

Week ending: September 29, 1976



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Business credit demands at large commercial banks have remained relatively constant over the past three months. On a seasonally adjusted basis, business (commercial and industrial) loans at large commercial banks have fluctuated in the \$110 to \$112 billion range since mid-June. Business loans in September were on average \$8 billion lower than in January, but were only \$0.7 billion lower than in June.

On a not seasonally adjusted basis, the volume of commercial paper outstanding, an alternative source of short-term business credit, was on average \$2 billion higher in September than in January. Most of this increase was recorded in the first six months of the year, as the volume of commercial paper in September was only \$0.7 billion higher than in June.

In the last two weeks some commercial banks have lowered their prime bank loan rate, the rate charged on short-term loans to large commercial customers with the highest credit standing. However, this reduction - from 7 percent to 6.75 percent - has not been industry-wide, and has not been followed by many of the nation's large banks. The prime bank loan rate that is reported weekly in this publication is based on the prime rates charged by ten of the nation's largest commercial banks. The prime rate reported here is only changed when a majority of these banks announce a change in their prime rates, which has not yet occurred.

Yields on most securities have decreased from their June 1976 levels, both on short-term and long-term securities. For example, over the last four weeks the rate of interest on prime 4-6 month commercial paper has averaged 49 basis points lower than in June. Since June the rates on long-term Government securities, 3-5 year Government securities, and corporate AAA bonds have fallen on average by 19, 52, and 25 basis points, respectively.

Prepared by Federal Reserve Bank of St. Louis

Released: October 1, 1976

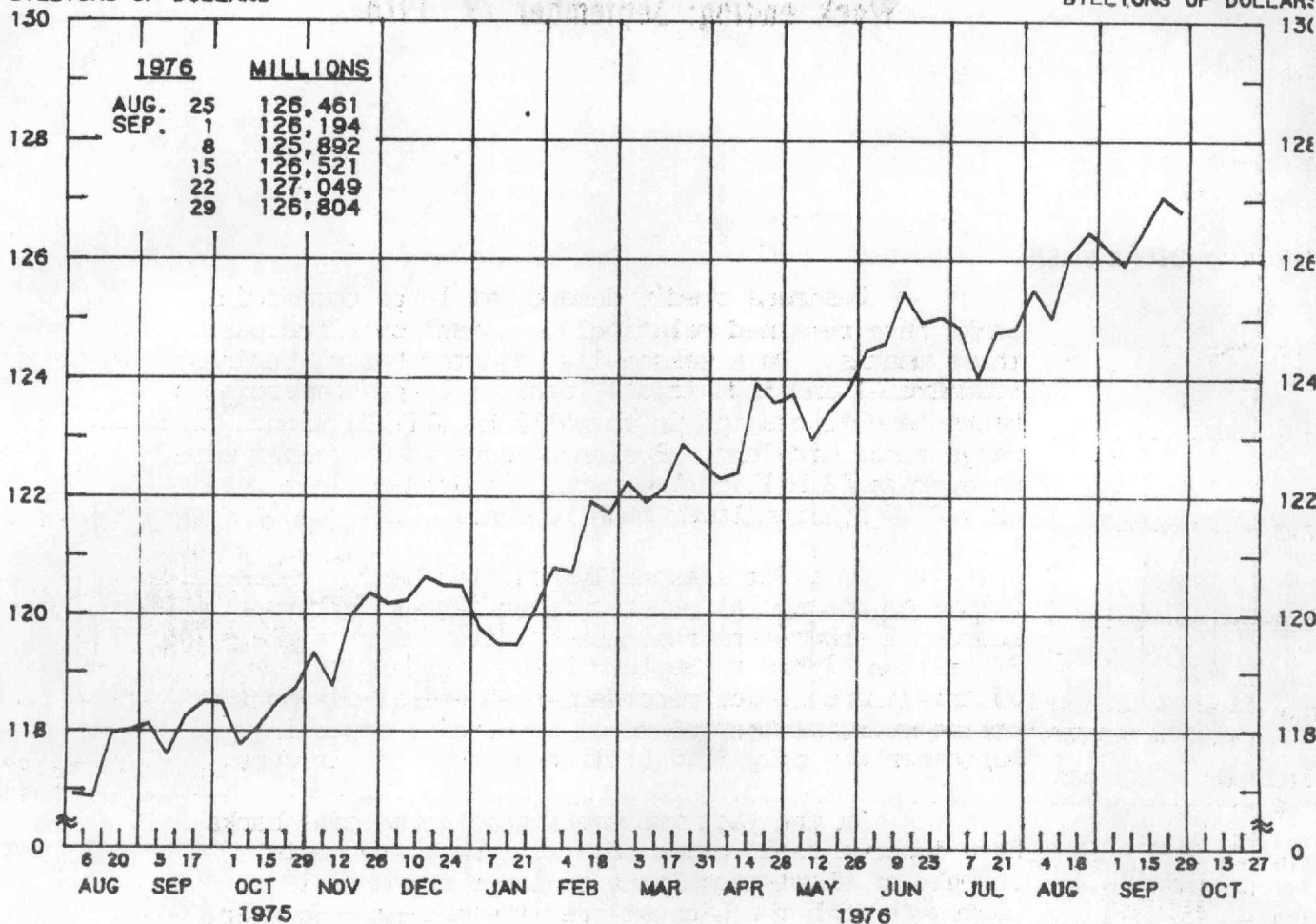
MONETARY BASE

AVERAGES OF DAILY FIGURES

SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS

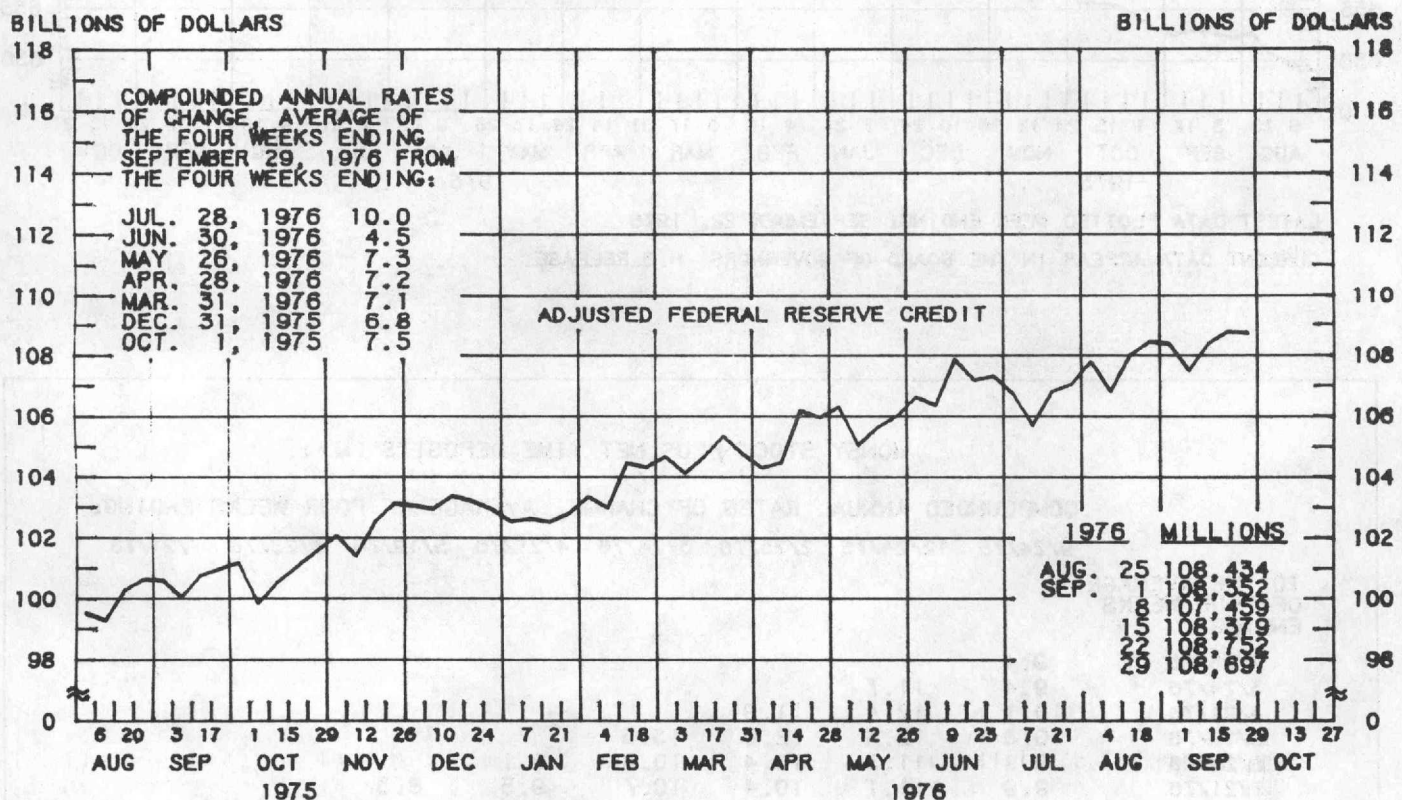
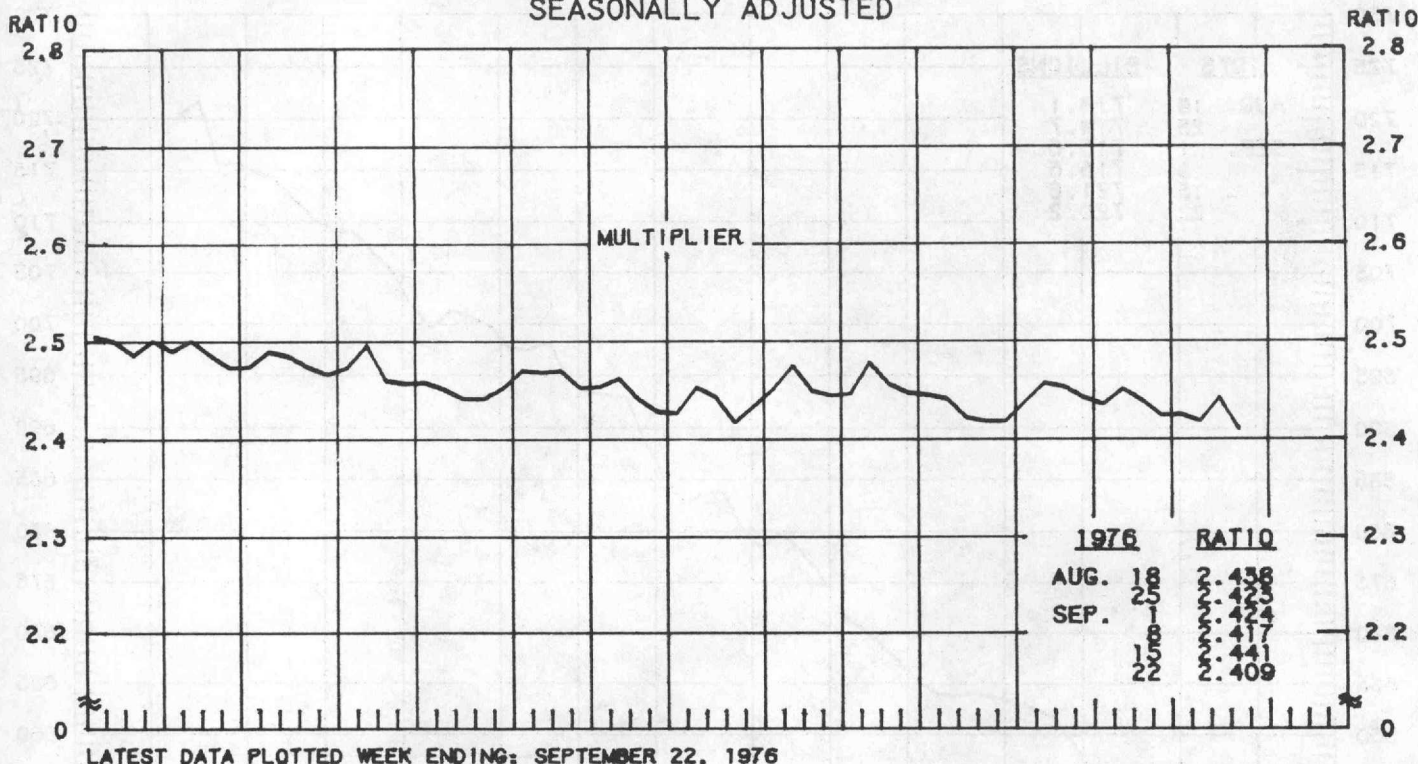


LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 29, 1976

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:									
	10/1/75	12/31/75	3/3/76	3/31/76	4/28/76	5/26/76	6/30/76	7/28/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
3/ 3/76	7.0								
3/31/76	7.2	6.6							
4/28/76	7.2	6.8	7.8						
5/26/76	6.9	6.4	6.8	6.1					
6/30/76	7.7	7.7	8.7	8.8	9.5				
7/28/76	6.6	6.1	6.2	5.7	5.2	5.4			
9/ 1/76	7.1	6.8	7.2	7.0	6.9	7.5	4.4		
9/29/76	7.1	6.8	7.1	7.0	6.9	7.4	5.1	9.4	

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 29, 1976

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

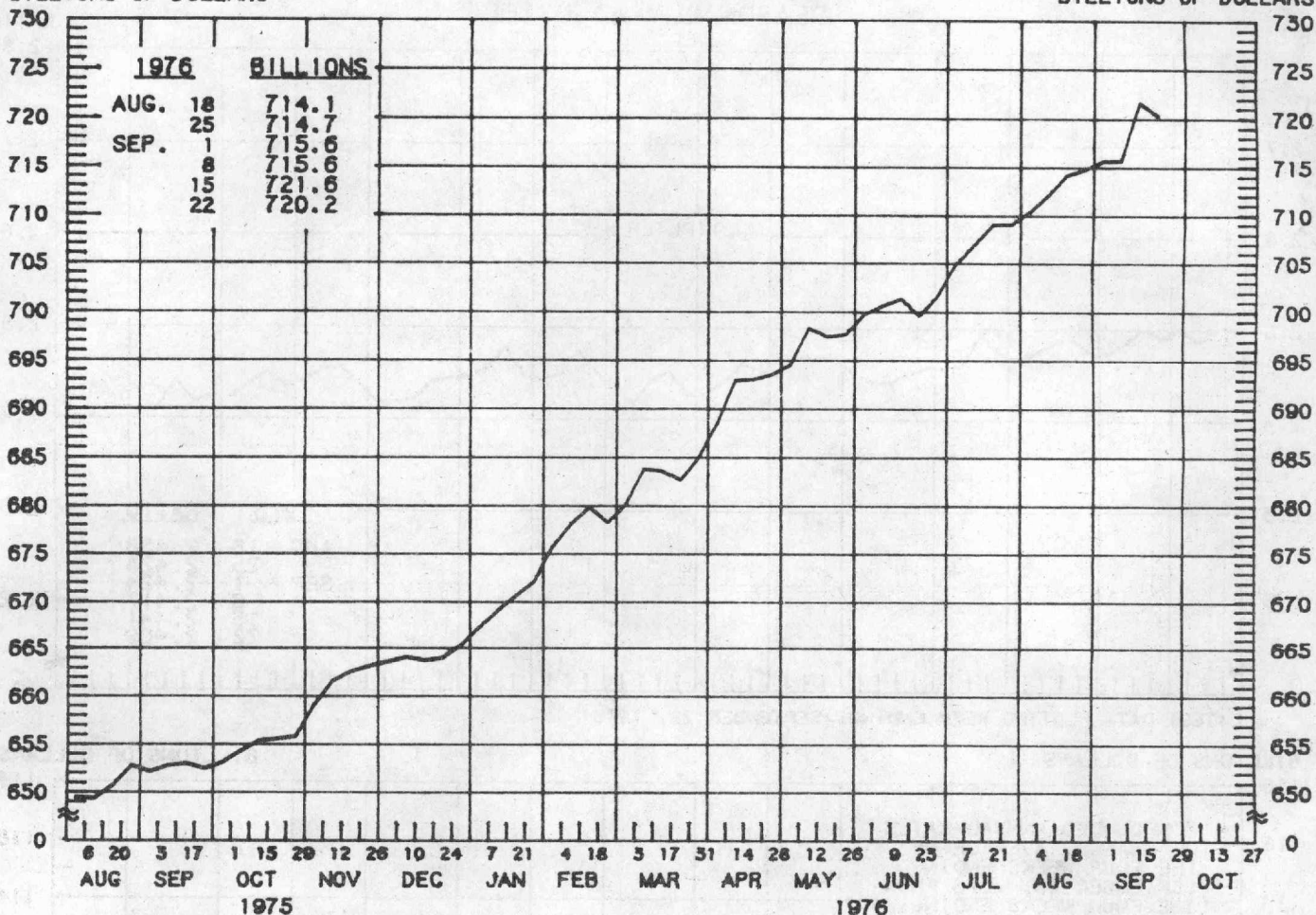
2/ FEDERAL RESERVE CREDIT CONSISTS OF FEDERAL RESERVE HOLDINGS OF SECURITIES, LOANS, FLOAT AND OTHER ASSETS. ADJUSTED FEDERAL RESERVE CREDIT IS COMPUTED BY SUBTRACTING TREASURY DEPOSITS AT FEDERAL RESERVE BANKS FROM THIS SERIES, AND ADJUSTING THE SERIES FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS 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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 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:

9/24/75 12/24/75 2/25/76 3/24/76 4/21/76 5/19/76 6/23/76 7/21/76

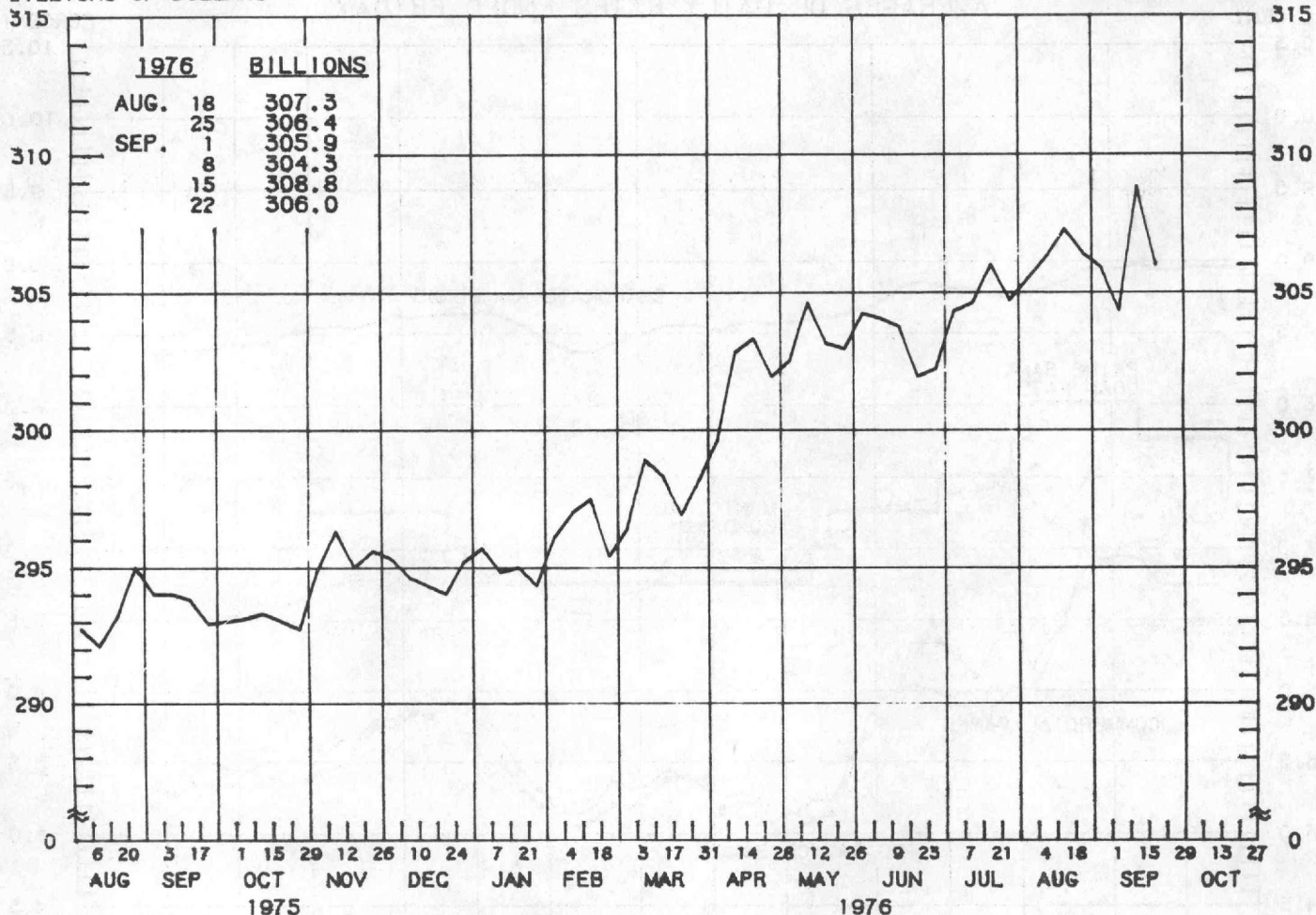
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/25/76	9.4							
3/24/76	9.4	11.7						
4/21/76	10.1	12.4	11.9					
5/19/76	10.3	12.4	12.0	13.5				
6/23/76	9.9	11.3	10.4	10.8	9.1			
7/21/76	9.9	11.1	10.4	10.7	9.5	8.3		
8/25/76	10.0	11.1	10.5	10.8	9.9	9.3	10.8	
9/22/76	10.1	11.1	10.5	10.8	10.0	9.6	10.7	10.9

MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 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:

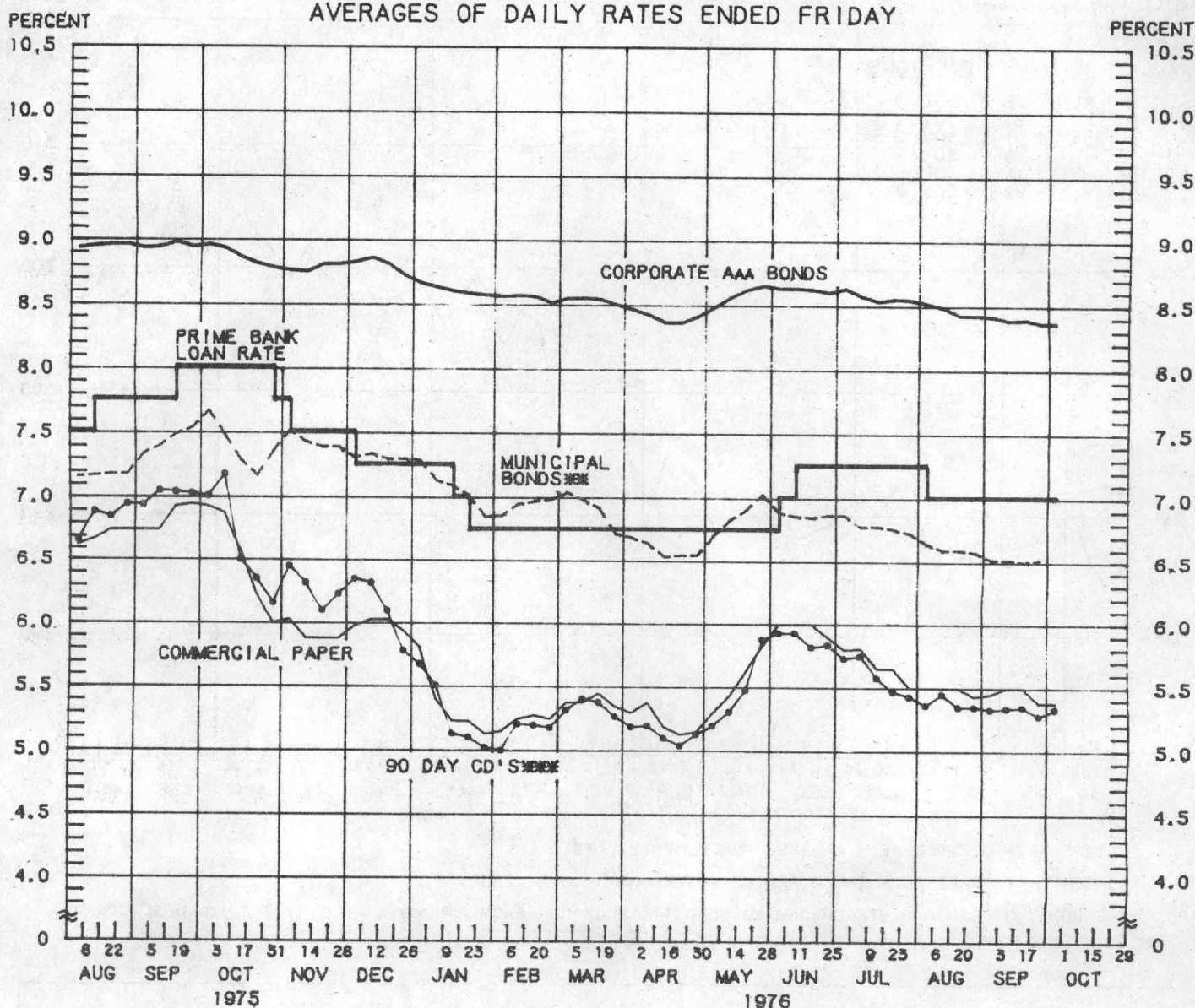
9/24/75 12/24/75 2/25/76 3/24/76 4/21/76 5/19/76 6/23/76 7/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/25/76	2.3								
3/24/76	2.7	4.1							
4/21/76	4.3	6.8	10.3						
5/19/76	4.9	7.2	9.9	12.4					
6/23/76	4.5	6.1	7.4	8.2	4.9				
7/21/76	4.4	5.8	6.6	7.0	4.5	2.5			
8/25/76	4.7	6.0	6.8	7.1	5.3	4.2	5.6		
9/22/76	4.3	5.3	5.8	5.9	4.2	3.2	3.7	3.9	

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: OCTOBER 1, 1976

1976	90 DAY CD'S INDEX	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS INDEX
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	5.31	8.38	6.52
17	5.35	5.50	5.30	8.39	6.50
24	5.28	5.38	5.26	8.36	6.52
OCT. 1 *	5.33	5.38	5.25	8.36	N.A.
8					
15					
22					
29					

* AVERAGES OF RATES AVAILABLE.

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

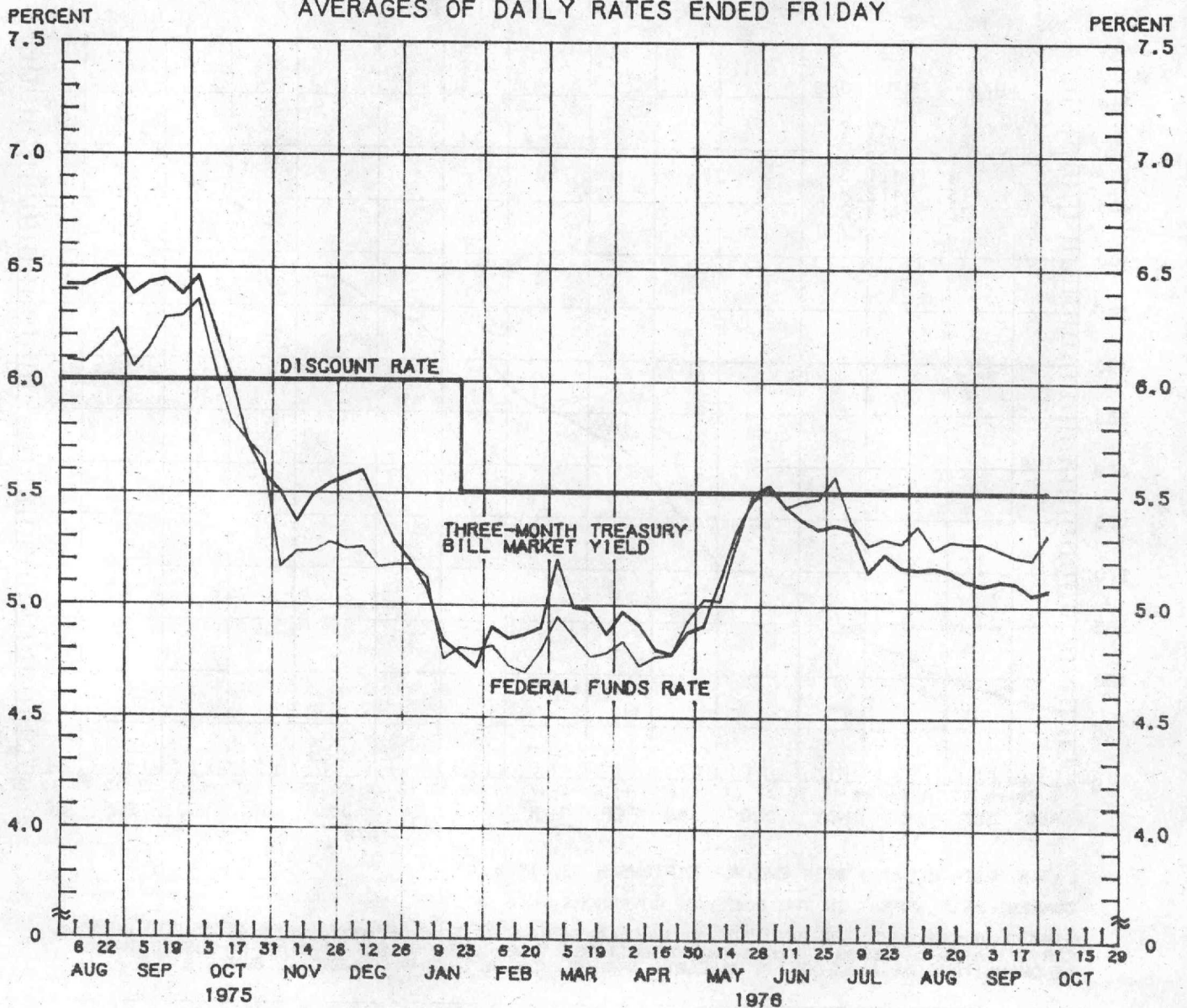
~~INDEX~~ SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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: OCTOBER 1, 1976

1976	FEDERAL FUNDS RATE	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
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	5.11	5.53	6.88	7.70
17	5.22	5.10	5.52	6.89	7.66
24	5.21	5.05	5.43	6.80	7.62
OCT. 1 *	5.32	5.07	5.50	6.82	7.65
8					
15					
22					
29					

* AVERAGES OF RATES AVAILABLE.

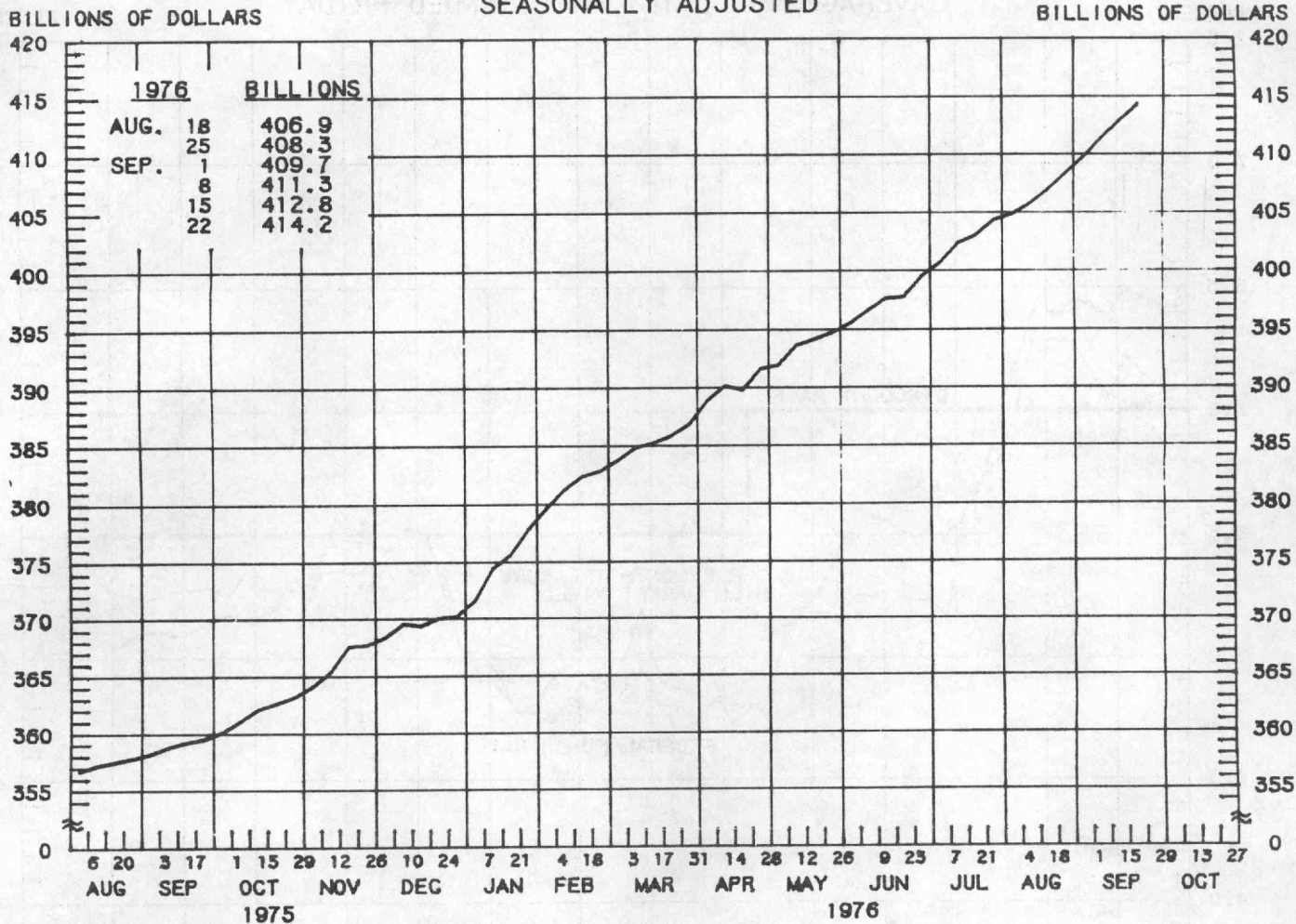
** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

*** 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 22, 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:

9/24/75 12/24/75 2/25/76 3/24/76 4/21/76 5/19/76 6/23/76 7/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

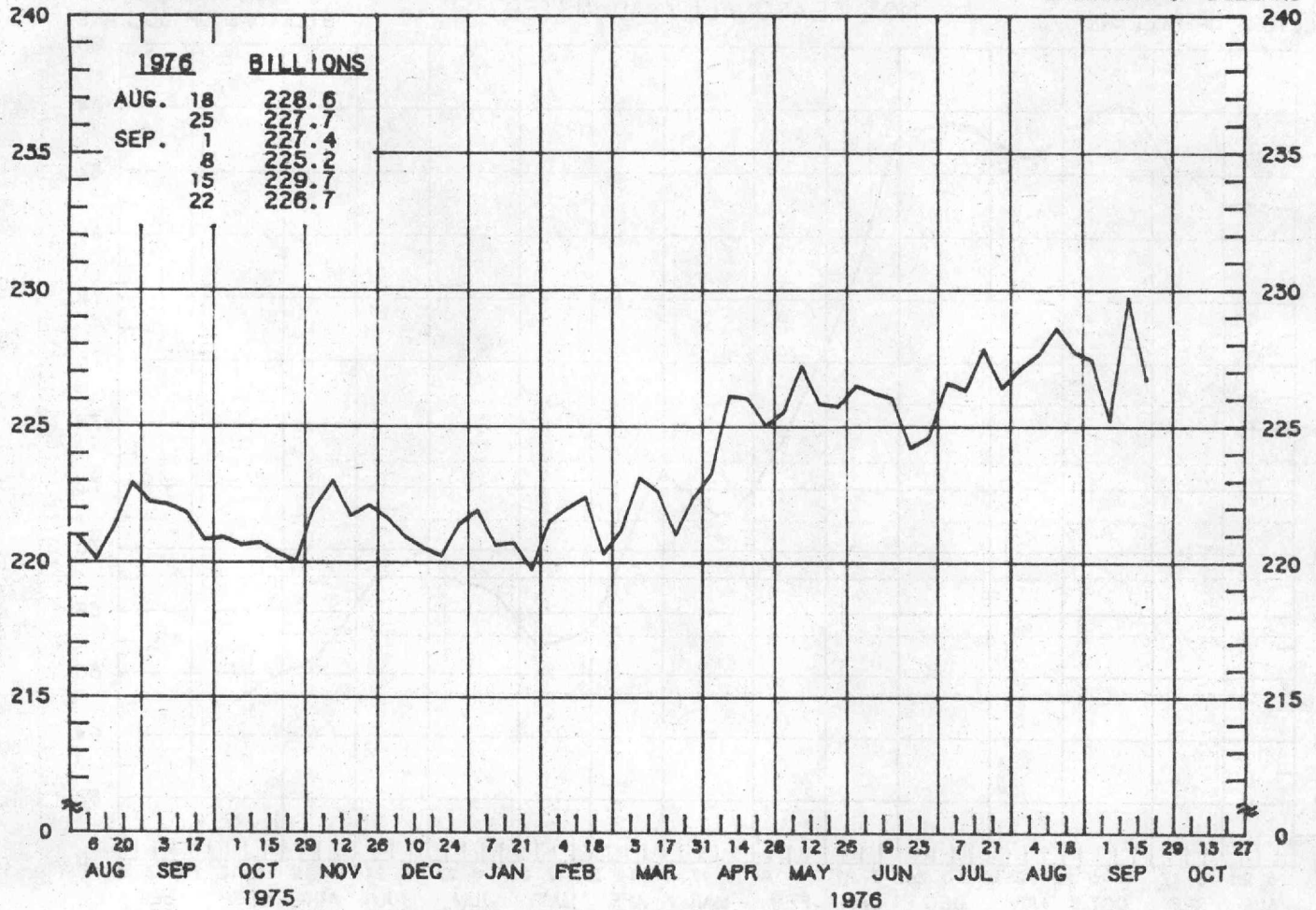
2/25/76	15.5							
3/24/76	15.0	18.0						
4/21/76	14.9	17.1	13.3					
5/19/76	14.8	16.5	13.5	14.1				
6/23/76	14.4	15.5	12.9	13.1	12.5			
7/21/76	14.5	15.5	13.4	13.7	13.5	13.3		
8/25/76	14.4	15.3	13.5	13.7	13.6	13.5	14.6	
9/22/76	14.8	15.7	14.3	14.6	14.6	14.8	16.1	16.3

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 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:

9/24/75 12/24/75 2/25/76 3/24/76 4/21/76 5/19/76 6/23/76 7/21/76

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/25/76	-0.1							
3/24/76	0.3	2.2						
4/21/76	2.2	5.2	8.8					
5/19/76	2.9	5.8	8.7	12.0				
6/23/76	2.4	4.5	5.8	6.8	3.1			
7/21/76	2.5	4.4	5.3	6.0	3.2	1.0		
8/25/76	3.0	4.7	5.7	6.3	4.3	3.2	5.5	
9/22/76	2.5	3.9	4.5	4.8	3.0	1.8	2.9	2.6

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 1976

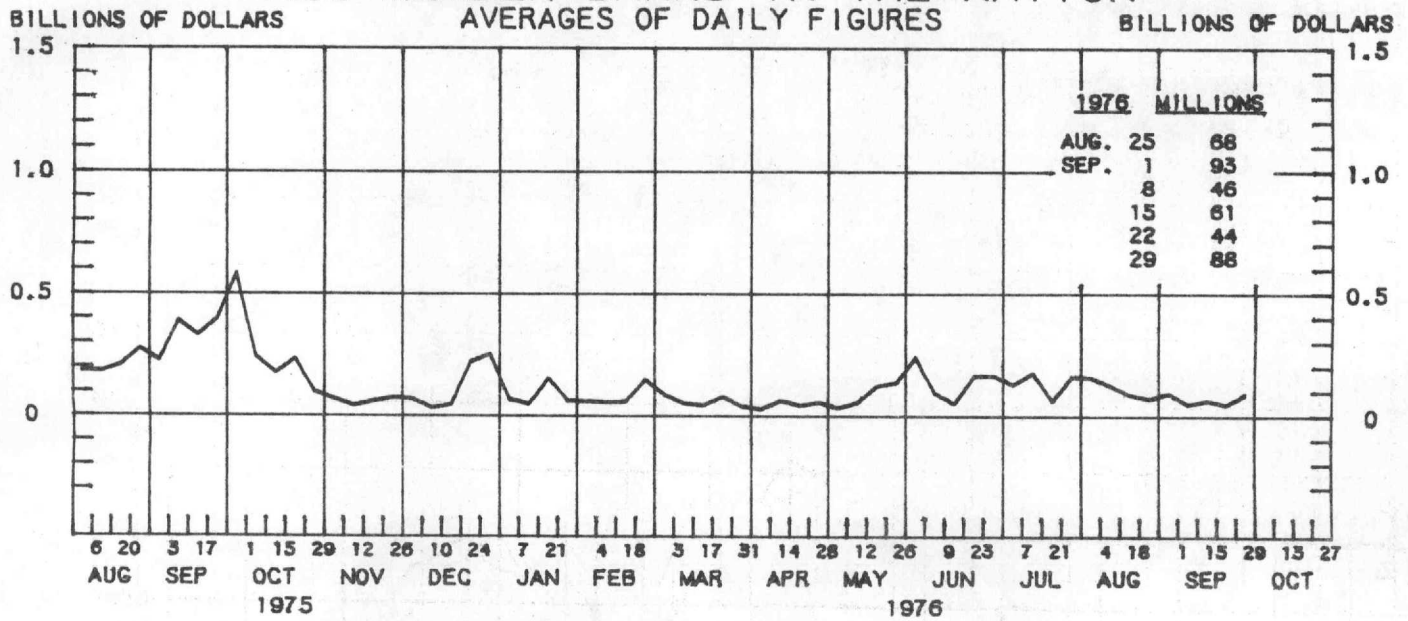
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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.
AUG. 4	67.3	66.5
11	66.6	65.4
18	66.2	64.4
25	66.0	63.5
SEP. 1	65.7	62.8
8	65.3	62.4
15	64.9	62.0
22	65.1	62.2
29		
OCT. 6		
13		
20		
27		

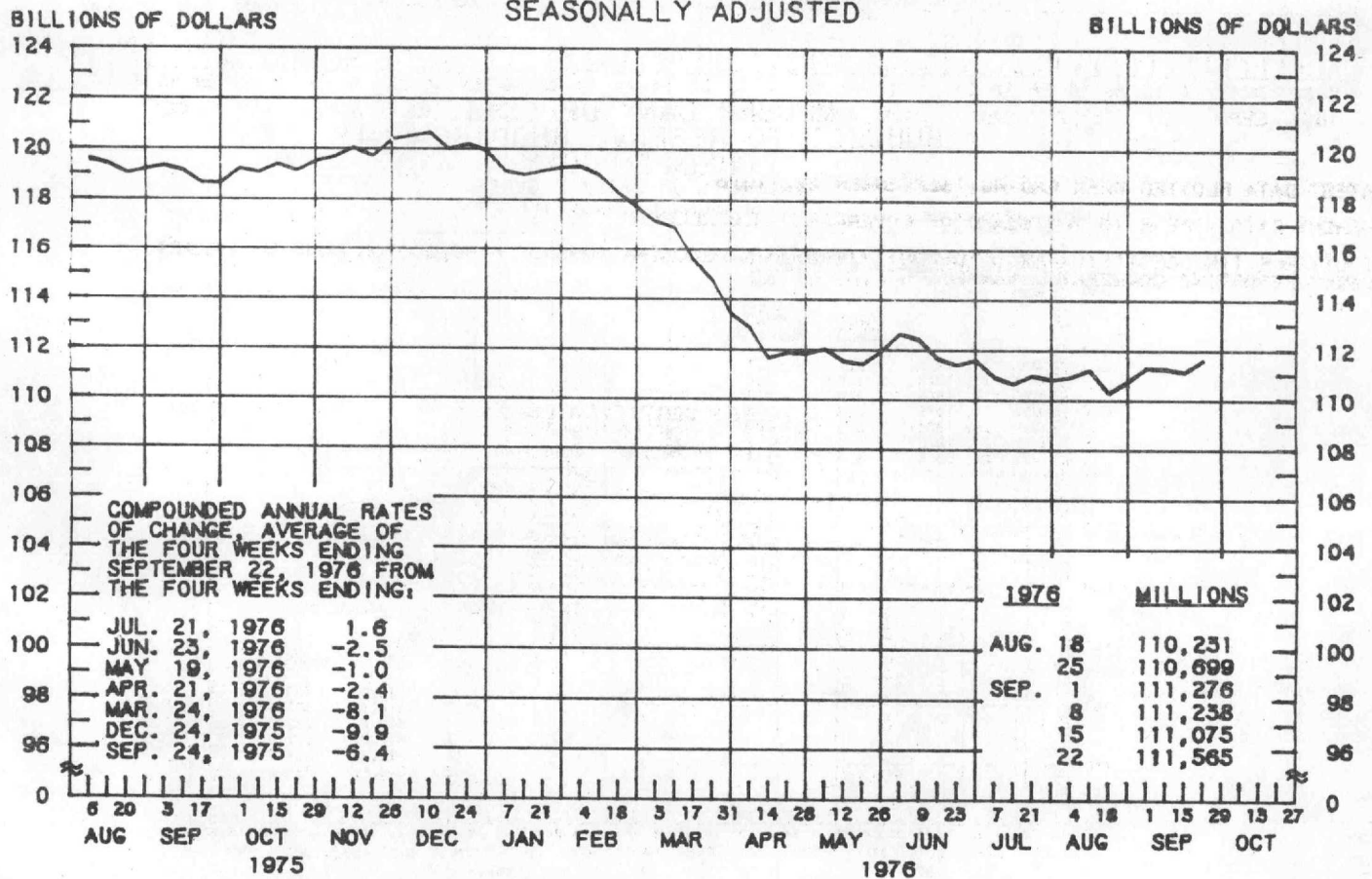
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



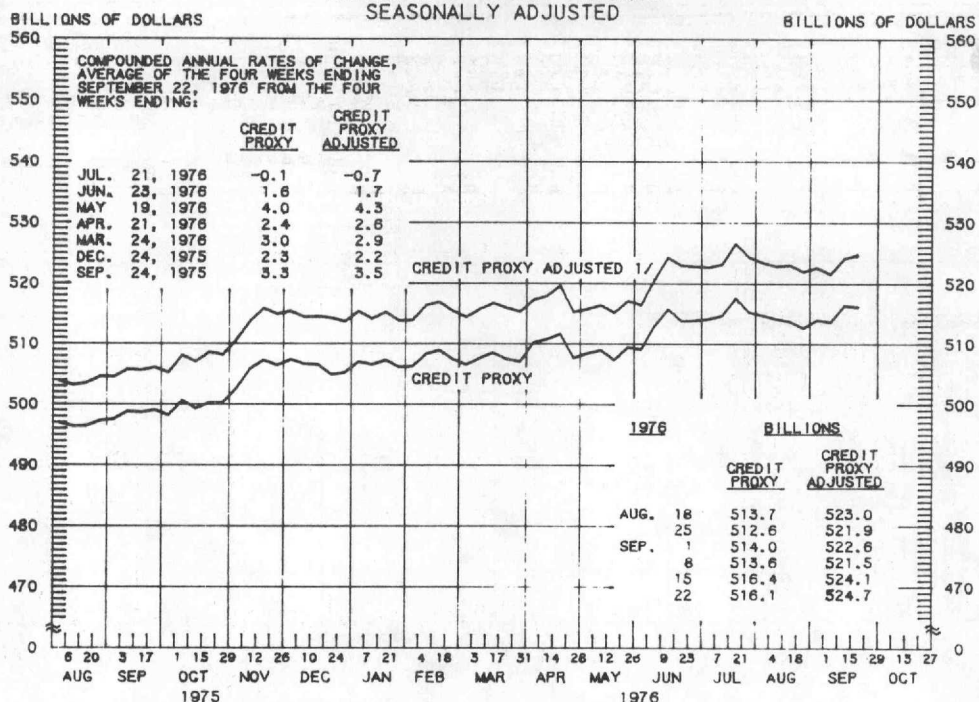
LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 29, 1976

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 1976

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 22, 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