

Week ending: July 28, 1976



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The growth of the monetary aggregates has been generally slower since mid-April than in the previous three months. However, the growth of the narrowly defined money stock (M1) has not slowed as sharply as the growth of the monetary base. The annual growth rate of M1 over the current three months is 4.1 percentage points lower than it was over the previous three months (4 percent vs. 8.1 percent, respectively). The growth rate of the monetary base since mid-April, however, is 6.4 percentage points below its rate of the earlier period (5.3 percent vs. 11.7 percent, respectively).

The larger decrease in the growth rate of the monetary base relative to that of M1 is attributable to the very sharp decrease in the growth rate of currency holdings. From a 14.2 percent rate over the mid-January to mid-April period, the growth of currency has fallen-off sharply to an 8.1 percent rate in the most recent three months. This has meant that, although there has been a smaller absolute increase in the base since mid-April, a greater proportion of this increase has been held by banks and used as reserves to support deposits. Since demand deposits account for about 75 percent of M1, the growth rate of M1 has decreased relatively less than the growth rate of the monetary base.

The growth of the more broadly defined money stock (M2) has increased at a 9.4 percent rate since mid-April, which is a decrease from the 13.6 percent rate in the previous three months. The net time deposit component of M2 has declined from an extremely fast 18.3 percent rate in the early part of 1976 to a 13.5 percent rate in the most recent three months. Although the growth of net time deposits has slowed recently, the growth of total time deposits, which includes large CDs, has increased over the most recent three months in comparison with the earlier period.

Prepared by Federal Reserve Bank of St. Louis

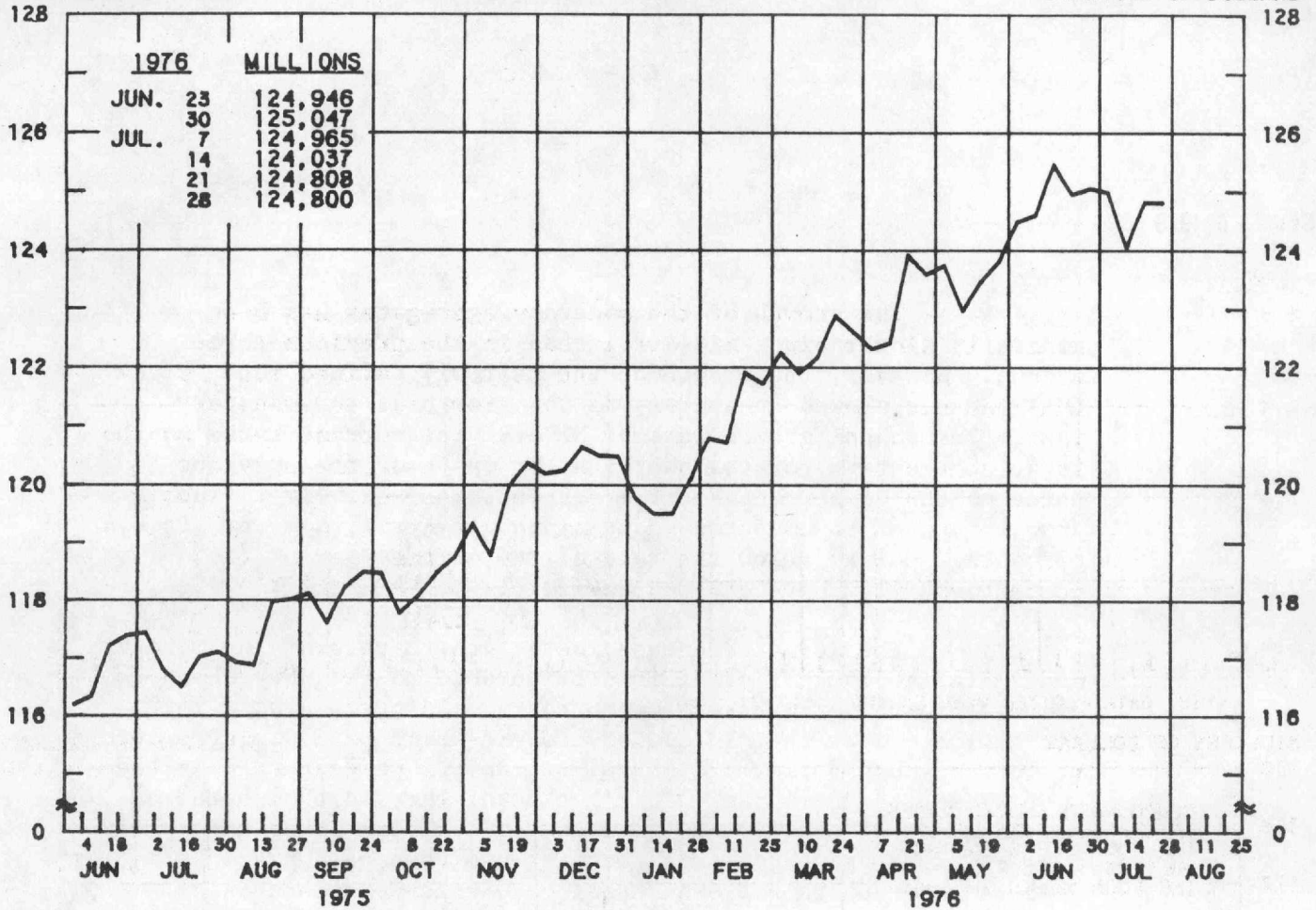
Released: July 30, 1976

MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 28, 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:

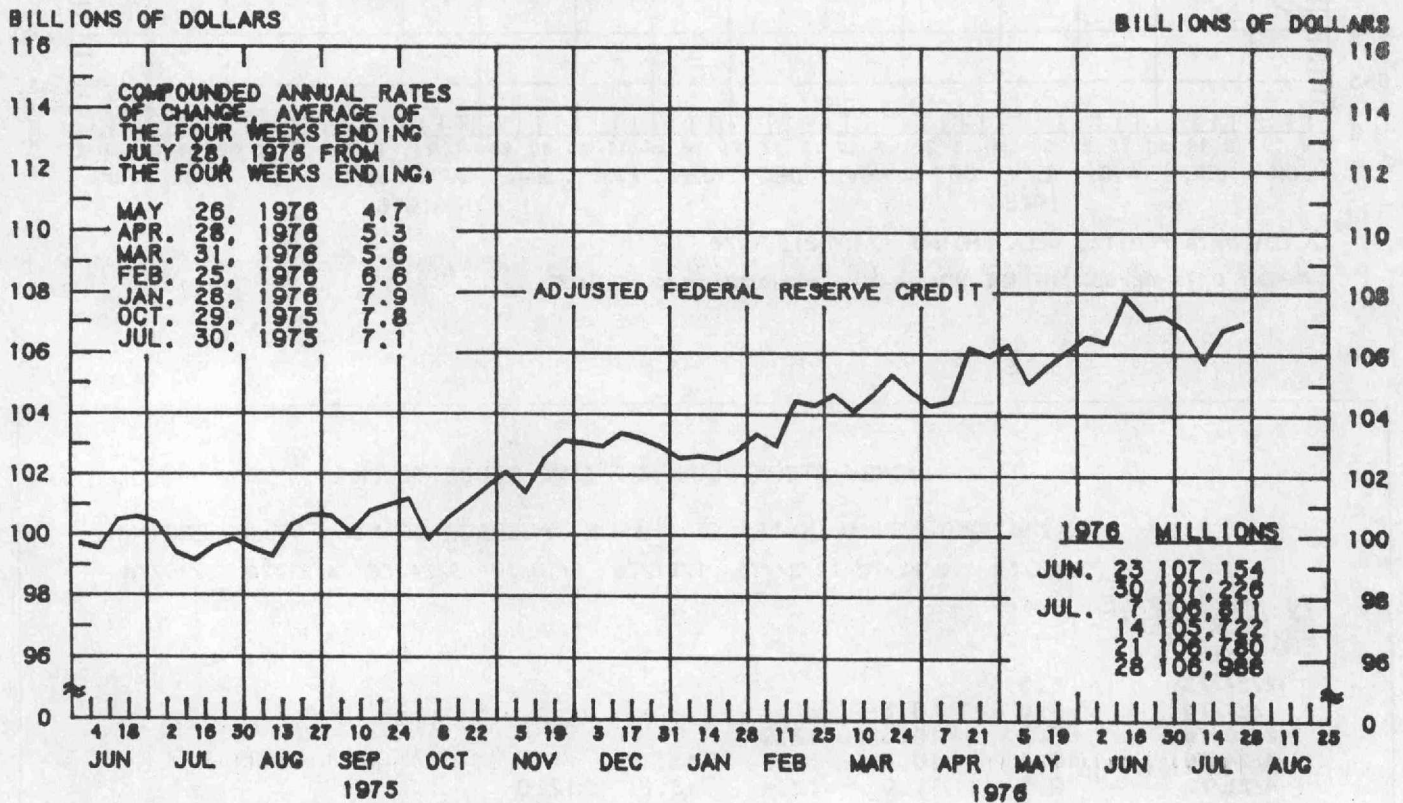
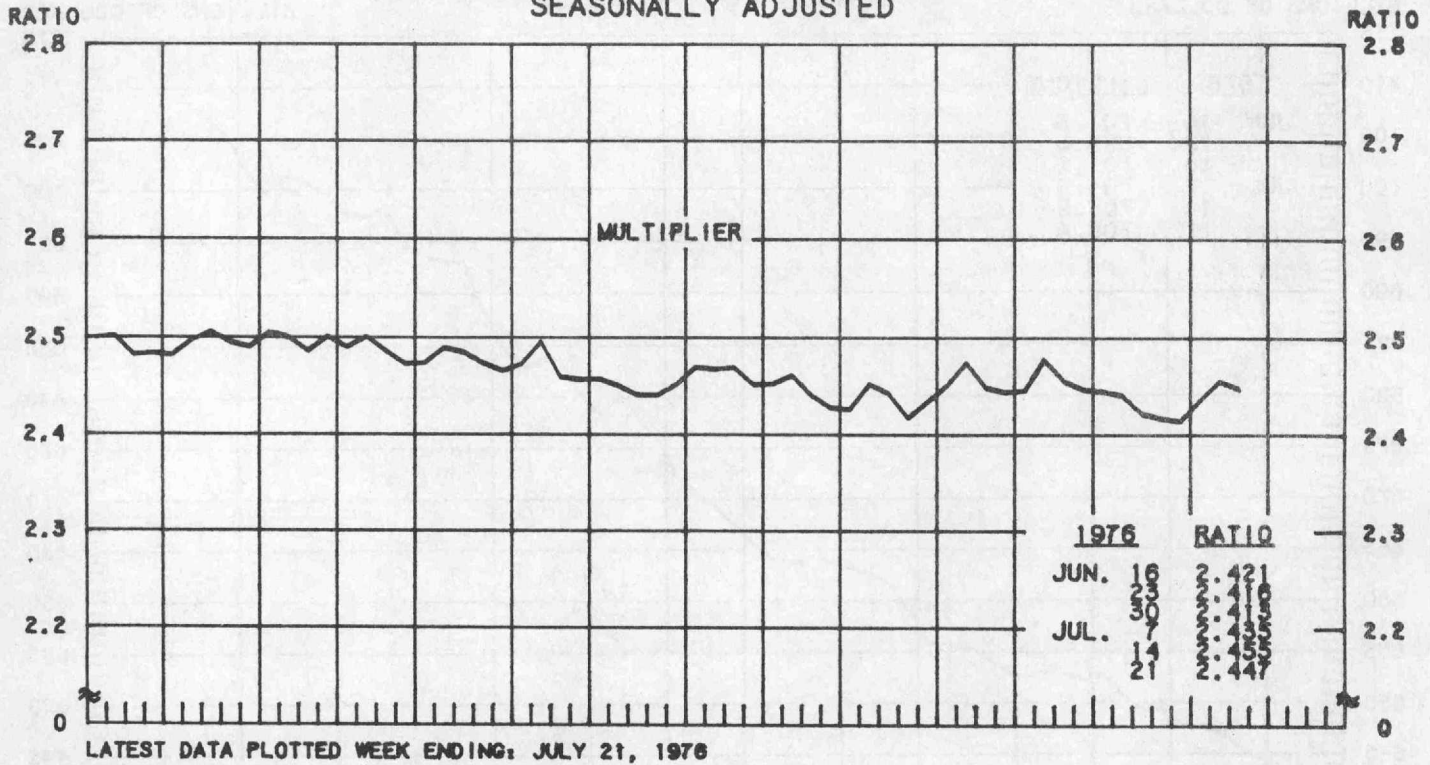
7/30/75 10/29/75 12/31/75 1/28/76 2/25/76 3/31/76 4/28/76 5/26/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/31/75	7.4							
1/28/76	4.9	4.9						
2/25/76	6.7	8.0	4.5					
3/31/76	7.1	8.4	6.8	13.7				
4/28/76	7.1	8.3	6.8	11.7	8.8			
5/26/76	6.9	7.8	6.4	10.0	7.5	6.1		
6/30/76	7.6	8.6	7.7	10.8	9.2	8.9	9.6	
7/28/76	6.7	7.3	6.1	8.5	6.7	5.8	5.3	5.6

MULTIPLIER ^{1/} ADJUSTED FEDERAL RESERVE CREDIT ^{2/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

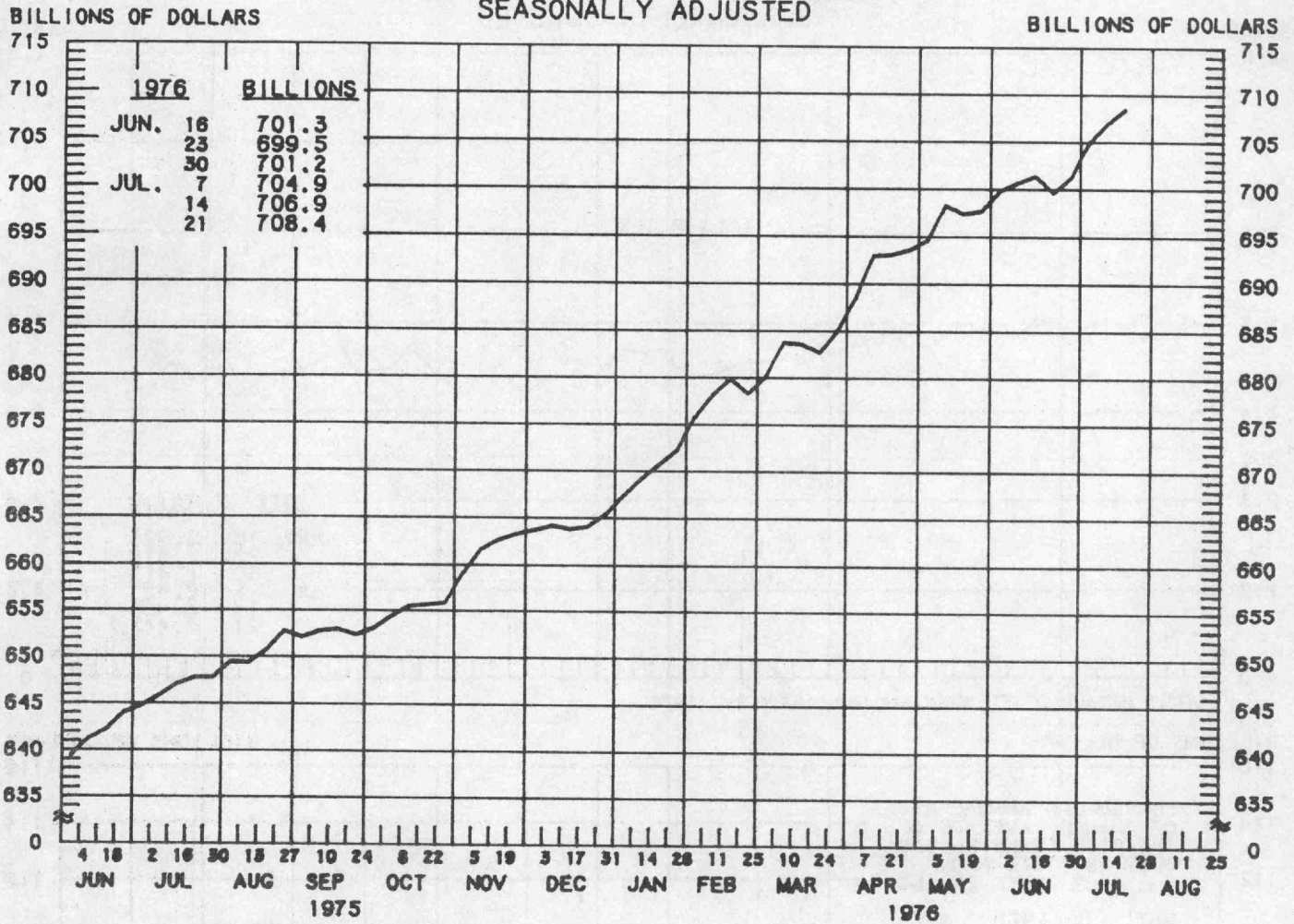


1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: JULY 21, 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:

7/23/75 10/22/75 12/24/75 1/21/76 2/18/76 3/24/76 4/21/76 5/19/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

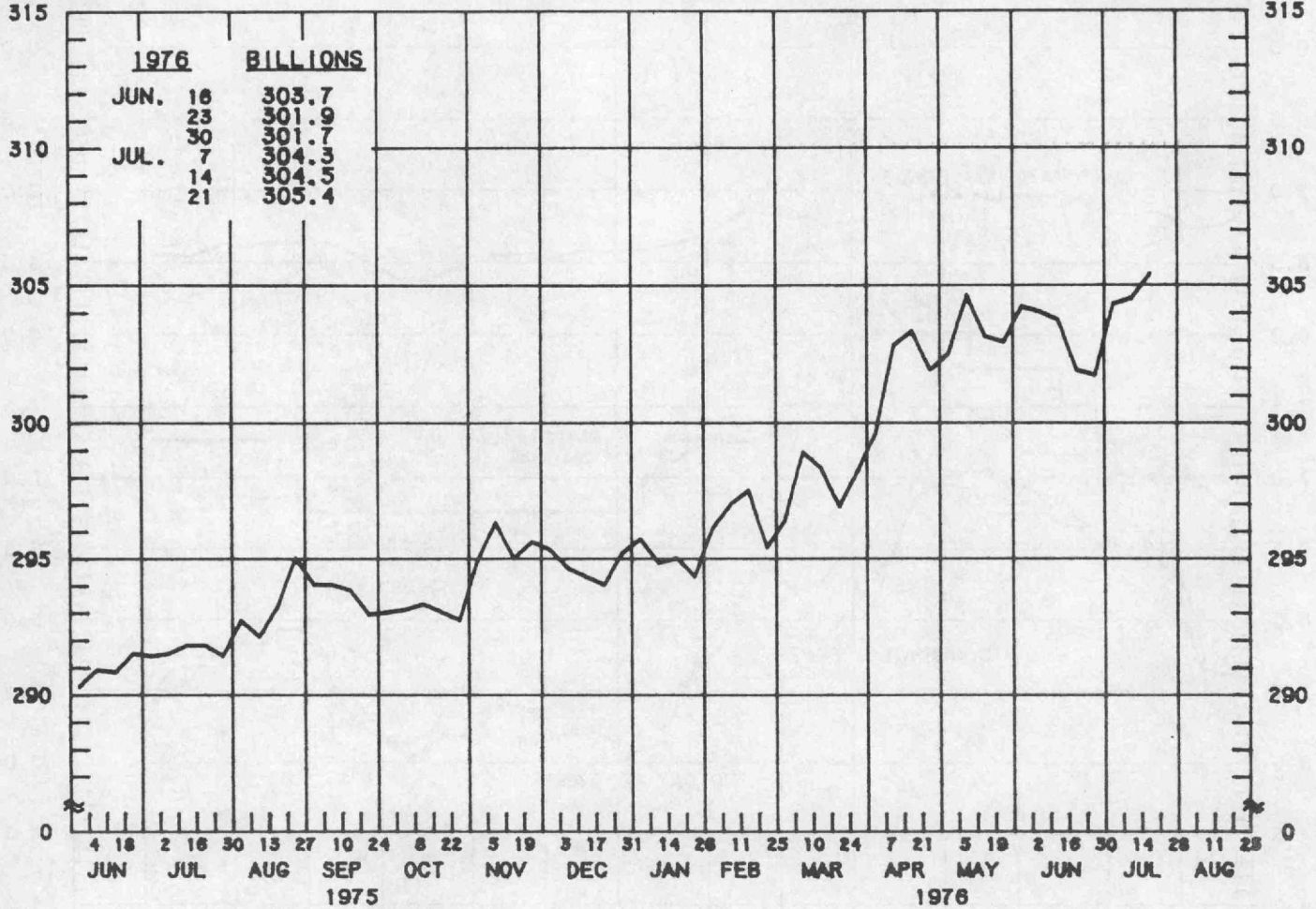
12/24/75	6.5								
1/21/76	6.8	8.5							
2/18/76	8.2	10.5	12.9						
3/24/76	8.4	10.4	11.7	13.1					
4/21/76	9.1	11.0	12.4	13.6	12.0				
5/19/76	9.3	11.2	12.4	13.3	12.0	13.5			
6/23/76	9.1	10.5	11.3	11.8	10.6	10.8	9.1		
7/21/76	9.1	10.5	11.1	11.5	10.4	10.6	9.4	8.1	

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 21, 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:

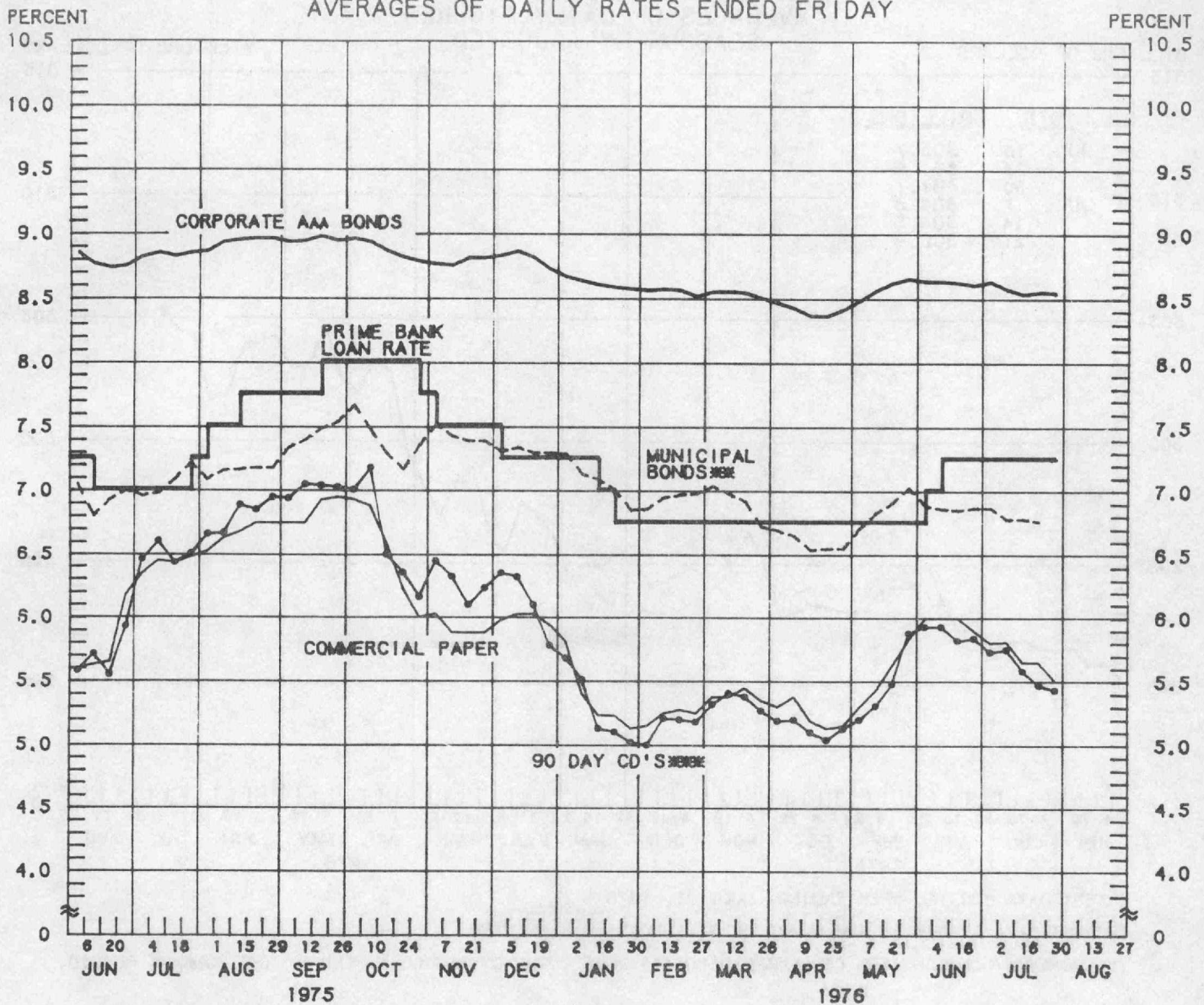
7/23/75 10/22/75 12/24/75 1/21/76 2/18/76 3/24/76 4/21/76 5/19/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/24/75	2.4							
1/21/76	2.5	2.9						
2/18/76	2.8	3.3	3.6					
3/24/76	3.1	3.7	4.1	4.8				
4/21/76	4.3	5.5	6.8	8.1	9.7			
5/19/76	4.7	5.9	7.2	8.3	9.5	12.4		
6/23/76	4.4	5.3	6.1	6.8	7.3	8.2	4.9	
7/21/76	4.3	5.0	5.6	6.1	6.3	6.7	4.0	1.9

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: JULY 30, 1976

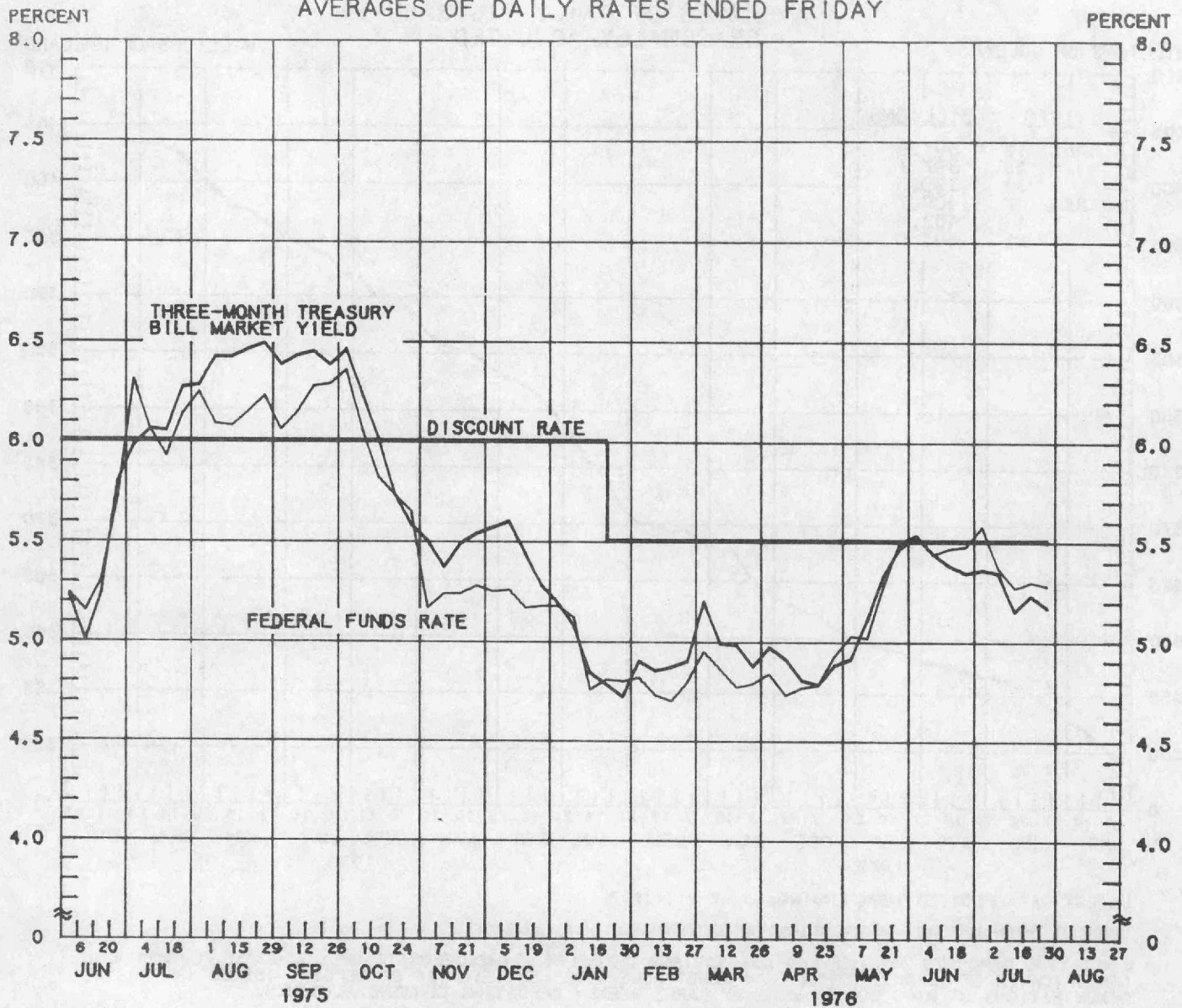
1976	90 DAY CD'S <small>***</small>	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS <small>***</small>
JUNE 4	5.93	6.00	5.92	8.63	6.89
11	5.93	6.00	5.82	8.63	6.86
18	5.82	6.00	5.74	8.62	6.85
25	5.84	5.90	5.69	8.60	6.87
JULY 2	5.73	5.80	5.69	8.63	6.87
9	5.75	5.81	5.66	8.57	6.78
16	5.58	5.65	5.48	8.53	6.78
23	5.47	5.65	5.47	8.55	6.76
30 *	5.43	5.50	5.35	8.54	N.A.
AUG. 6					
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: JULY 30, 1976

1976	FEDERAL FUNDS ^{***}	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
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	5.72	7.18	7.79
23	5.30	5.23	5.84	7.26	7.84
30 *	5.28	5.17	5.73	7.24	7.85
AUG. 6					
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.

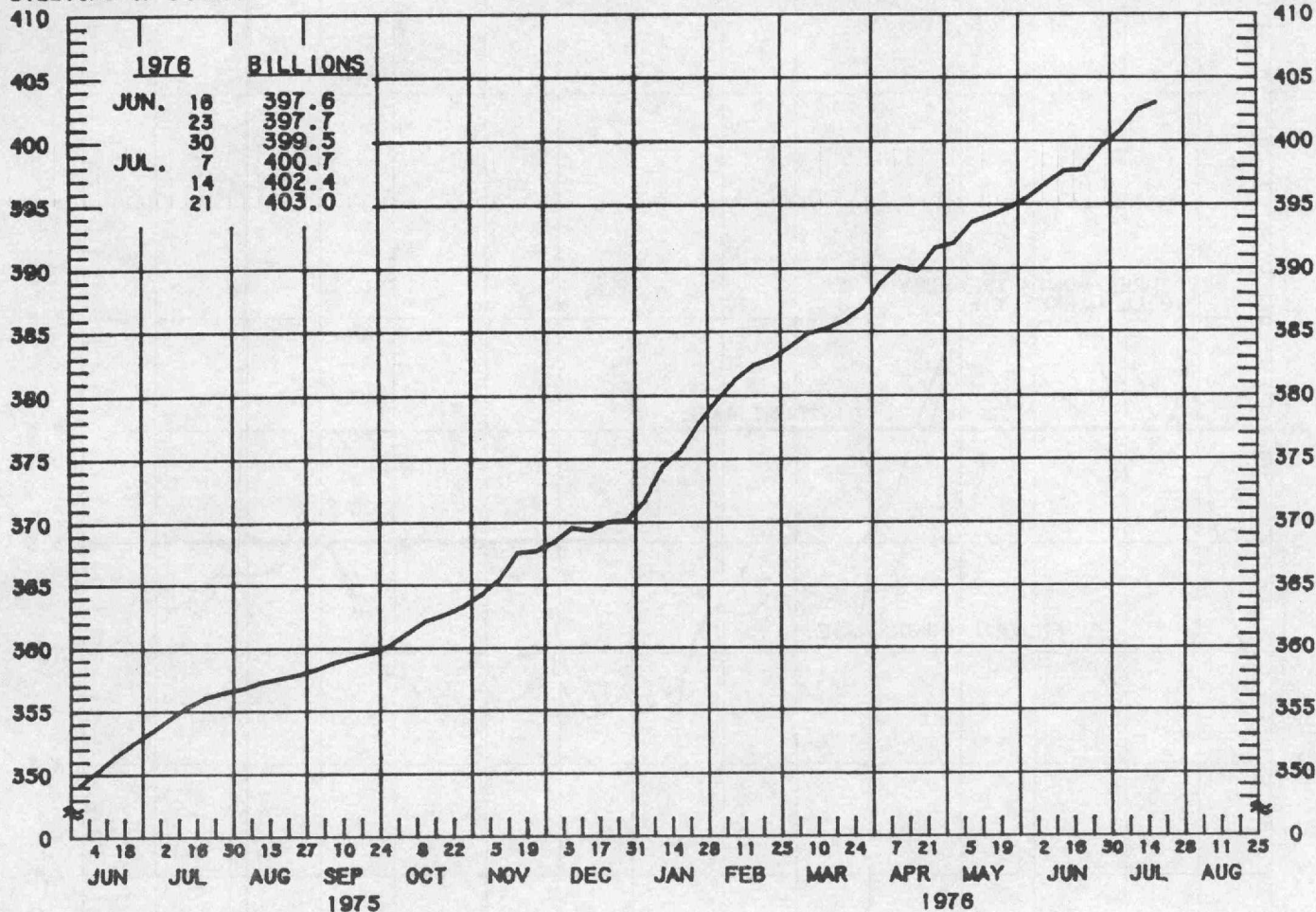
RATES ON LONG-TERM GOVERNMENT SECURITIES ARE COMPUTED BY THE FEDERAL RESERVE BANK OF ST. LOUIS.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

NET TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 21, 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:

7/23/75 10/22/75 12/24/75 1/21/76 2/18/76 3/24/76 4/21/76 5/19/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

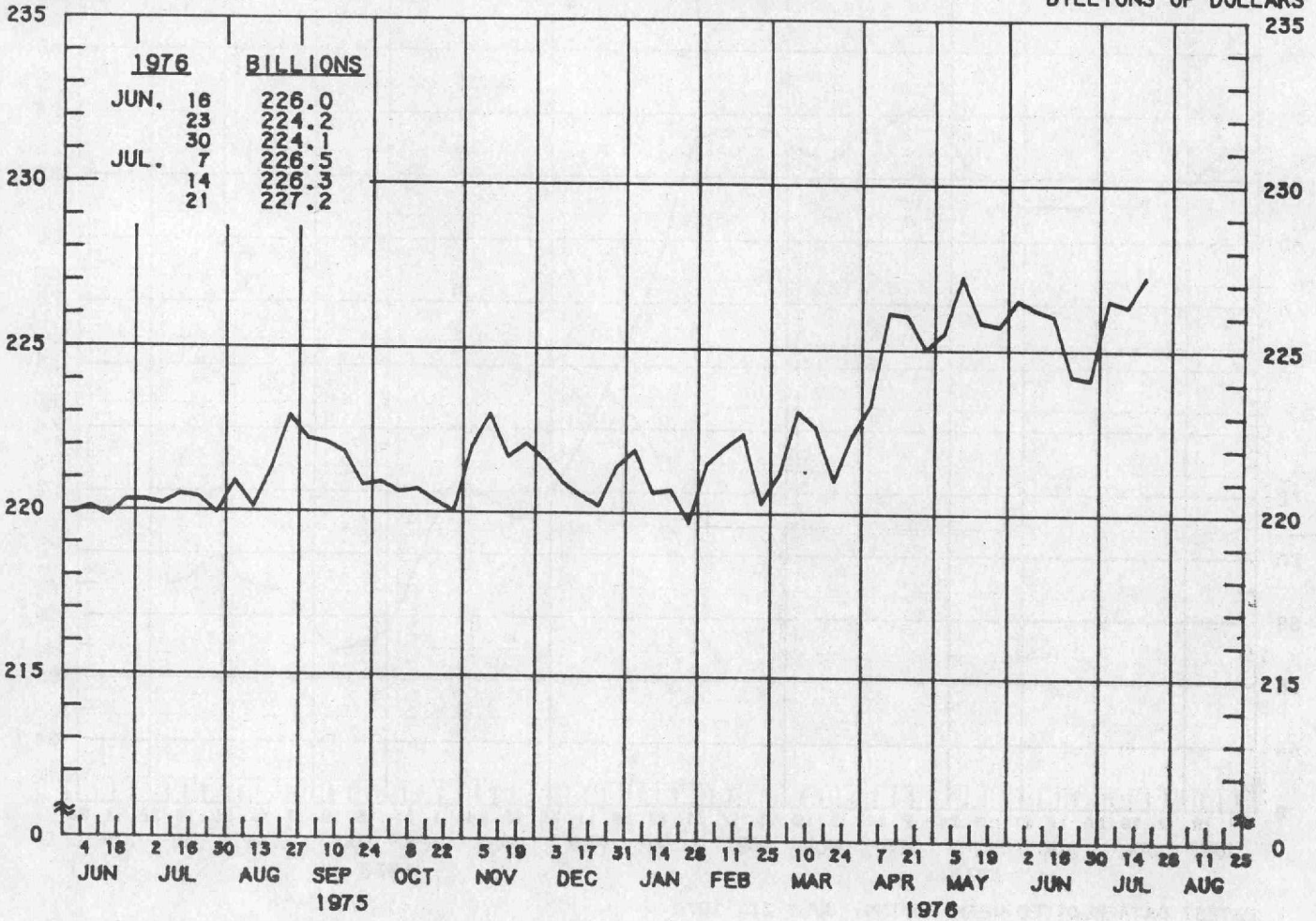
12/24/75	10.0								
1/21/76	10.5	13.2							
2/18/76	12.8	16.7	20.8						
3/24/76	12.9	16.0	18.0	20.1					
4/21/76	13.1	15.7	17.1	18.3	14.0				
5/19/76	13.1	15.5	16.5	17.2	13.9	14.1			
6/23/76	13.0	14.9	15.5	15.9	13.2	13.1	12.5		
7/21/76	13.2	15.0	15.5	15.9	13.7	13.7	13.5	13.3	

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: JULY 21, 1976

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

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

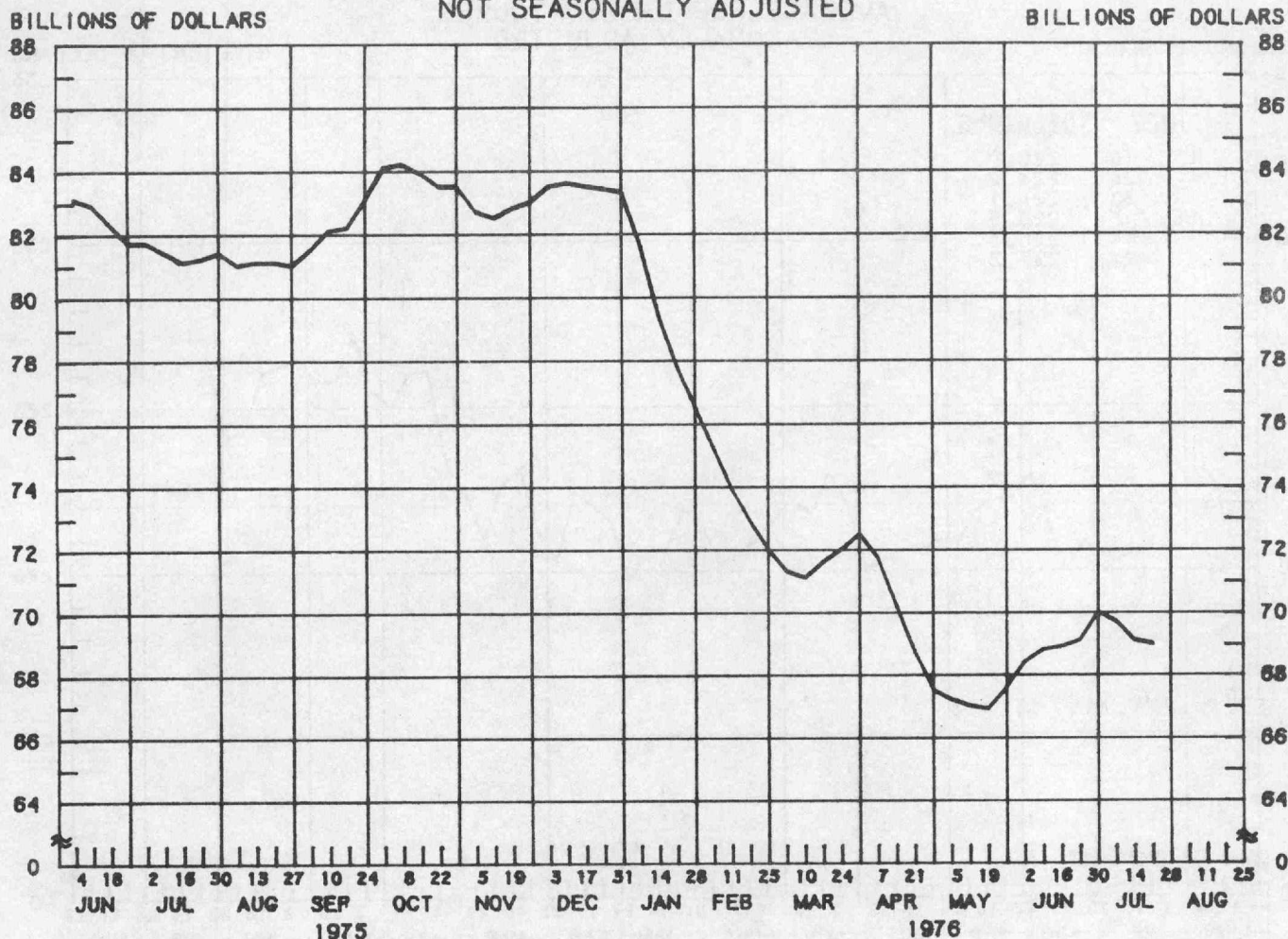
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

7/23/75 10/22/75 12/24/75 1/21/76 2/18/76 3/24/76 4/21/76 5/19/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/24/75	0.4								
1/21/76	0.7	1.1							
2/18/76	0.8	1.1	1.8						
3/24/76	1.1	1.5	2.2	2.1					
4/21/76	2.5	3.6	5.2	6.1	8.4				
5/19/76	3.0	4.2	5.8	6.6	8.4	12.0			
6/23/76	2.6	3.5	4.5	4.9	5.7	6.8	3.1		
7/21/76	2.5	3.3	4.1	4.4	5.0	5.6	2.7	0.3	

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



LATEST DATA PLOTTED WEEK ENDING: JULY 21, 1976

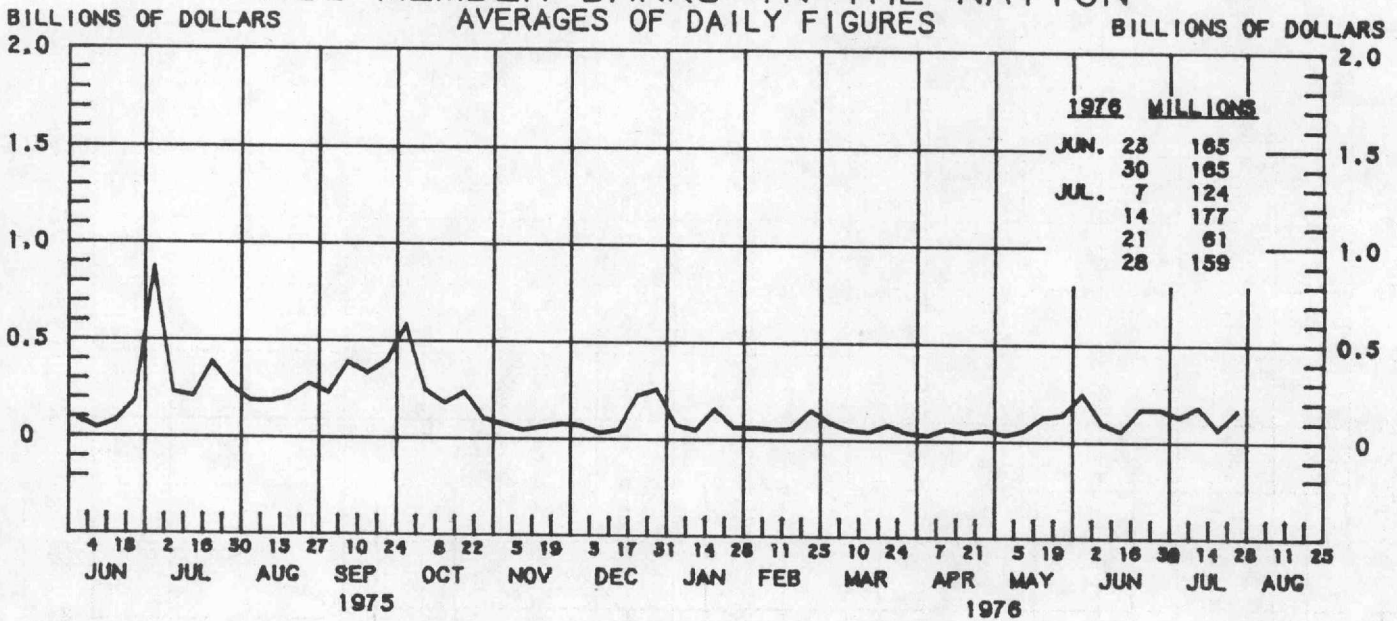
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

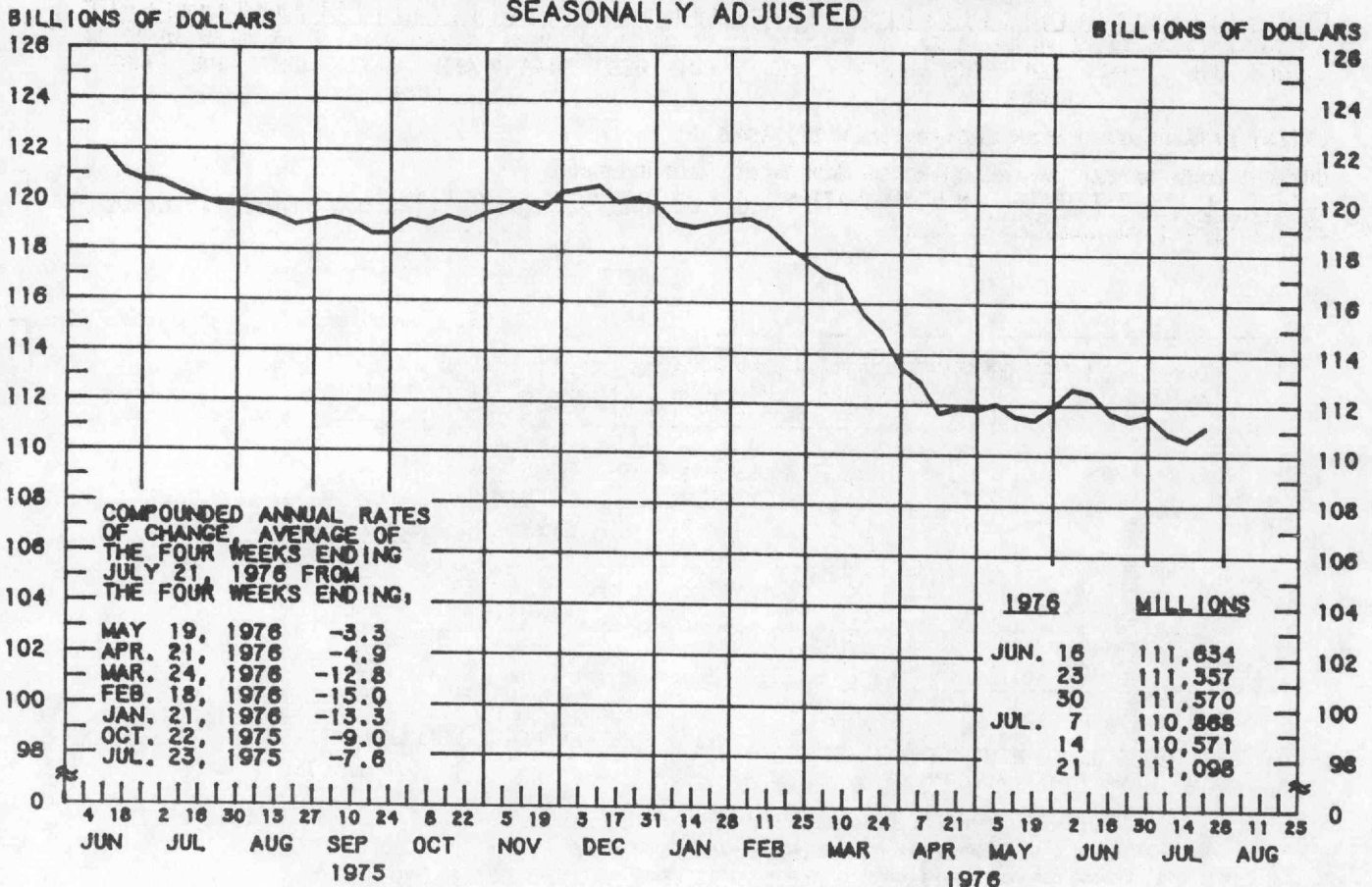
1976	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT SEAS. ADJ.
JUNE 2	68.4	68.7
9	68.8	69.7
16	68.9	70.4
23	69.1	71.1
30	70.0	72.0
JULY 7	69.7	71.5
14	69.1	70.4
21	69.0	69.7
28		
AUG. 4		
11		
18		
25		

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

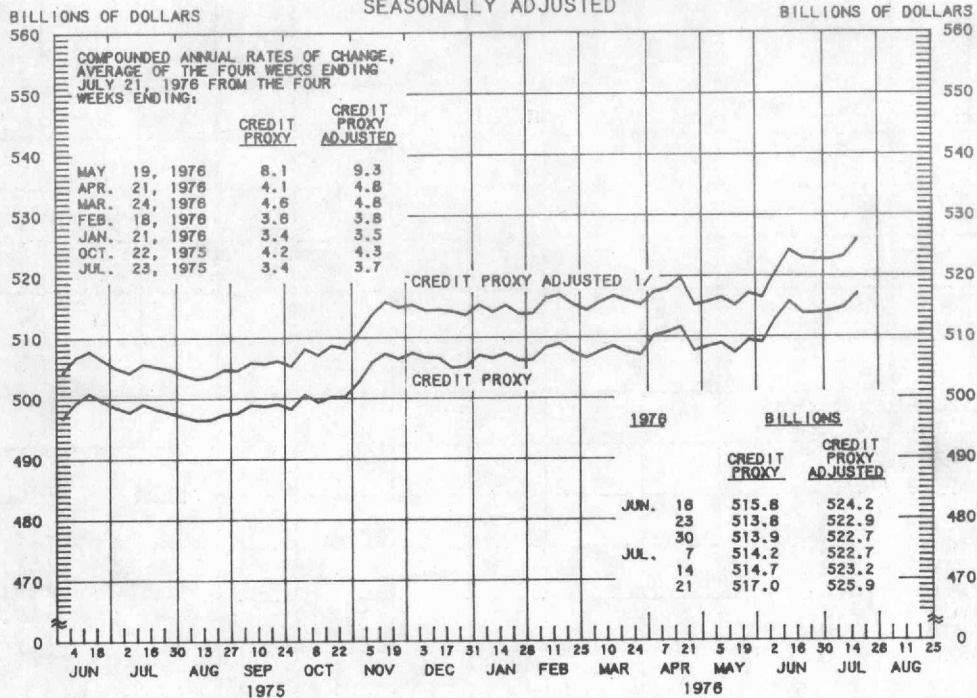
BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



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



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



LATEST DATA PLOTTED WEEK ENDING: JULY 21, 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