

Week ending: June 30, 1976



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Growth of the monetary aggregates has been more rapid since the beginning of the year than over the prior seven months. Since mid-January the monetary base has grown at a 10.8 percent annual rate, which is substantially faster than the 3.9 percent rate experienced from mid-June 1975 to mid-January 1976. The growth of the narrowly defined money stock (M1) has accelerated to a 6.7 percent rate over the most recent five months from the 2.6 percent rate of the earlier seven-month period. Recently the more broadly defined money supply (M2) has also exhibited a faster rate of expansion, increasing at an annual rate of 11.8 percent since mid-January, compared to its earlier growth rate of 7.2 percent.

While the growth rates of all the components of the money stock have increased since mid-January, this growth has been more pronounced in some components than in others. Currency, for instance, has increased at a 12.2 percent annual rate since mid-January, compared to an 8 percent rate over the previous seven months. The growth of demand deposits has accelerated from the very sluggish rate of around one percent over the period from mid-June 1975 to mid-January 1976, to a more moderate rate of about 5 percent since mid-January. Net time deposits have increased at relatively rapid rates over both periods, first at an 11.2 percent rate, then at a 16 percent rate.

From mid-January to mid-April most short-term interest rates remained stable. Over the next five weeks short rates moved upward, but appear to have again stabilized at these higher levels over the most recent six weeks. Yields on 90-day CDs and prime four- to six-month commercial paper are currently about 70 basis points above mid-April levels. Rates on three-month Treasury bills and Federal funds are about 60 and 80 basis points, respectively, above their levels of two and one-half months ago. After declining by about 60 basis points from late September 1975 through mid-April 1976, rates on long-term securities such as corporate Aaa bonds have risen about 30 basis points over the most recent two and one-half months.

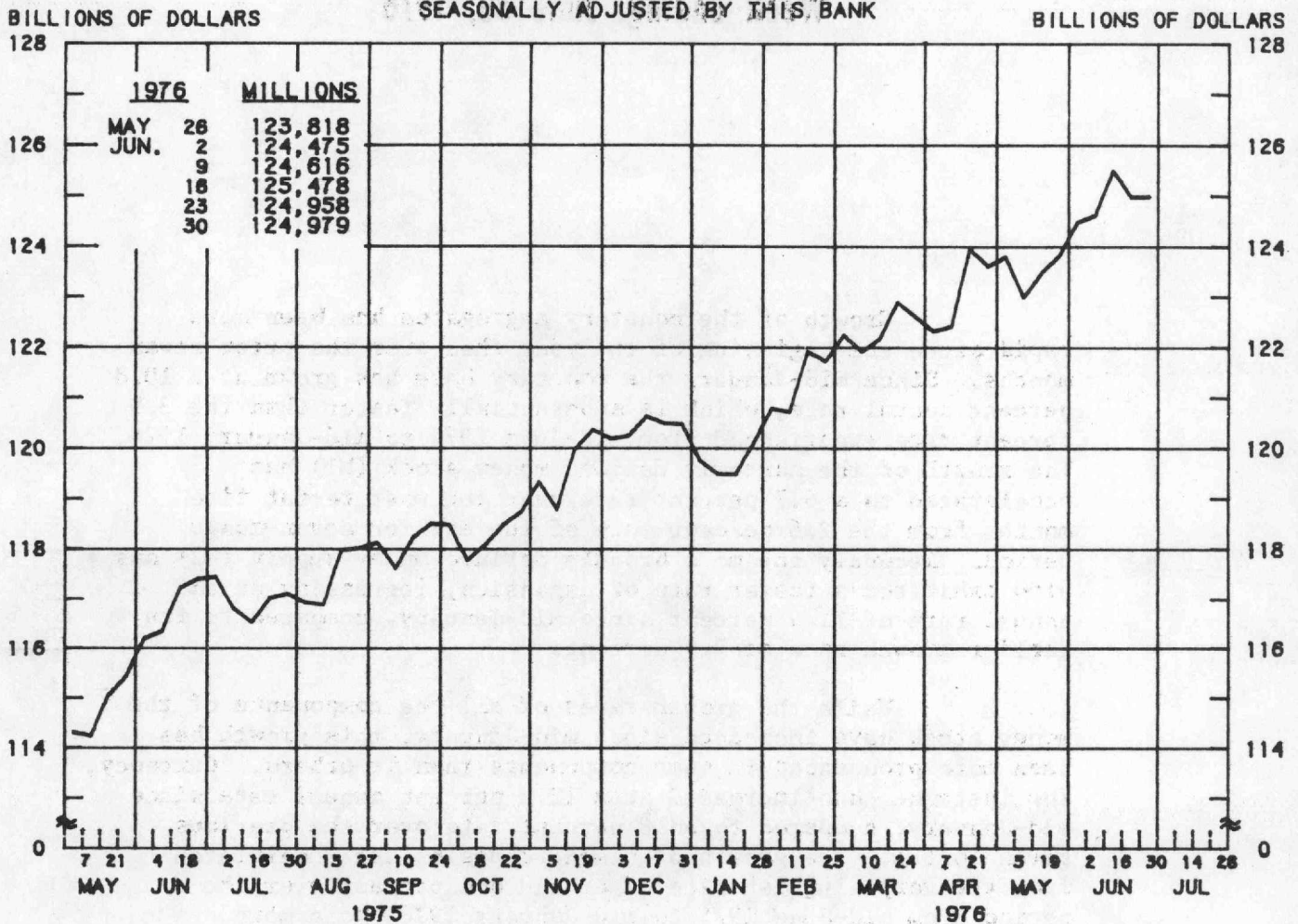
Prepared by Federal Reserve Bank of St. Louis

Released: July 2, 1976

MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JUNE 30, 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.

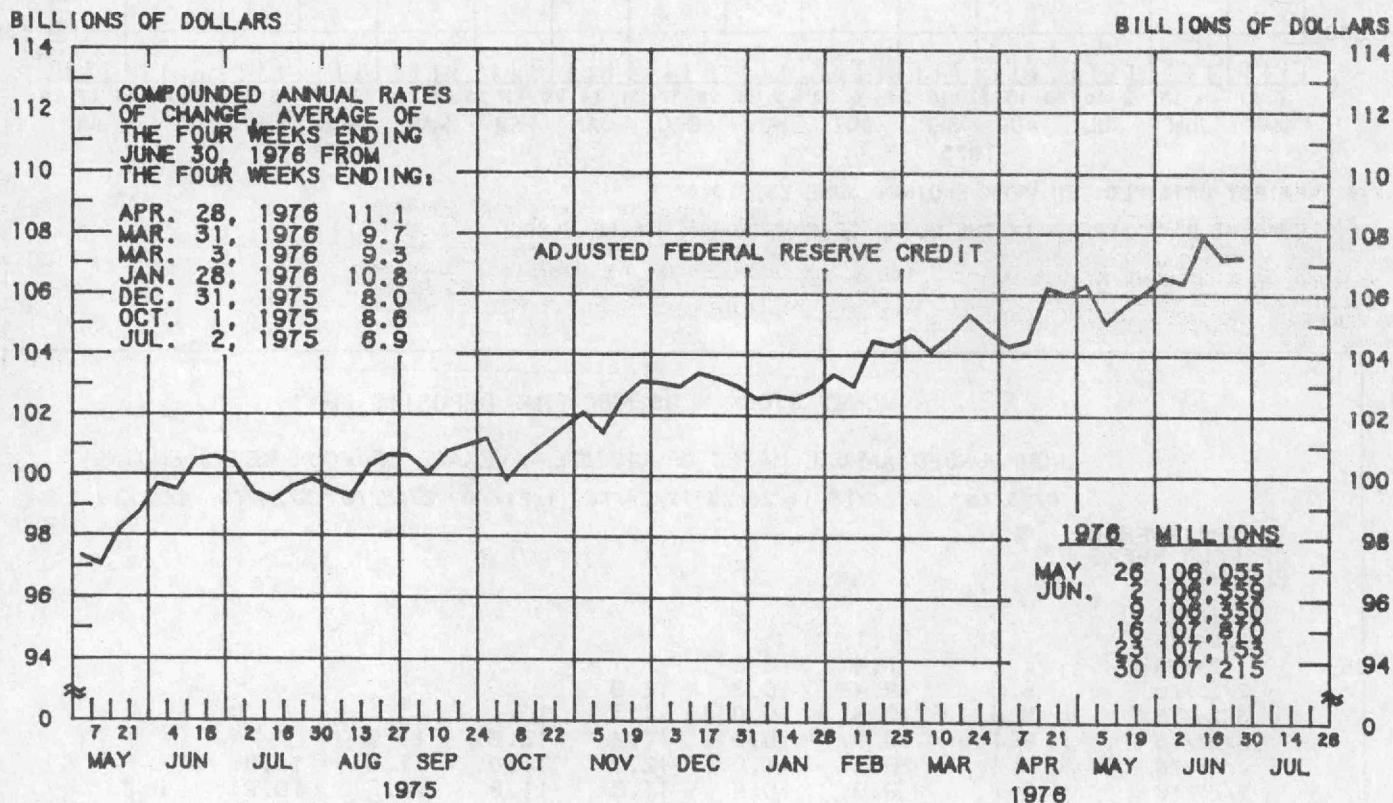
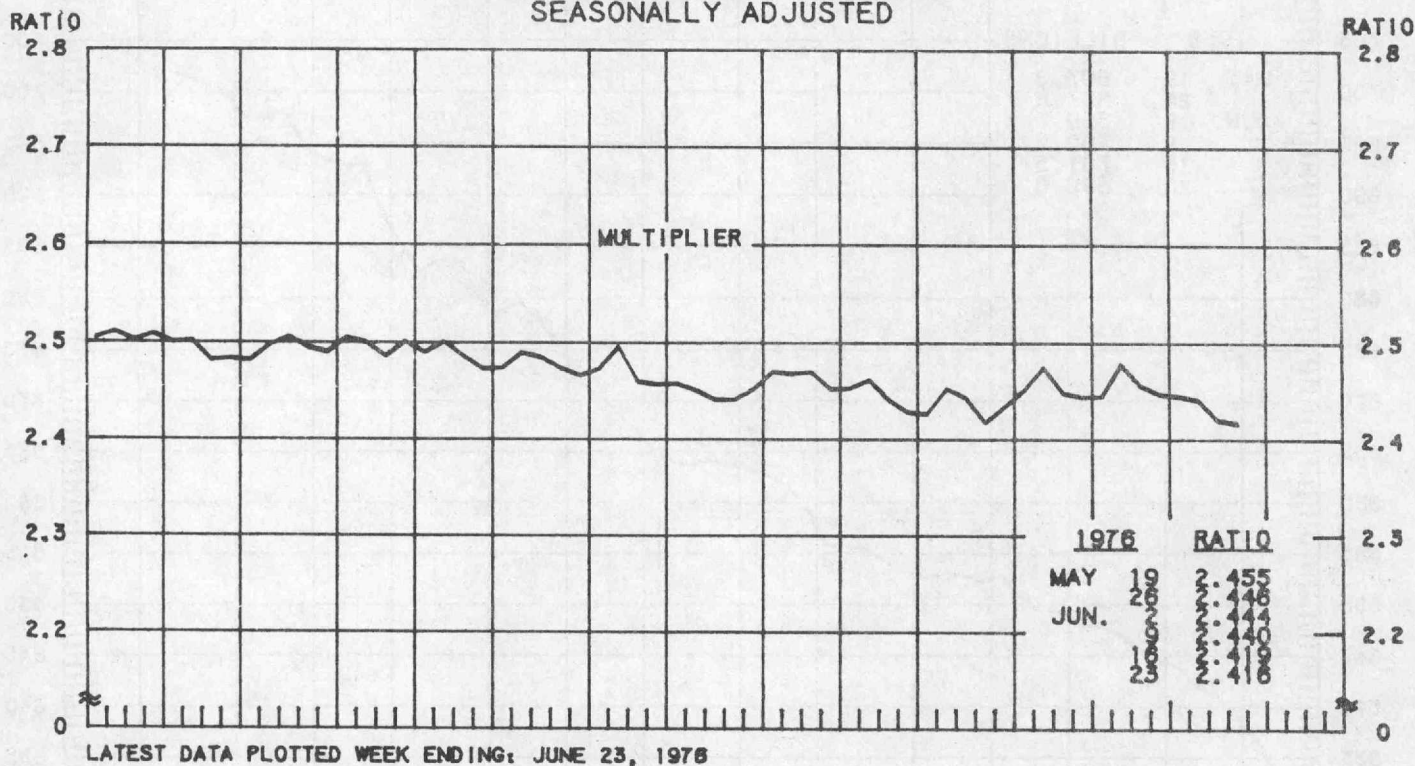
MONETARY BASE

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

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	7/2/75	10/1/75	12/3/75	12/31/75	1/28/76	3/3/76	3/31/76	4/28/76
12/ 3/75	5.6							
12/31/75	5.8	7.8						
1/28/76	3.9	3.9	-0.6					
3/ 3/76	5.8	7.0	6.2	5.8				
3/31/76	6.1	7.2	6.7	6.6	13.7			
4/28/76	6.2	7.2	6.8	6.8	11.7	7.9		
6/ 2/76	6.1	7.0	6.6	6.5	9.9	6.9	6.3	
6/30/76	6.8	7.8	7.6	7.7	10.8	8.7	8.9	9.5

MULTIPLIER ^{1/} ADJUSTED FEDERAL RESERVE CREDIT ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

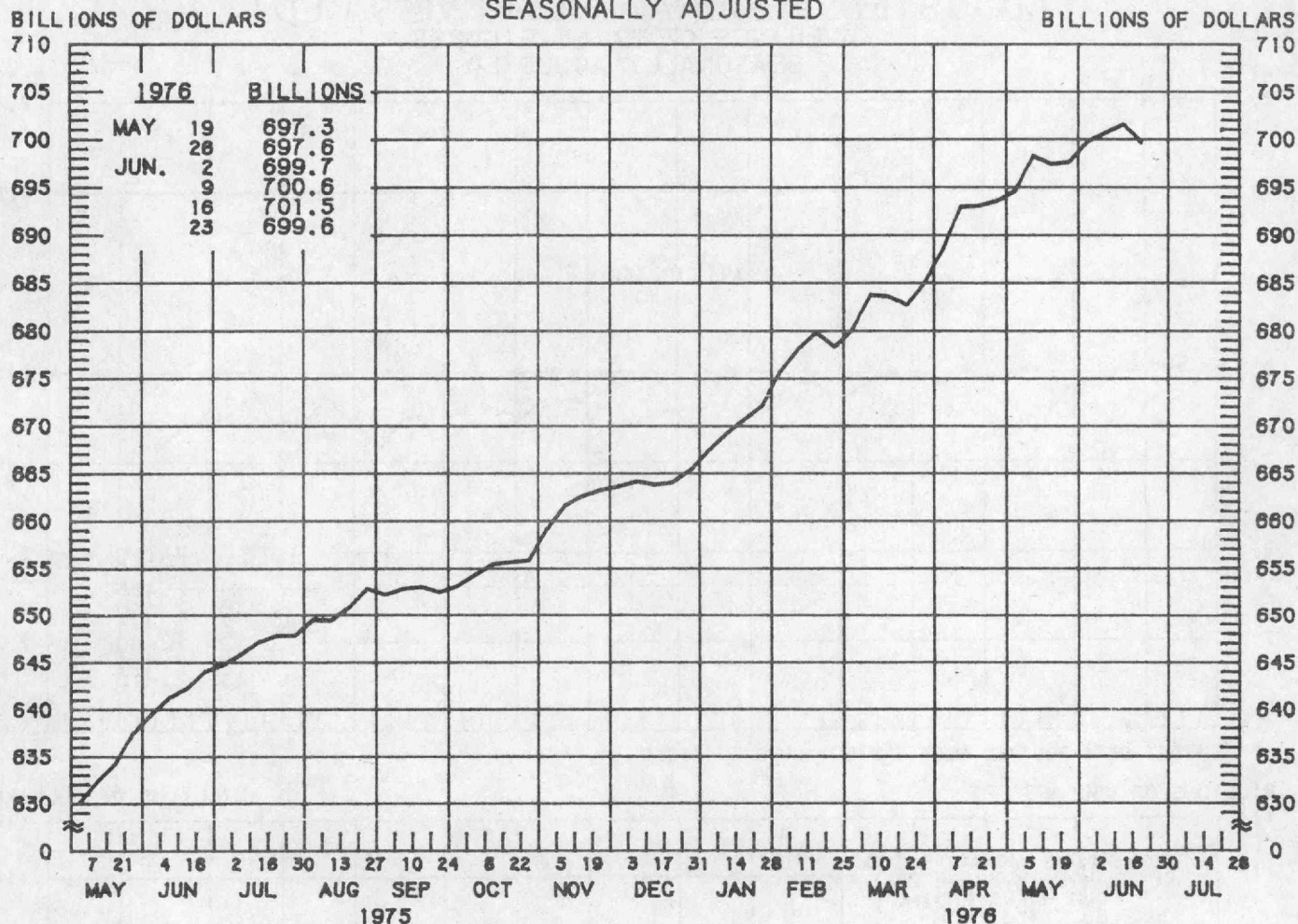


1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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



LATEST DATA PLOTTED WEEK ENDING: JUNE 23, 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:

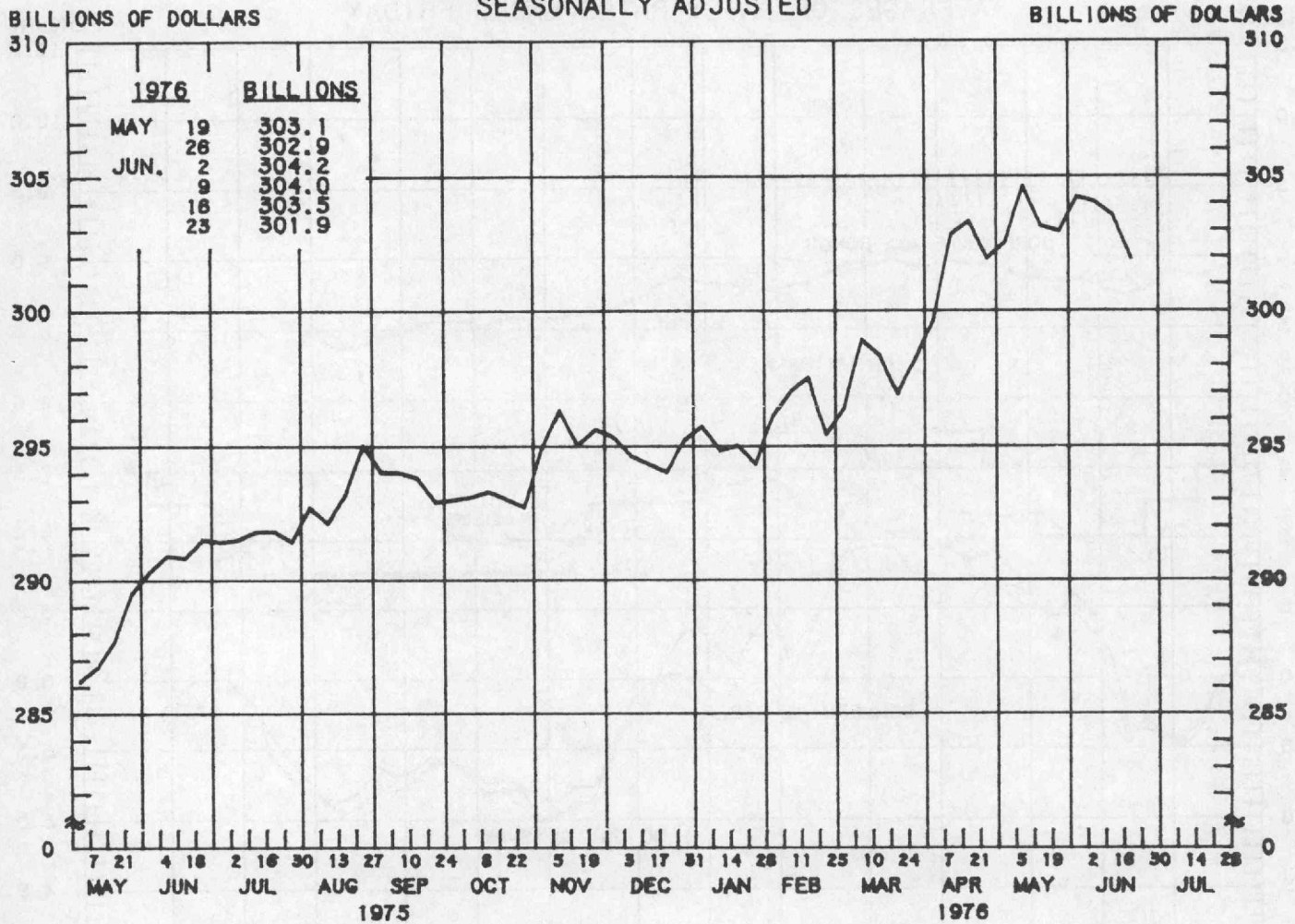
6/25/75 9/24/75 11/28/75 12/24/75 1/21/76 2/25/76 3/24/76 4/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/26/75	7.5						
12/24/75	7.0	7.1					
1/21/76	7.2	7.4	6.6				
2/25/76	8.5	9.4	10.3	12.9			
3/24/76	8.6	9.4	10.0	11.7	13.1		
4/21/76	9.1	10.1	10.9	12.4	13.6	11.9	
5/26/76	9.4	10.2	11.0	12.1	13.0	11.6	12.8
6/23/76	9.1	9.9	10.4	11.3	11.8	10.5	10.9
							9.2

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 23, 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:

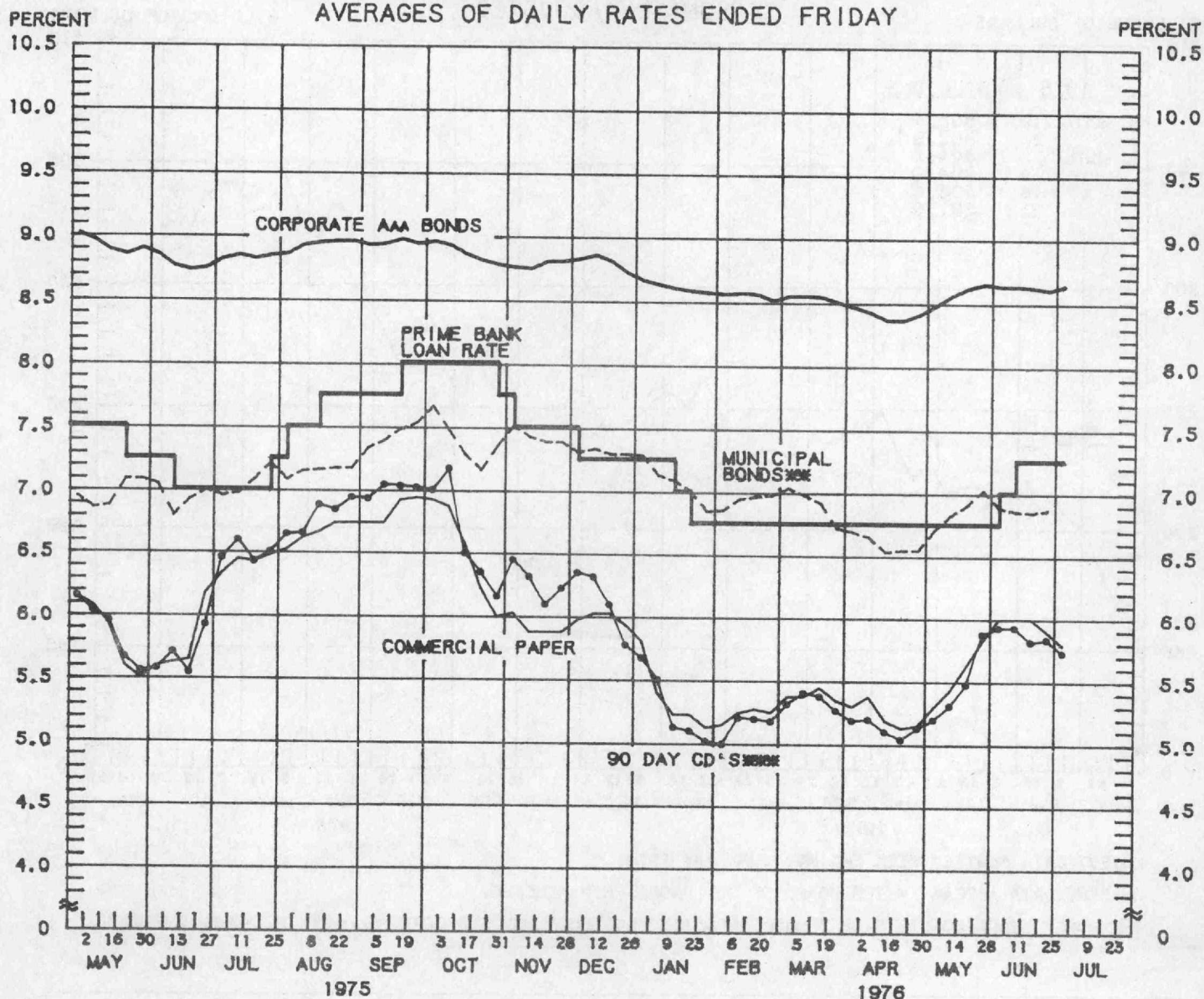
6/25/75 9/24/75 11/26/75 12/24/75 1/21/76 2/25/76 3/24/76 4/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/26/75	3.8						
12/24/75	2.6	1.2					
1/21/76	2.6	1.6	-0.7				
2/25/76	2.9	2.3	1.4	3.8			
3/24/76	3.1	2.7	2.2	4.1	4.8		
4/21/76	4.2	4.3	4.7	6.8	8.1	10.3	
5/26/76	4.6	4.9	5.3	7.1	8.1	9.5	11.6
6/23/76	4.3	4.4	4.7	6.1	6.7	7.3	8.0
							4.7

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



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

1976	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL 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	5.90	5.69	8.60	6.87
JULY 2 *	5.73	5.79	5.68	8.64	N.A.
9					
16					
23					
30					

* AVERAGES OF RATES AVAILABLE.

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

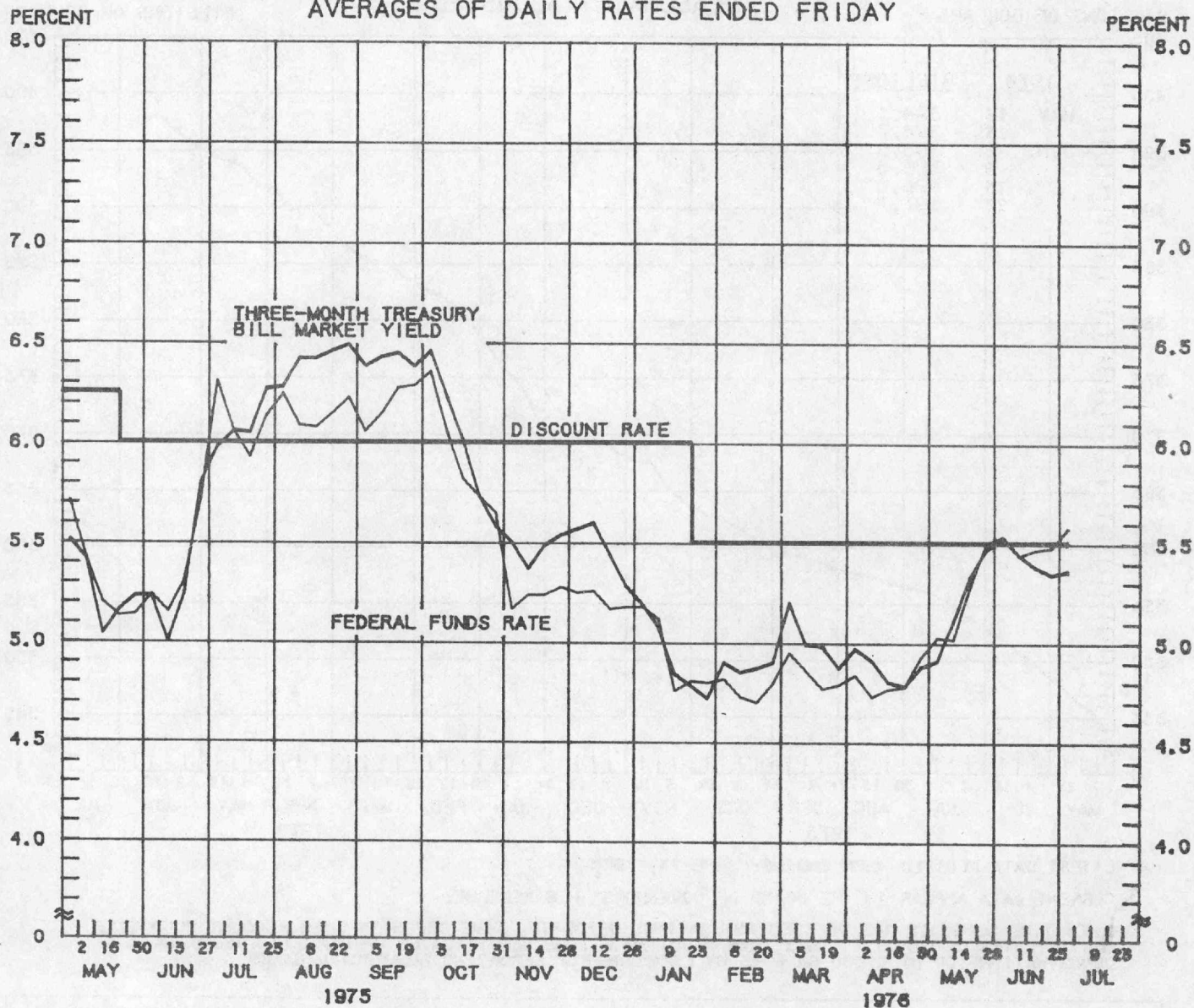
*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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: JULY 2, 1976

1976	FEDERAL FUNDS %	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	7.38	7.86
25	5.48	5.34	6.06	7.32	7.84
JULY 2 *	5.58	5.36	6.09	7.36	7.85
9					
16					
23					
30					

* AVERAGES OF RATES AVAILABLE.

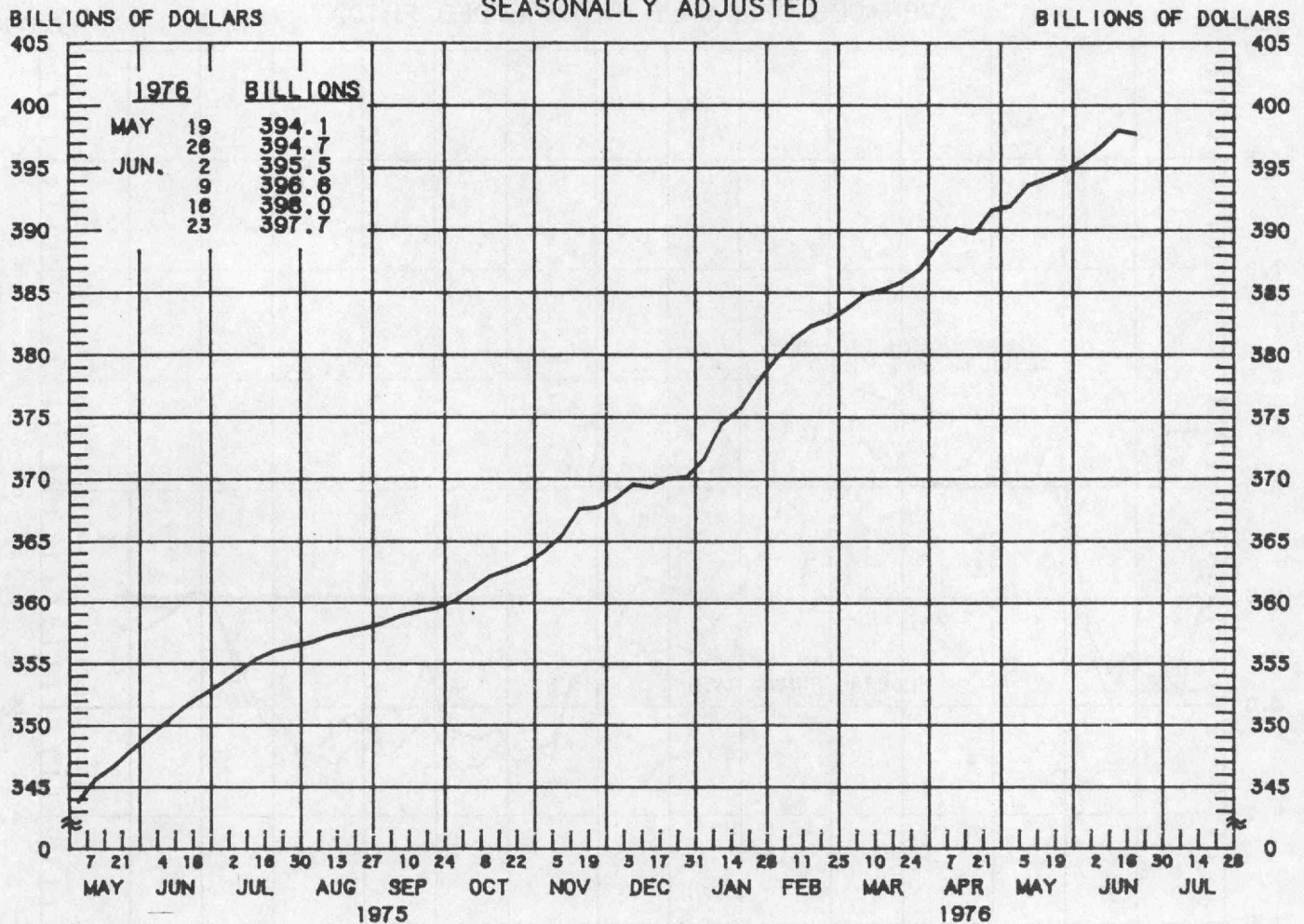
** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

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 23, 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:

6/25/75 9/24/75 11/26/75 12/24/75 1/21/76 2/25/76 3/24/76 4/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

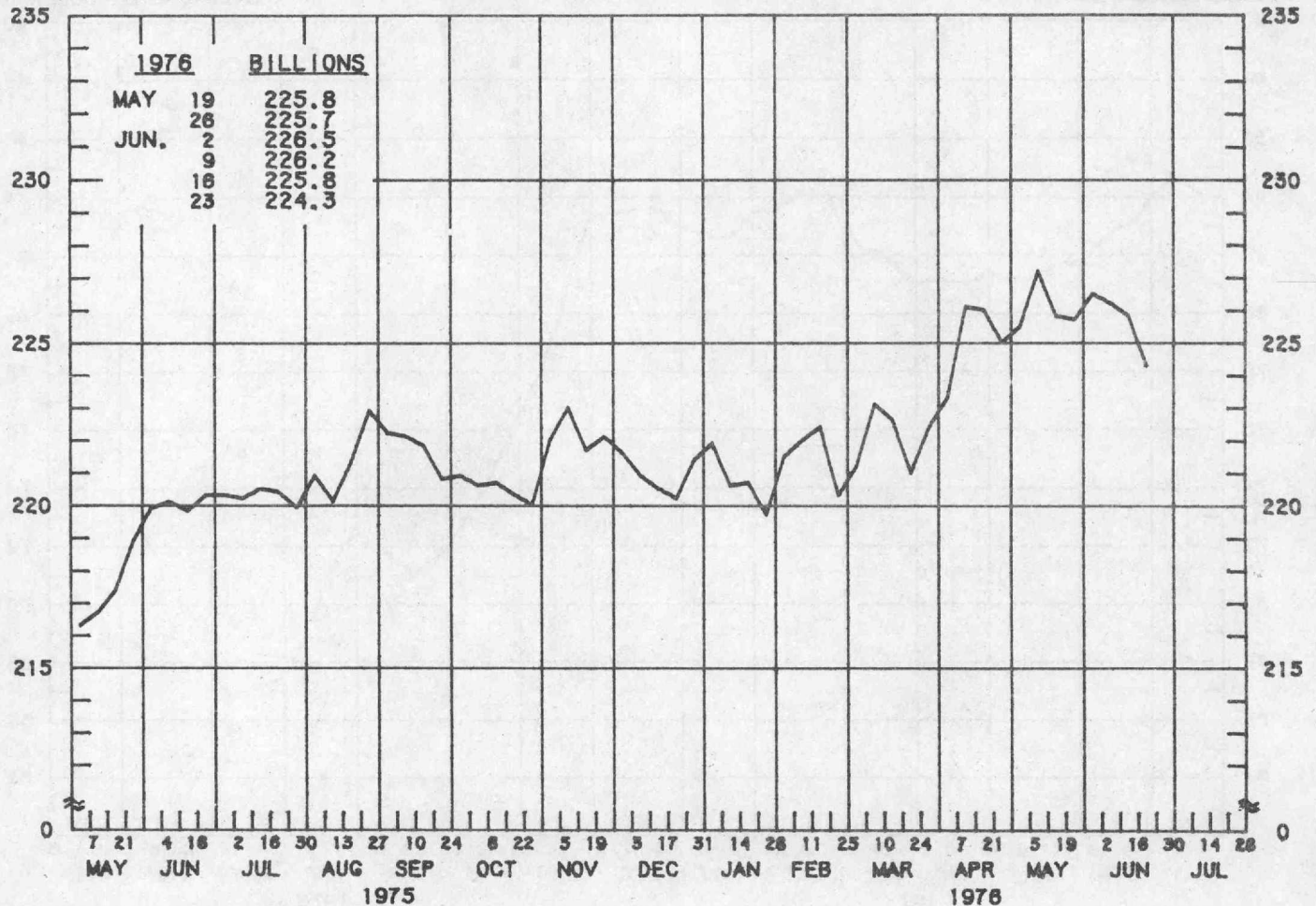
11/26/75	10.7						
12/24/75	10.8	12.1					
1/21/76	11.2	12.4	12.5				
2/25/76	13.3	15.5	17.8	20.7			
3/24/76	13.2	15.0	16.5	18.0	20.1		
4/21/76	13.3	14.9	16.1	17.1	18.3	13.3	
5/26/76	13.3	14.7	15.5	16.3	16.9	13.3	13.8
6/23/76	13.2	14.4	15.0	15.6	16.0	13.0	13.2
							12.6

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JUNE 23, 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:

6/25/75 9/24/75 11/26/75 12/24/75 1/21/76 2/25/76 3/24/76 4/21/76

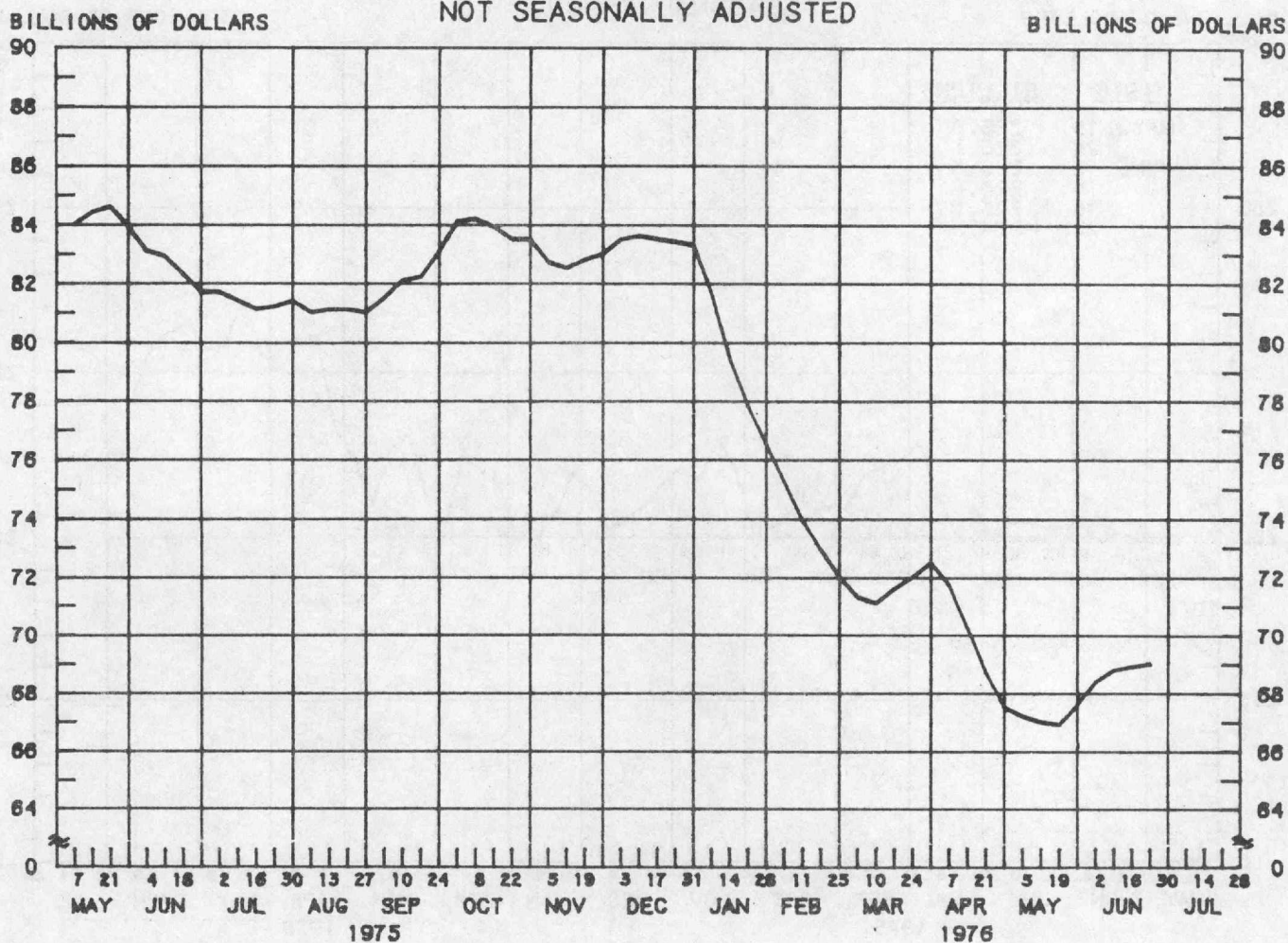
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/26/75	2.4						
12/24/75	0.7	-1.6					
1/21/76	0.9	-0.7	-2.9				
2/25/76	1.1	-0.1	-1.1	2.1			
3/24/76	1.2	0.3	-0.3	2.2	2.1		
4/21/76	2.5	2.2	2.6	5.2	6.1	8.8	
5/26/76	3.0	3.0	3.5	5.8	6.5	8.4	11.2
6/23/76	2.6	2.4	2.7	4.5	4.9	5.8	6.8
							3.1

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES

NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 23, 1976

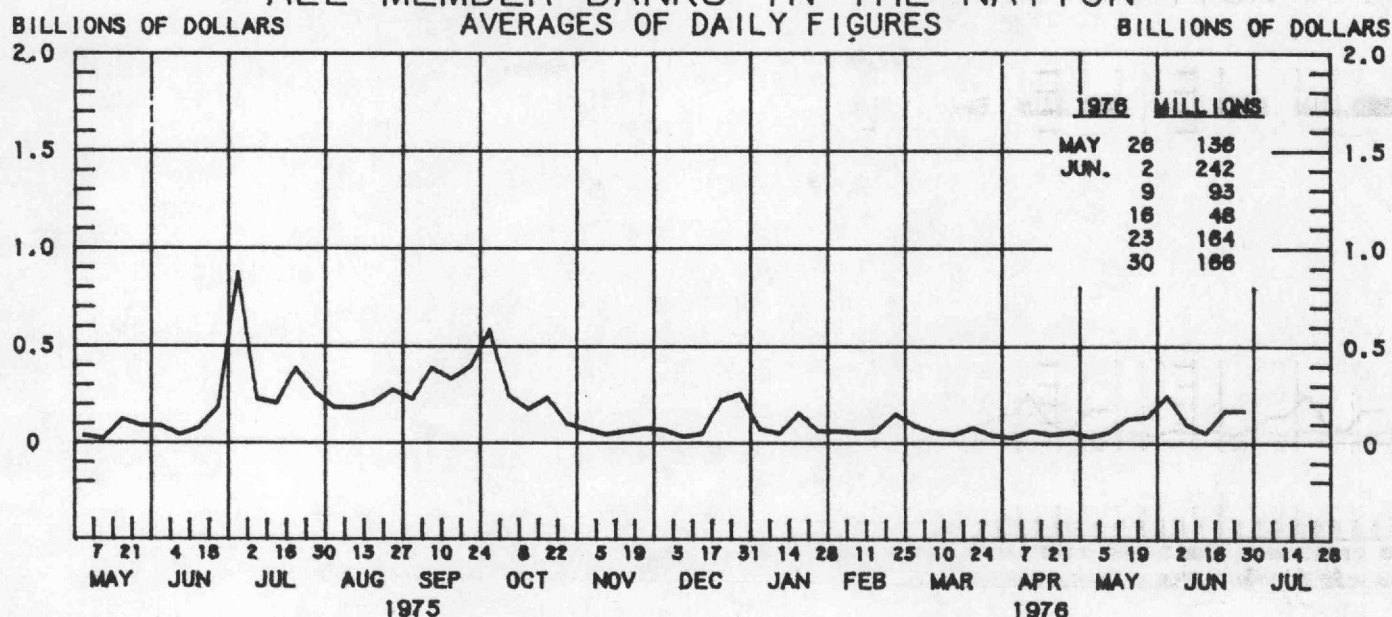
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

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

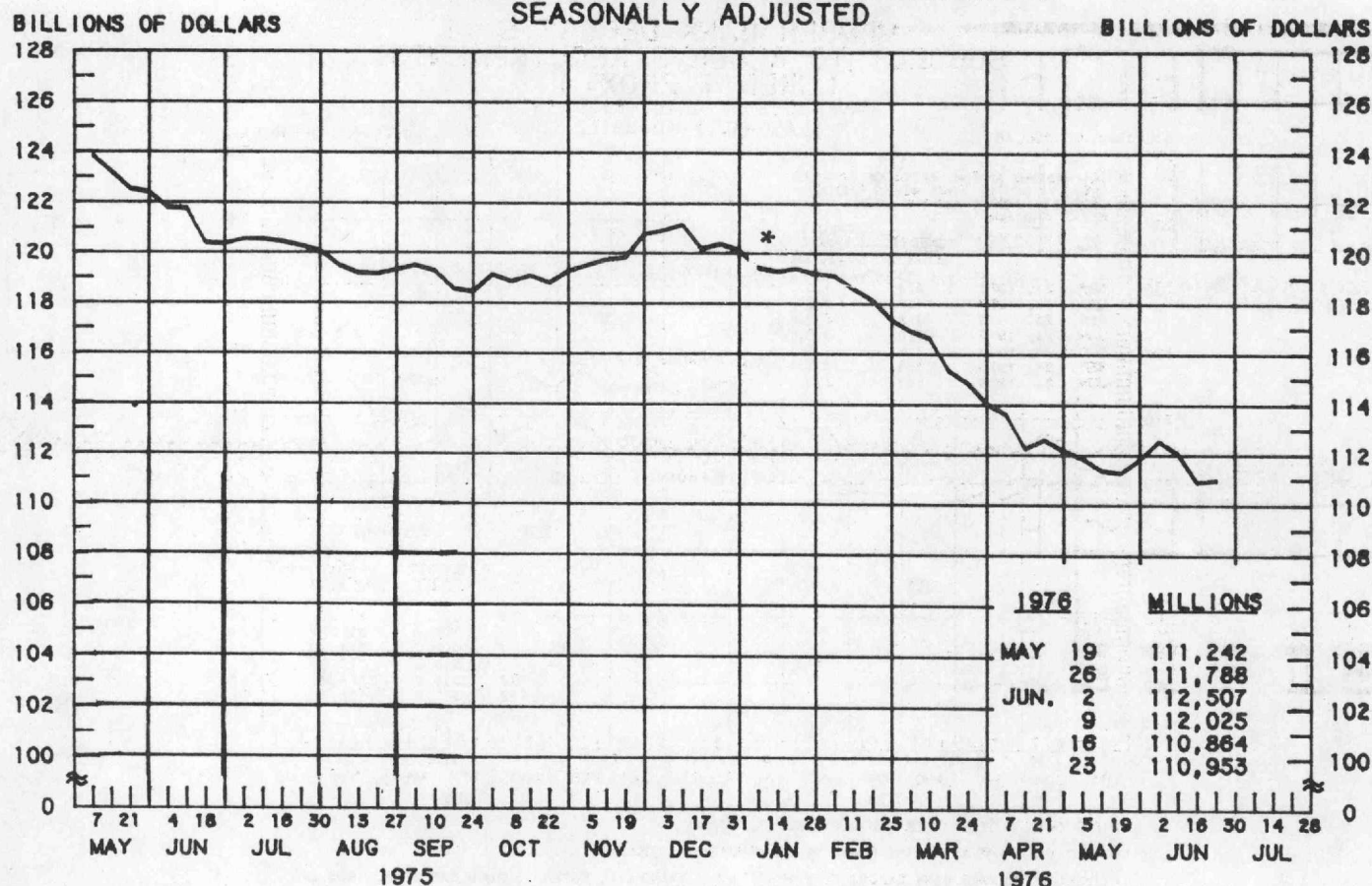
1976	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT SEAS. ADJ.
MAY 5	67.2	69.1
12	67.0	68.2
19	66.9	67.6
26	67.6	68.0
JUNE 2	68.4	68.7
9	68.8	69.7
16	68.9	70.4
23	69.0	71.0
30		
JULY 7		
14		
21		
28		

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

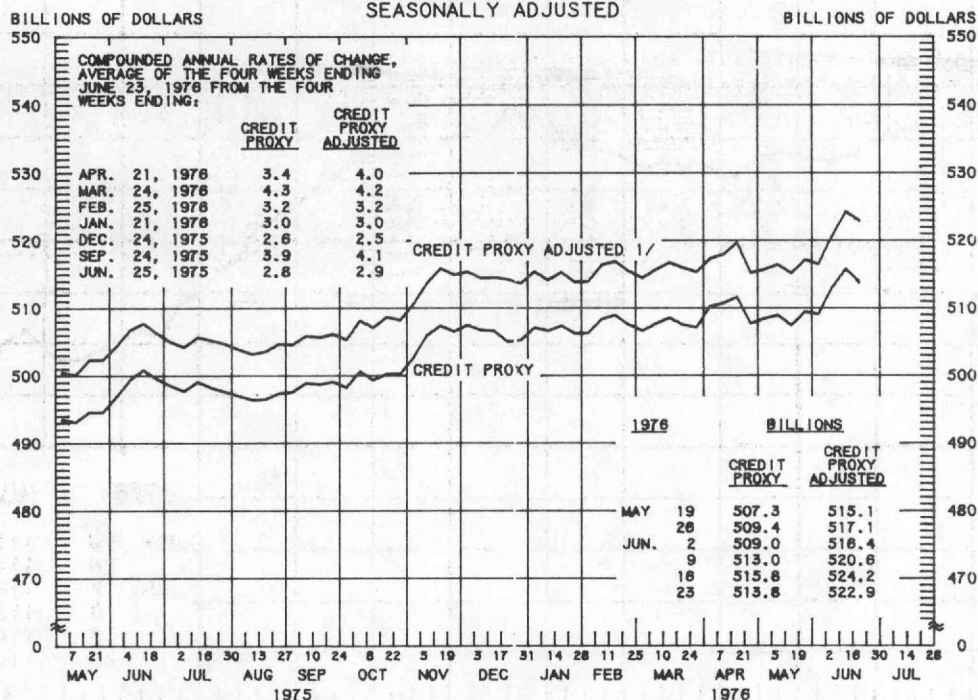


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



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: JUNE 23, 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