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DEC 26 1979

Week ending: September 8, 1976

Business credit demands at large commercial banks have not yet shown signs of an upturn. Since the beginning of the year business loans have declined by about \$8 billion. However, most of the decrease occurred in the first three and one-half months of the year. Since mid-April business loans have remained virtually unchanged.

Faced with relatively weak business credit demands, large commercial banks have not aggressively sought additional sources of loanable funds. For example, large CDs have decreased by about \$16 billion since the beginning of the year. As with business loans, the decline in large CDs has slowed recently with only a \$4.4 billion drop since mid-April.

Rates paid on large CDs, which are indicative of the prices banks pay for funds, have declined by about 60 basis points over the last three months, following the general pattern of other short-term rates. Likewise, the yield on three-month Treasury bills, which is illustrative of the return banks earn on holdings of securities, is currently 34 basis points below its level of three months ago.

So far this year short-term interest rates have generally been lower and shown less variation than in 1975. For example, since January the rate on prime four- to six-month commercial paper has averaged almost 90 basis points below average levels of 1975. In addition, the commercial paper rate has only varied 87 basis points between its highest and lowest levels so far in 1976, compared to a 233 basis point range over the course of 1975. Likewise, the rate on three-month Treasury bills has averaged about 70 basis points below 1975 levels and has ranged from a low of 4.72 percent to a high of 5.53 percent during 1976 (an 81 basis point range), compared to a 159 basis point variation in 1975.

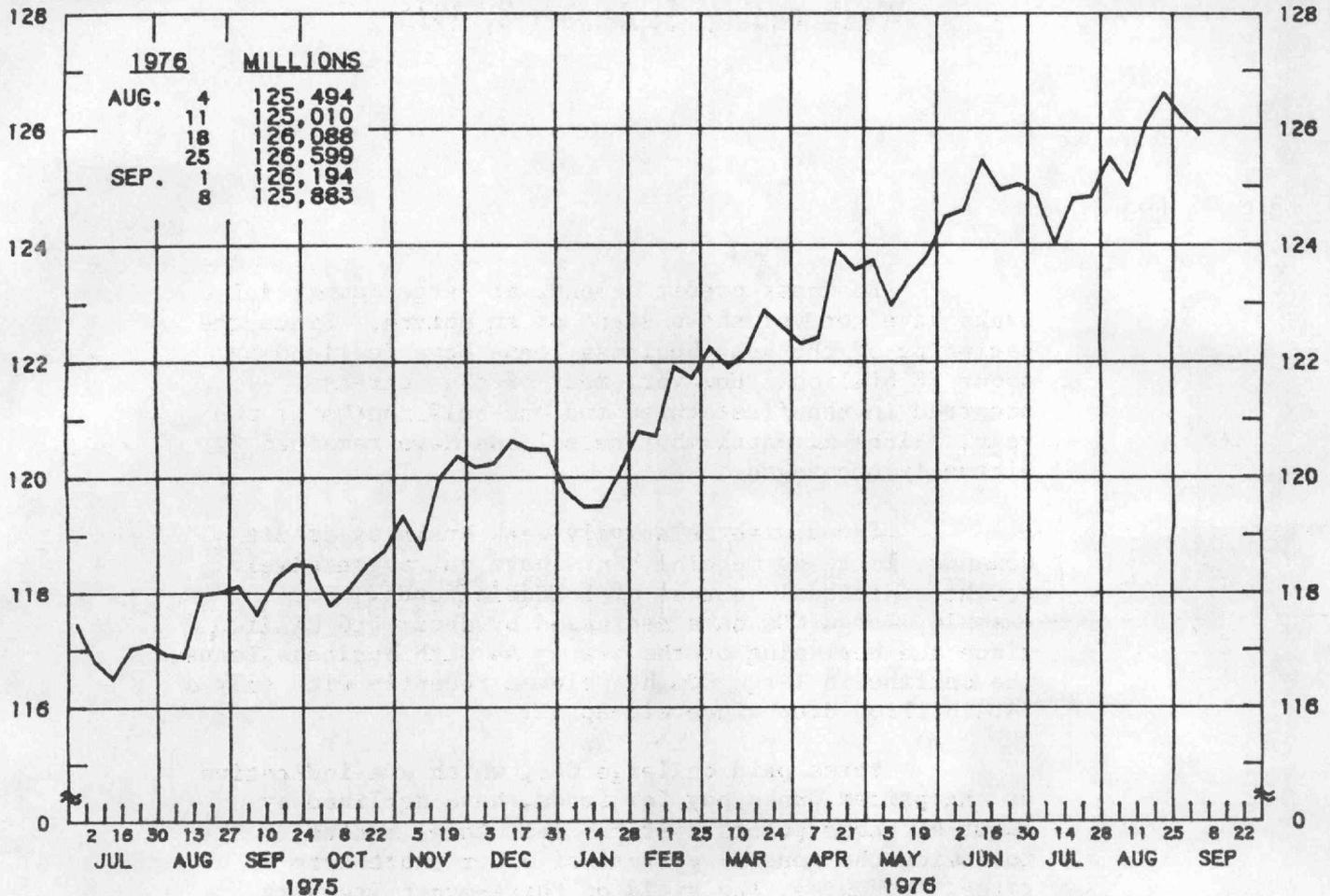
Prepared by Federal Reserve Bank of St. Louis

Released: September 10, 1976

MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS

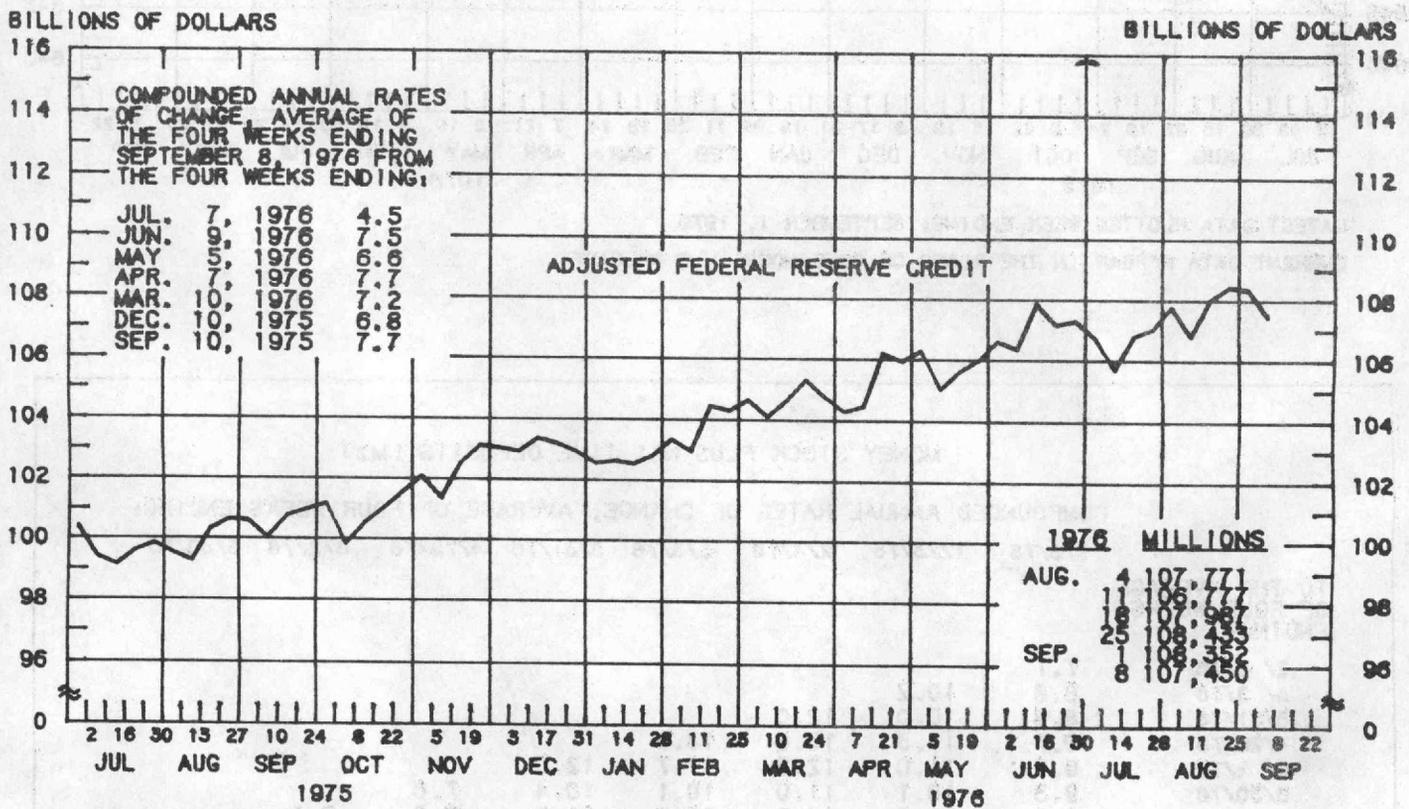
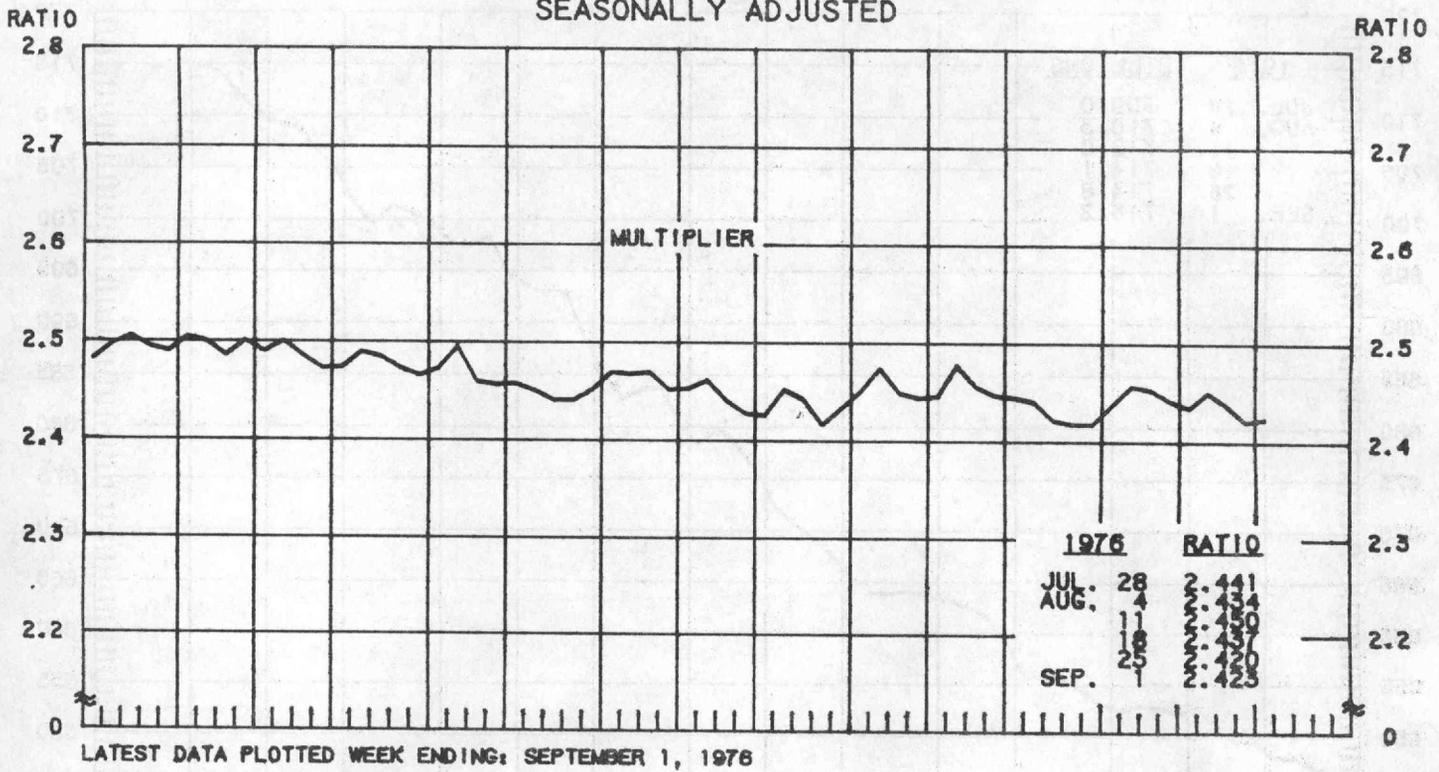


LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1976

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:									
	9/10/75	12/10/75	2/11/76	3/10/76	4/7/76	5/5/76	6/9/76	7/7/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
2/11/76		4.8							
3/10/76		6.9	6.0						
4/7/76		6.8	6.0	12.6					
5/5/76		7.2	6.8	11.8	8.1				
6/9/76		7.0	6.6	10.1	7.3	7.8			
7/7/76		7.4	7.1	10.2	8.1	8.7	8.0		
8/11/76		6.5	6.1	8.1	6.1	6.1	5.0	4.5	
9/8/76		7.0	6.7	8.7	7.1	7.3	6.7	6.9	5.3

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

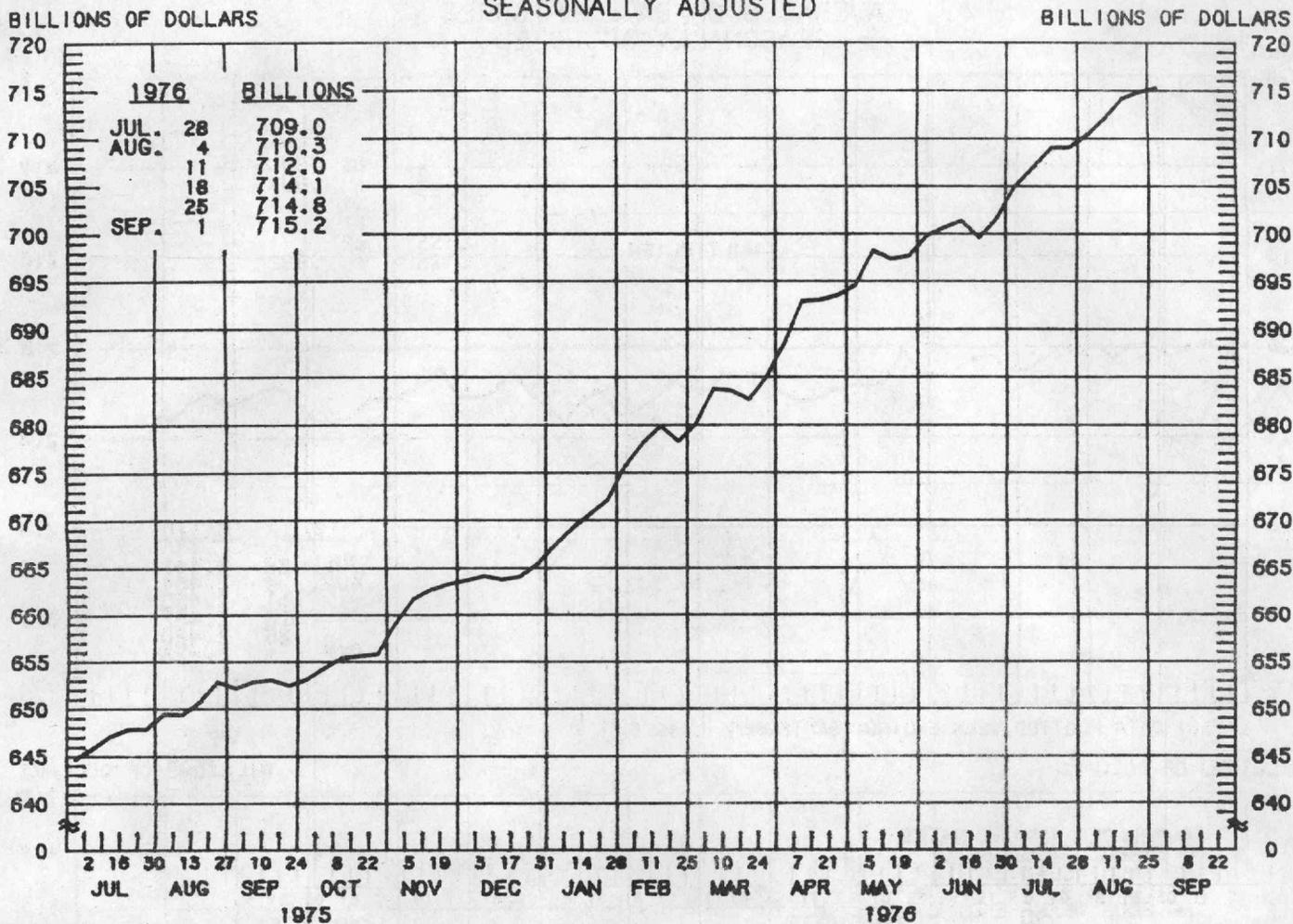


1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: SEPTEMBER 1, 1976

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

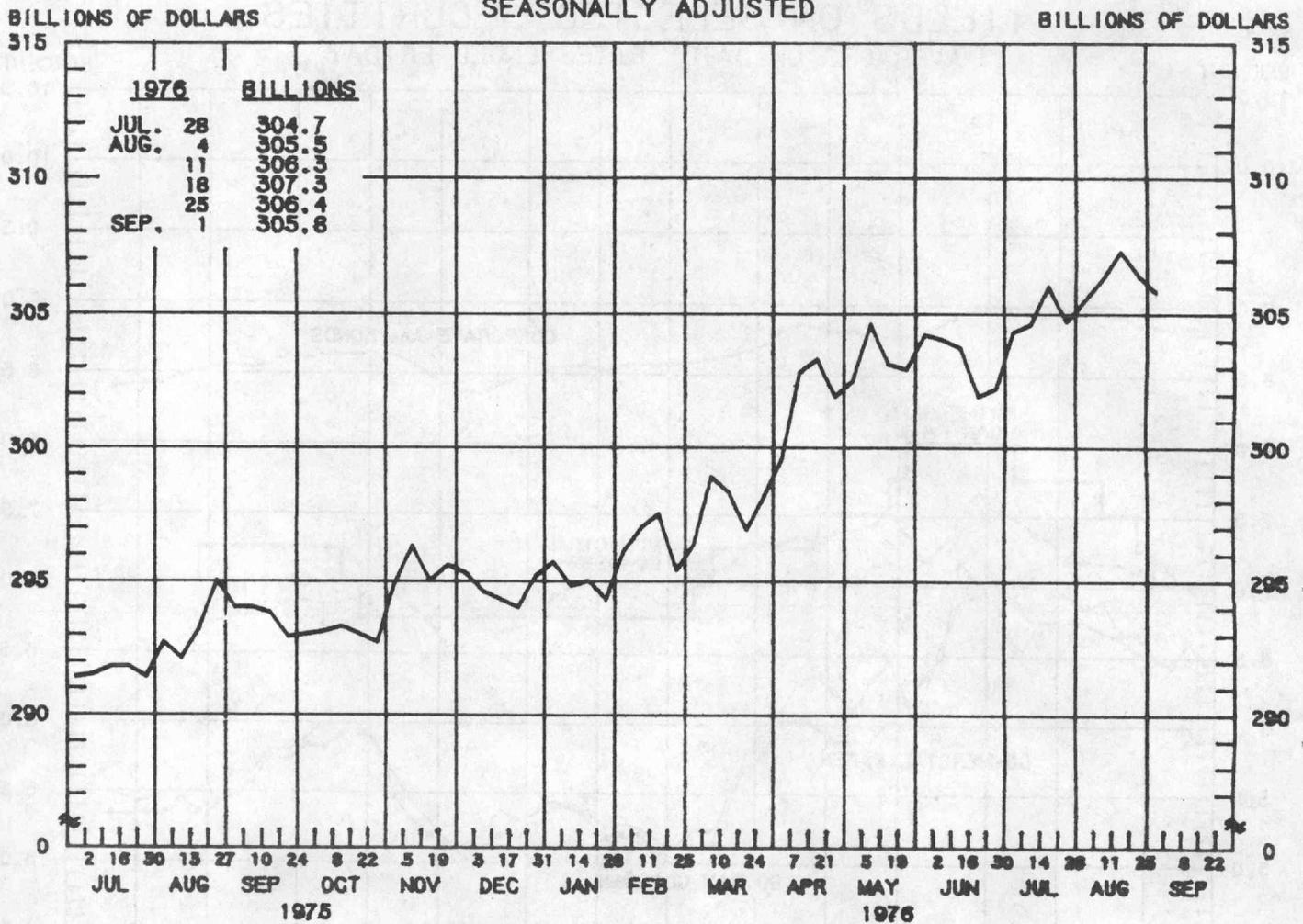
MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

	9/3/75	12/3/75	2/4/76	3/3/76	3/31/76	4/28/76	6/2/76	6/30/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/ 4/76	7.7							
3/ 3/76	8.8	10.2						
3/31/76	8.8	10.0	12.0					
4/28/76	9.7	11.3	13.6	13.0				
6/ 2/76	9.7	11.0	12.5	11.7	12.9			
6/30/76	9.3	10.1	11.0	10.1	10.4	7.6		
8/ 4/76	9.6	10.5	11.3	10.6	11.0	9.3	9.1	
9/ 1/76	9.6	10.4	11.1	10.5	10.8	9.5	9.4	11.4

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 1, 1976

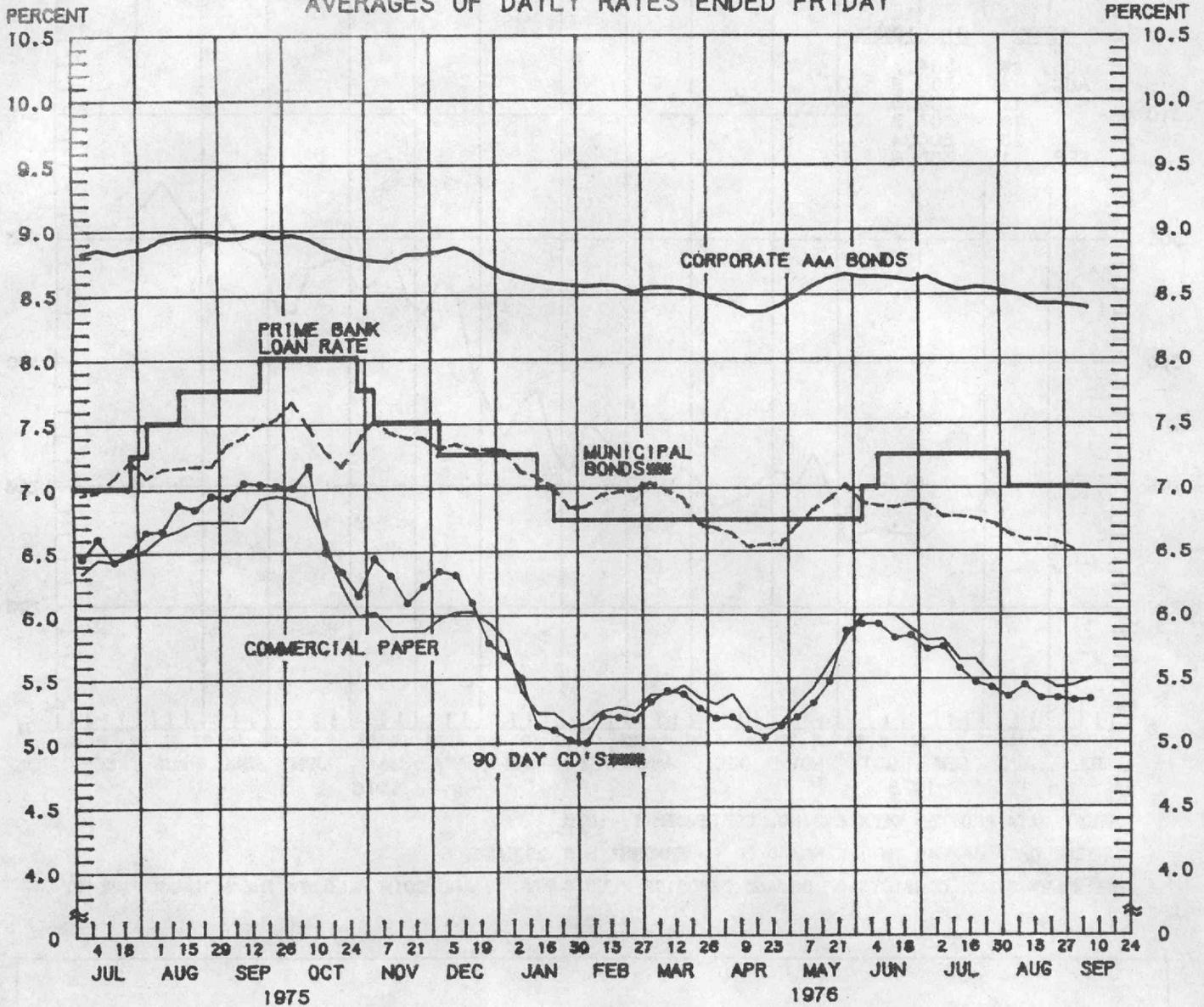
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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:									
	9/3/75	12/3/75	2/4/76	3/3/76	3/31/76	4/28/76	6/2/76	6/30/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
2/ 4/76	1.2								
3/ 3/76	2.1	1.4							
3/31/76	2.7	2.6	6.8						
4/28/76	4.4	5.4	10.4	12.2					
6/ 2/76	4.6	5.6	9.2	9.9	11.4				
6/30/76	3.9	4.4	6.8	6.7	6.7	2.1			
8/ 4/76	4.3	4.9	7.0	7.0	7.0	4.1	2.9		
9/ 1/76	4.4	4.9	6.8	6.8	6.8	4.5	3.7	6.9	

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING SEPTEMBER 10, 1976

1976	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
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	6.73
AUG. 6	5.36	5.50	5.34	8.51	6.65
13	5.45	5.50	5.34	8.48	6.60
20	5.35	5.50	5.33	8.42	6.60
27	5.35	5.43	5.30	8.42	6.58
SEP. 3	5.33	5.45	5.28	8.41	6.52
10 *	5.34	5.50	5.30	8.39	N.A.
17					
24					

* AVERAGES OF RATES AVAILABLE.

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

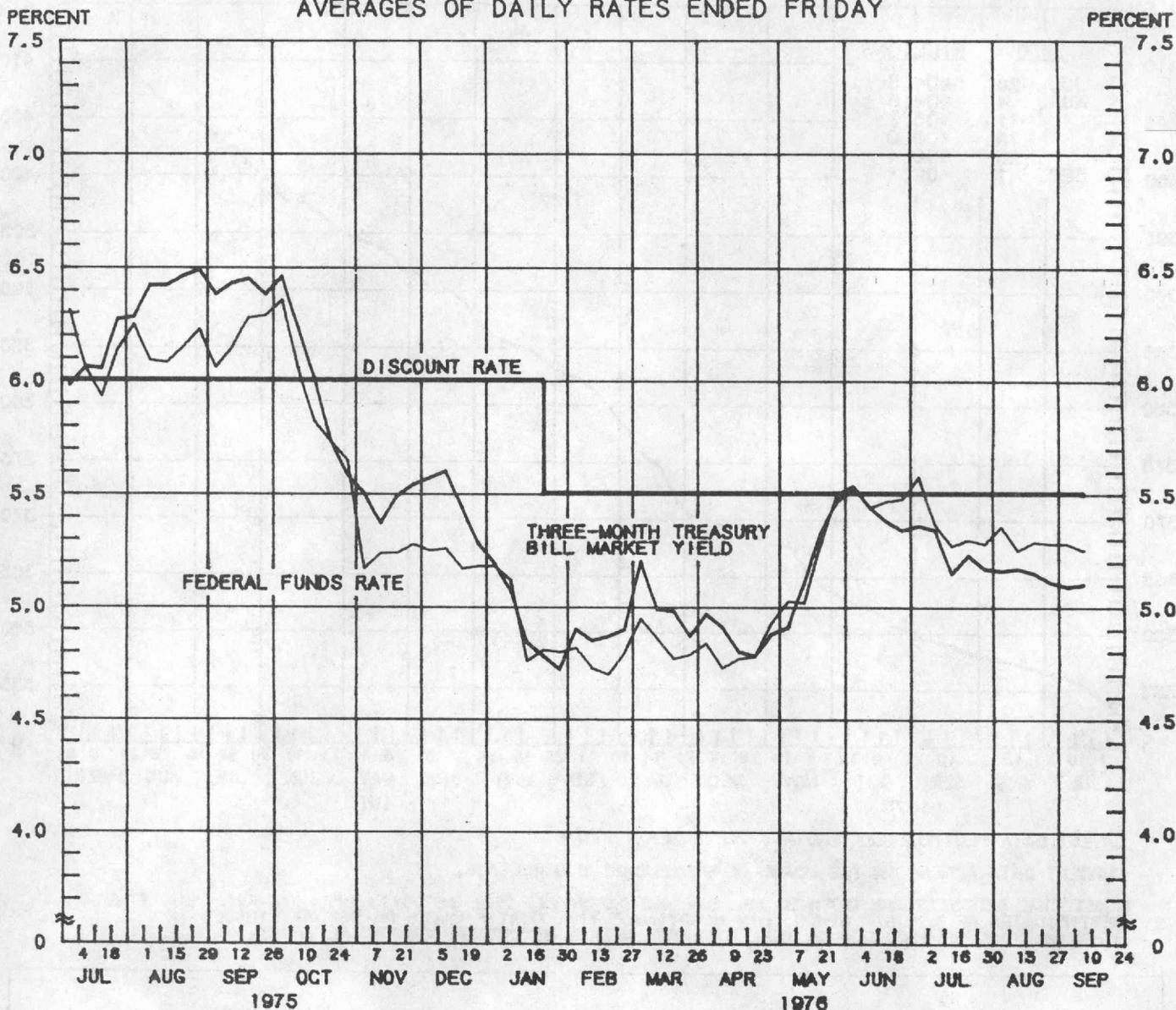
*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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: SEPTEMBER 10, 1976

1976	FEDERAL FUNDS ^{***}	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
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	5.74	7.21	7.84
AUG. 6	5.36	5.16	5.72	7.12	7.82
13	5.25	5.17	5.65	7.06	7.80
20	5.29	5.15	5.64	7.04	7.79
27	5.28	5.11	5.59	6.98	7.76
SEP. 3	5.28	5.09	5.56	6.91	7.72
10 *	5.25	5.10	5.52	6.89	7.70
17					
24					

* AVERAGES OF RATES AVAILABLE.

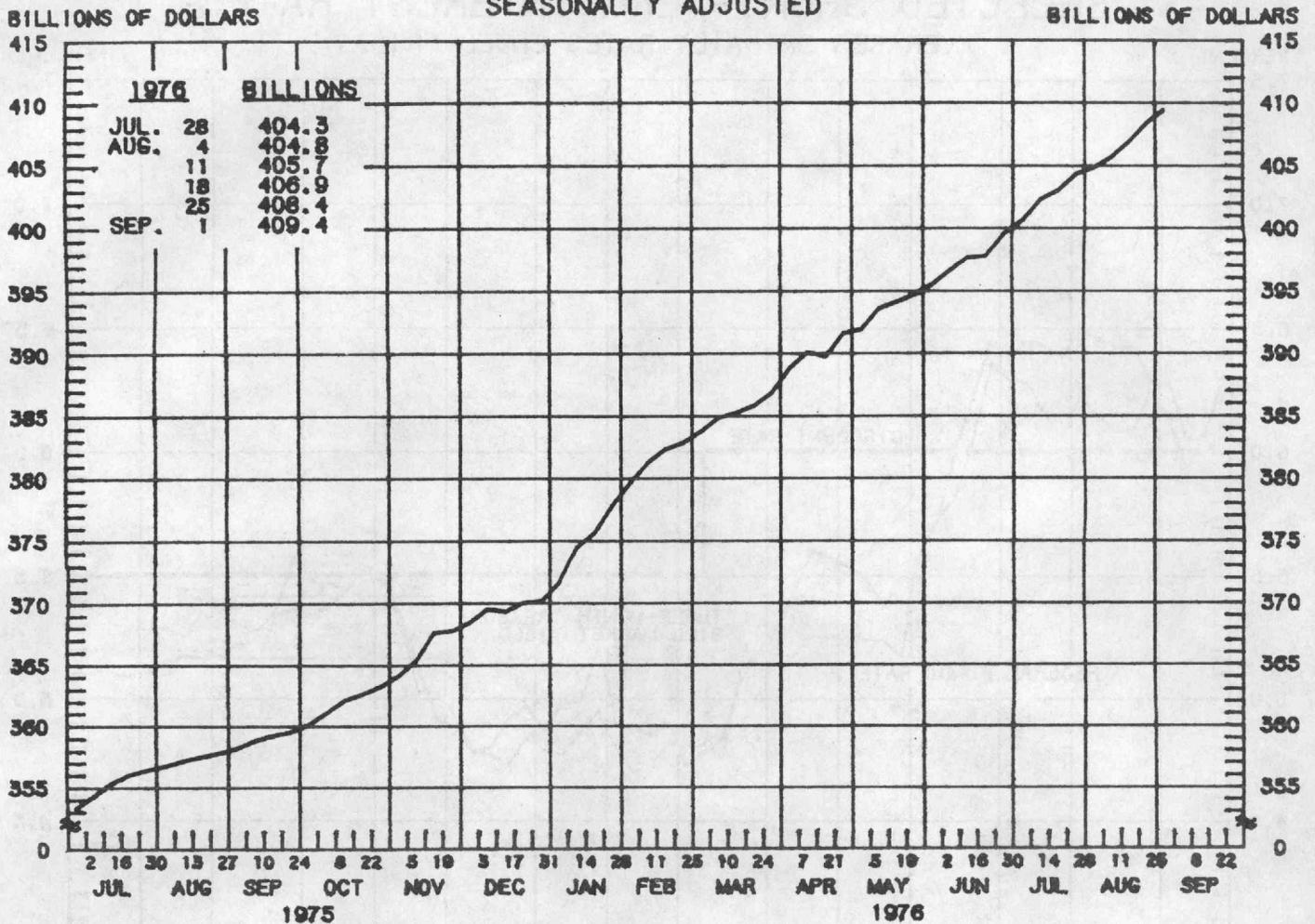
** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

*** 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: SEPTEMBER 1, 1976

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.G. 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.

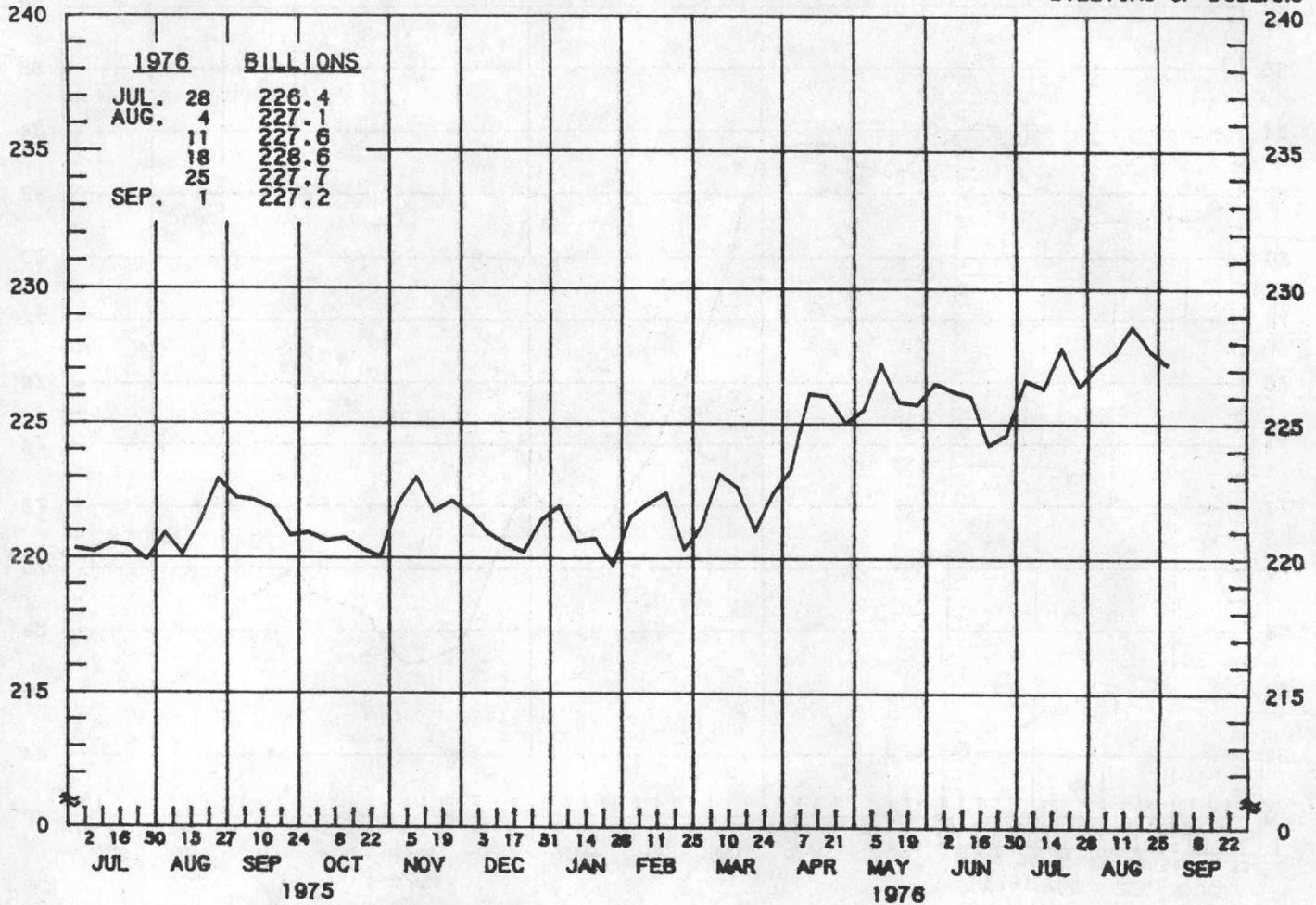
NET TIME DEPOSITS									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	9/3/75	12/3/75	2/4/76	3/3/76	3/31/76	4/28/76	6/2/76	6/30/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
2/ 4/76		13.2							
3/ 3/76		14.3	17.6						
3/31/76		14.0	16.1	16.2					
4/28/76		14.2	16.1	16.1	13.6				
6/ 2/76		13.9	15.4	15.0	13.2	13.9			
6/30/76		13.7	14.9	14.4	12.8	13.3	12.1		
8/ 4/76		14.0	15.0	14.7	13.5	14.0	13.5	14.1	
9/ 1/76		14.0	14.9	14.5	13.6	13.9	13.5	14.0	14.9

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 1, 1976

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

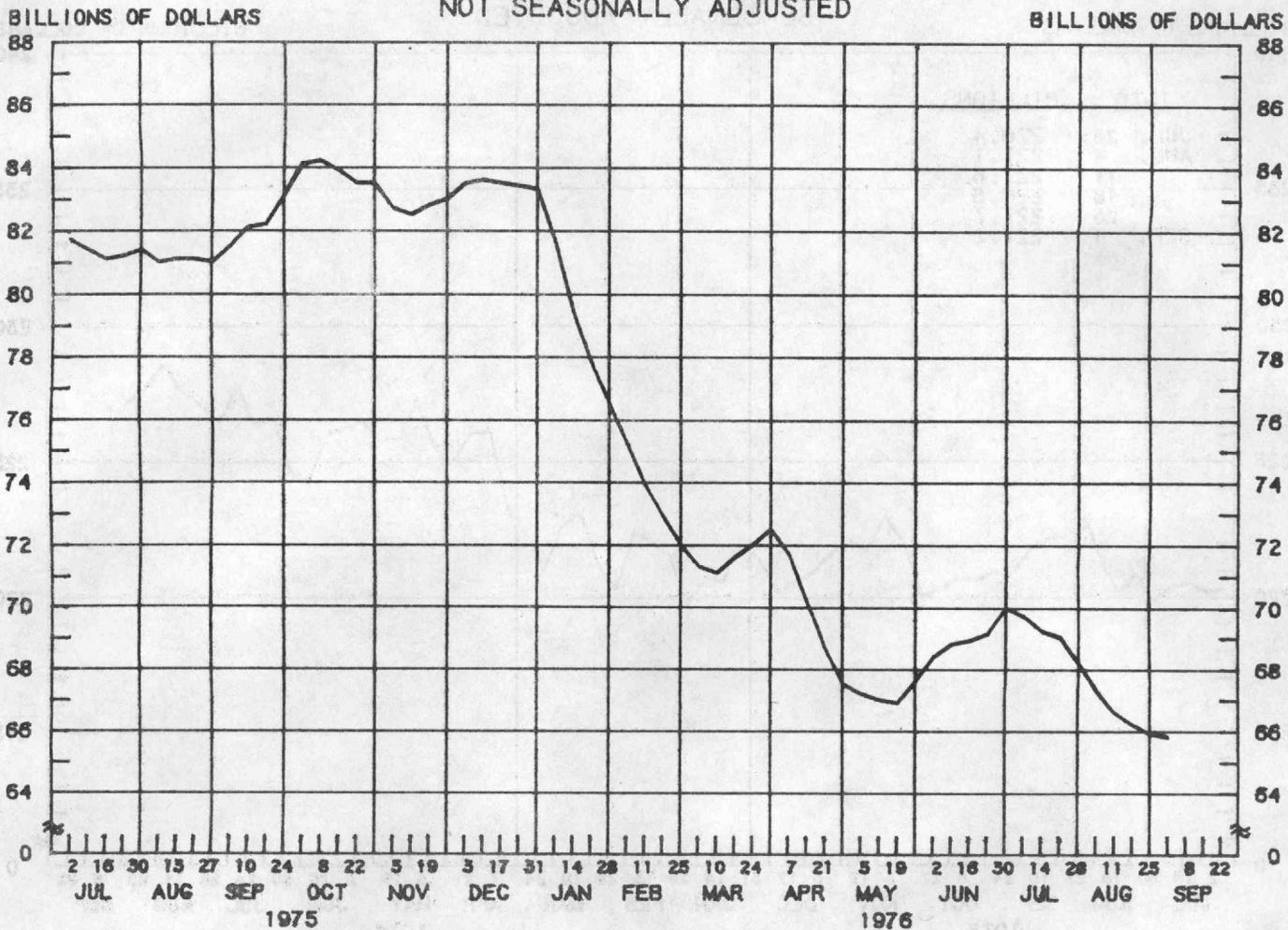
DEMAND DEPOSIT COMPONENT OF MONEY STOCK

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

	9/3/75	12/3/75	2/4/76	3/3/76	3/31/76	4/28/76	6/2/76	6/30/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/ 4/76	-1.1							
3/ 3/76	-0.1	-1.1						
3/31/76	0.5	0.3	5.1					
4/28/76	2.4	3.4	9.1	11.0				
6/ 2/76	2.8	3.8	8.1	9.0	10.9			
6/30/76	2.0	2.5	5.4	5.3	5.5	0.5		
8/ 4/76	2.6	3.2	5.8	5.9	6.1	3.0	1.5	
9/ 1/76	2.8	3.4	5.7	5.8	5.9	3.5	2.7	6.6

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 1, 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.
JULY 7	69.7	71.5
14	69.2	70.4
21	69.0	69.7
28	68.2	68.2
AUG. 4	67.3	66.5
11	66.6	65.4
18	66.2	64.4
25	65.9	63.5
SEP. 1	65.8	62.9
8		
15		
22		
29		

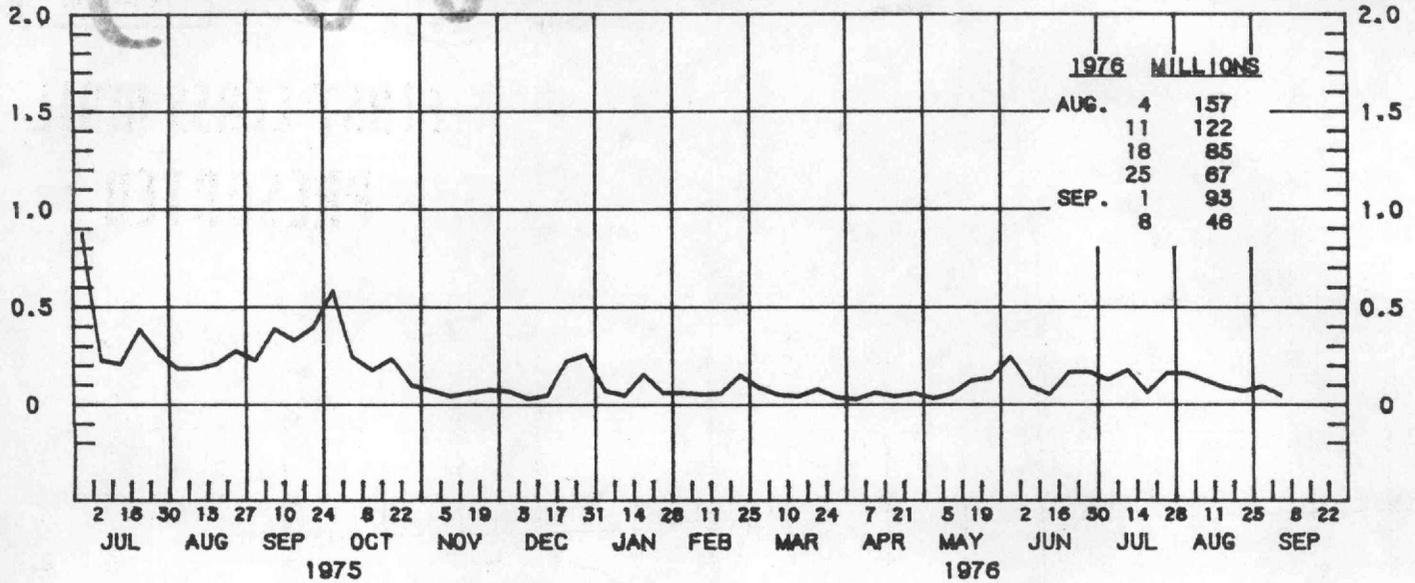
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

BILLIONS OF DOLLARS

AVERAGES OF DAILY FIGURES

BILLIONS OF DOLLARS

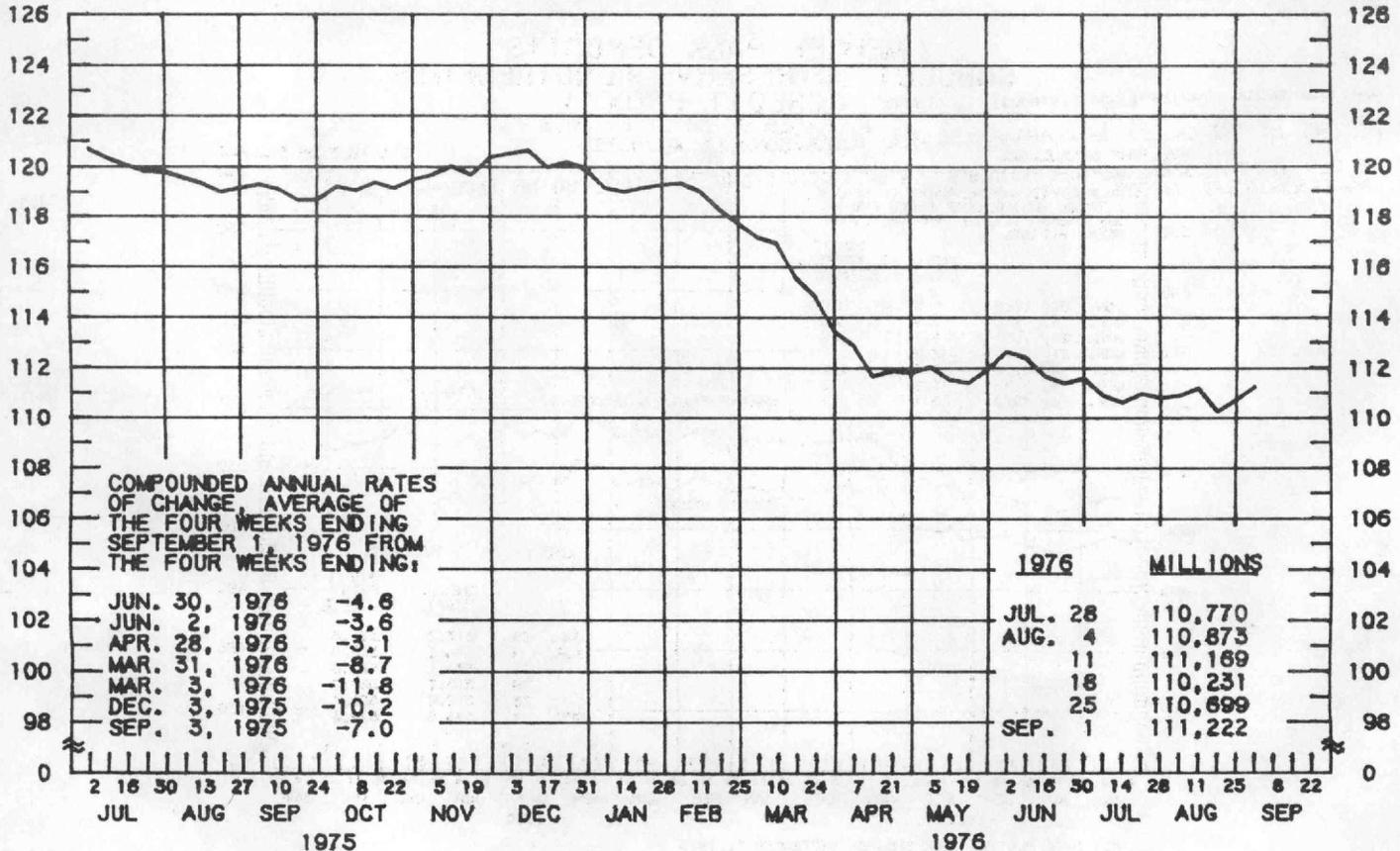


LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 8, 1976

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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 1, 1976

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

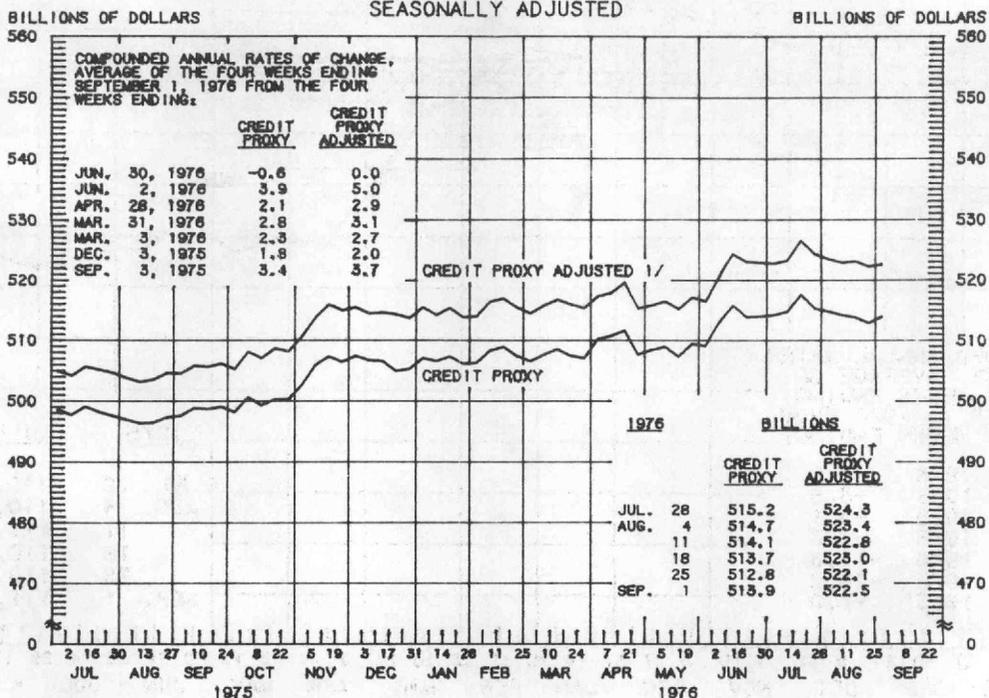
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ST. LOUIS, MISSOURI 63166

RETURN POSTAGE GUARANTEED



FIRST CLASS MAIL
PRESORTED

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 1, 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