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DEC 26 1979

## Week ending: November 10, 1976

Over the past year the growth of net time deposits at commercial banks has been relatively rapid, compared to the growth of other bank liabilities: demand deposits and large certificates of deposit (CDs). Net time deposits\* have increased 14.8 percent while demand deposits increased 4.3 percent and large CDs decreased about 24 percent.

One factor in the growth of net time deposits is that interest rates on savings deposits and small-denomination time deposits have remained near the maximum allowable rates at most banks during the first part of 1976. According to a recently published survey by the FDIC and Federal Reserve System (Federal Reserve Bulletin, October 1976), 89 percent of all banks insured by the FDIC paid the maximum allowable rate on savings deposits (5 percent) as of April 30, 1976. This represented 87 percent of all savings deposits. For all categories of small-denomination time deposits except one, over 90 percent of the banks surveyed paid the ceiling rate, and in each case this represented over 90 percent of those time deposits. In the case of the one exception (4-6 year time deposits in denominations of less than \$100,000), 83 percent of the banks surveyed paid the ceiling rate (7.25 percent), representing about 89 percent of the deposits in this category.

While interest rates on net time deposits have generally remained at their ceilings, interest rates on Treasury securities have fallen over the past year. In mid-January 1976, the interest rate on 3-month Treasury bills fell below the 5 percent interest rate ceiling on savings deposits and, with the exception of one week in March, did not rise above this level until early May. Since then the yield on 3-month Treasury bills has generally been below 5.50 percent, and in October it again fell below 5 percent. Interest rates on other short- and intermediate-term Treasury securities have also been close to or below interest rates on time deposits of comparable maturities, thereby encouraging the growth of net time deposits.

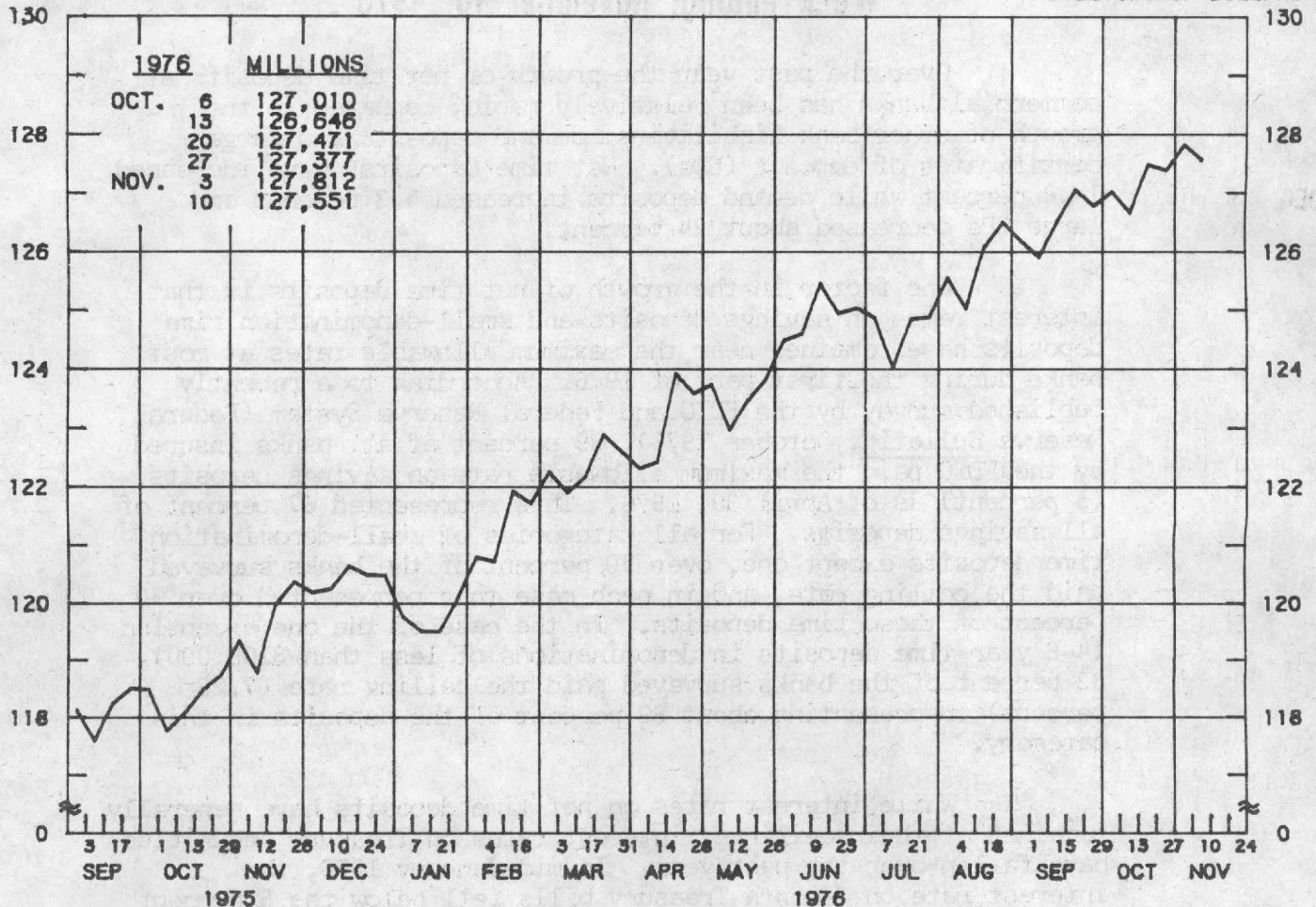
With net time deposits maintaining a strong rate of growth and with business loan demand at commercial banks declining over most of 1976, banks have not aggressively sought other sources of funds with which to make loans. As a result, interest rates paid on large CDs have declined about 120 basis points over the past year, and large CDs have declined about \$20 billion.

\* Includes all savings and time deposits other than negotiable time certificates of deposit over \$100,000 at large, weekly reporting commercial banks.

**MONETARY BASE**  
**AVERAGES OF DAILY FIGURES**  
**SEASONALLY ADJUSTED BY THIS BANK**

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 10, 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.

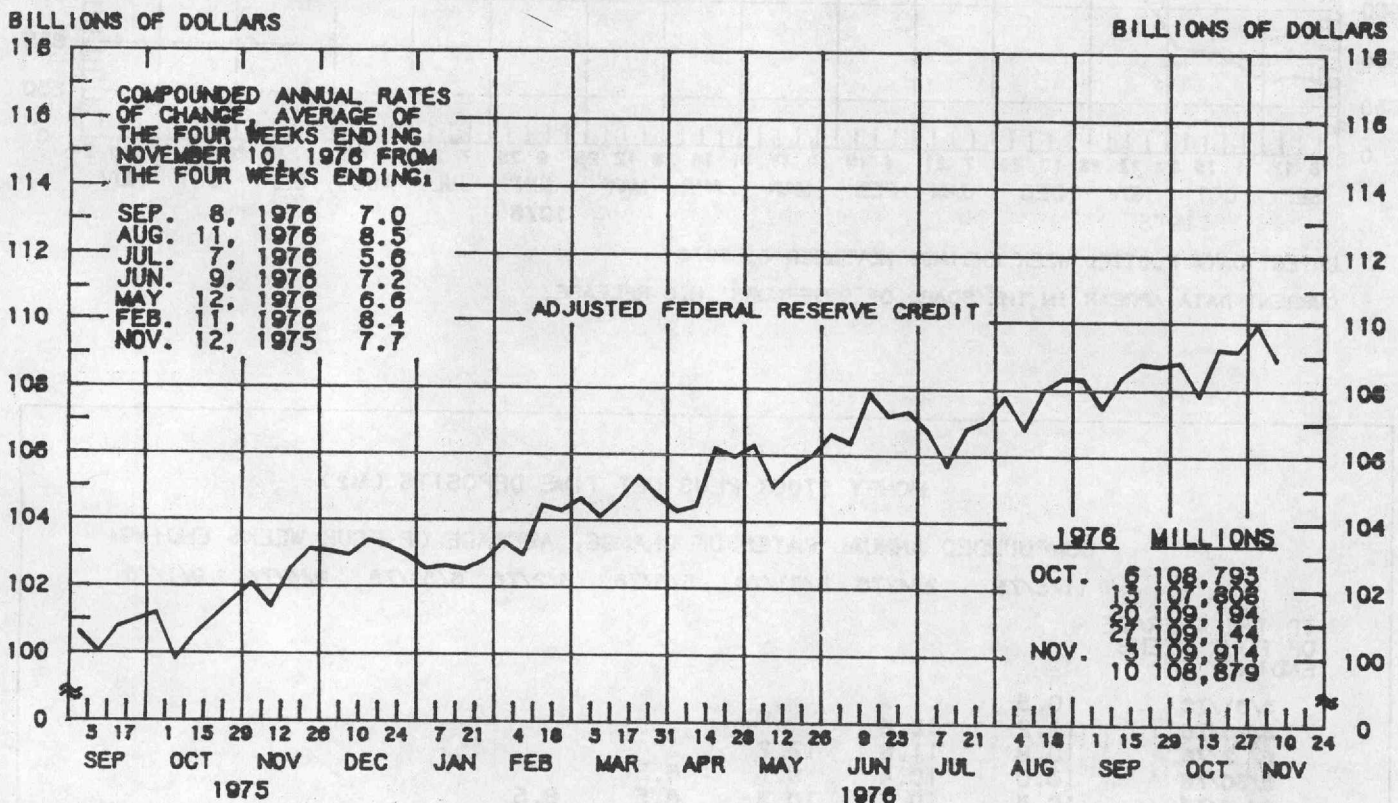
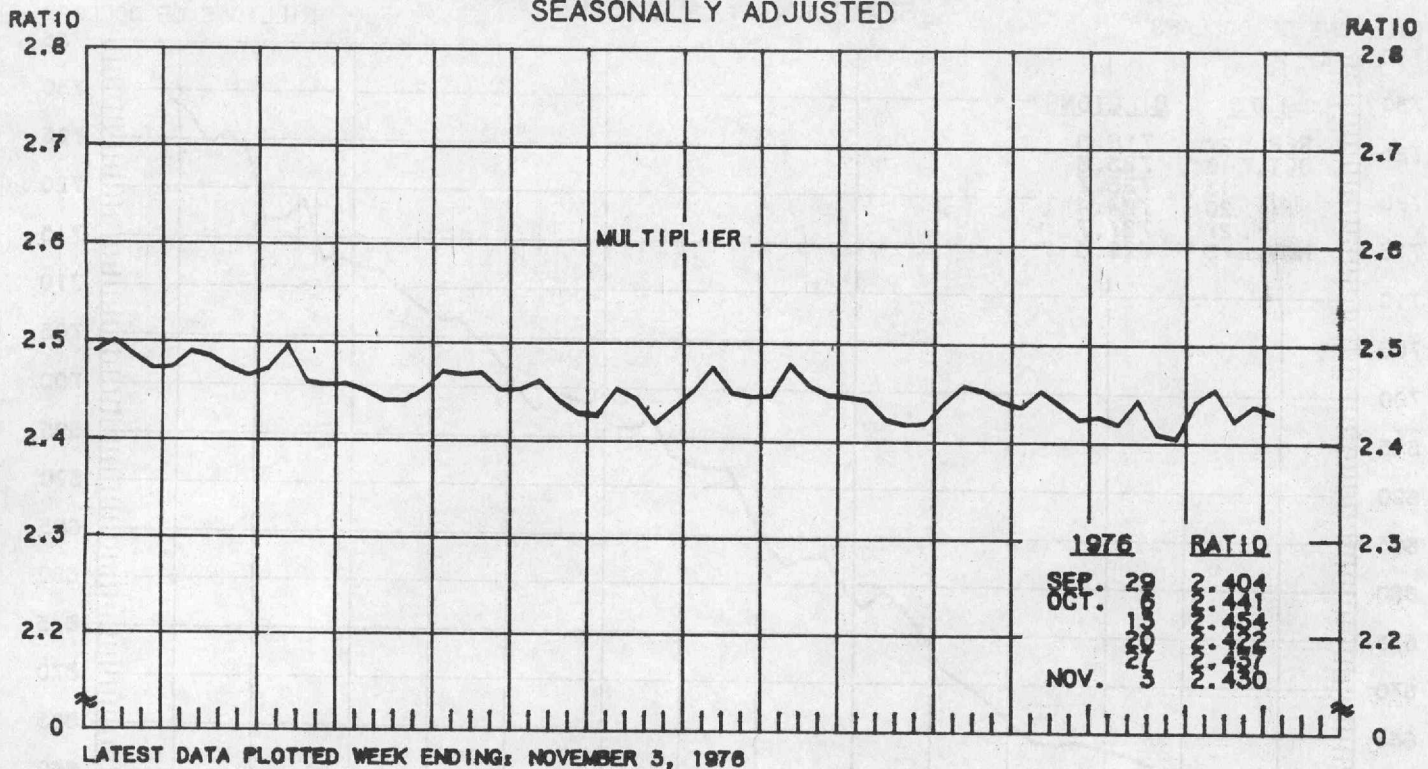
**MONETARY BASE**

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

	11/12/75	2/11/76	4/7/76	5/12/76	6/9/76	7/7/76	8/11/76	9/8/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/ 7/76	7.8							
5/12/76	8.1	11.4						
6/ 9/76	7.8	10.1	7.8					
7/ 7/76	8.1	10.2	8.7	8.3				
8/11/76	7.1	8.2	6.2	5.0	4.6			
9/ 8/76	7.5	8.7	7.2	6.6	6.8	5.2		
10/13/76	7.4	8.3	7.0	6.5	6.6	5.5	8.6	
11/10/76	7.3	8.2	7.0	6.6	6.7	5.9	8.2	6.6

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

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



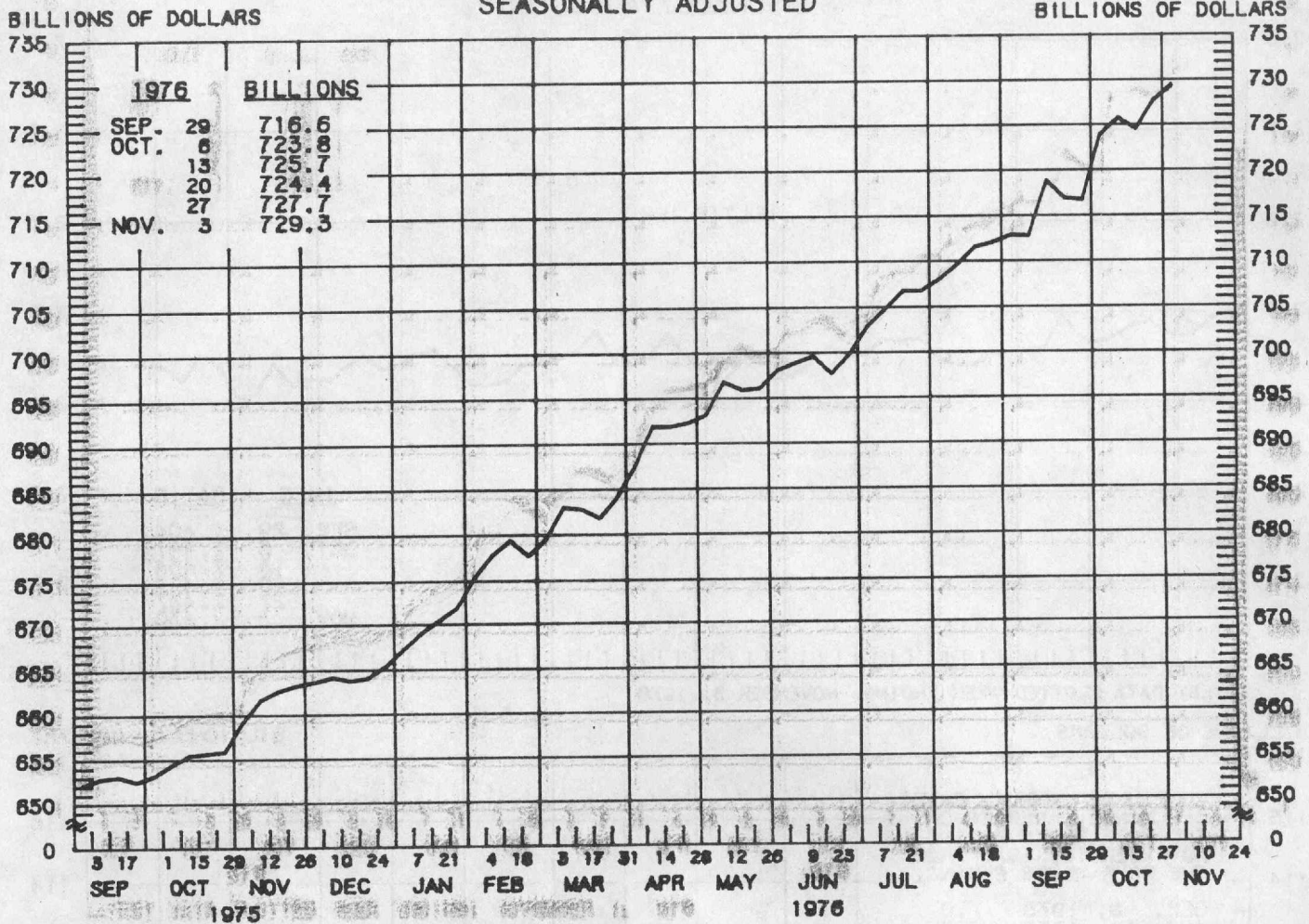
LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 10, 1976

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: NOVEMBER 3, 1976  
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

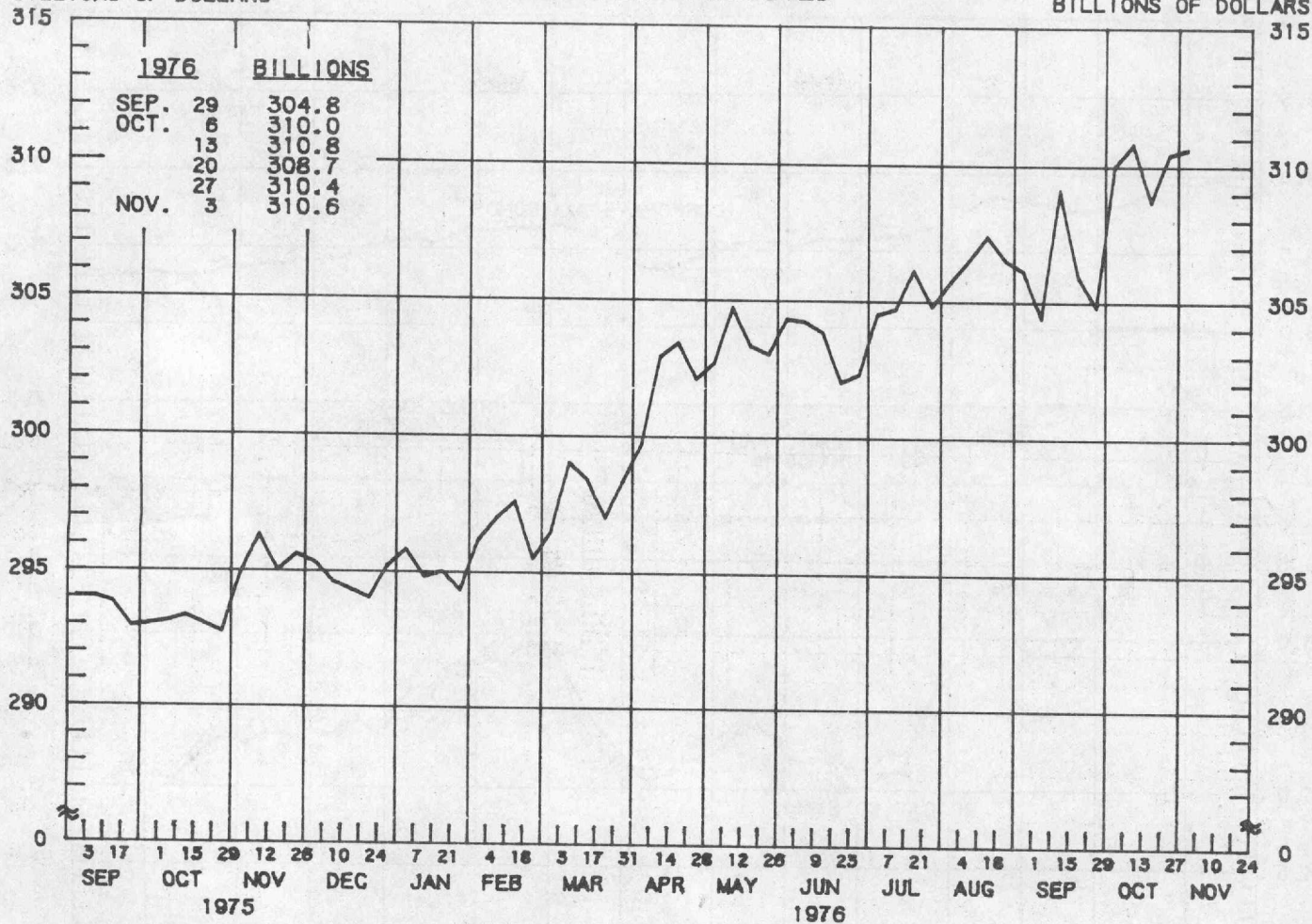
MONEY STOCK PLUS NET TIME DEPOSITS (M2)								
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
	11/5/75	2/4/76	3/31/76	5/5/76	6/2/76	6/30/76	8/4/76	9/1/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/31/76	10.3							
5/ 5/76	11.2	12.6						
6/ 2/76	10.8	11.8	12.2					
6/30/76	10.0	10.4	9.7	6.5				
8/ 4/76	10.3	10.7	10.3	8.5	8.5			
9/ 1/76	10.2	10.5	10.2	8.8	8.8	10.9		
10/ 6/76	10.4	10.7	10.4	9.4	9.6	11.1	10.7	
11/ 3/76	10.7	11.1	11.0	10.2	10.6	12.0	12.0	13.1

# MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 3, 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.

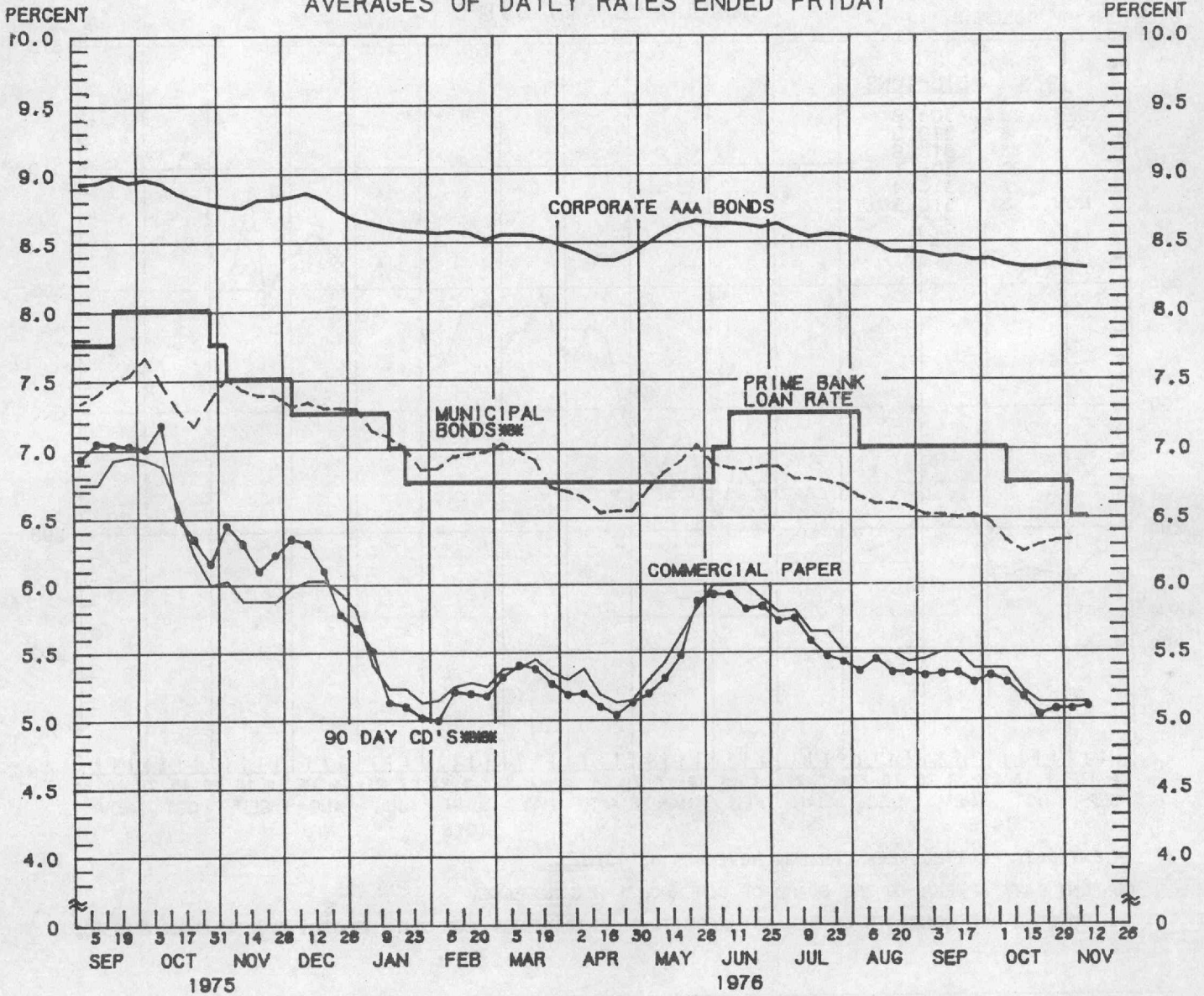
## MONEY STOCK (M1)

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

	11/5/75	2/4/76	3/31/76	5/5/76	6/2/76	6/30/76	8/4/76	9/1/76
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/31/76	4.0							
5/ 5/76	6.4	10.9						
6/ 2/76	6.2	9.3	11.3					
6/30/76	5.0	6.8	6.7	0.6				
8/ 4/76	5.4	7.0	7.0	3.3	2.9			
9/ 1/76	5.4	6.9	6.8	3.9	3.7	6.9		
10/ 6/76	5.2	6.3	6.1	3.7	3.6	5.5	4.2	
11/ 3/76	5.7	6.8	6.8	4.9	5.0	6.8	6.4	6.8

# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 12, 1976

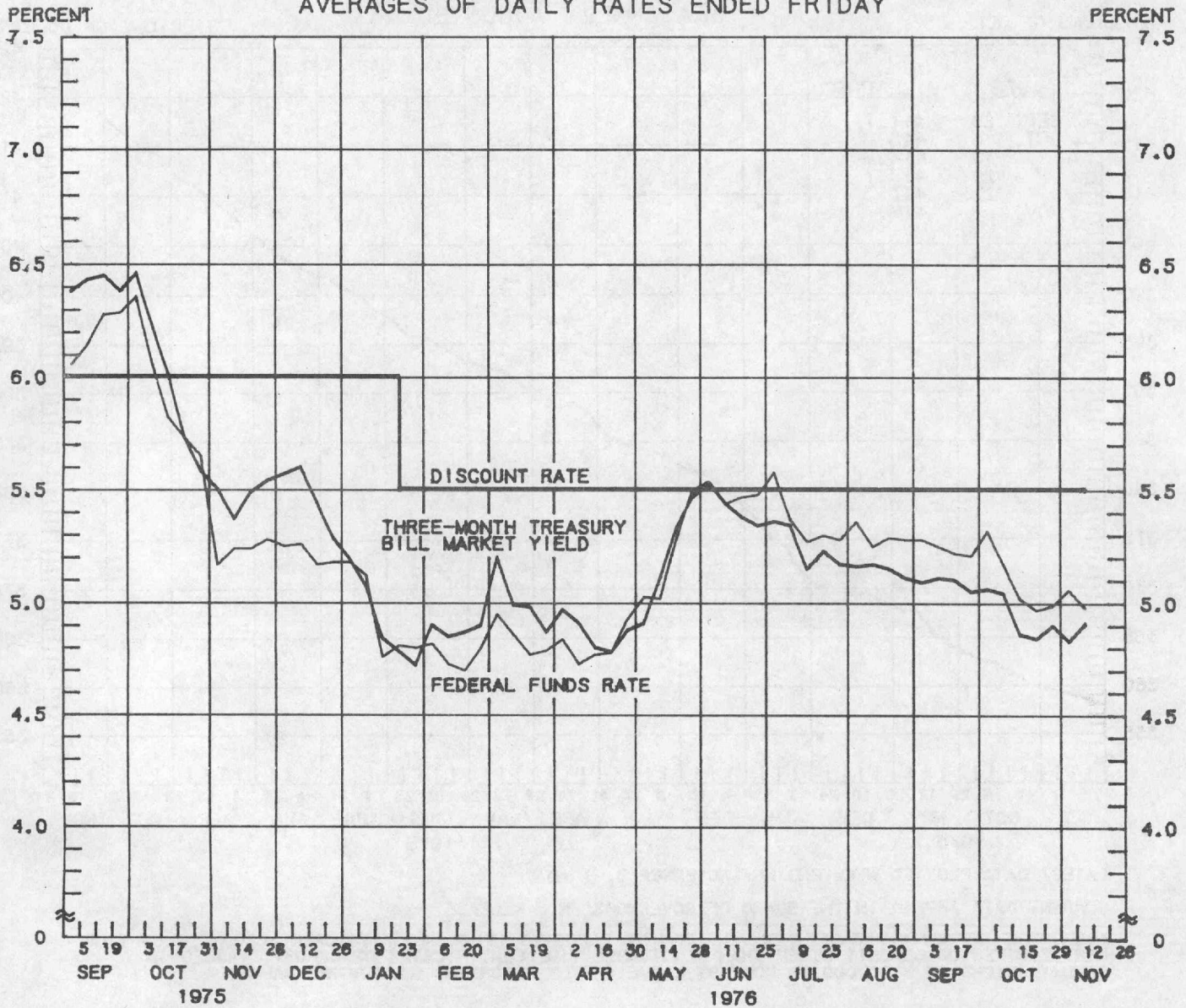
1976	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
SEP. 3	5.33	5.45	5.28	8.41	6.52
10	5.34	5.50	5.31	8.38	6.52
17	5.35	5.50	5.30	8.39	6.50
24	5.28	5.38	5.26	8.36	6.52
OCT. 1	5.33	5.38	5.25	8.37	6.47
8	5.28	5.38	5.22	8.33	6.33
15	5.17	5.22	5.05	8.31	6.25
22	5.04	5.13	4.93	8.31	6.30
29	5.08	5.13	5.01	8.33	6.33
NOV. 5	5.08	5.13	4.98	8.31	6.34
12 *	5.10	5.13	5.02	8.30	N.A.
19					
26					

\* 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: NOVEMBER 12, 1976

1976	FEDERAL FUNDS <sup>***</sup>	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR GOVERNMENT SECURITIES	LONG-TERM GOVERNMENT SECURITIES
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	5.06	5.48	6.80	7.63
8	5.17	5.04	5.31	6.61	7.56
15	5.02	4.86	5.09	6.35	7.50
22	4.97	4.84	5.11	6.39	7.55
29	4.99	4.90	5.19	6.56	7.59
NOV. 5	5.06	4.83	5.12	6.51	7.57
12 *	4.98	4.91	5.19	6.56	7.58
19					
26					

\* AVERAGES OF RATES AVAILABLE.

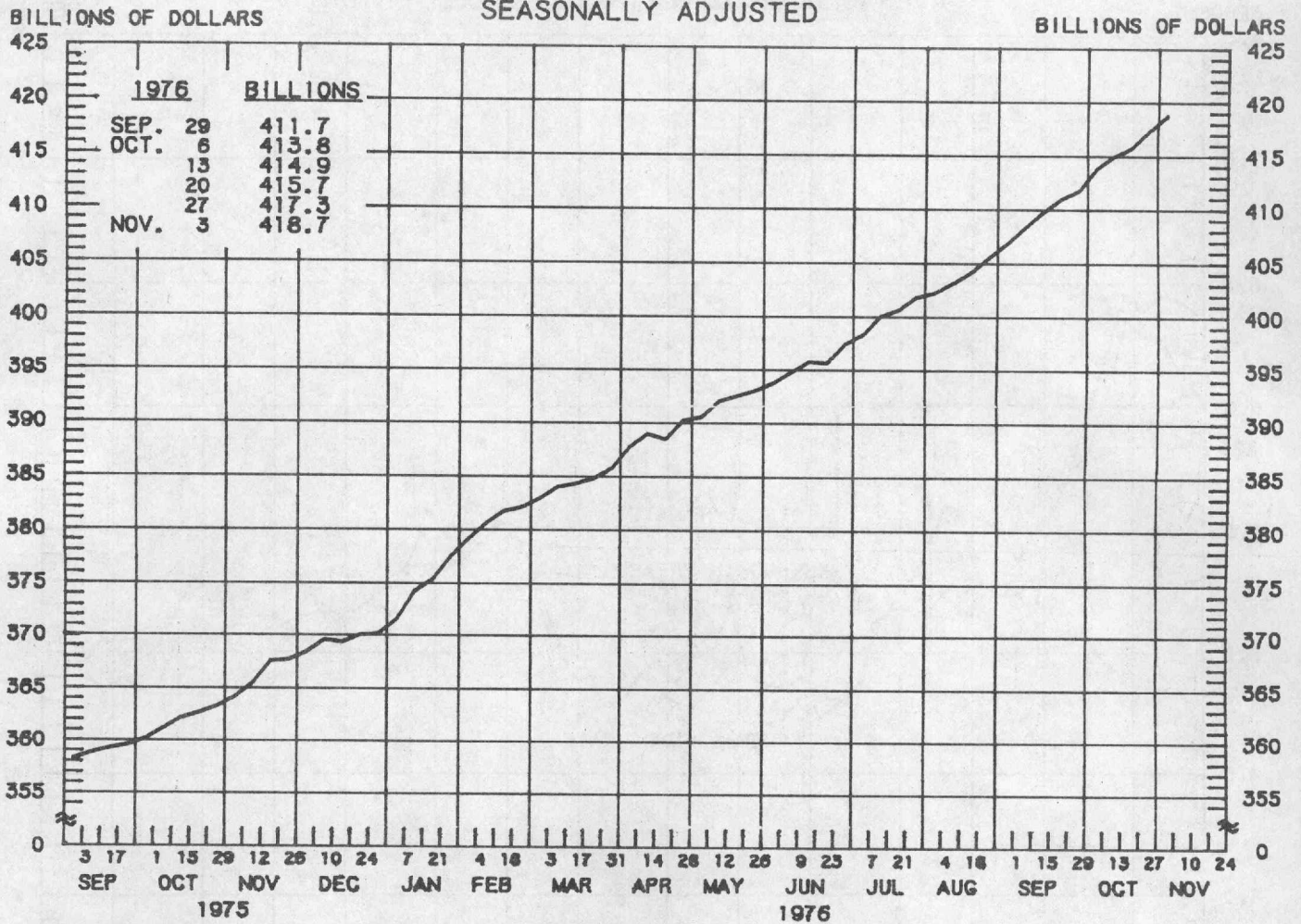
\*\* SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

\*\*\* 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: NOVEMBER 3, 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:									
	11/5/75	2/4/76	3/31/76	5/5/76	6/2/76	6/30/76	8/4/76	9/1/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
3/31/76	15.5								
5/ 5/76	15.1	14.5							
6/ 2/76	14.7	13.8	12.8						
6/30/76	14.2	13.2	12.2	11.2					
8/ 4/76	14.3	13.8	12.9	12.6	13.0				
9/ 1/76	14.1	13.4	12.9	12.6	12.9	13.9			
10/ 6/76	14.6	14.1	13.8	13.9	14.4	15.4	15.8		
11/ 3/76	14.8	14.5	14.3	14.5	15.0	15.9	16.4	18.1	

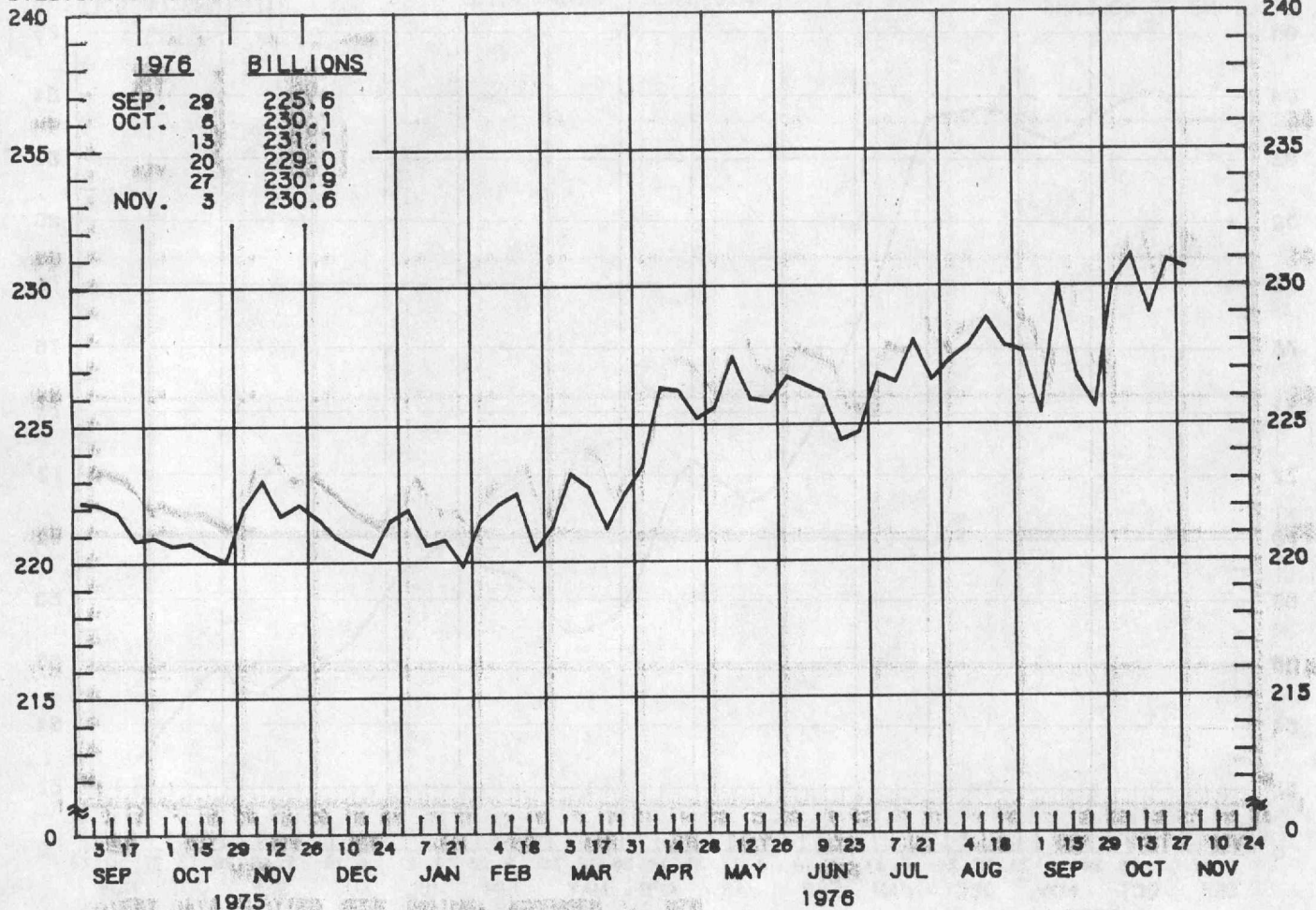


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

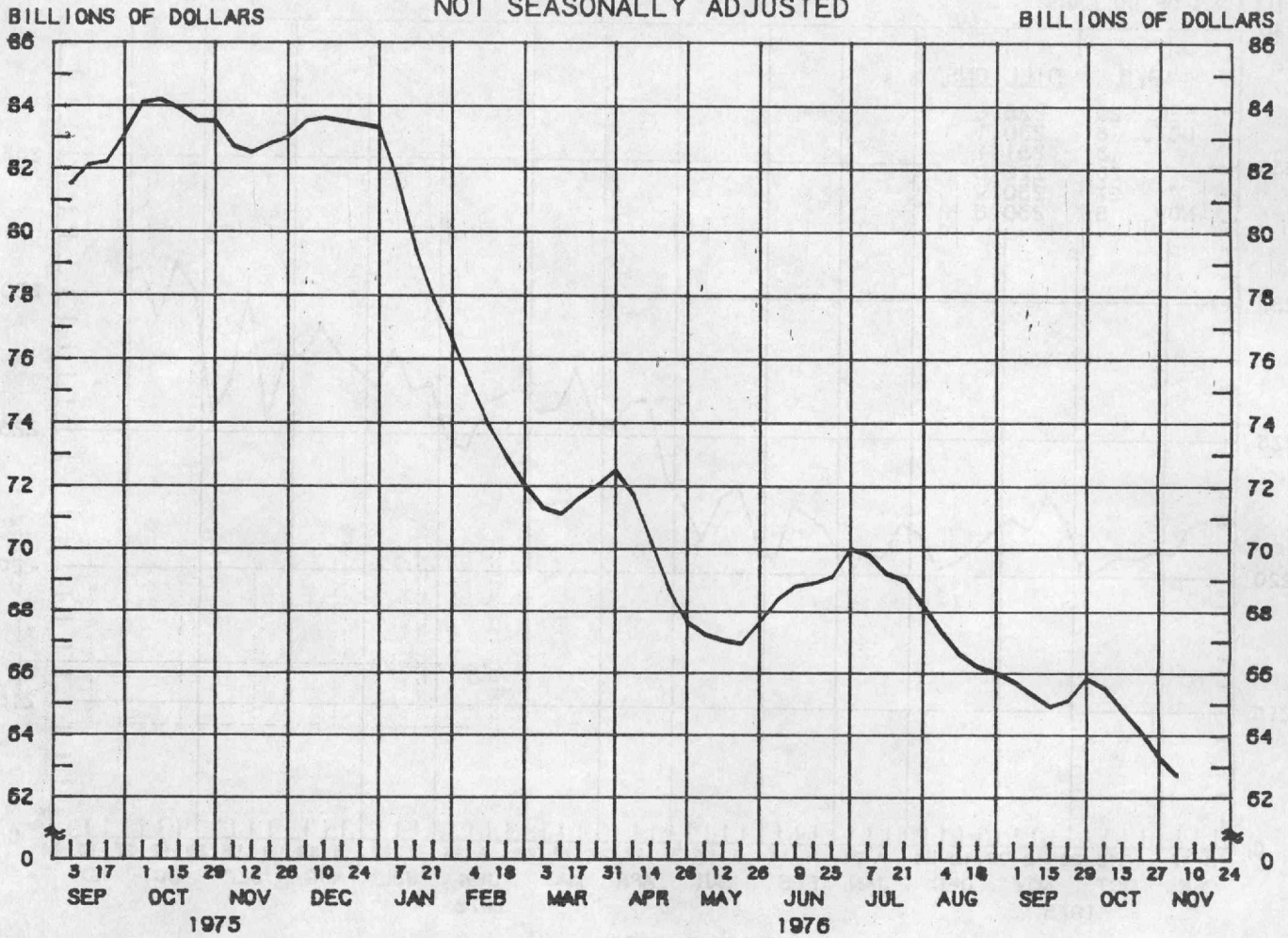
BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 3, 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:									
	11/5/75	2/4/76	3/31/76	5/5/76	6/2/76	6/30/76	8/4/76	9/1/76	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
3/31/76	1.8								
5/ 5/76	4.6	9.6							
6/ 2/76	4.5	8.3	11.1						
6/30/76	3.2	5.4	5.5	-1.1					
8/ 4/76	3.8	5.9	6.2	2.3	1.5				
9/ 1/76	4.0	5.8	6.1	3.0	2.7	6.9			
10/ 6/76	3.6	5.0	5.0	2.4	2.1	4.5	2.6		
11/ 3/76	4.3	5.9	6.1	4.1	4.1	6.5	5.9	6.2	

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



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 3, 1976

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

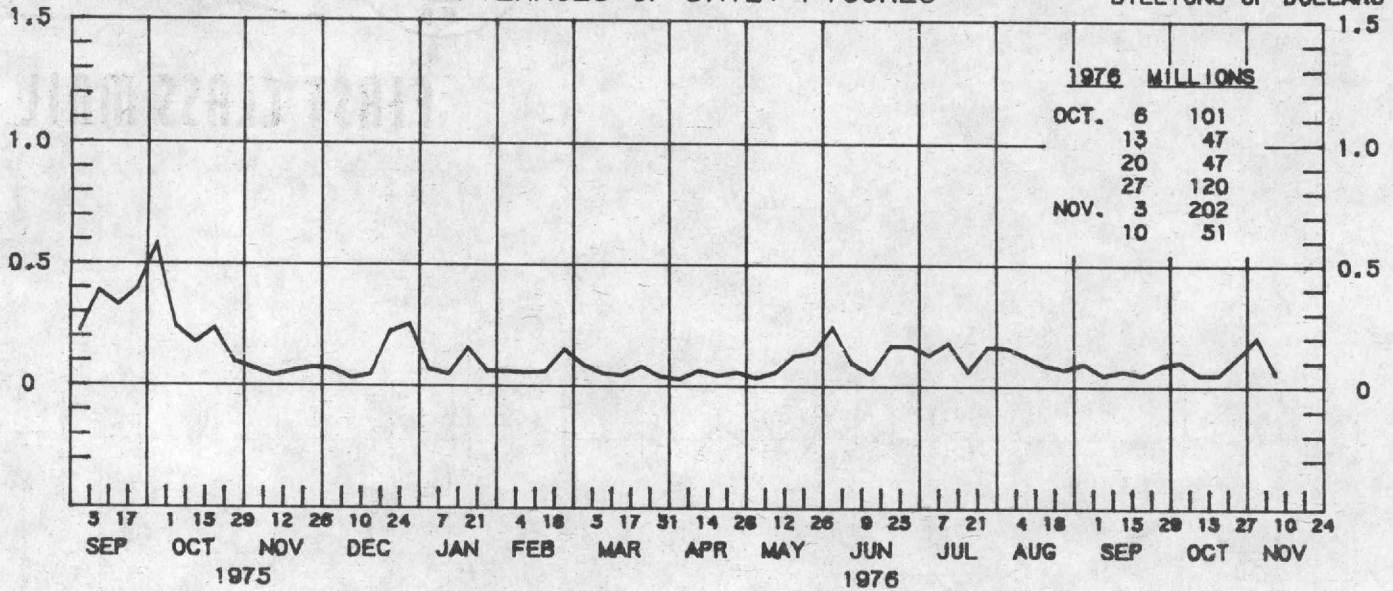
NEGOTIABLE TIME CERTIFICATES OF DEPOSIT ISSUED IN DENOMINATIONS OF \$100,000 OR MORE BY LARGE WEEKLY REPORTING COMMERCIAL BANKS.

1976	CERTIFICATES OF DEPOSIT NOT SEAS. ADJ.	CERTIFICATES OF DEPOSIT SEAS. ADJ.
SEP. 1	65.7	62.8
8	65.3	62.4
15	64.9	62.0
22	65.1	62.2
29	65.8	62.9
OCT. 6	65.5	62.7
13	64.8	62.4
20	64.1	62.0
27	63.3	61.4
NOV. 3	62.7	61.3
10		
17		
24		

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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

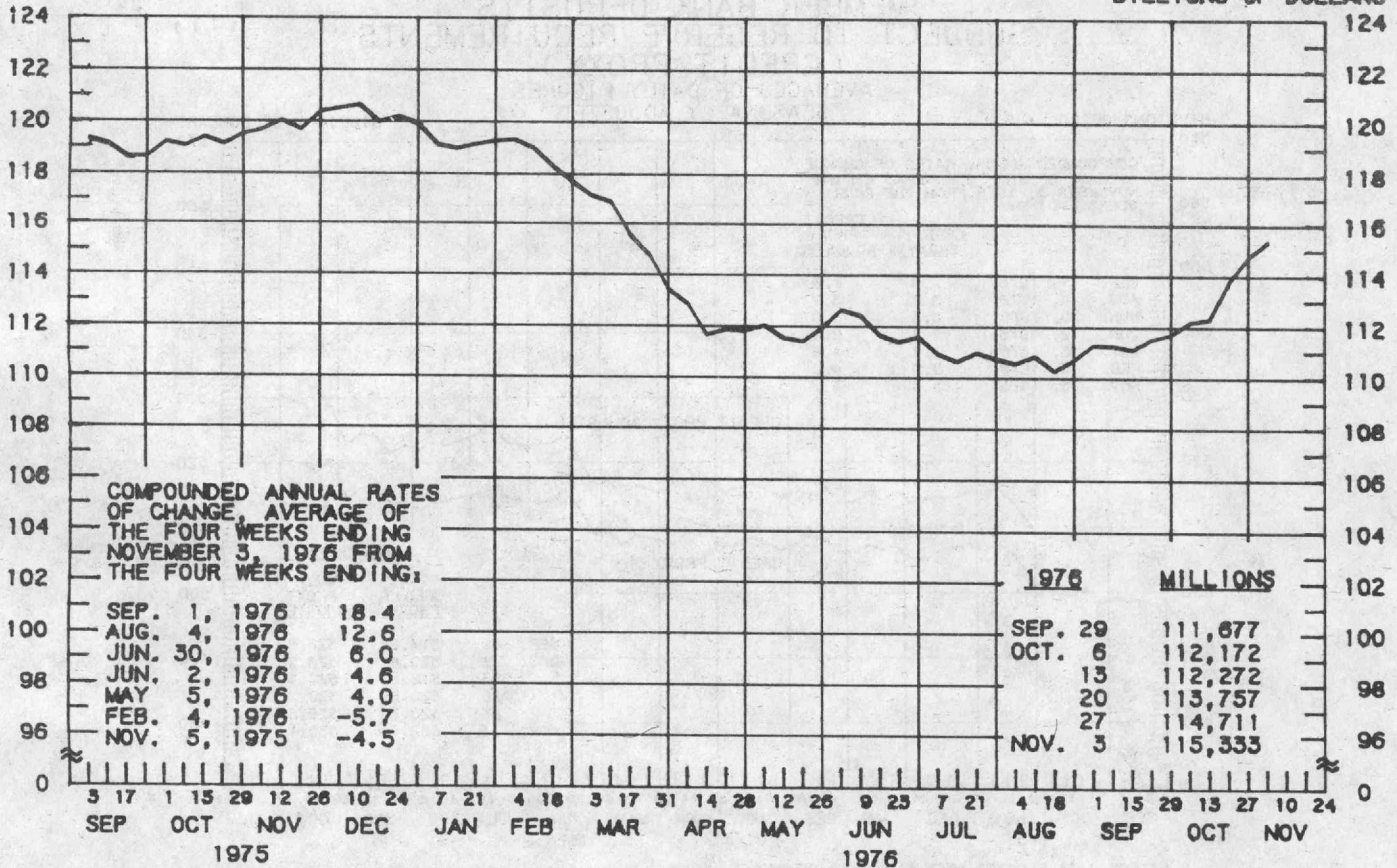
BILLIONS OF DOLLARS      AVERAGES OF DAILY FIGURES      BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 10, 1976

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

BILLIONS OF DOLLARS      BILLIONS OF DOLLARS

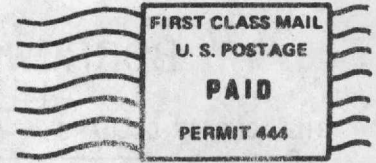


LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 3, 1976

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

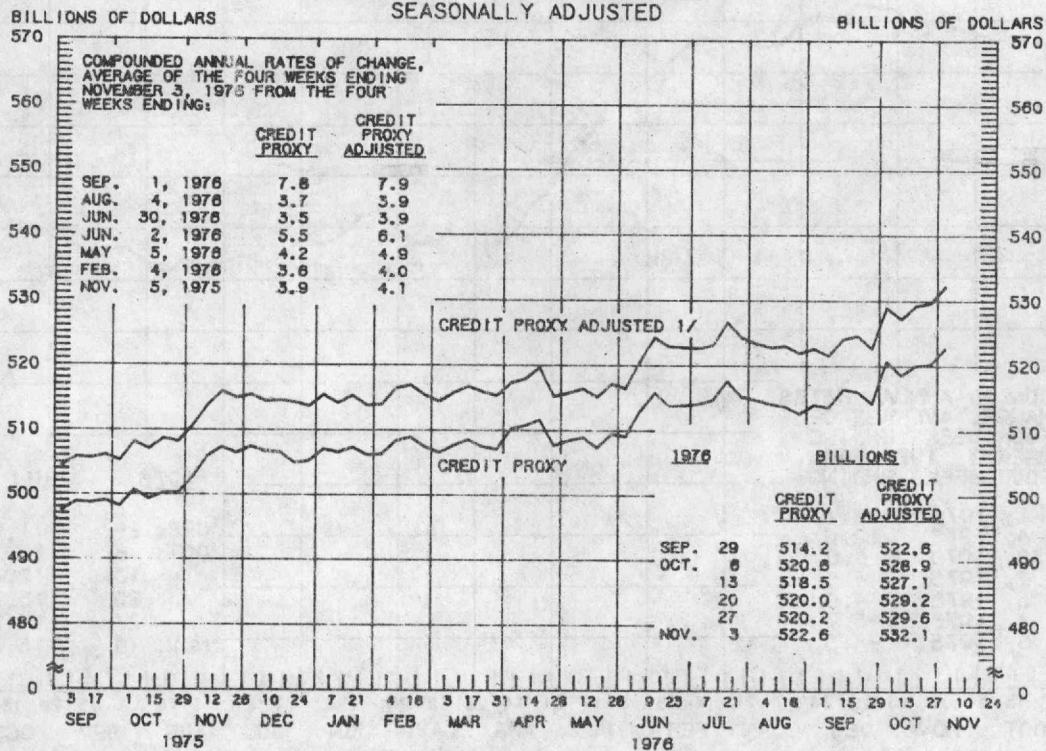
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RETURN POSTAGE GUARANTEED



FIRST CLASS MAIL

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



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 3, 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