

Week ending: July 14, 1976



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On a nonseasonally adjusted four week average basis, the individual component sources of the monetary base have had varying impacts on its growth over the past six months, as indicated in the table below. Increases in Federal Reserve holdings of U.S. Government securities, which represent the effect of open market operations undertaken by the Federal Reserve, have had a much larger positive influence on the growth of the base since late March than over the prior three months. However, much of this recent increase in holdings of U.S. Government securities was the result of actions to offset the effects of the large buildup of Treasury deposits at Federal Reserve Banks during this same time period. While increases in Treasury deposits, which have a depressing effect on the monetary base, have occurred during both periods, the increases were much greater during the last three months.

Loans, float, and other Federal Reserve assets had a large negative influence on the base from late December through late March, but have since had a positive influence of about the same magnitude. The earlier negative influence was primarily the result of a large decrease in the amount of float outstanding following the holiday season and is illustrative of seasonal influences on the monetary base. The reserve adjustment magnitude (RAM) had a much larger positive influence on the base earlier in the year than in the most recent three months as a result of reserve requirement changes which occurred in early January.

Changes in Factors Influencing the Monetary Base <sup>1/</sup>  
Millions of Dollars  
(Sign Indicates Effect on Monetary Base)

<u>Sources of Monetary Base:</u>	1/14/76 to 4/14/76 <sup>2/</sup>	4/14/76 to 7/14/76 <sup>2/</sup>
U.S. Government Securities	\$ - 130	\$ 4,988
Loans, Float, & Other F.R. Assets	- 1,313	1,404
Treasury Deposits at F.R. Banks	- 426	- 3,576
Other Factors	513	238
Source Base	\$ - 1,356	\$ 3,054
RAM <sup>3/</sup>	784	186
Monetary Base	\$ - 572	\$ 3,240

1/ Data are not seasonally adjusted.

2/ Change in average of figures for four weeks ended these dates.

3/ This is an adjustment for reserve requirement ratio changes and shifts in deposits between banks where different reserve requirement ratios apply. Reserve adjustment is computed by this Bank.

Prepared by Federal Reserve Bank of St. Louis

Released: July 16, 1976

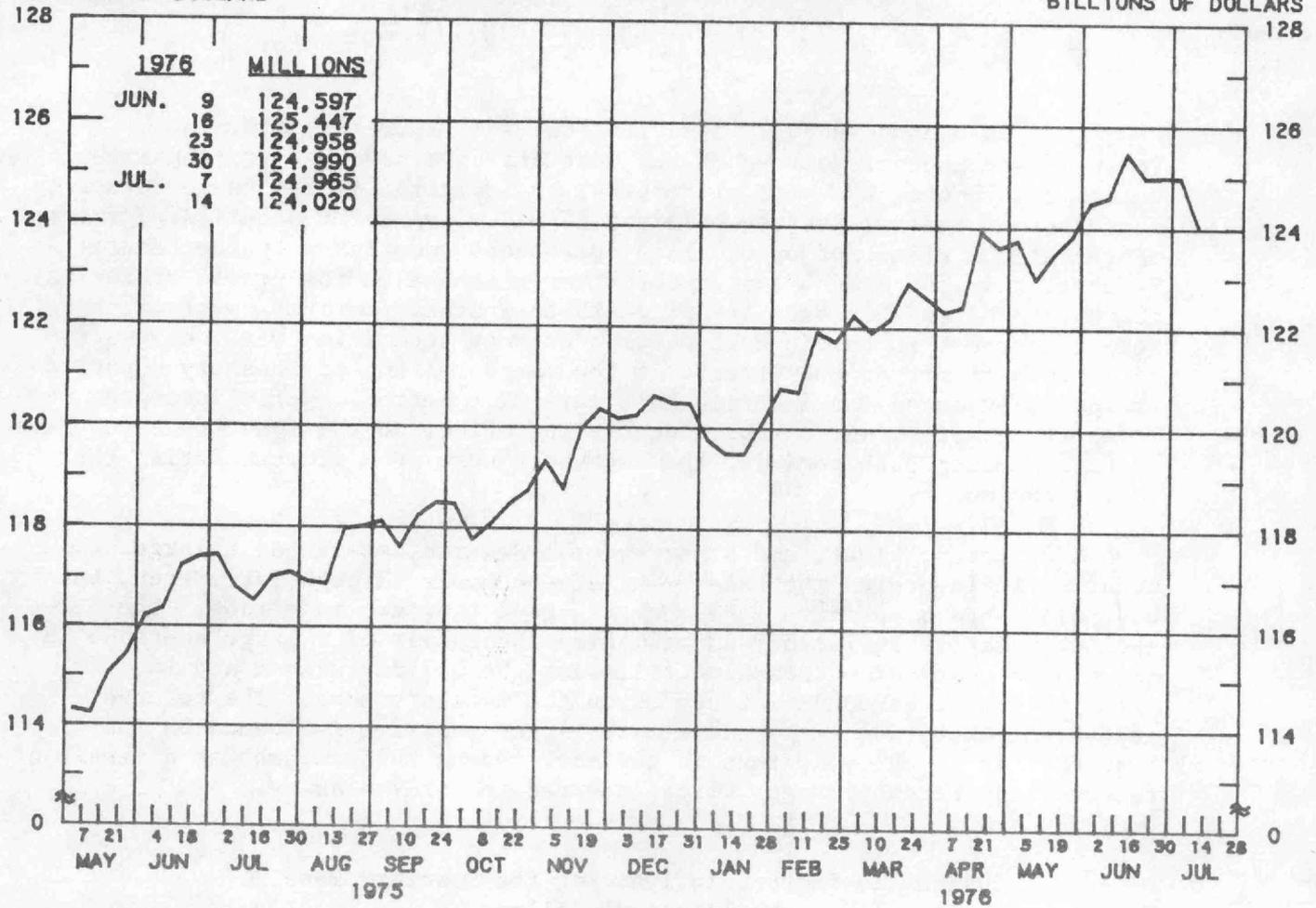
# MONETARY BASE

## AVERAGES OF DAILY FIGURES

### SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 14, 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

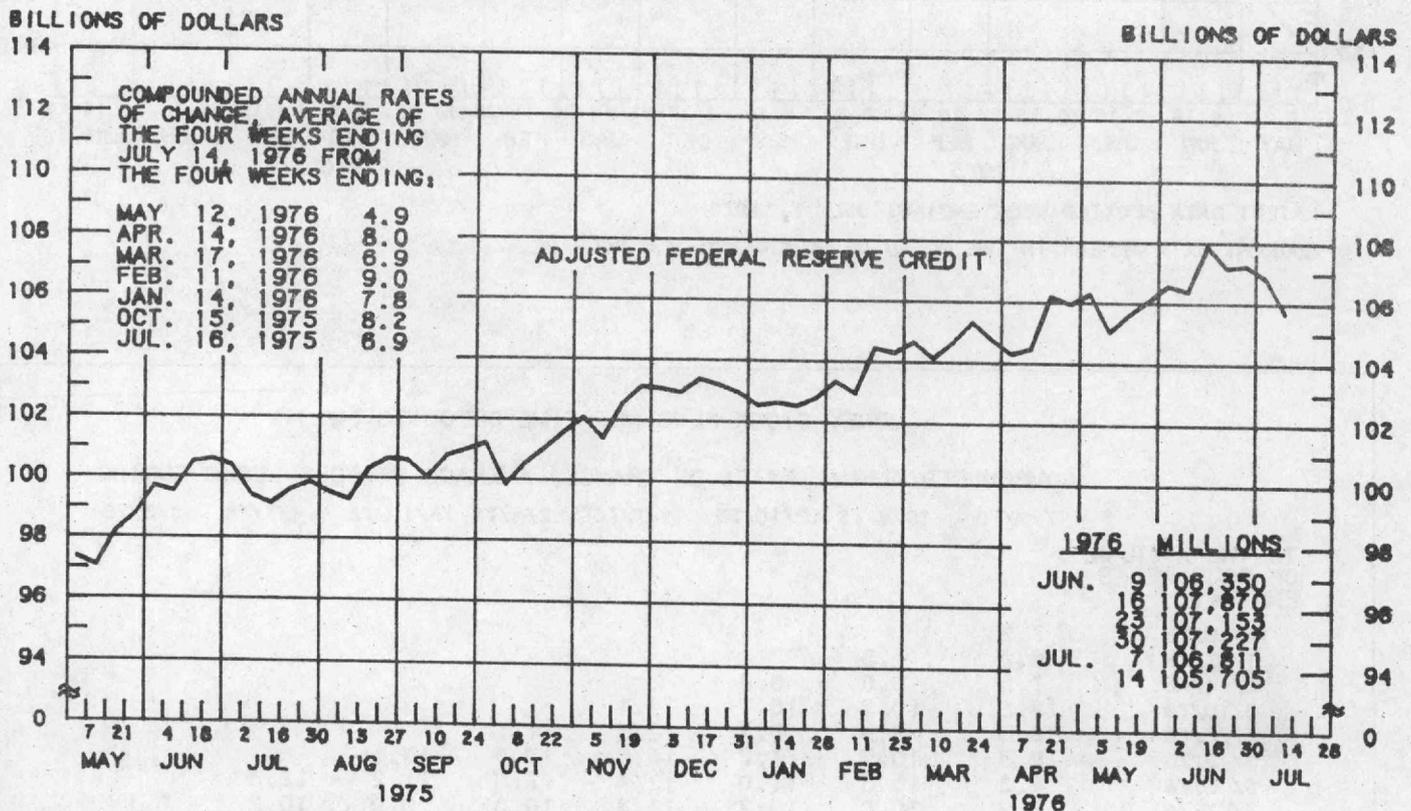
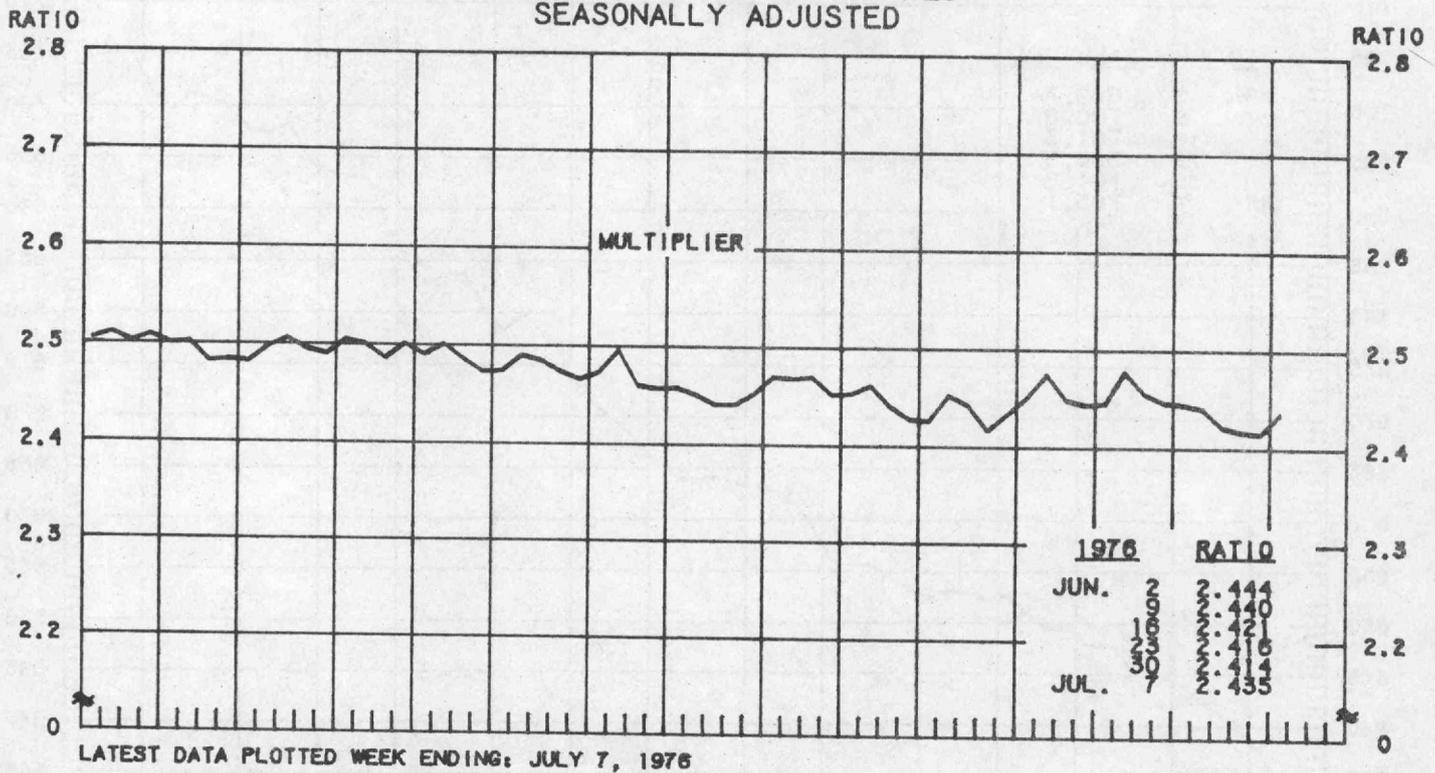
##### COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

	7/16/75	10/15/75	12/17/75	1/14/76	2/11/76	3/17/76	4/14/76	5/12/76
12/17/75	6.8							
1/14/76	5.2	6.4						
2/11/76	4.8	5.4	-0.5					
3/17/76	6.4	7.8	5.6	9.8				
4/14/76	6.3	7.5	5.7	8.6	11.5			
5/12/76	6.8	8.0	6.7	9.2	11.4	8.5		
6/16/76	7.0	8.1	7.2	9.2	10.7	8.8	10.0	
7/14/76	6.6	7.4	6.4	8.0	9.0	7.0	7.3	5.7

# MULTIPLIER <sup>1/</sup> ADJUSTED FEDERAL RESERVE CREDIT <sup>2/</sup>

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



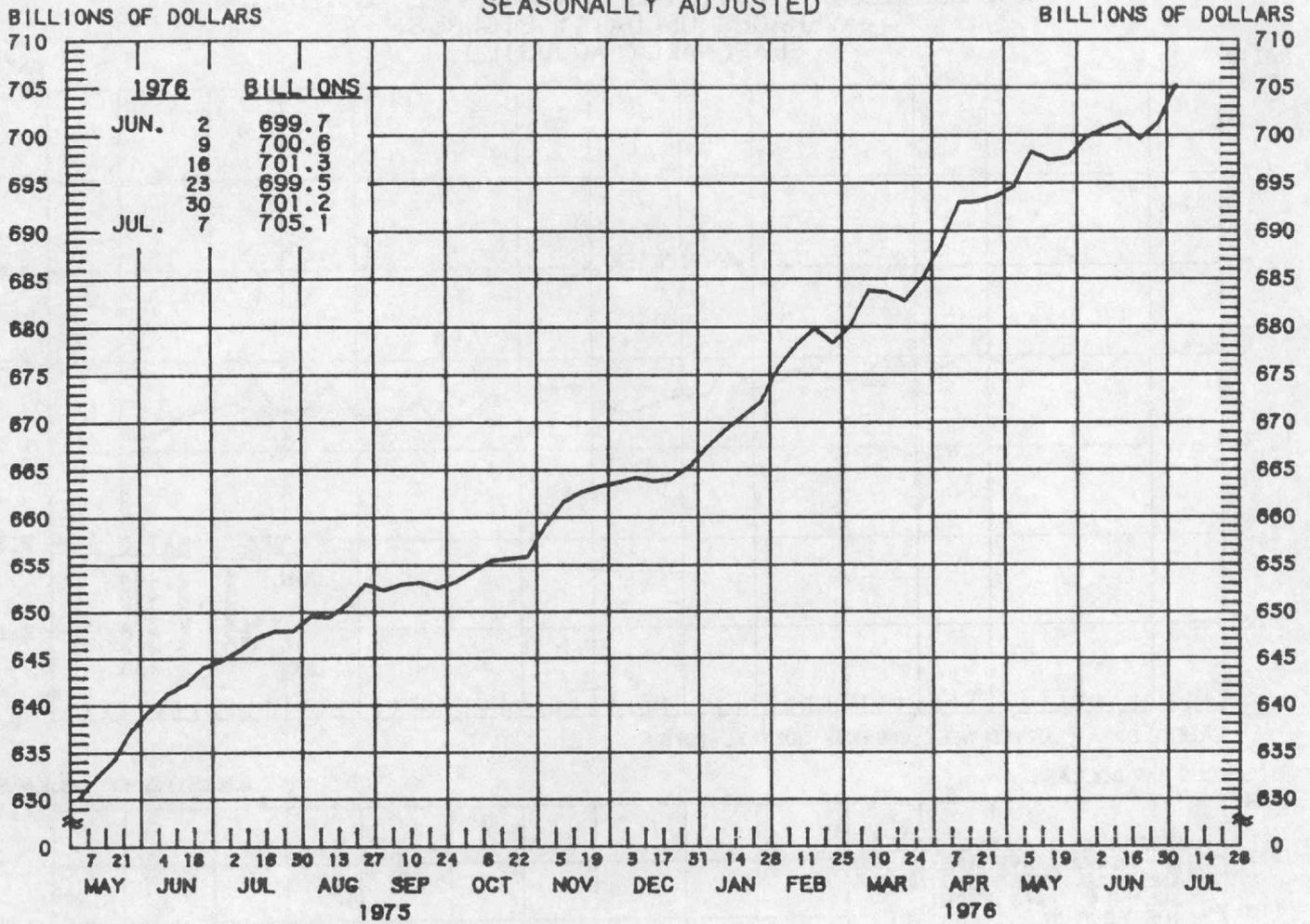
LATEST DATA PLOTTED WEEK ENDING: JULY 14, 1976

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: JULY 7, 1976  
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

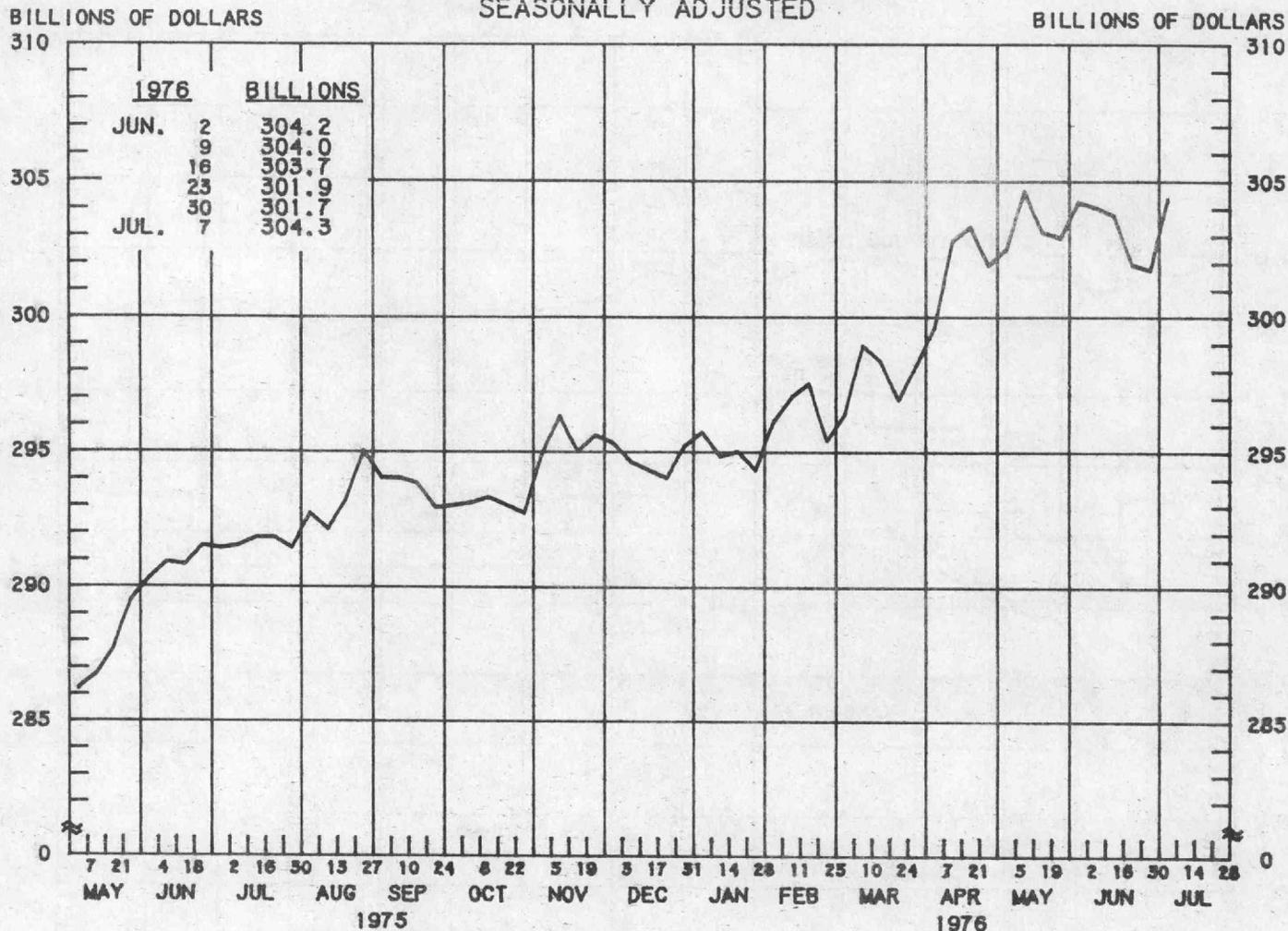
## MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

	7/9/75	10/8/75	12/10/75	1/7/76	2/4/76	3/10/76	4/7/76	5/5/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/10/75	7.2							
1/7/76	6.6	7.5						
2/4/76	7.6	9.0	8.6					
3/10/76	8.5	10.2	10.7	14.1				
4/7/76	8.5	9.9	10.2	12.5	11.7			
5/5/76	9.3	10.9	11.6	13.6	13.5	13.1		
6/9/76	9.2	10.5	11.0	12.4	12.0	11.2	12.3	
7/7/76	8.9	10.0	10.2	11.3	10.8	9.9	10.2	7.1

# MONEY STOCK (M1)

## AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 7, 1976

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

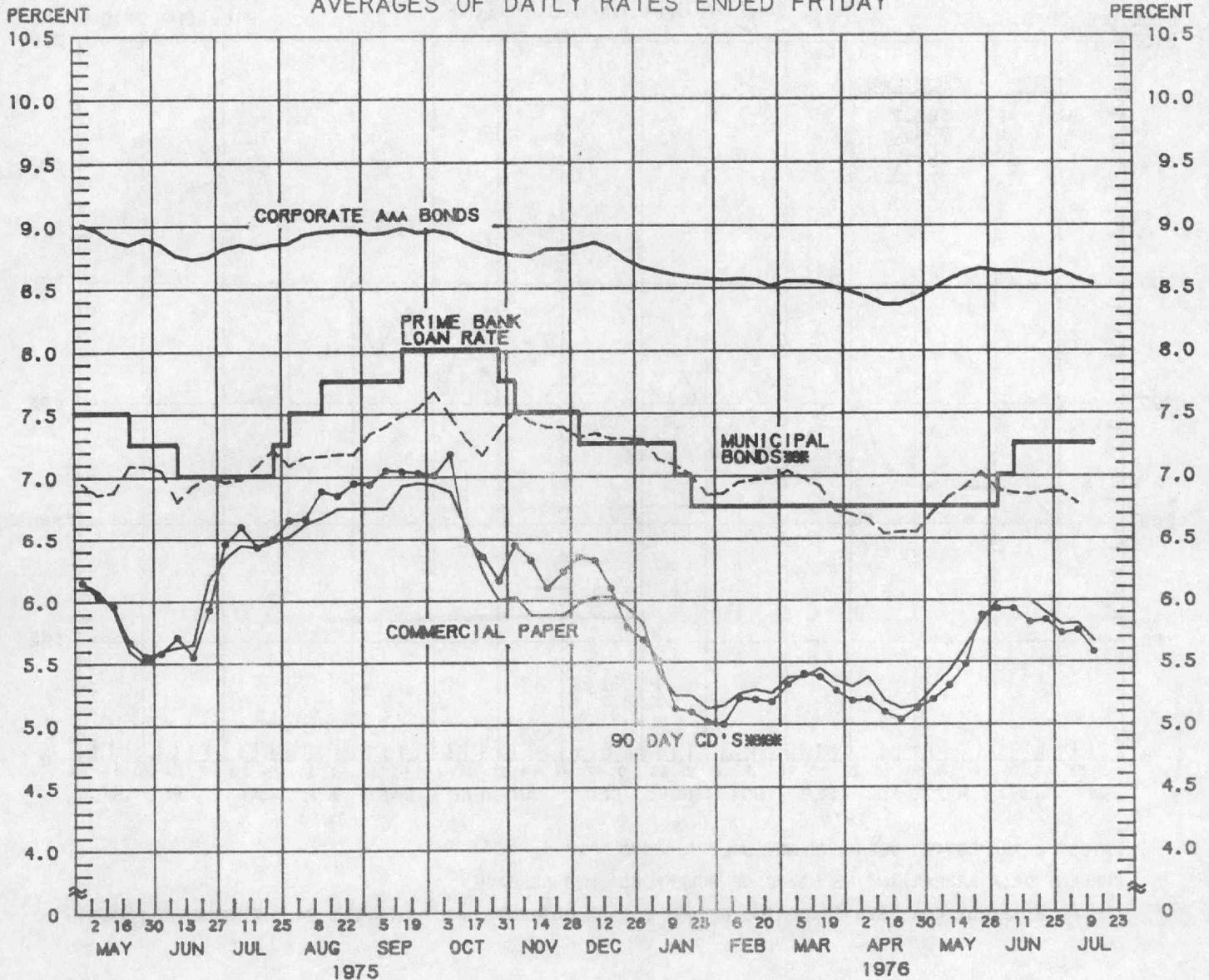
7/9/75    10/8/75    12/10/75    1/7/76    2/4/76    3/10/76    4/7/76    5/5/76

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

12/10/75	3.1							
1/ 7/76	2.4	2.2						
2/ 4/76	2.3	2.0	0.0					
3/10/76	3.0	3.2	2.7	4.6				
4/ 7/76	3.2	3.5	3.4	4.8	6.4			
5/ 5/76	4.7	5.6	6.4	8.3	10.6	12.7		
6/ 9/76	4.6	5.3	5.8	7.2	8.5	9.0	10.7	
7/ 7/76	4.0	4.4	4.6	5.6	6.4	6.1	6.3	0.6

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: JULY 16, 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	5.80	5.69	8.63	6.87
9	5.75	5.81	5.66	8.57	6.78
16 *	5.58	5.67	5.49	8.53	N.A.
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

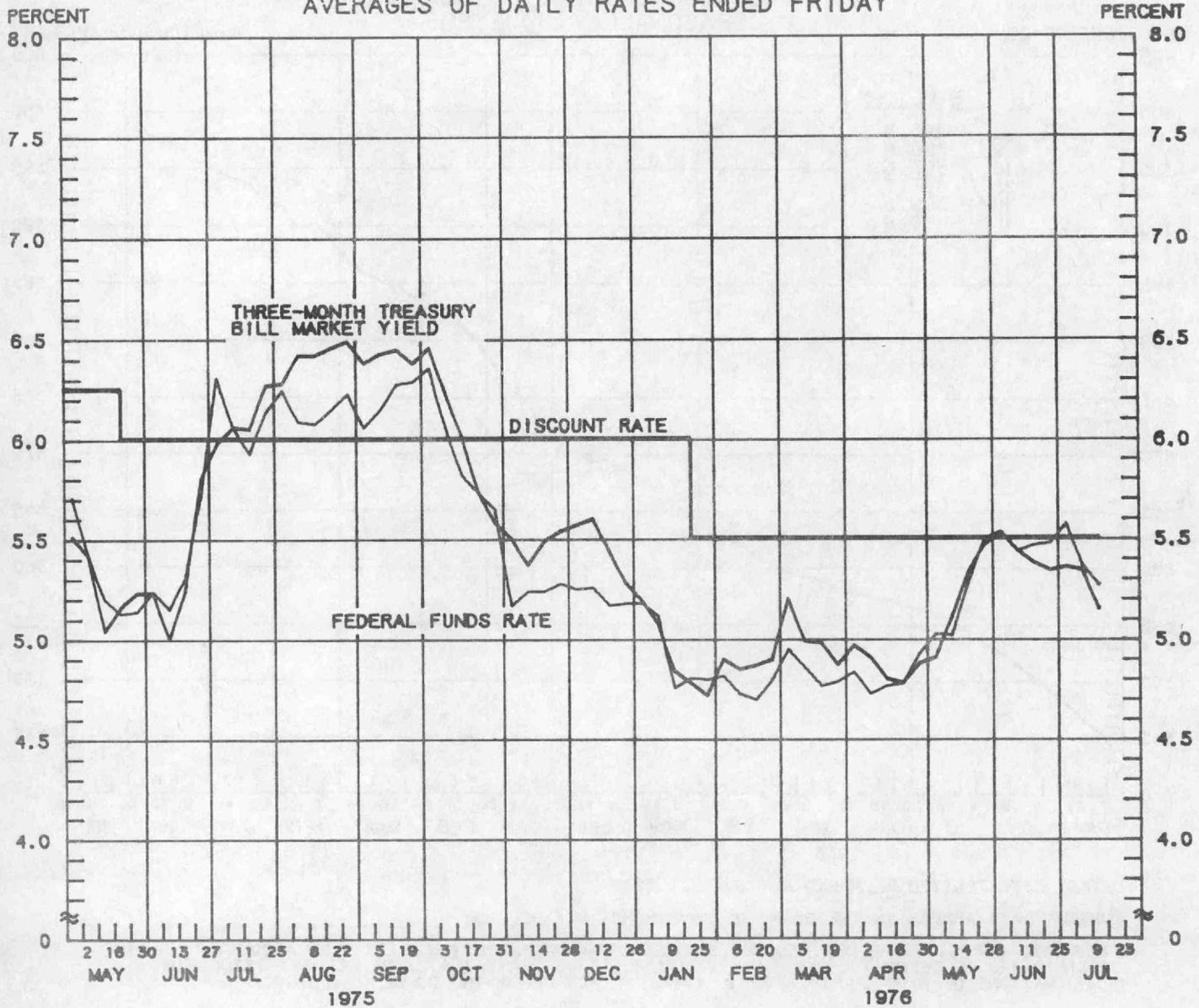
EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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 16, 1976

1976	FEDERAL FUNDS <sup>***</sup>	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	6.08	7.36	7.84
9	5.37	5.34	5.90	7.30	7.81
16 *	5.27	5.15	5.71	7.18	7.78
23					
30					

\* AVERAGES OF RATES AVAILABLE.

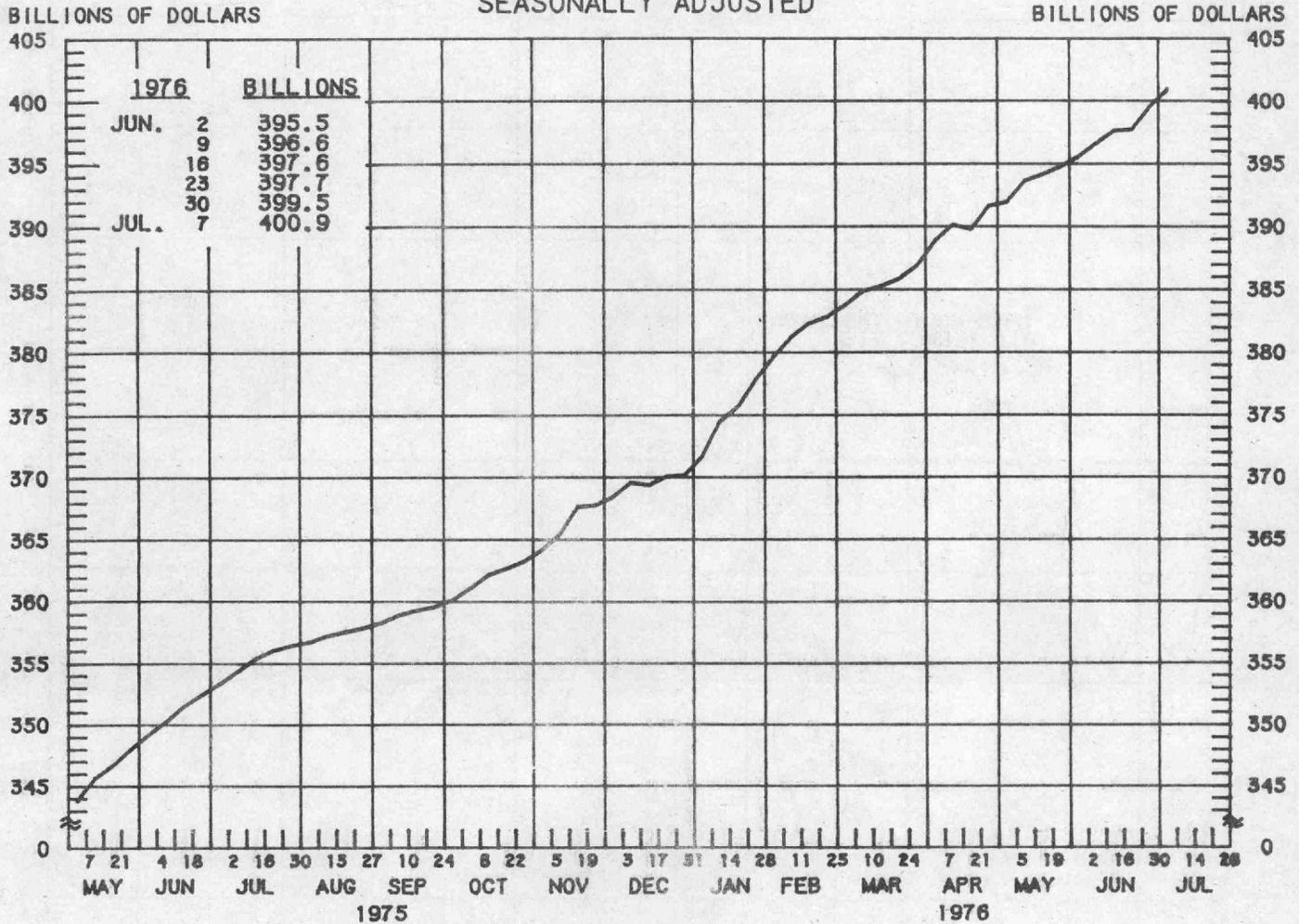
\*\* SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

\*\*\* 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: JULY 7, 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.

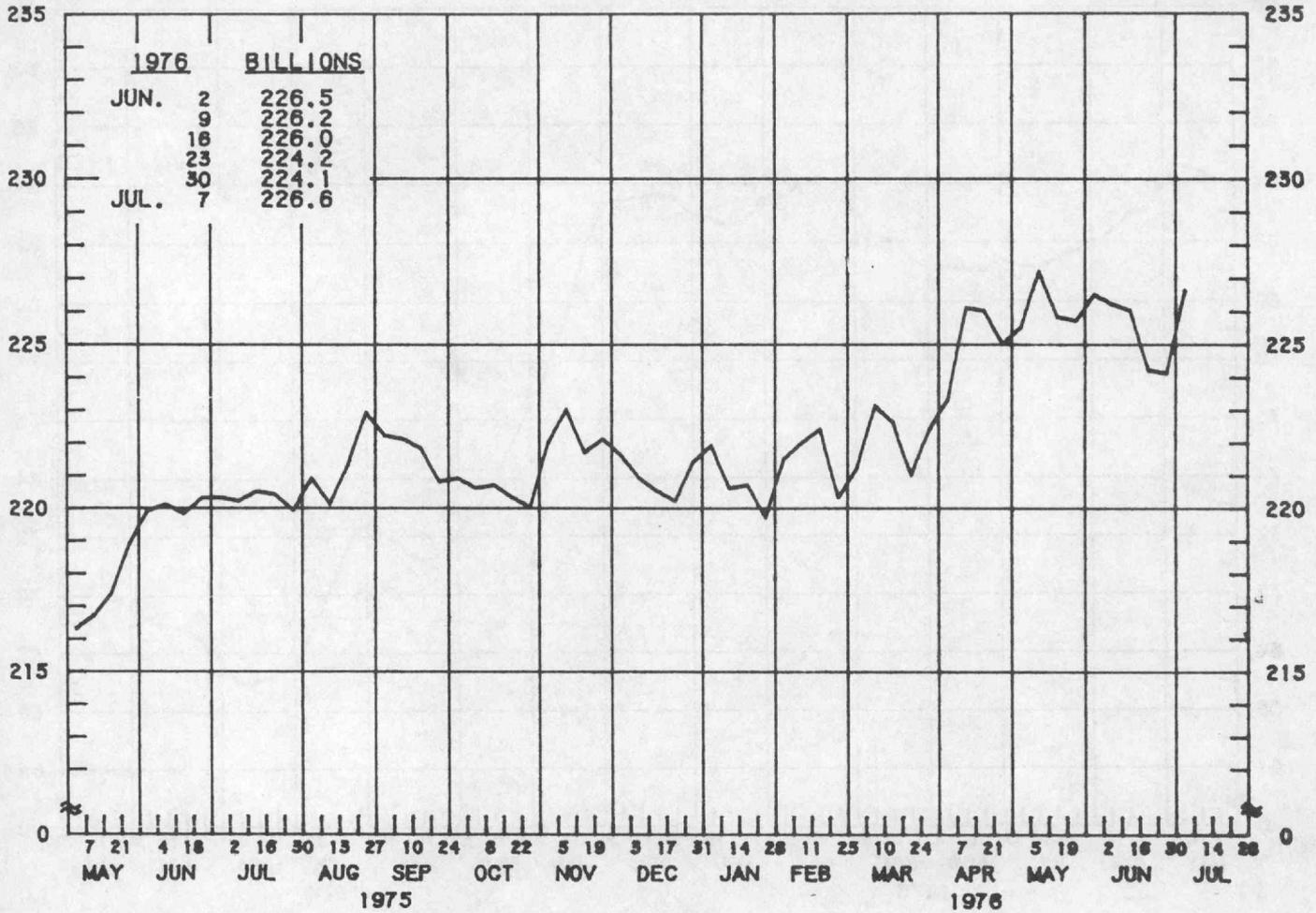
	7/9/75	10/8/75	12/10/75	1/7/76	2/4/76	3/10/76	4/7/76	5/5/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/10/75	10.6							
1/ 7/76	10.1	11.9						
2/ 4/76	12.1	15.1	16.2					
3/10/76	13.1	16.0	17.4	22.2				
4/ 7/76	13.0	15.4	16.1	18.9	16.0			
5/ 5/76	13.1	15.3	15.8	17.9	15.6	13.2		
6/ 9/76	13.0	14.9	15.1	16.6	14.7	12.9	13.4	
7/ 7/76	13.0	14.7	14.8	16.0	14.3	12.9	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: JULY 7, 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:

7/9/75    10/8/75    12/10/75    1/7/76    2/4/76    3/10/76    4/7/76    5/5/76

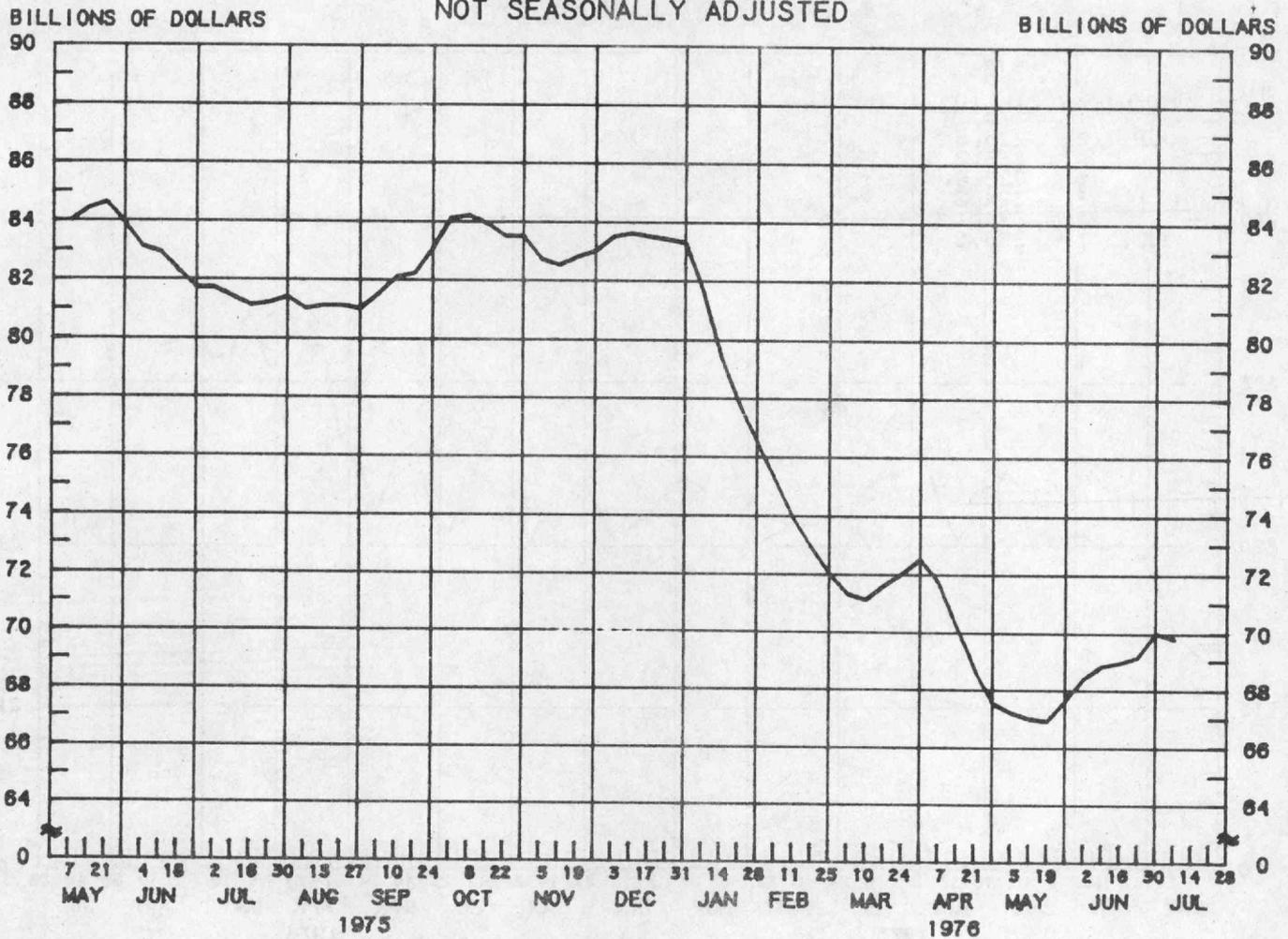
TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

12/10/75	1.5								
1/ 7/76	0.7	0.0							
2/ 4/76	0.3	-0.6	-2.9						
3/10/76	1.1	0.9	0.4	2.1					
4/ 7/76	1.3	1.2	1.0	2.4	4.5				
5/ 5/76	3.0	3.7	4.6	6.6	9.6	12.0			
6/ 9/76	2.9	3.4	4.1	5.5	7.4	8.0	10.3		
7/ 7/76	2.3	2.5	2.8	3.8	5.0	4.8	5.3	-1.3	

# CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES

NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 7, 1976

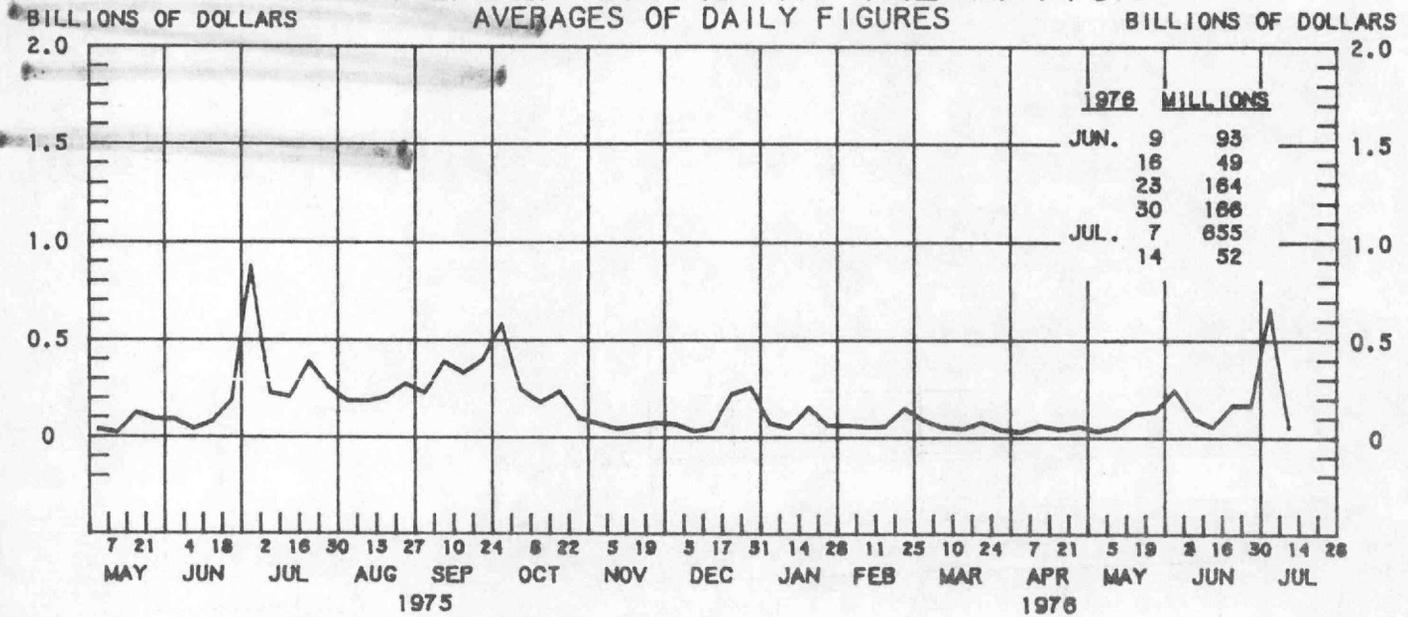
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

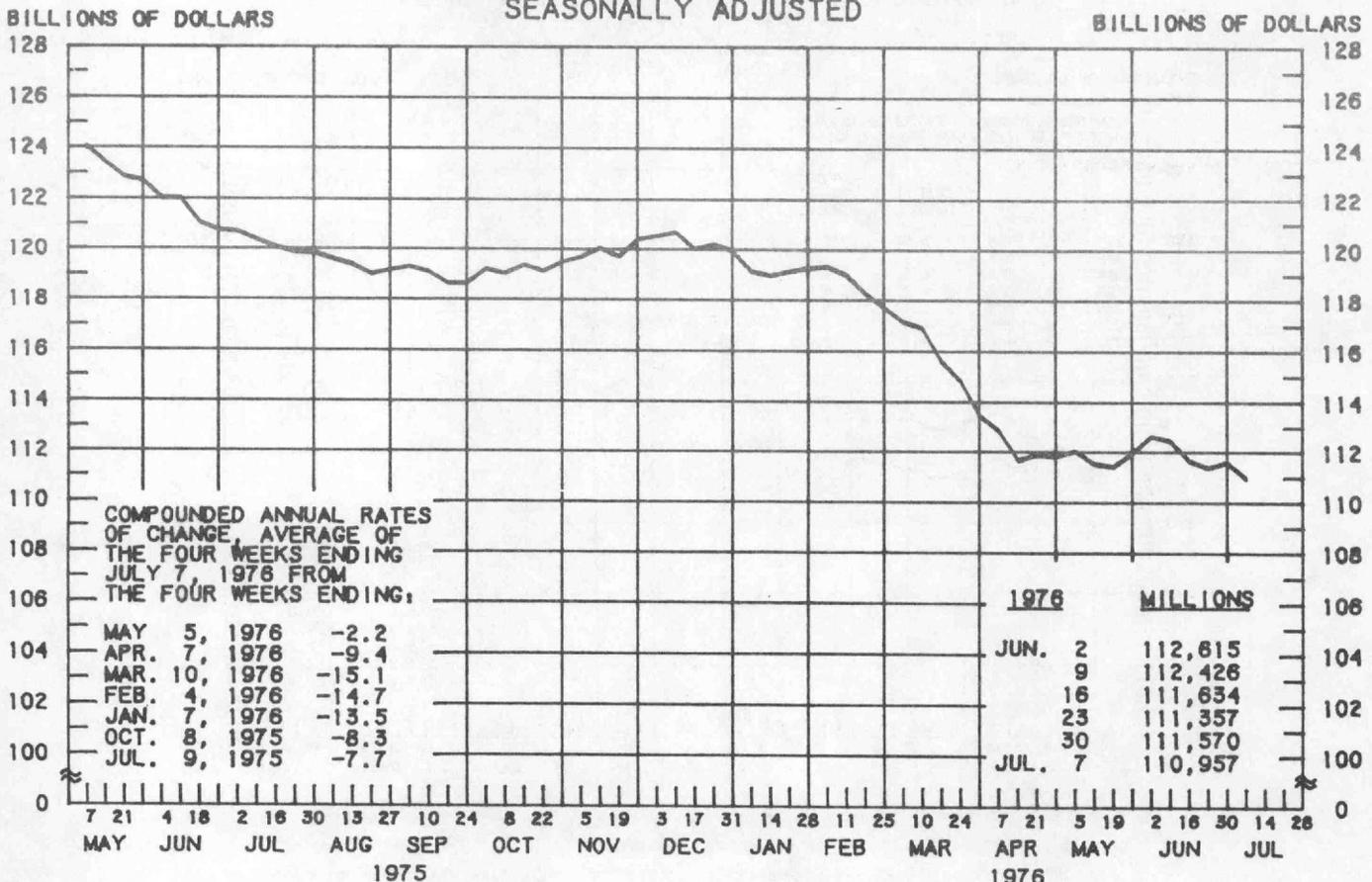
1976	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT SEAS. ADJ.
MAY 5	67.2	69.1
12	67.0	68.2
19	66.9	67.6
26	67.6	68.0
JUNE 2	68.4	68.7
9	68.8	69.7
16	68.9	70.4
23	69.1	71.1
30	70.0	72.0
JULY 7	69.8	71.5
14		
21		
28		

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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

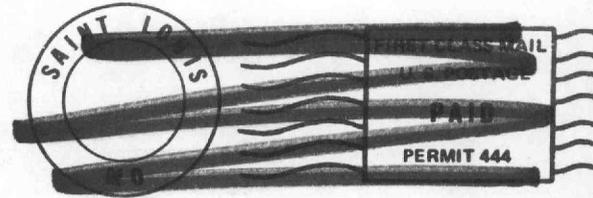


## BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



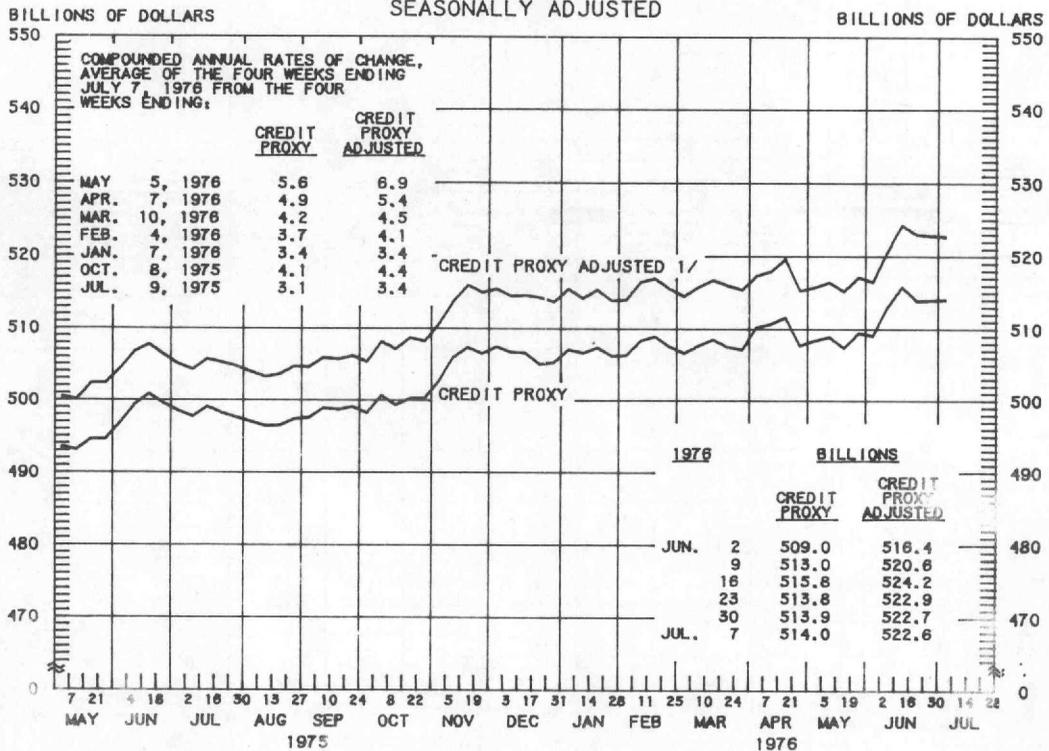
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RETURN POSTAGE GUARANTEED



**FIRST CLASS MAIL**

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



LATEST DATA PLOTTED WEEK ENDING: JULY 7, 1976

CURRENT DATA PEAR 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