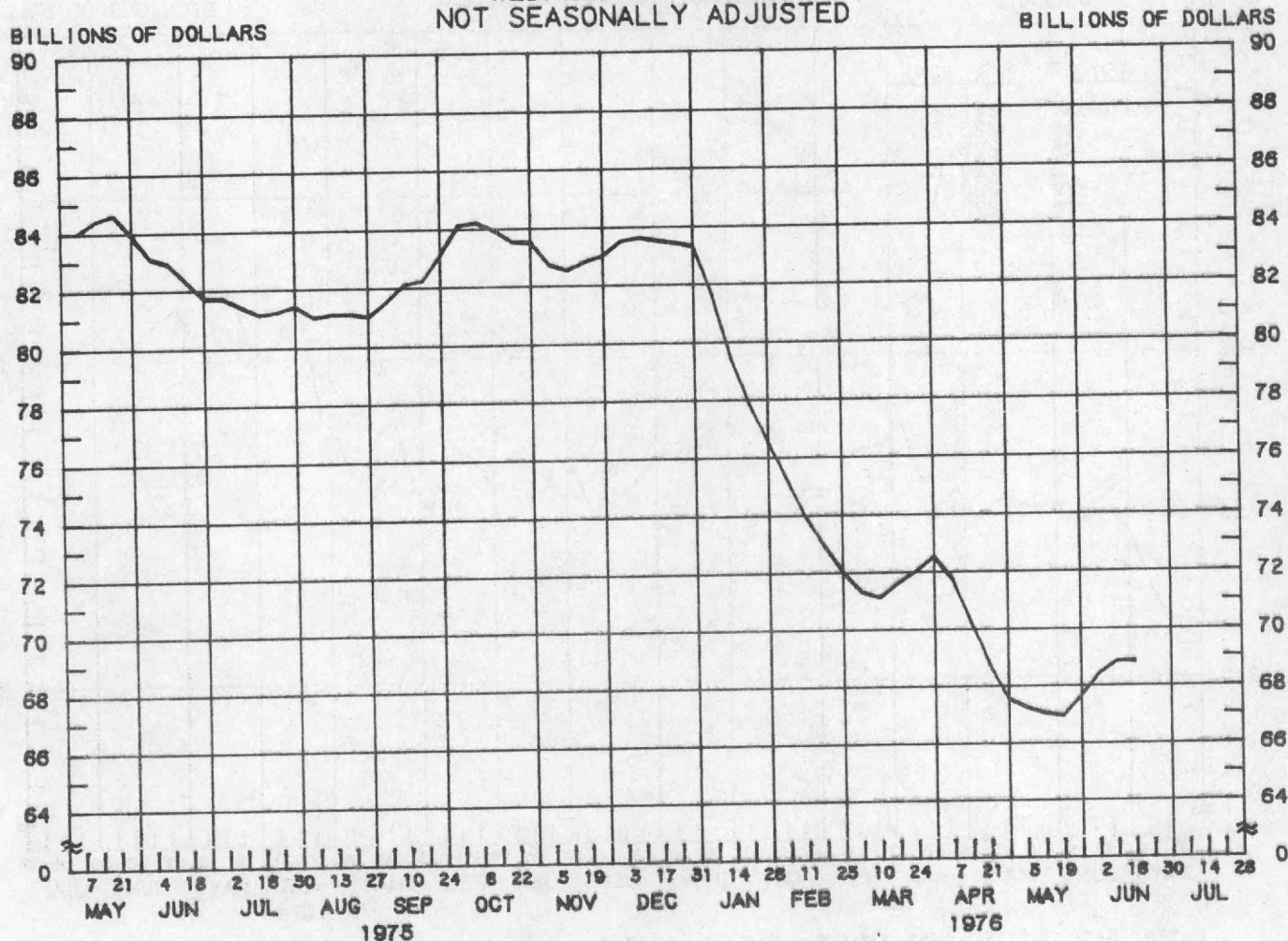
6/18/75 9/17/75 11/19/75 12/17/75 1/14/76 2/18/76 3/17/76 4/14/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          |     |      |      |     |     |     |      |
|----------|-----|------|------|-----|-----|-----|------|
| 11/19/75 | 2.2 |      |      |     |     |     |      |
| 12/17/75 | 1.5 | -1.8 |      |     |     |     |      |
| 1/14/76  | 1.0 | -1.8 | -2.0 |     |     |     |      |
| 2/18/76  | 1.2 | -1.0 | -0.5 | 0.3 |     |     |      |
| 3/17/76  | 1.3 | -0.4 | 0.1  | 0.9 | 2.1 |     |      |
| 4/14/76  | 1.9 | 0.7  | 1.7  | 2.6 | 4.0 | 5.4 |      |
| 5/19/76  | 3.1 | 2.4  | 3.8  | 5.0 | 6.5 | 8.4 | 11.2 |
| 6/18/76  | 2.9 | 2.2  | 3.4  | 4.3 | 5.4 | 6.5 | 7.8  |
|          |     |      |      |     |     |     | 7.5  |

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES  
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 16, 1976

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

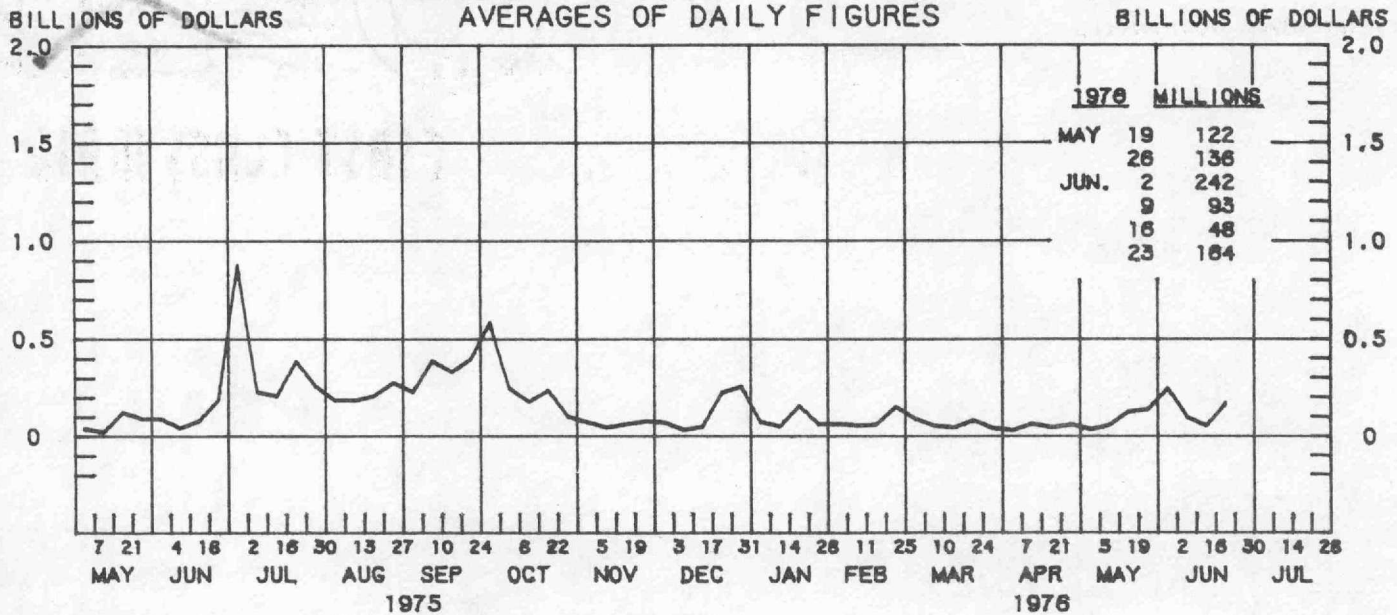
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

| 1976   | CERTIFICATES<br>OF DEPOSIT<br>NOT SEAS. ADJ. | CERTIFICATES<br>OF DEPOSIT<br>SEAS. ADJ. |
|--------|--|--|
| MAY 5  | 87.2   | 89.1                                     |
| 12     | 87.0   | 88.2                                     |
| 19     | 86.9   | 87.6                                     |
| 26     | 87.6   | 88.0                                     |
| JUNE 2 | 88.4   | 88.7                                     |
| 9      | 88.8   | 89.7                                     |
| 16     | 88.8   | 90.3                                     |
| 23     |  |  |
| 30     |  |  |
| JULY 7 |  |  |
| 14     |  |  |
| 21     |  |  |
| 28     |  |  |

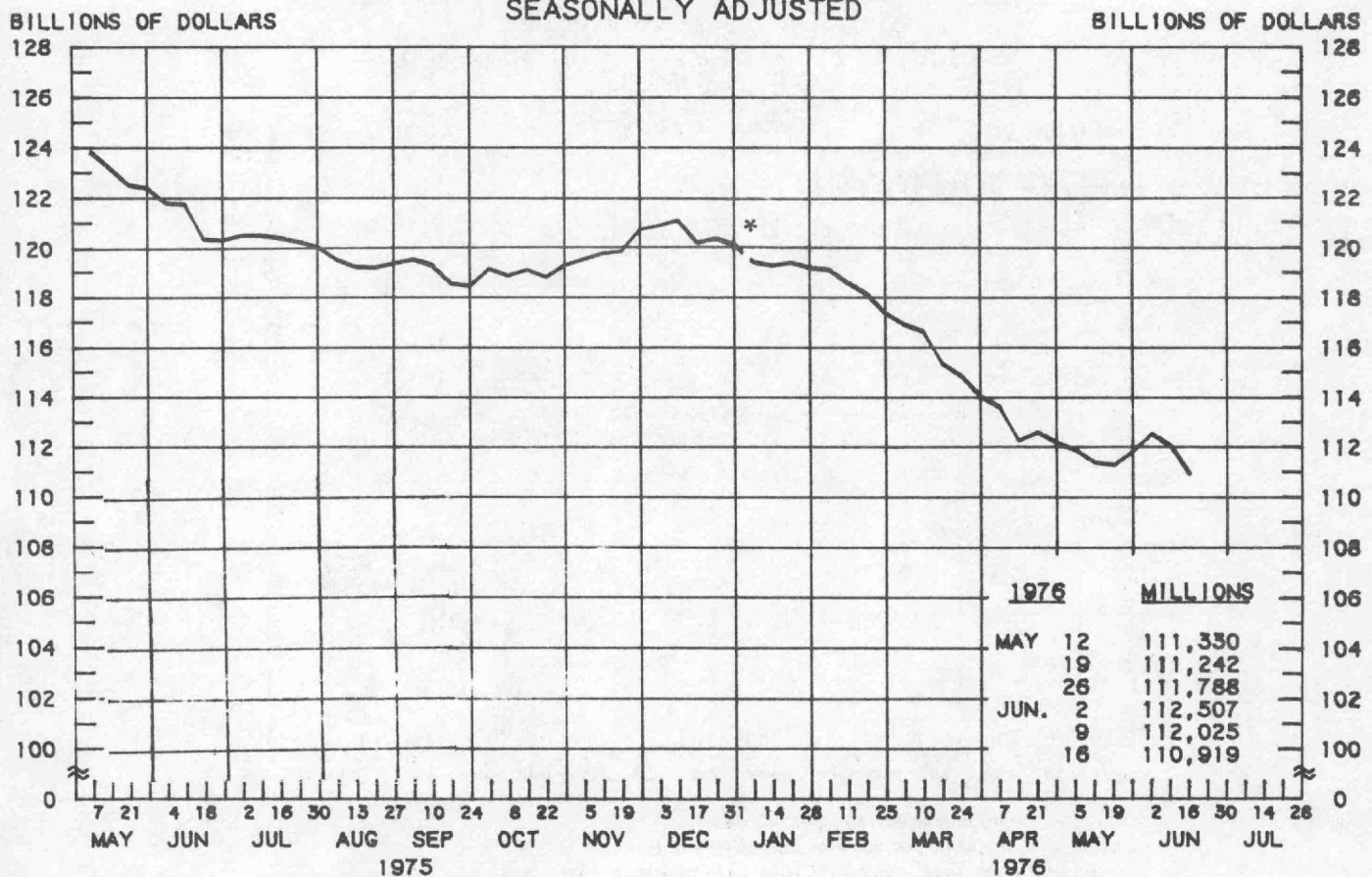
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# BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



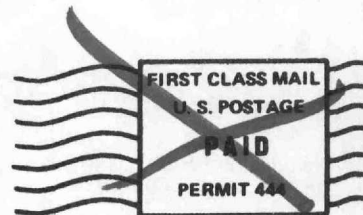
## BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



\* LEVELS OF BUSINESS LOANS BEGINNING JANUARY 7 ARE NOT COMPARABLE TO PREVIOUS DATA.  
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

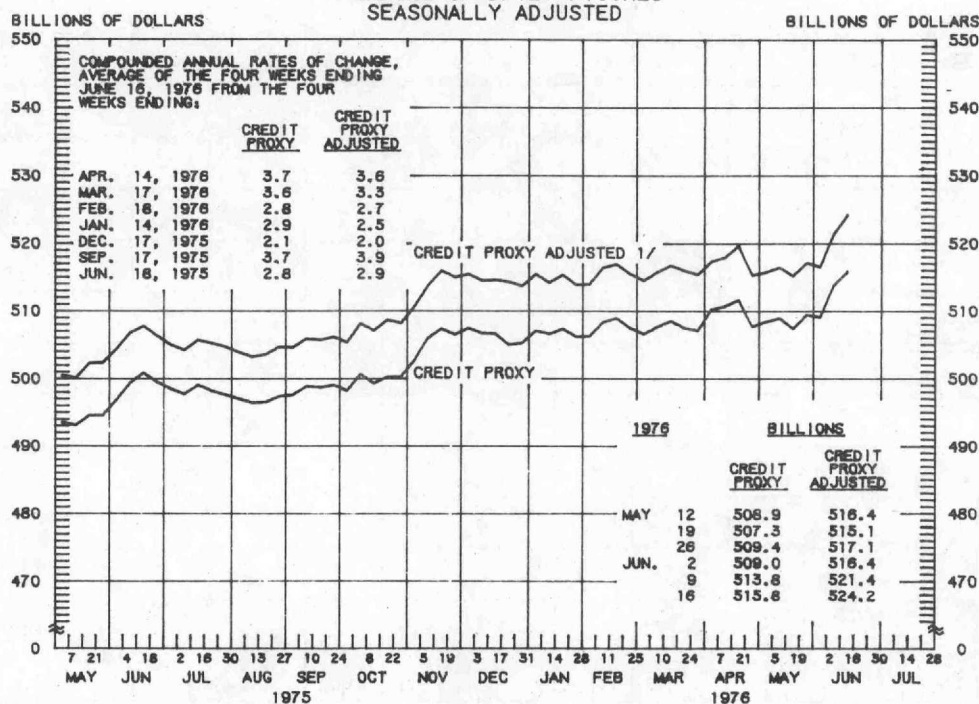
FEDERAL RESERVE BANK OF ST. LOUIS  
P. O. BOX 442  
ST. LOUIS, MISSOURI 63166

RETURN POSTAGE GUARANTEED



FIRST CLASS MAIL

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



LATEST DATA PLOTTED WEEK ENDING: JUNE 16, 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