



Week ending: May 4, 1977

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The narrowly defined money stock (M1) has increased at a significantly faster rate during the most recent six months than during the previous six months, while the more broadly defined money stock (M2) has increased at only a slightly higher rate. The rate of growth of M1 since late October 1976 increased to an annual rate of 7.1 percent from a 5.7 percent rate during the period from late April through late October 1976. The rates of growth of both demand deposits and currency increased in the most recent six-month period, compared to the previous six-month period -- from 4.9 to 6.5 percent and from 8.3 to 9 percent, respectively.

The M2 measure has increased at a 10.6 percent annual rate since late October 1976, about the same rate as during the previous six months (10.2 percent). This pattern of growth of M2 was the result of a decline in the rate of growth of net time deposits during the most recent six months to a 13.2 percent rate from a 13.8 percent rate during the previous six months. This decline in net time deposit growth offset the increased growth of the components of M1.

The growth rate of the monetary base has remained relatively stable during these two six-month periods. The base has increased at a 7.1 percent rate since late October 1976, after increasing at a 7 percent rate during the previous six months. The divergence in the growth of M1 and M2 is attributable to the fact that proportionally more of the base has been used to support currency and demand deposits than time deposits. Since the monetary base can be used either as currency or as reserves to support time and demand deposits, public actions which allocate the base between these uses affect the size of M1 relative to M2.

Business loans at weekly reporting large commercial banks have increased at a 6.4 percent annual rate since late January 1977, but have tended to level off recently. In addition to the recent slowing in the growth of net time deposits at banks, the issuance of large negotiable certificates of deposit at large commercial banks has continued to decline.

Prepared by Federal Reserve Bank of St. Louis

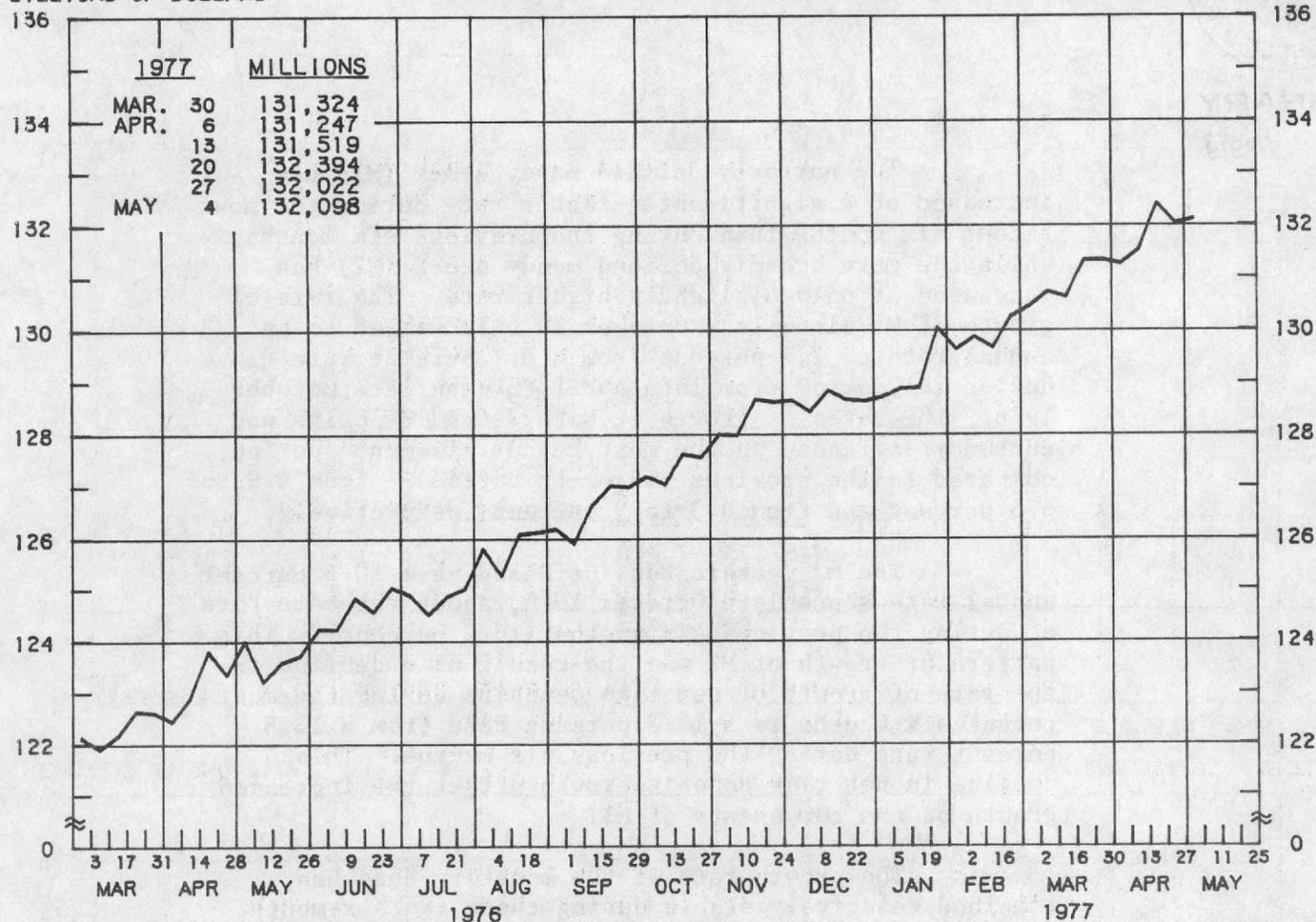
Released: May 6, 1977

MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MAY 4, 1977

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.

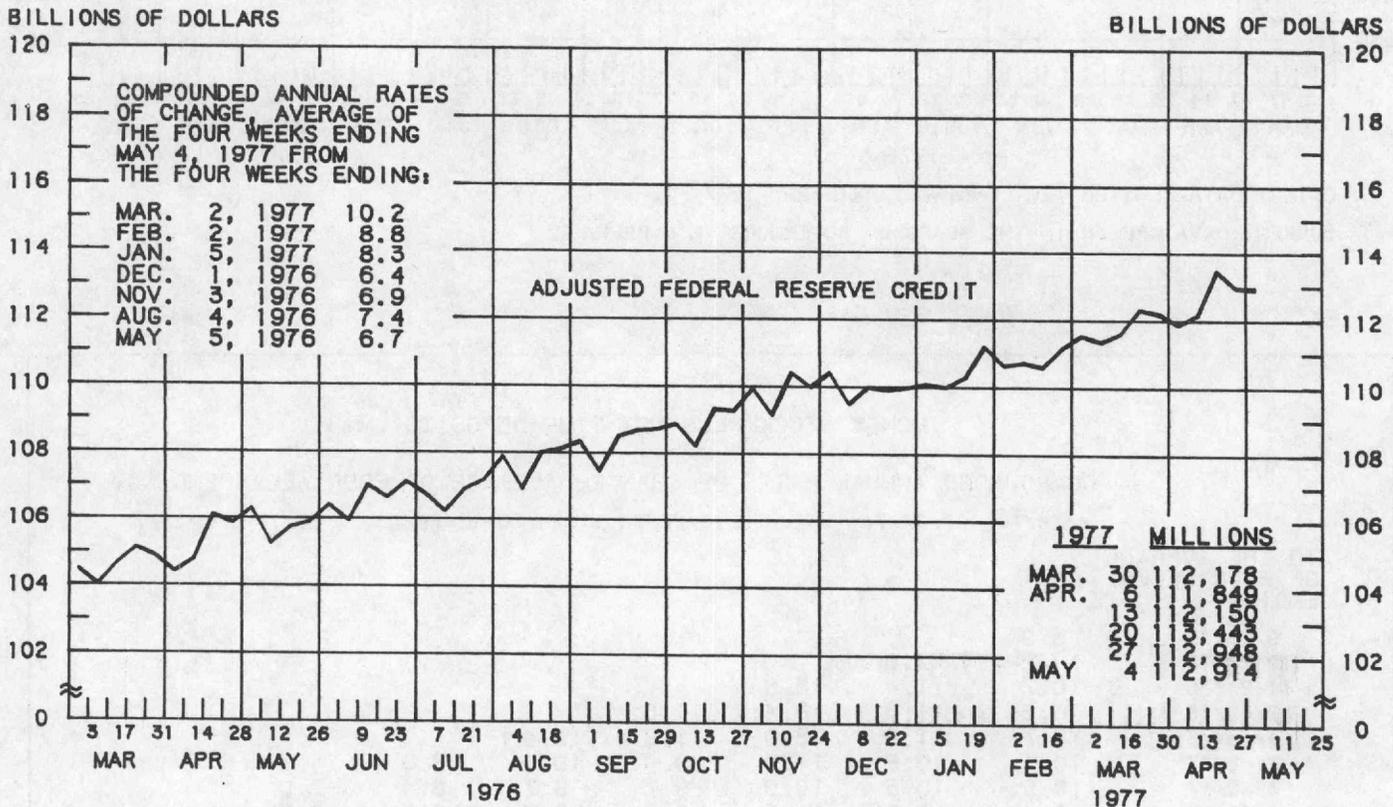
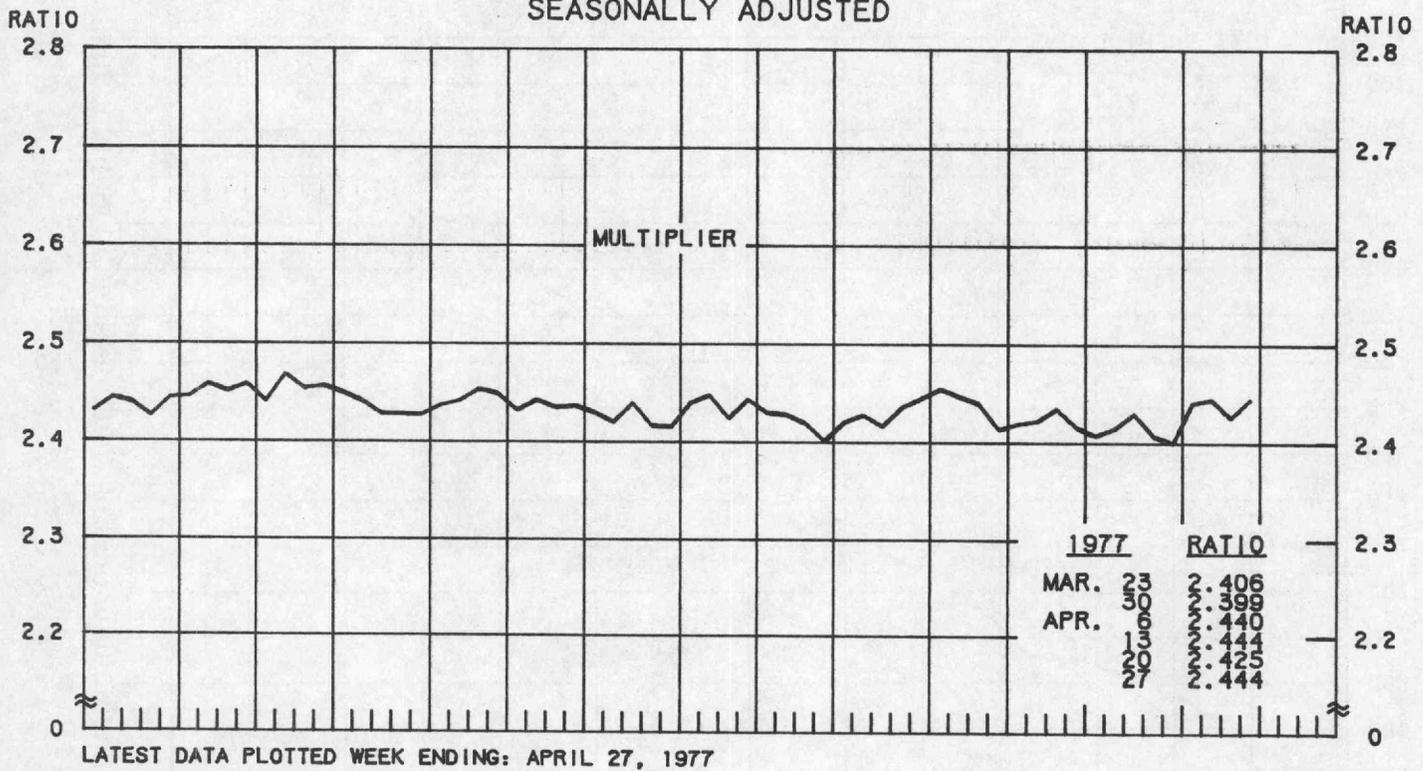
MONETARY BASE

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

| | 5/5/76 | 8/4/76 | 10/6/76 | 11/3/76 | 12/1/76 | 1/5/77 | 2/2/77 | 3/2/77 |
|--------------------------------------|--------|--------|---------|---------|---------|--------|--------|--------|
| TO THE AVERAGE OF FOUR WEEKS ENDING: | | | | | | | | |
| 10/ 6/76 | 6.7 | | | | | | | |
| 11/ 3/76 | 6.7 | 8.3 | | | | | | |
| 12/ 1/76 | 7.1 | 8.6 | 8.0 | | | | | |
| 1/ 5/77 | 6.3 | 7.1 | 5.6 | 5.4 | | | | |
| 2/ 2/77 | 6.4 | 7.0 | 5.9 | 5.8 | 4.0 | | | |
| 3/ 2/77 | 6.4 | 7.1 | 6.1 | 6.1 | 5.0 | 7.0 | | |
| 4/ 6/77 | 6.7 | 7.3 | 6.7 | 6.8 | 6.1 | 7.7 | 8.2 | |
| 5/ 4/77 | 6.9 | 7.5 | 7.0 | 7.1 | 6.6 | 8.1 | 8.5 | 9.0 |

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

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



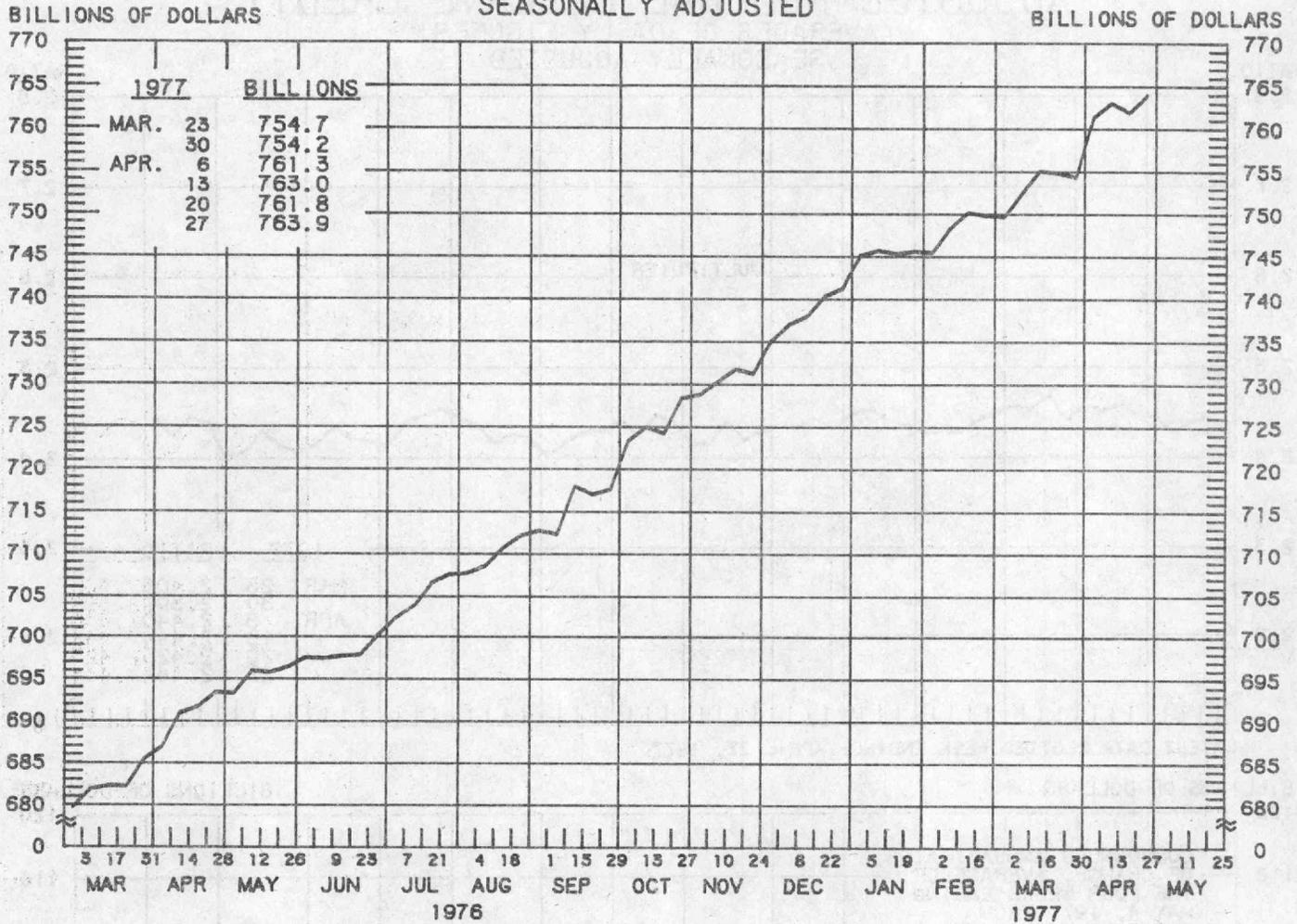
LATEST DATA PLOTTED WEEK ENDING: MAY 4, 1977

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: APRIL 27, 1977

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:

4/28/76 7/28/76 9/29/76 10/27/76 11/24/76 12/29/76 1/26/77 3/2/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

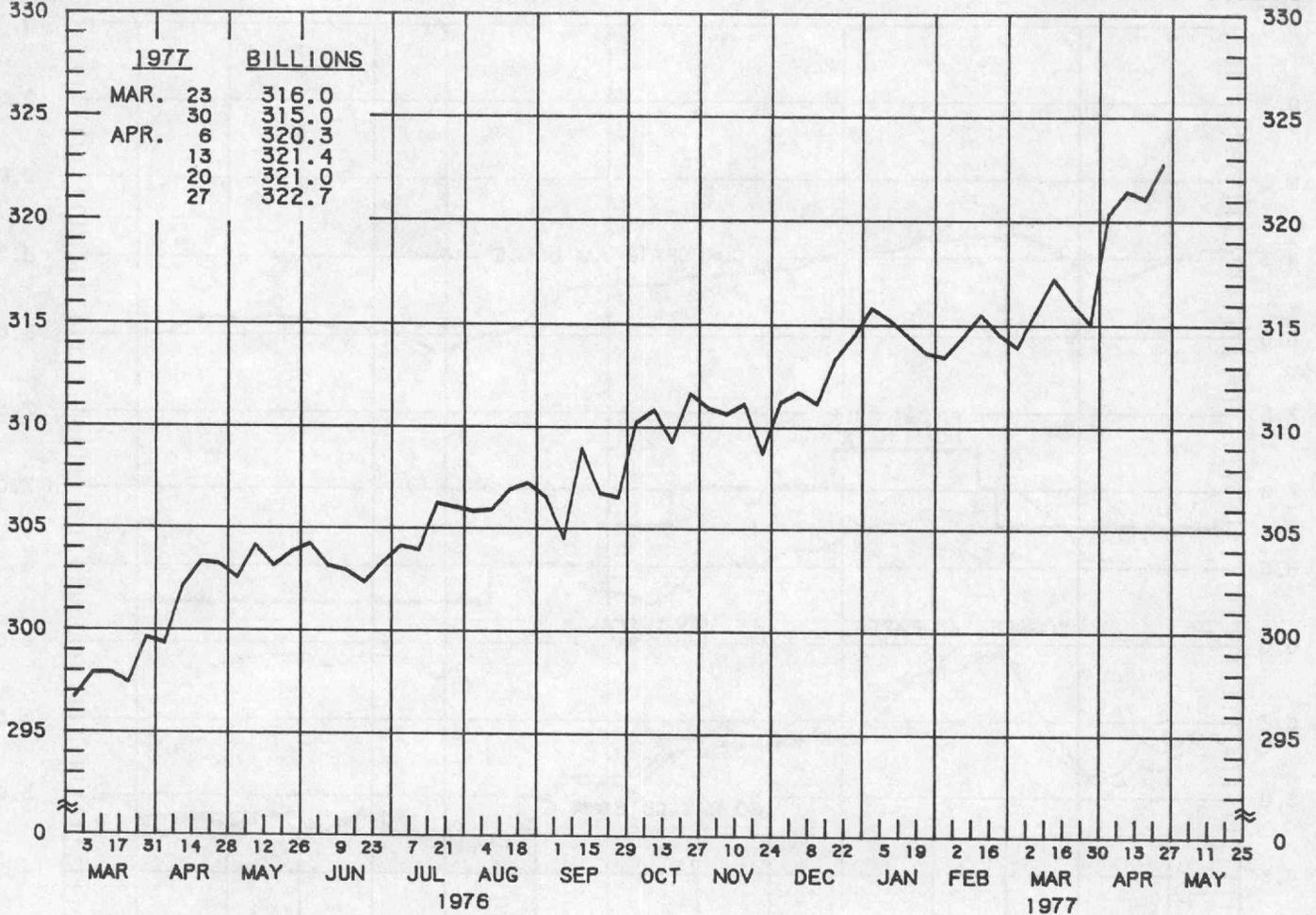
| | | | | | | | | |
|----------|------|------|------|------|------|------|-----|------|
| 9/29/76 | 8.9 | | | | | | | |
| 10/27/76 | 10.2 | 12.0 | | | | | | |
| 11/24/76 | 10.2 | 11.4 | 13.6 | | | | | |
| 12/29/76 | 10.6 | 11.8 | 13.4 | 11.6 | | | | |
| 1/26/77 | 10.7 | 11.8 | 13.0 | 11.6 | 12.4 | | | |
| 3/ 2/77 | 10.1 | 10.8 | 11.3 | 9.9 | 10.0 | 8.3 | | |
| 3/30/77 | 10.0 | 10.5 | 10.9 | 9.7 | 9.7 | 8.4 | 7.0 | |
| 4/27/77 | 10.4 | 11.0 | 11.5 | 10.6 | 10.7 | 10.0 | 9.6 | 11.9 |

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

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:

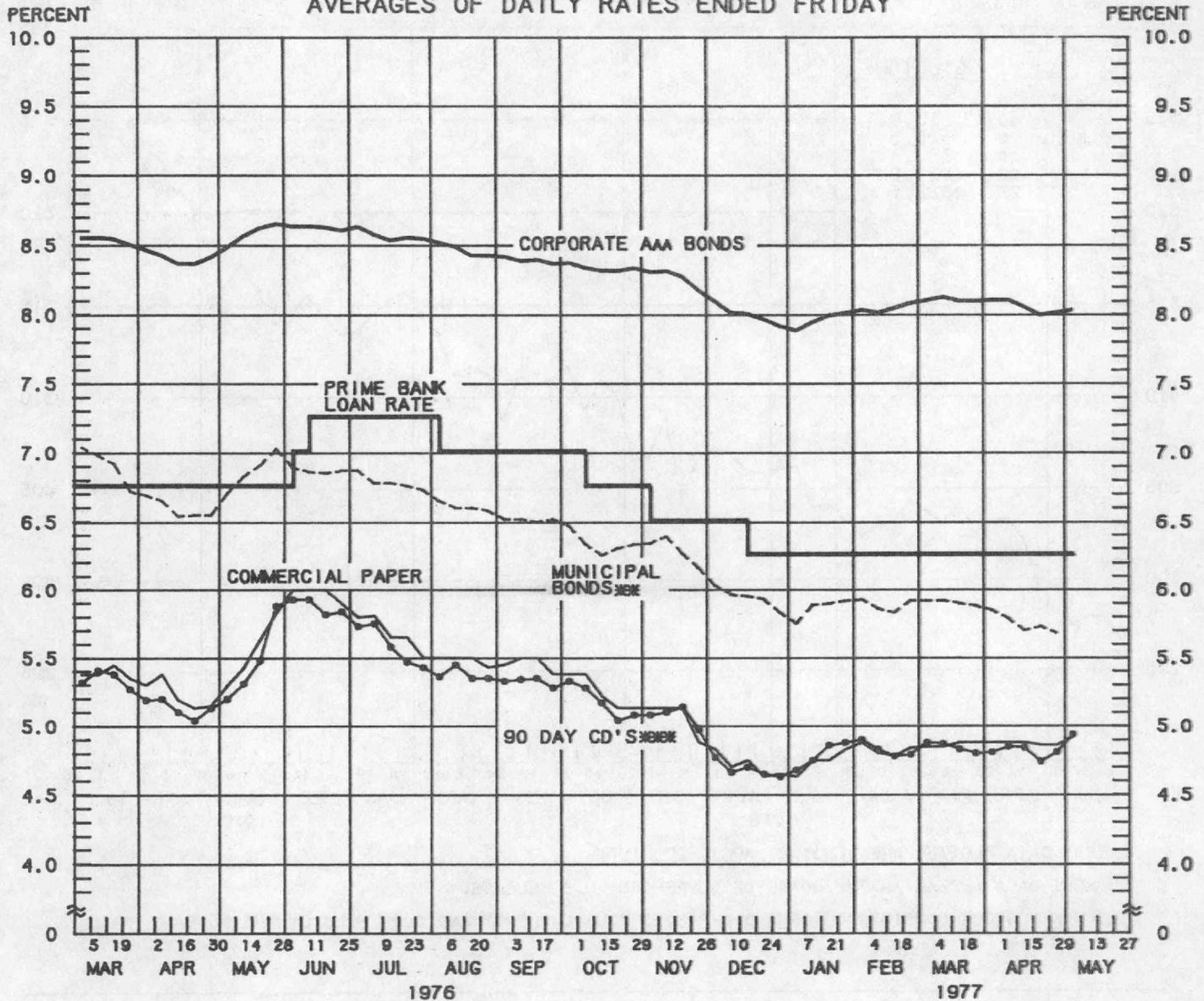
4/28/76 7/28/76 9/29/76 10/27/76 11/24/76 12/29/76 1/26/77 3/2/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

| | | | | | | | | |
|----------|-----|-----|-----|-----|-----|-----|-----|------|
| 9/29/76 | 3.7 | | | | | | | |
| 10/27/76 | 5.7 | 7.3 | | | | | | |
| 11/24/76 | 4.8 | 5.3 | 7.9 | | | | | |
| 12/29/76 | 5.3 | 5.9 | 7.9 | 4.0 | | | | |
| 1/26/77 | 5.7 | 6.5 | 8.3 | 5.7 | 8.7 | | | |
| 3/ 2/77 | 4.9 | 5.3 | 6.2 | 3.9 | 5.2 | 3.8 | | |
| 3/30/77 | 5.0 | 5.4 | 6.2 | 4.2 | 5.4 | 4.4 | 2.2 | |
| 4/27/77 | 6.4 | 7.2 | 8.5 | 7.1 | 8.7 | 8.9 | 8.7 | 14.9 |

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MAY 6, 1977

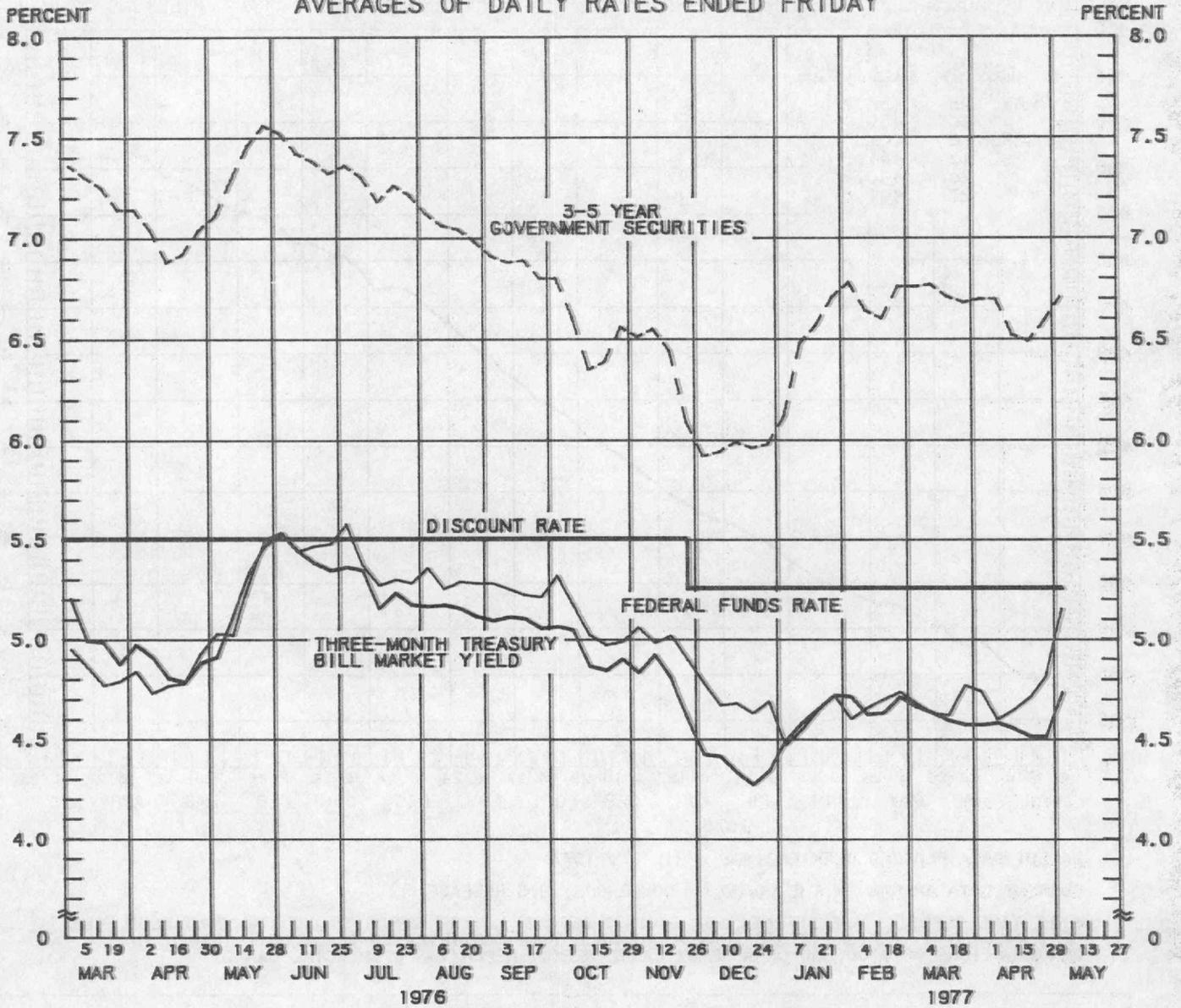
| 1977 | 90 DAY CD'S ^{***} | PRIME COMMERCIAL PAPER 4-6 MONTH | PRIME BANKERS' ACCEPTANCES | CORPORATE AAA BONDS | MUNICIPAL BONDS ^{**} |
|---------|----------------------------|----------------------------------|----------------------------|---------------------|-------------------------------|
| MAR. 4 | 4.88 | 4.85 | 4.83 | 8.10 | 5.92 |
| 11 | 4.87 | 4.85 | 4.84 | 8.12 | 5.92 |
| 18 | 4.83 | 4.88 | 4.81 | 8.09 | 5.90 |
| 25 | 4.80 | 4.88 | 4.79 | 8.09 | 5.88 |
| APR. 1 | 4.81 | 4.88 | 4.76 | 8.10 | 5.85 |
| 8 | 4.85 | 4.88 | 4.79 | 8.10 | 5.79 |
| 15 | 4.84 | 4.88 | 4.76 | 8.05 | 5.70 |
| 22 | 4.74 | 4.86 | 4.76 | 7.99 | 5.73 |
| 29 | 4.81 | 4.86 | 4.82 | 8.01 | 5.68 |
| MAY 6 * | 4.94 | 4.92 | 4.99 | 8.03 | N.A. |
| 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: MAY 6, 1977

| 1977 | FEDERAL FUNDS *** | 3-MONTH TREASURY BILLS | 1-YEAR TREASURY BILL | 3-5 YEAR GOVERNMENT SECURITIES | LONG-TERM GOVERNMENT SECURITIES |
|---------|-------------------|------------------------|----------------------|--------------------------------|---------------------------------|
| MAR. 4 | 4.68 | 4.66 | 5.23 | 6.76 | 7.60 |
| 11 | 4.63 | 4.63 | 5.22 | 6.77 | 7.60 |
| 18 | 4.62 | 4.59 | 5.18 | 6.71 | 7.56 |
| 25 | 4.77 | 4.57 | 5.17 | 6.68 | 7.55 |
| APR. 1 | 4.74 | 4.57 | 5.15 | 6.70 | 7.56 |
| 8 | 4.60 | 4.58 | 5.14 | 6.70 | 7.55 |
| 15 | 4.65 | 4.55 | 5.03 | 6.52 | 7.48 |
| 22 | 4.71 | 4.51 | 5.04 | 6.49 | 7.45 |
| 29 | 4.82 | 4.51 | 5.18 | 6.59 | 7.51 |
| MAY 6 * | 5.15 | 4.73 | 5.24 | 6.71 | 7.55 |
| 13 | | | | | |
| 20 | | | | | |
| 27 | | | | | |

* AVERAGES OF RATES AVAILABLE.

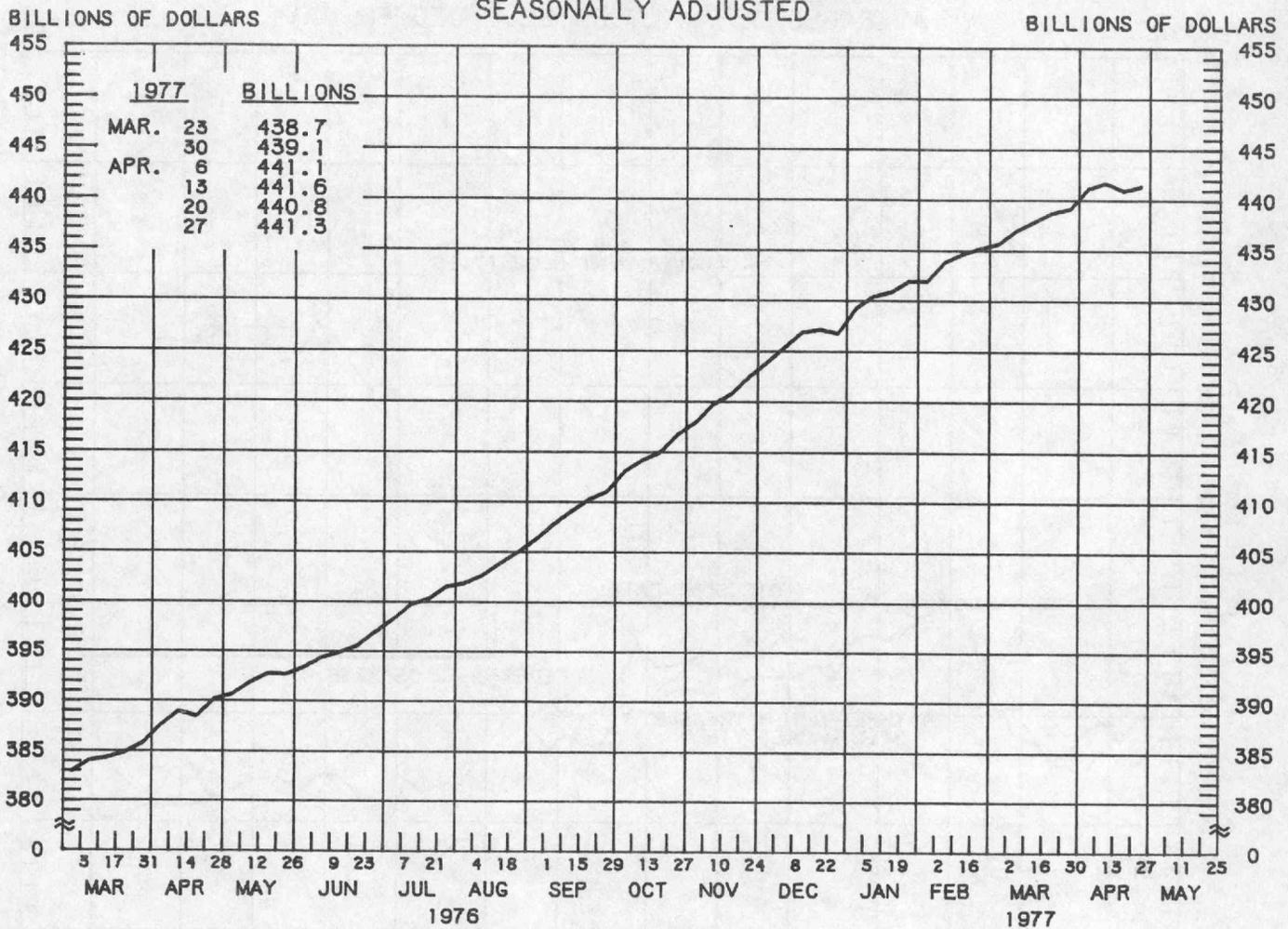
*** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

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:

4/28/76 7/28/76 9/29/76 10/27/76 11/24/76 12/29/76 1/26/77 3/2/77

TO THE AVERAGE
 OF FOUR WEEKS
 ENDING:

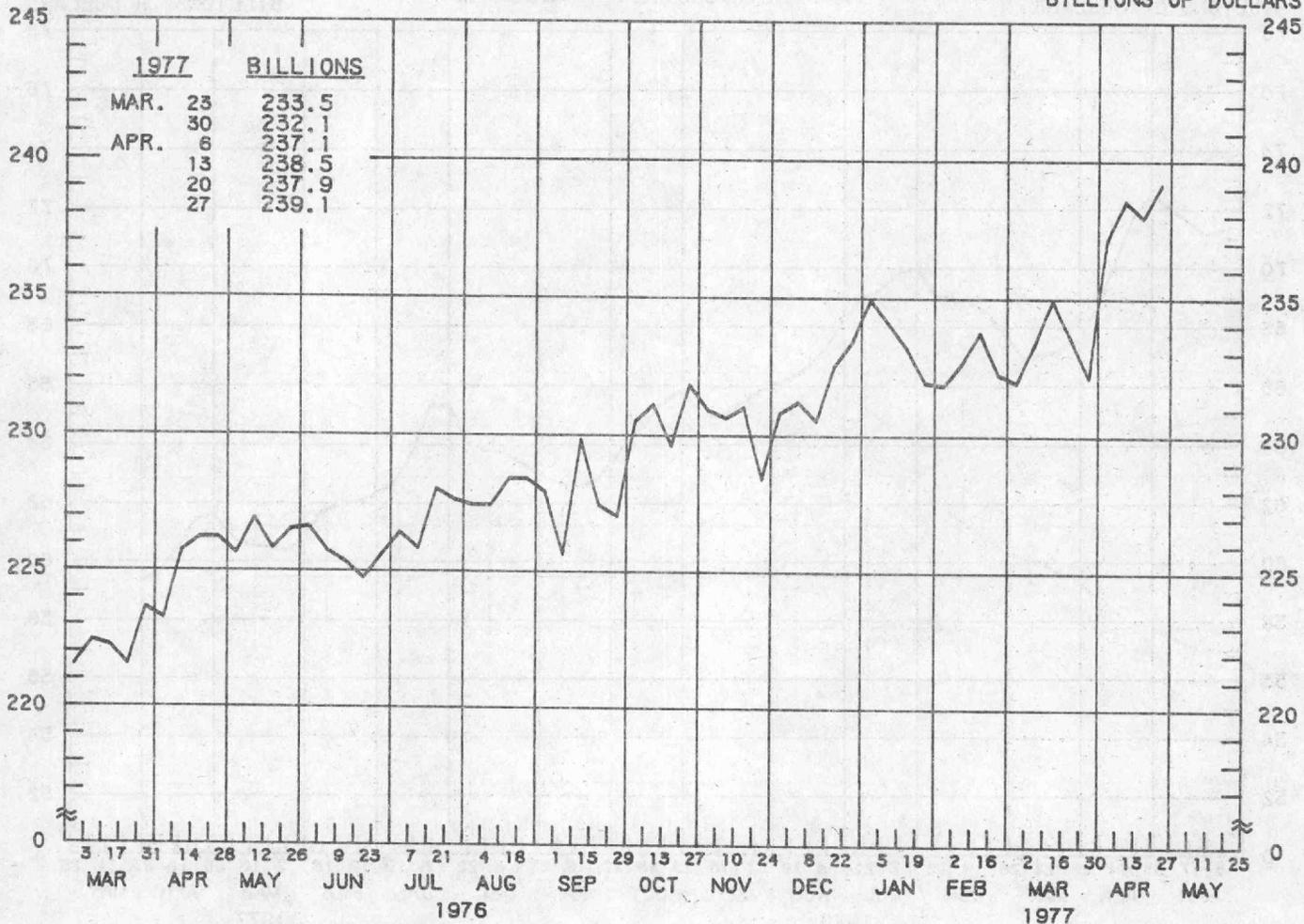
| | | | | | | | | |
|----------|------|------|------|------|------|------|------|------|
| 9/29/76 | 13.1 | | | | | | | |
| 10/27/76 | 13.8 | 15.6 | | | | | | |
| 11/24/76 | 14.5 | 16.4 | 18.3 | | | | | |
| 12/29/76 | 14.8 | 16.4 | 17.7 | 17.6 | | | | |
| 1/26/77 | 14.6 | 15.9 | 16.6 | 16.2 | 15.2 | | | |
| 3/ 2/77 | 14.2 | 15.1 | 15.2 | 14.7 | 13.5 | 11.8 | | |
| 3/30/77 | 13.8 | 14.5 | 14.5 | 13.9 | 12.8 | 11.3 | 10.5 | |
| 4/27/77 | 13.5 | 14.0 | 13.8 | 13.2 | 12.2 | 10.9 | 10.2 | 10.0 |

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

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:

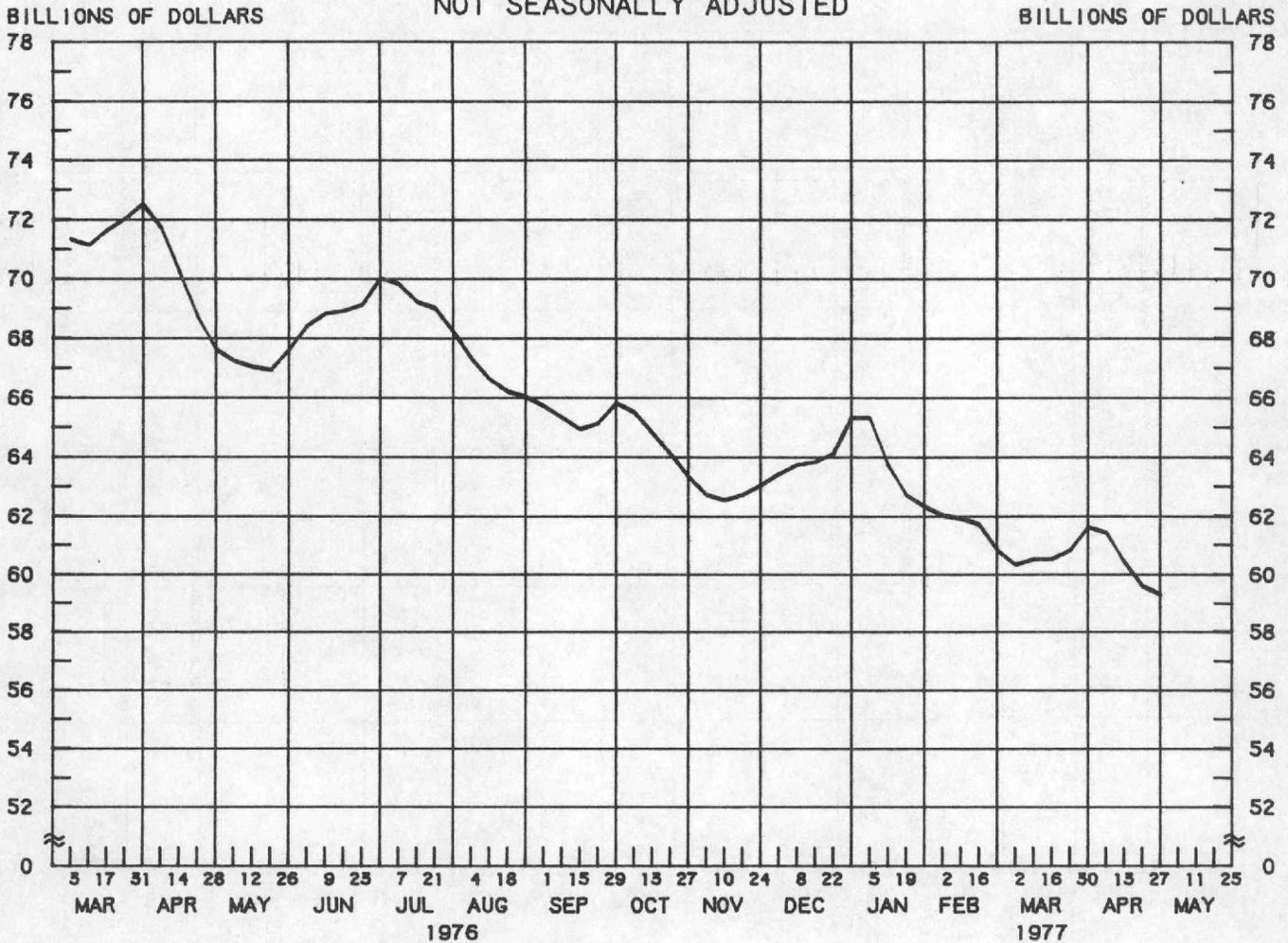
4/28/76 7/28/76 9/29/76 10/27/76 11/24/76 12/29/76 1/26/77 3/2/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

| | | | | | | | | |
|----------|-----|-----|-----|-----|-----|-----|-----|------|
| 9/29/76 | 2.3 | | | | | | | |
| 10/27/76 | 4.9 | 6.9 | | | | | | |
| 11/24/76 | 3.8 | 4.4 | 8.0 | | | | | |
| 12/29/76 | 4.4 | 5.2 | 8.0 | 2.8 | | | | |
| 1/26/77 | 4.9 | 5.8 | 8.3 | 4.8 | 8.6 | | | |
| 3/ 2/77 | 3.8 | 4.2 | 5.4 | 2.3 | 3.9 | 1.8 | | |
| 3/30/77 | 3.9 | 4.3 | 5.3 | 2.8 | 4.2 | 2.8 | 0.0 | |
| 4/27/77 | 5.7 | 6.6 | 8.3 | 6.5 | 8.4 | 8.5 | 8.3 | 16.7 |

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

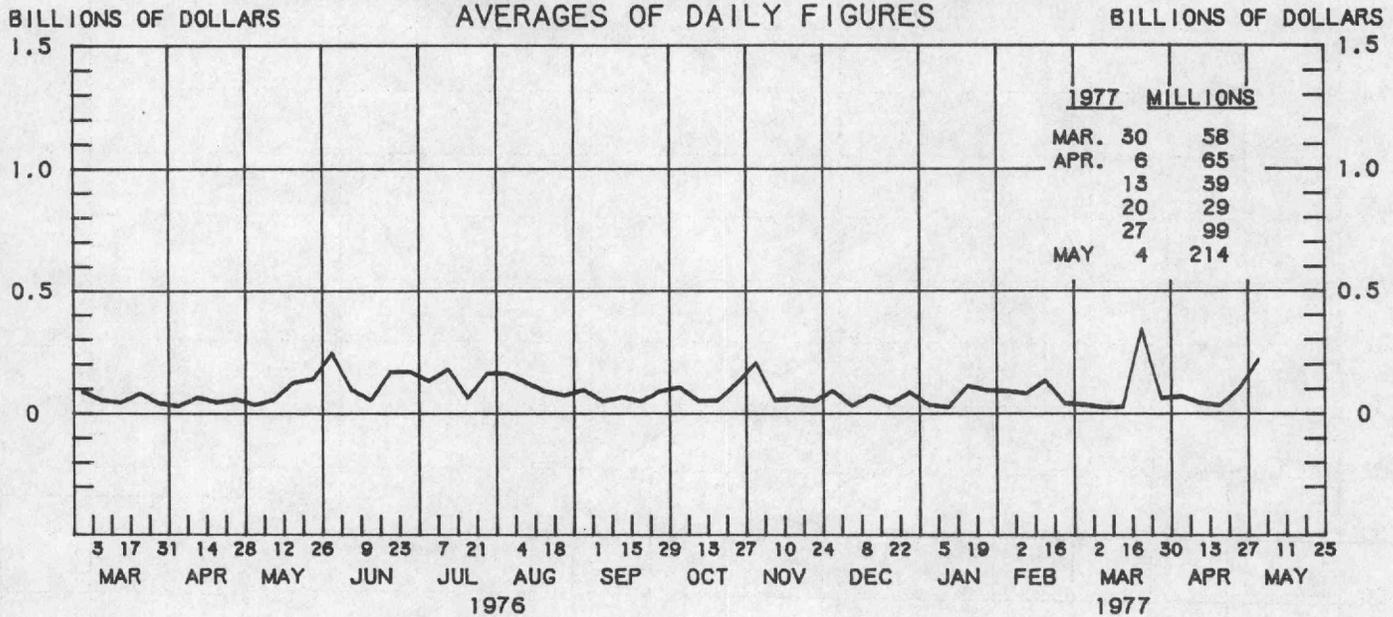
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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

| 1977 | CERTIFICATES OF DEPOSIT NOT SEAS. ADJ. | CERTIFICATES OF DEPOSIT SEAS. ADJ. |
|--------|--|------------------------------------|
| MAR. 2 | 60.3 | 62.7 |
| 9 | 60.5 | 62.4 |
| 16 | 60.5 | 62.0 |
| 23 | 60.8 | 61.8 |
| 30 | 61.6 | 62.5 |
| APR. 6 | 61.4 | 62.4 |
| 13 | 60.4 | 61.6 |
| 20 | 59.6 | 61.3 |
| 27 | 59.3 | 61.2 |
| MAY 4 | | |
| 11 | | |
| 18 | | |
| 25 | | |

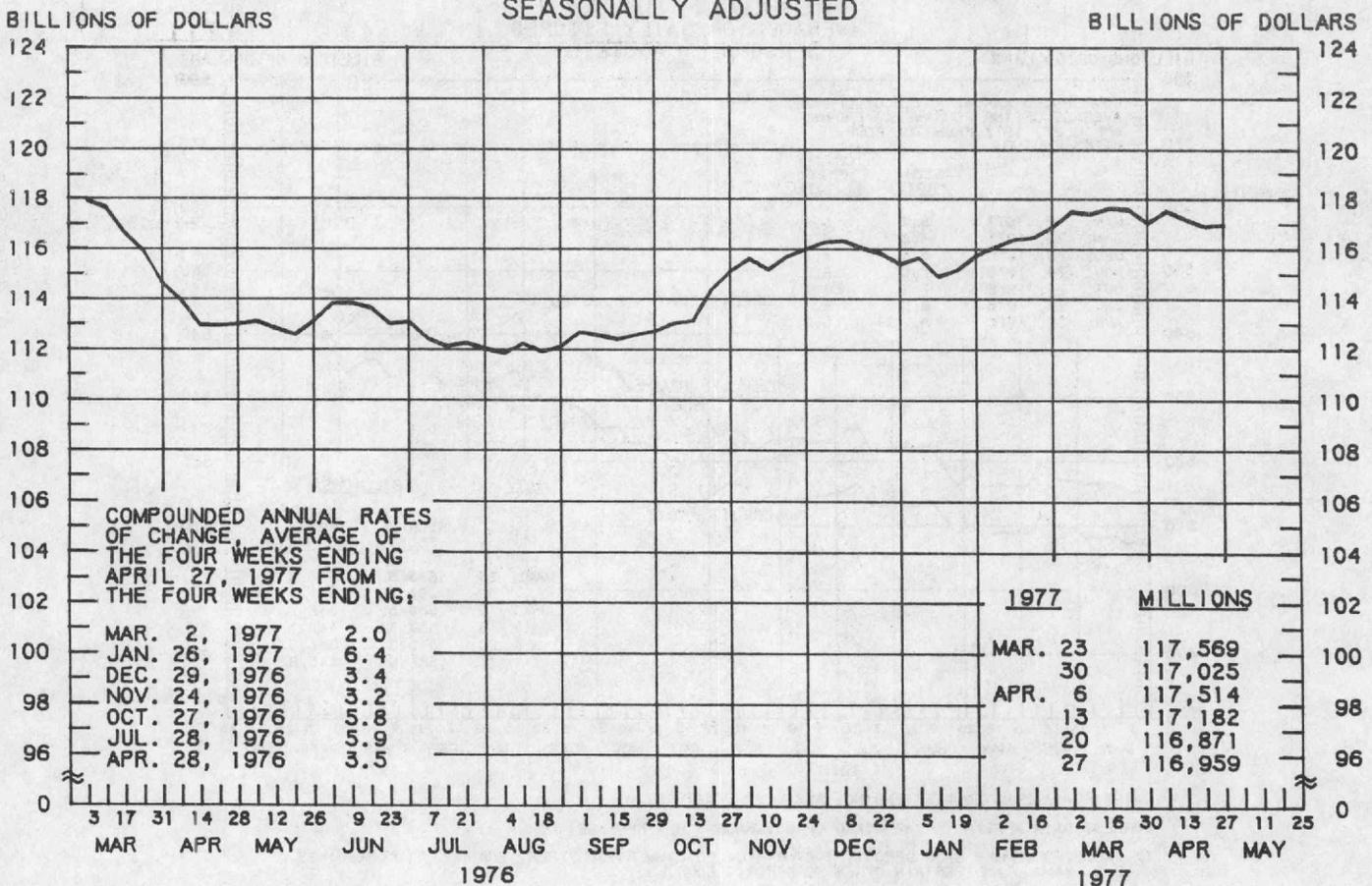
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



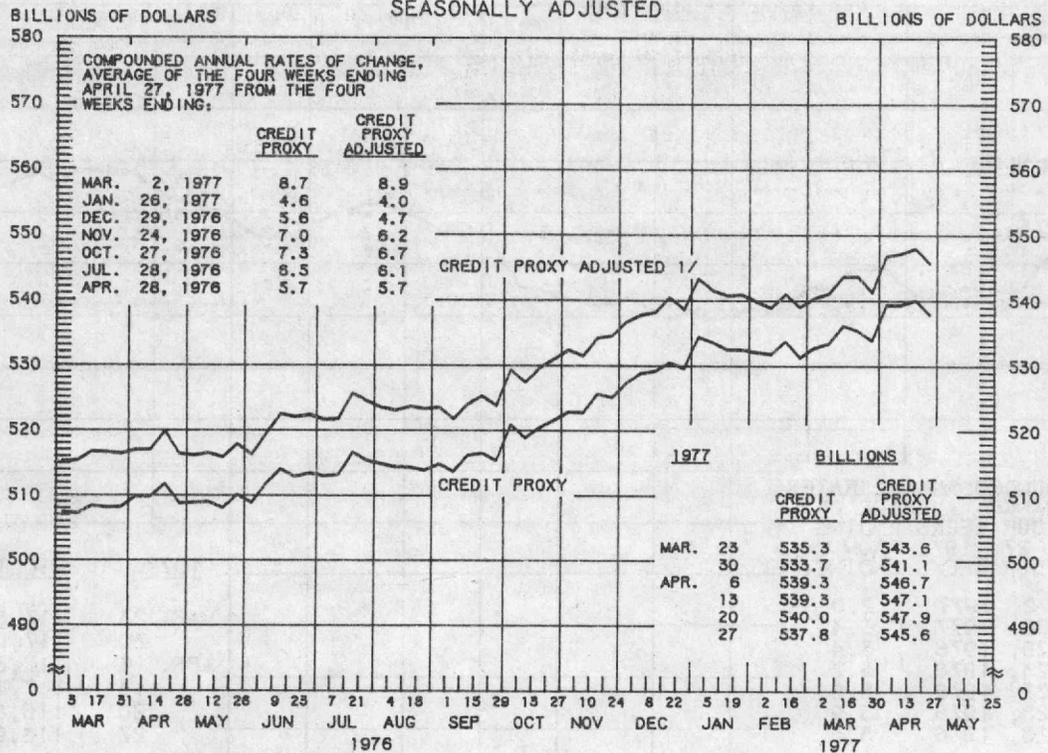
LATEST DATA PLOTTED WEEK ENDING: MAY 4, 1977

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 27, 1977

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