

Week ending: November 2, 1977



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Growth of the money stock, defined as demand deposits plus currency (M1), has accelerated over the last three months, compared to the previous three months. From the four weeks ending July 27, 1977, to the four weeks ending October 26, 1977, M1 increased at a 9.4 percent rate, compared to a 7.8 percent rate of growth in the previous three months. As shown in the table below, the acceleration of M1 growth is reflected in accelerated growth of demand deposits.

Growth of net time deposits at commercial banks has slowed since July of this year, relative to the growth rate in the previous three months. From the four weeks ending July 27, 1977, to the four weeks ending October 26, 1977, net time deposits rose at an 8.3 percent annual rate, compared to an 11.6 percent rate of growth in the previous three months. Slowing in the rate of growth of these deposits reflects to some extent the rise of short-term market interest rates above ceiling rates on time and savings deposits at commercial banks since July (see pages 6 and 7 of this release).

As a result of the slowdown in growth of net time deposits, growth of M2 (M1 plus net time deposits at commercial banks) has slowed in the past three months relative to its growth in the previous three months. From the four weeks ending July 27 to the four weeks ending October 26, M2 increased at an 8.8 percent annual rate, compared to a 10.0 percent rate of growth in the previous three months. Thus, growth of the money stock (M1) has been accelerating during the past six months while growth of a broader monetary aggregate, M2, has slowed slightly.

Growth Rates of Selected Monetary Aggregates
(Annual Rates of Change)
Seasonally Adjusted

Period (Average of Four Weeks Ending)	M1	M2	Demand Deposits	Currency	Net Time Deposits
4/27/77 - 7/27/77	7.8 %	10.0 %	7.3 %	10.0 %	11.6 %
7/27/77 - 10/26/77	9.4	8.8	9.2	9.7	8.3

Prepared by Federal Reserve Bank of St. Louis

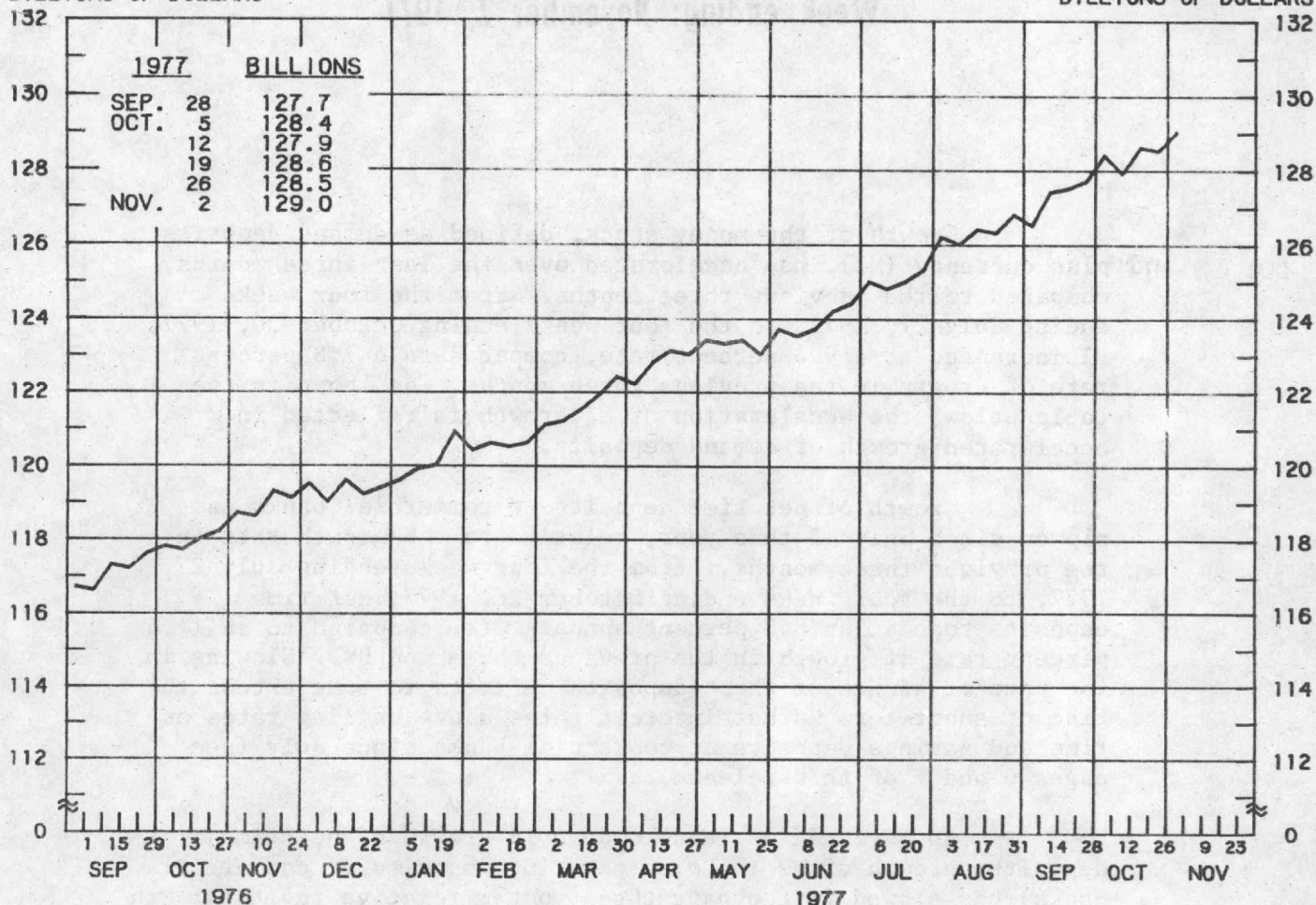
Released: November 4, 1977

MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 2, 1977

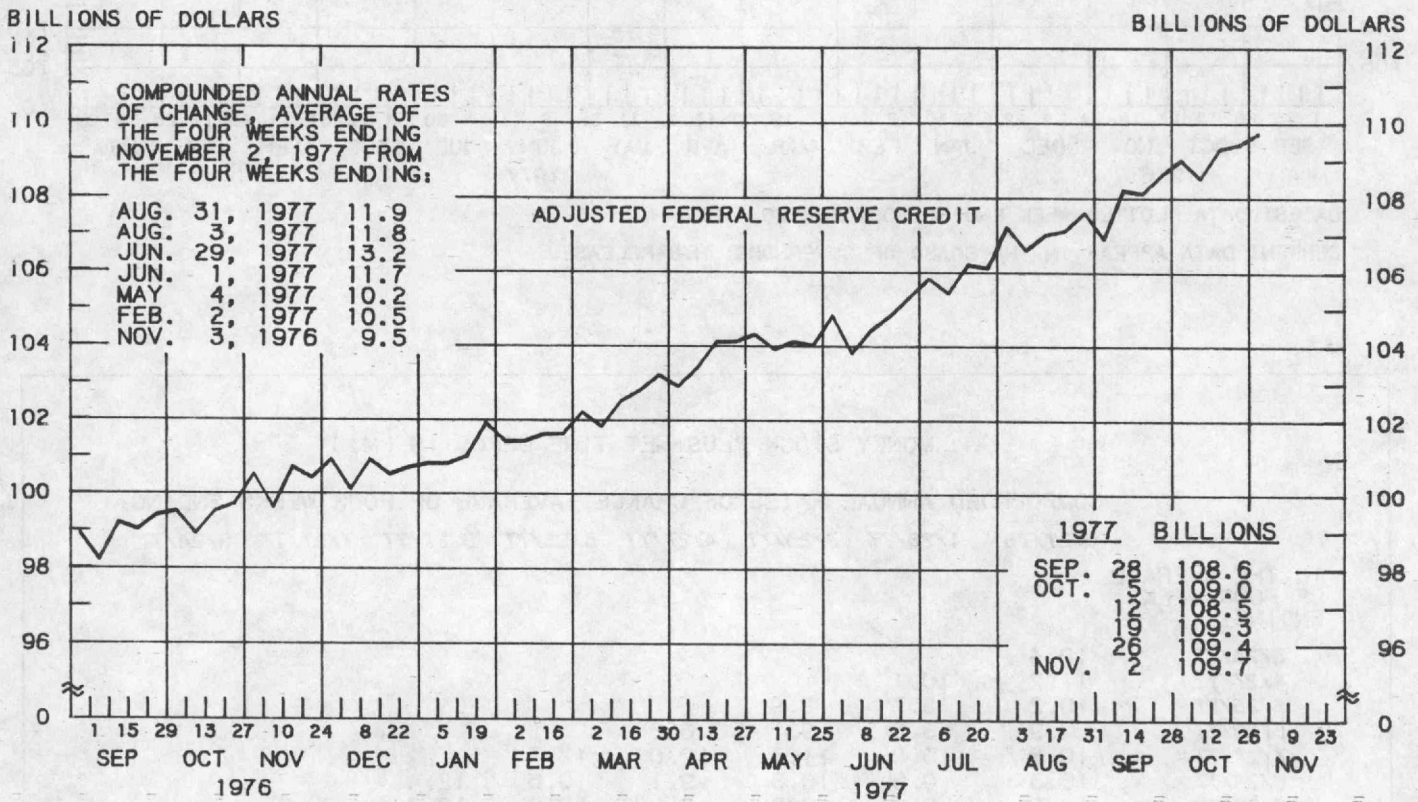
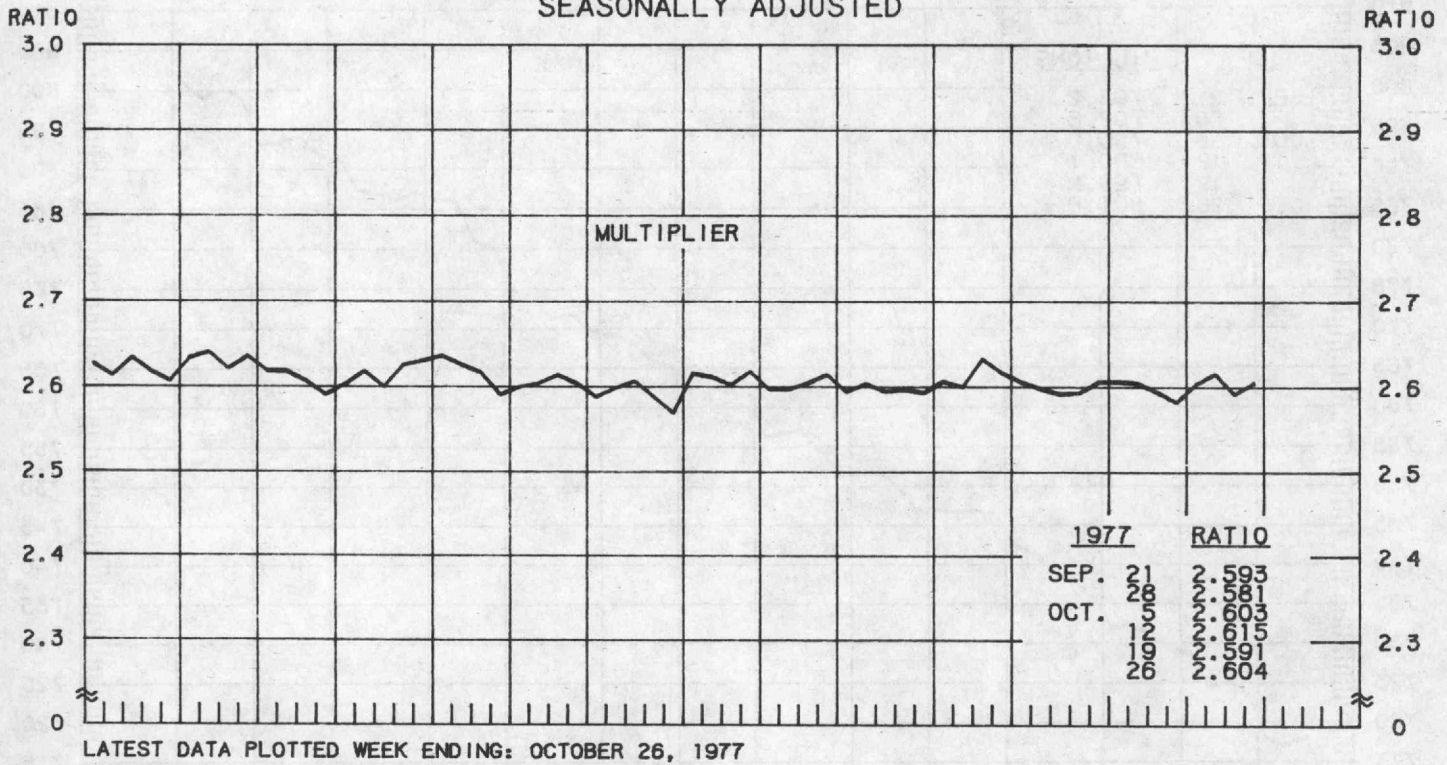
THE MONETARY BASE CONSISTS OF MEMBER BANK RESERVES AT THE FEDERAL RESERVE BANKS AND CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL BANKS), ADJUSTED FOR RESERVE REQUIREMENT RATIO CHANGES AND SHIFTS IN THE SAME TYPE OF DEPOSITS BETWEEN BANKS WHERE DIFFERENT RESERVE 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 MONETARY BASE IS AVAILABLE FROM THE FEDERAL RESERVE BANK OF ST. LOUIS.

MONETARY BASE

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

	11/3/76	2/2/77	3/30/77	5/4/77	6/1/77	6/29/77	8/3/77	8/31/77
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/30/77	7.7							
5/ 4/77	8.5	9.6						
6/ 1/77	7.7	8.1	7.8					
6/29/77	7.6	7.8	7.4	4.8				
8/ 3/77	8.1	8.5	8.5	7.3	9.2			
8/31/77	8.4	9.0	9.2	8.4	10.1	11.7		
10/ 5/77	8.8	9.4	9.7	9.3	10.7	11.9	12.1	
11/ 2/77	8.7	9.2	9.4	9.0	10.0	10.8	10.6	10.0

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

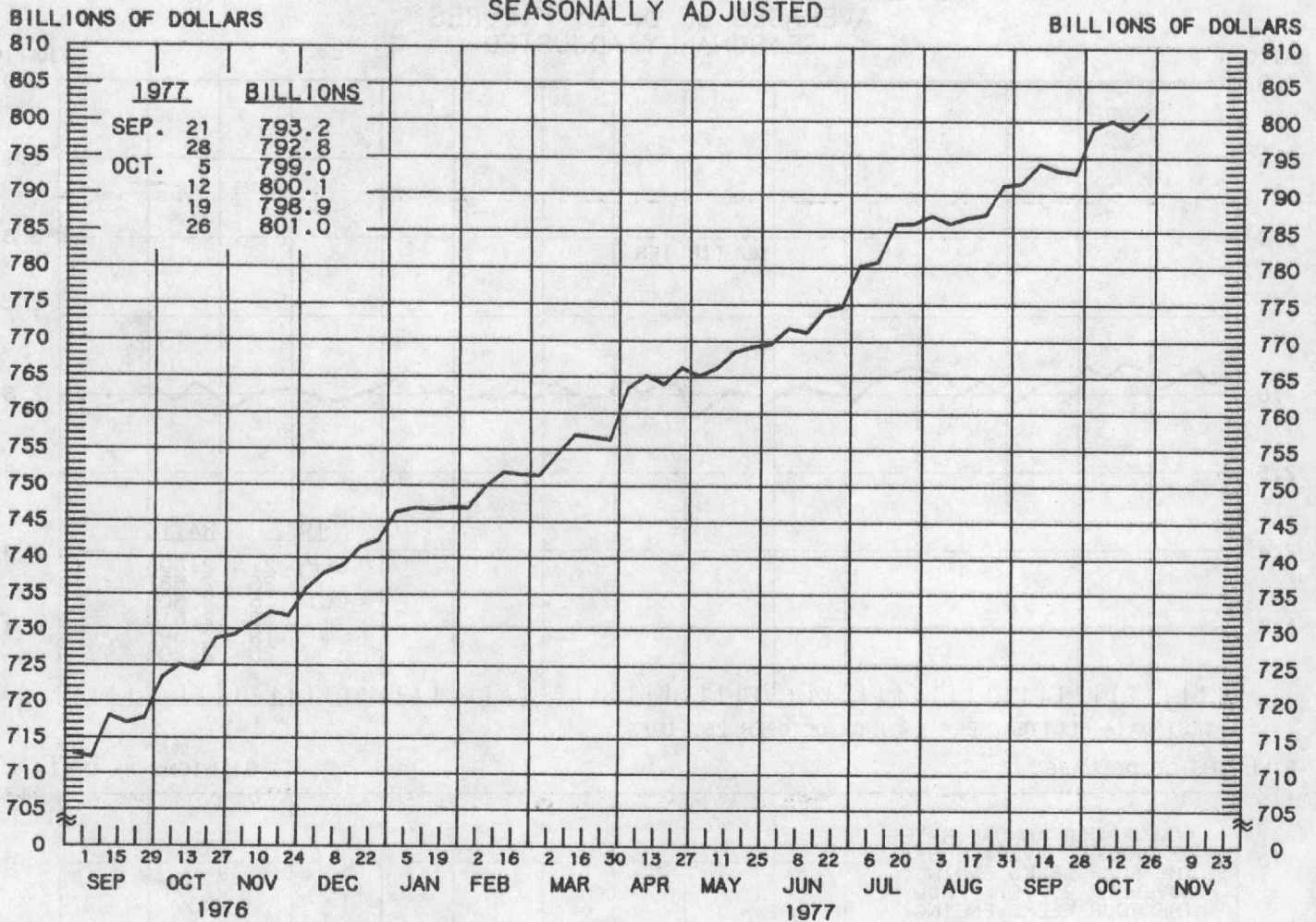


1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: OCTOBER 26, 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:

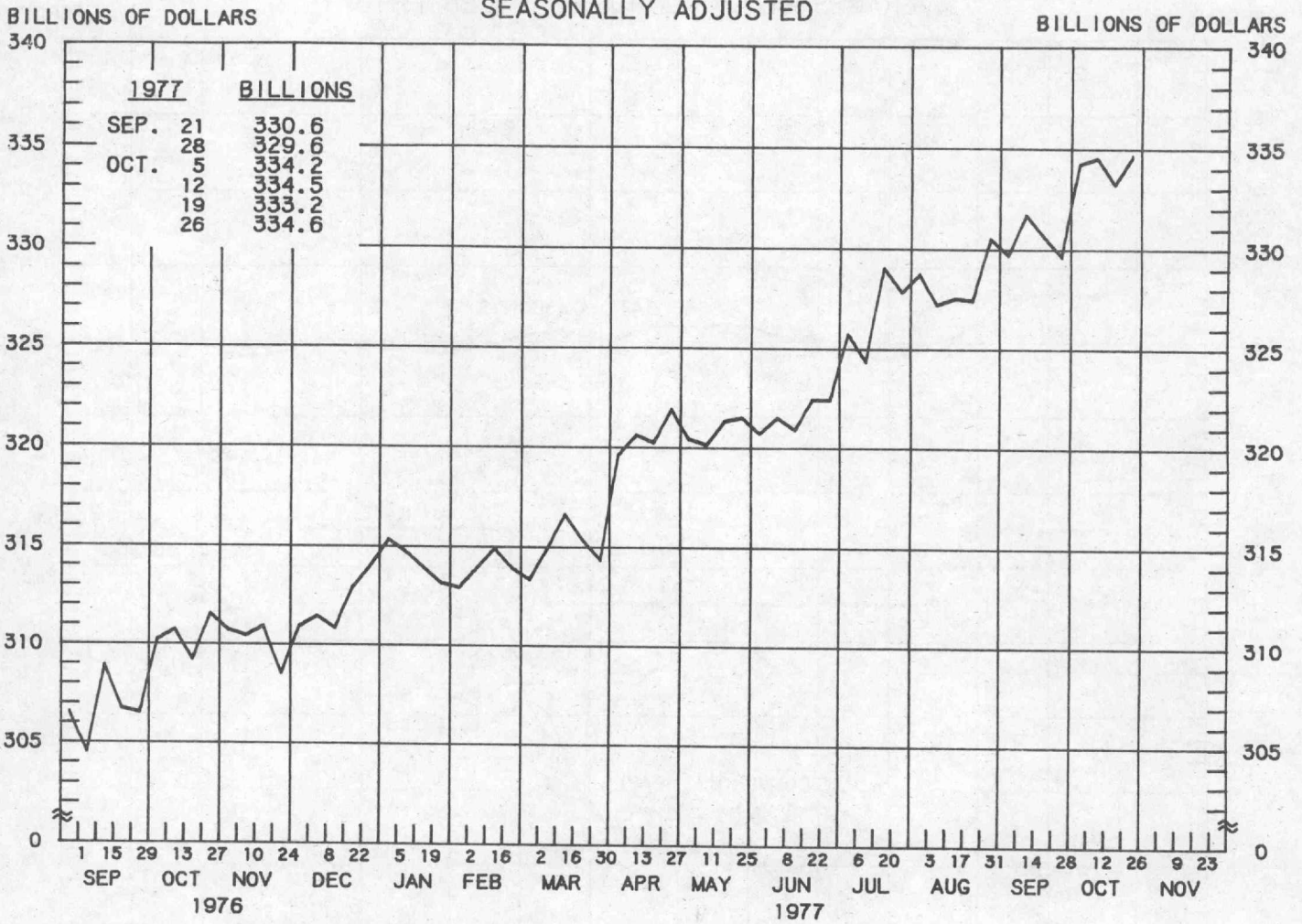
10/27/76 1/26/77 3/23/77 4/27/77 5/25/77 6/29/77 7/27/77 8/24/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

3/23/77	10.4							
4/27/77	11.2	10.1						
5/25/77	10.2	8.7	9.9					
6/29/77	9.9	8.5	9.1	6.3				
7/27/77	10.8	10.0	11.3	10.0	12.7			
8/24/77	10.3	9.5	10.3	9.1	10.6	12.4		
9/28/77	10.1	9.4	9.9	8.9	10.0	10.8	7.4	
10/26/77	10.3	9.6	10.2	9.4	10.3	11.1	8.8	9.9

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 26, 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:

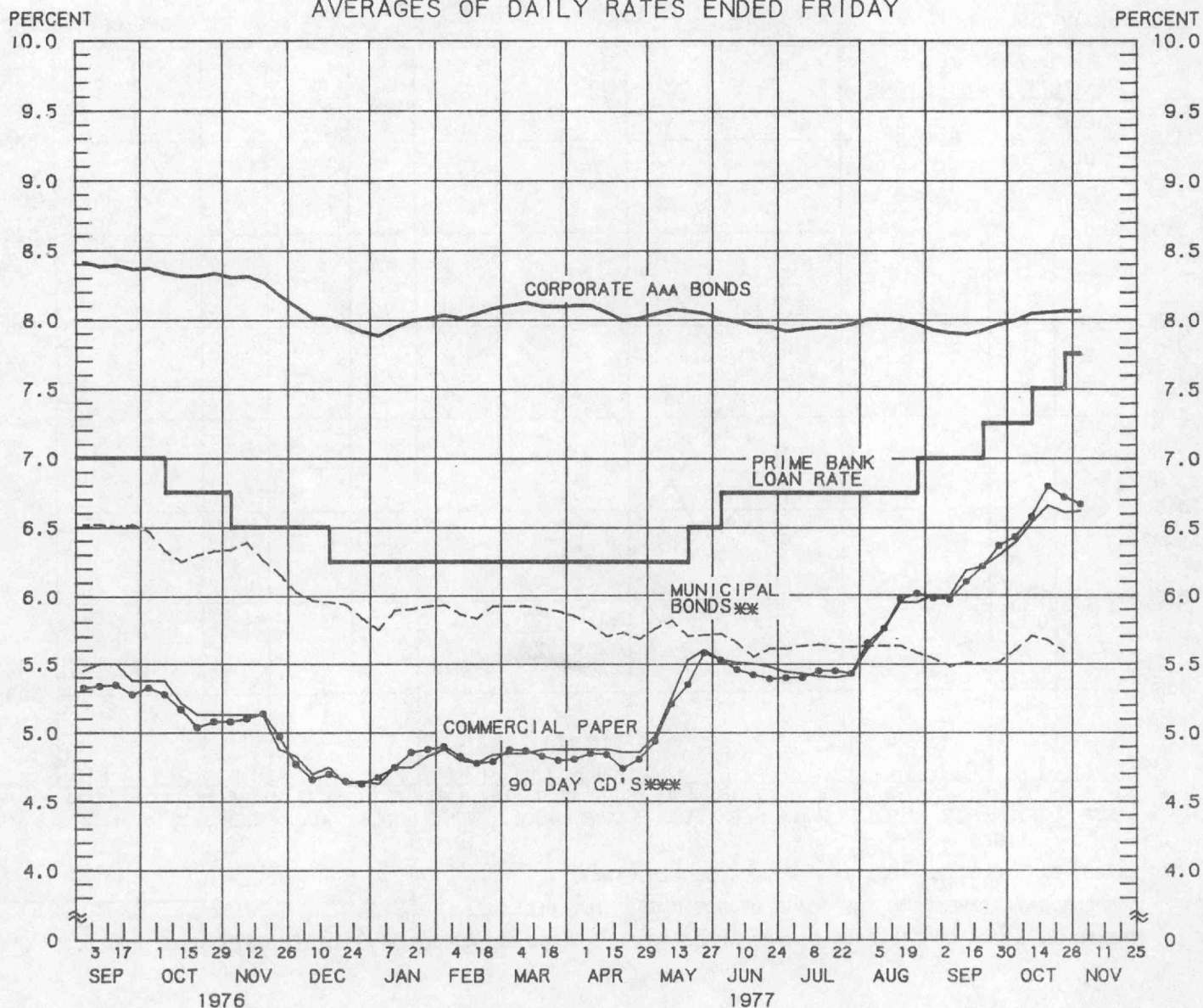
10/27/76 1/26/77 3/23/77 4/27/77 5/25/77 6/29/77 7/27/77 8/24/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

3/23/77	3.7							
4/27/77	6.7	8.3						
5/25/77	5.9	6.5	11.1					
6/29/77	5.5	5.7	8.3	2.2				
7/27/77	7.1	8.0	11.1	7.8	11.1			
8/24/77	6.8	7.5	9.8	6.9	8.9	12.5		
9/28/77	7.0	7.7	9.6	7.4	8.9	11.1	6.7	
10/26/77	7.6	8.5	10.4	8.6	10.1	12.2	9.4	11.8

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 4, 1977

1977	90 DAY CD'S ***	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS **
SEP. 2	5.98	6.00	5.93	7.92	5.54
9	5.97	5.99	5.98	7.90	5.48
16	6.10	6.19	6.19	7.89	5.51
23	6.22	6.22	6.22	7.92	5.50
30	6.37	6.30	6.30	7.96	5.51
OCT. 7	6.43	6.39	6.48	7.99	5.60
14	6.58	6.54	6.64	8.04	5.70
21	6.80	6.66	6.62	8.05	5.67
28	6.72	6.61	6.53	8.06	5.59
NOV. 4 *	6.67	6.62	6.68	8.06	N.A.
11					
18					
25					

* AVERAGES OF RATES AVAILABLE.

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

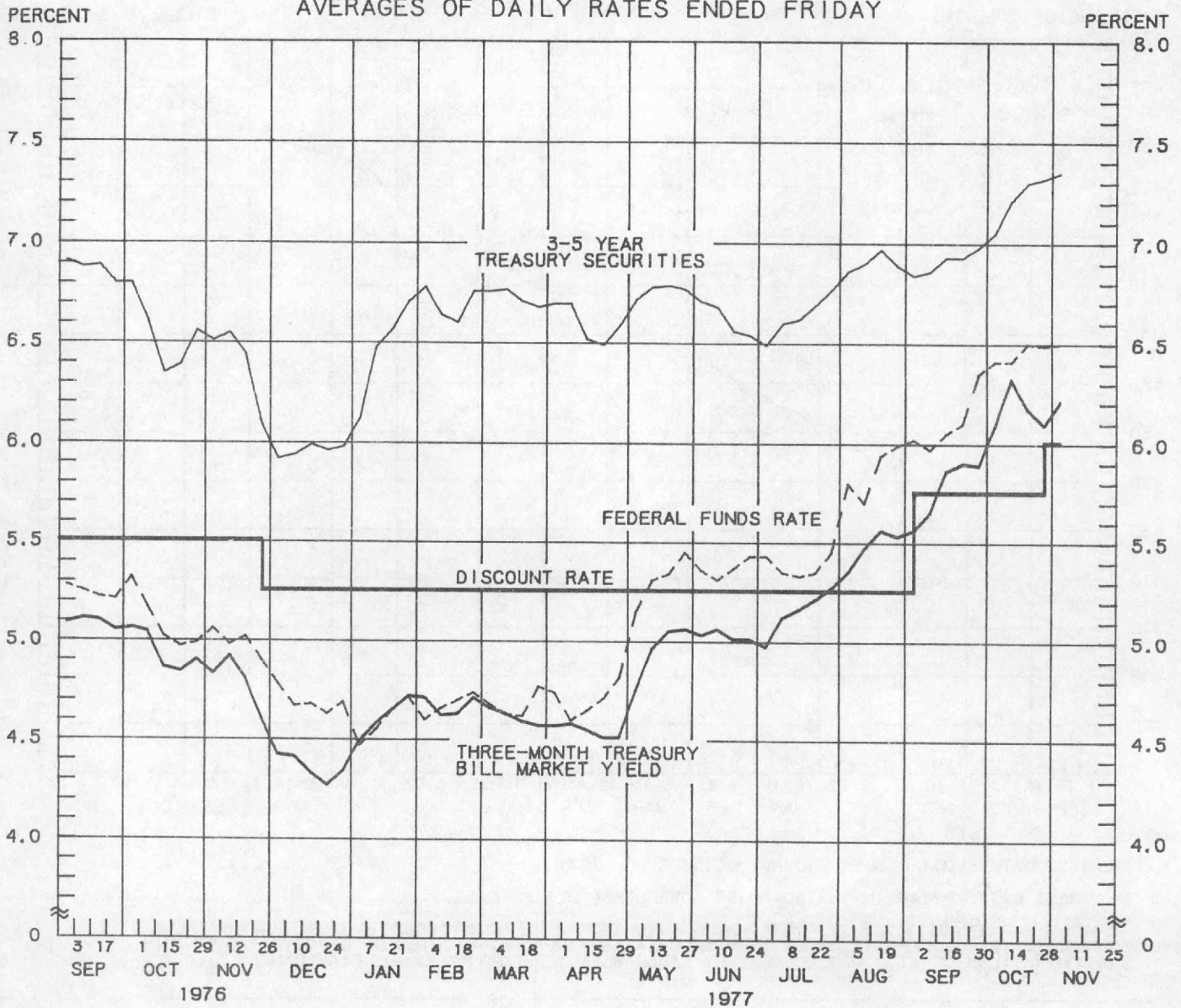
*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 4, 1977

1977	FEDERAL FUNDS **	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
SEP. 2	6.02	5.56	5.98	6.84	7.40
9	5.97	5.65	6.04	6.86	7.41
16	6.05	5.86	6.14	6.93	7.45
23	6.10	5.90	6.15	6.93	7.47
30	6.35	5.89	6.21	6.98	7.49
OCT. 7	6.41	6.09	6.38	7.05	7.53
14	6.41	6.32	6.61	7.21	7.61
21	6.50	6.17	6.59	7.30	7.62
28	6.49	6.09	6.49	7.32	7.64
NOV. 4 *	6.50	6.21	6.61	7.35	7.69
11					
18					
25					

* 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 TREASURY SECURITIES ARE COMPUTED BY THE FEDERAL RESERVE BANK OF ST. LOUIS.

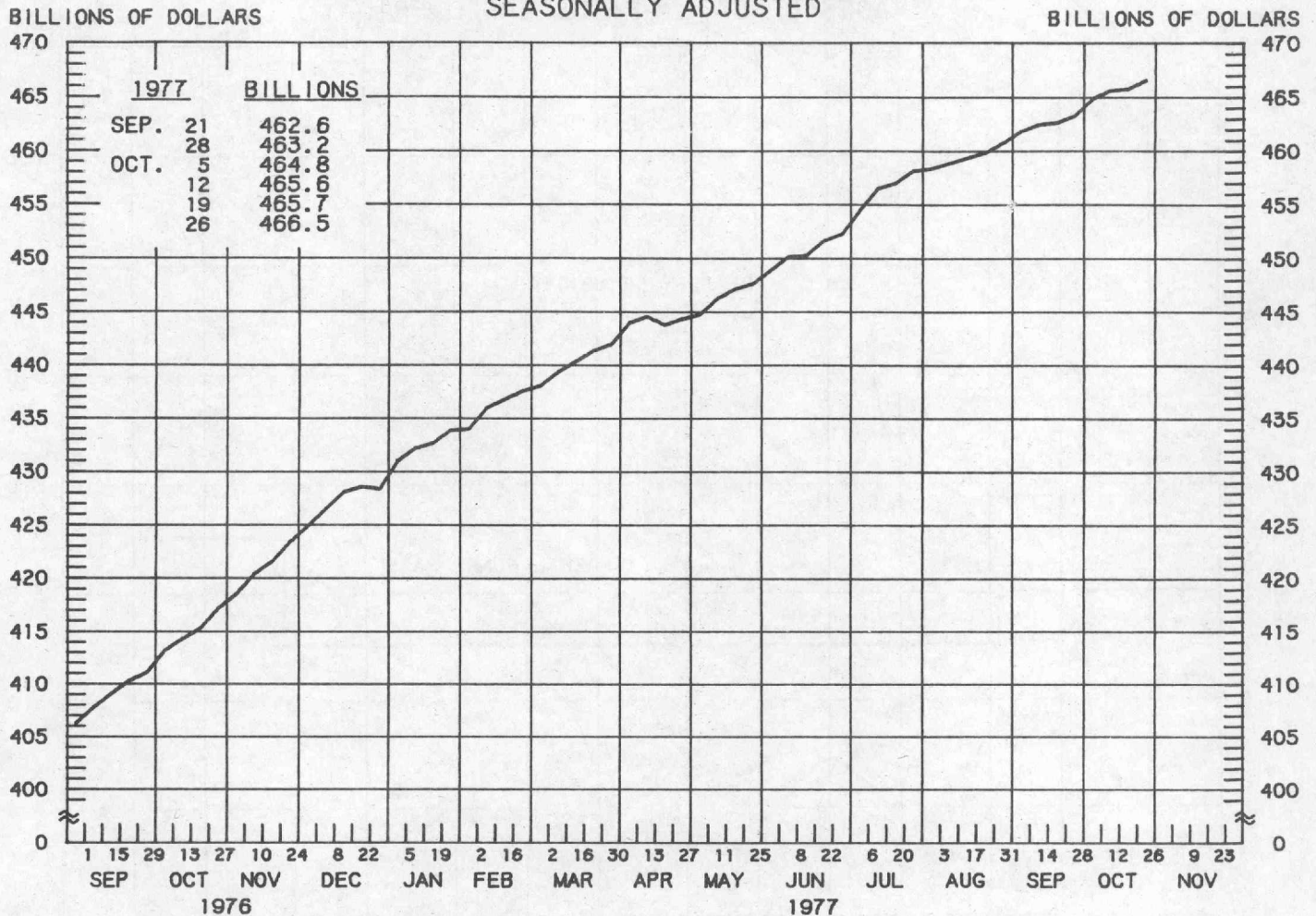
TREASURY BILL YIELDS ON DISCOUNT BASIS.

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: OCTOBER 26, 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:

10/27/76 1/26/77 3/23/77 4/27/77 5/25/77 6/29/77 7/27/77 8/24/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

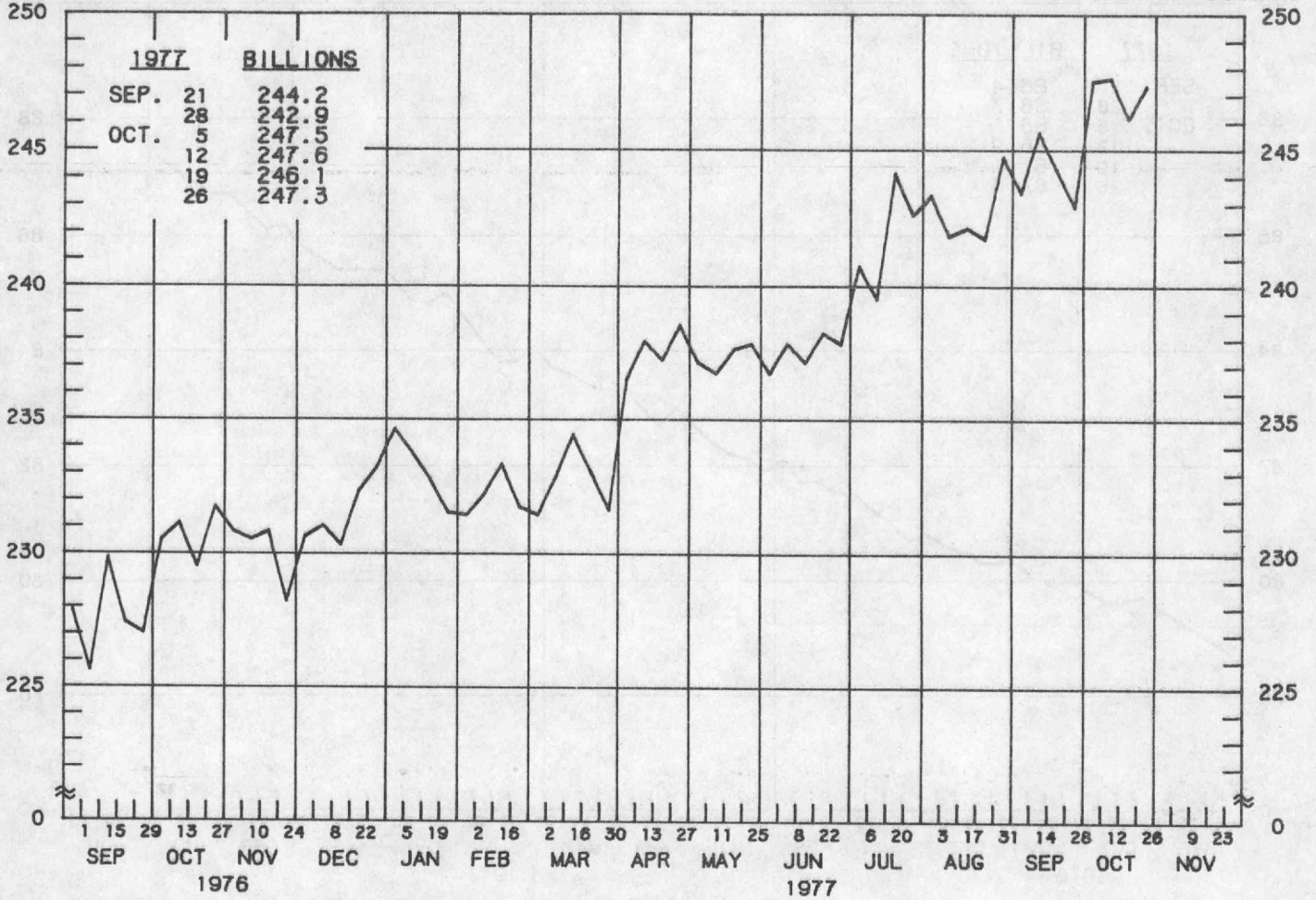
3/23/77	15.5							
4/27/77	14.6	11.3						
5/25/77	13.5	10.2	9.1					
6/29/77	13.2	10.5	9.9	9.3				
7/27/77	13.6	11.5	11.4	11.6	13.8			
8/24/77	13.0	10.9	10.7	10.7	11.9	12.3		
9/28/77	12.5	10.5	10.2	10.1	10.8	10.6	7.8	
10/26/77	12.2	10.4	10.1	10.0	10.5	10.3	8.3	8.6

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 26, 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:

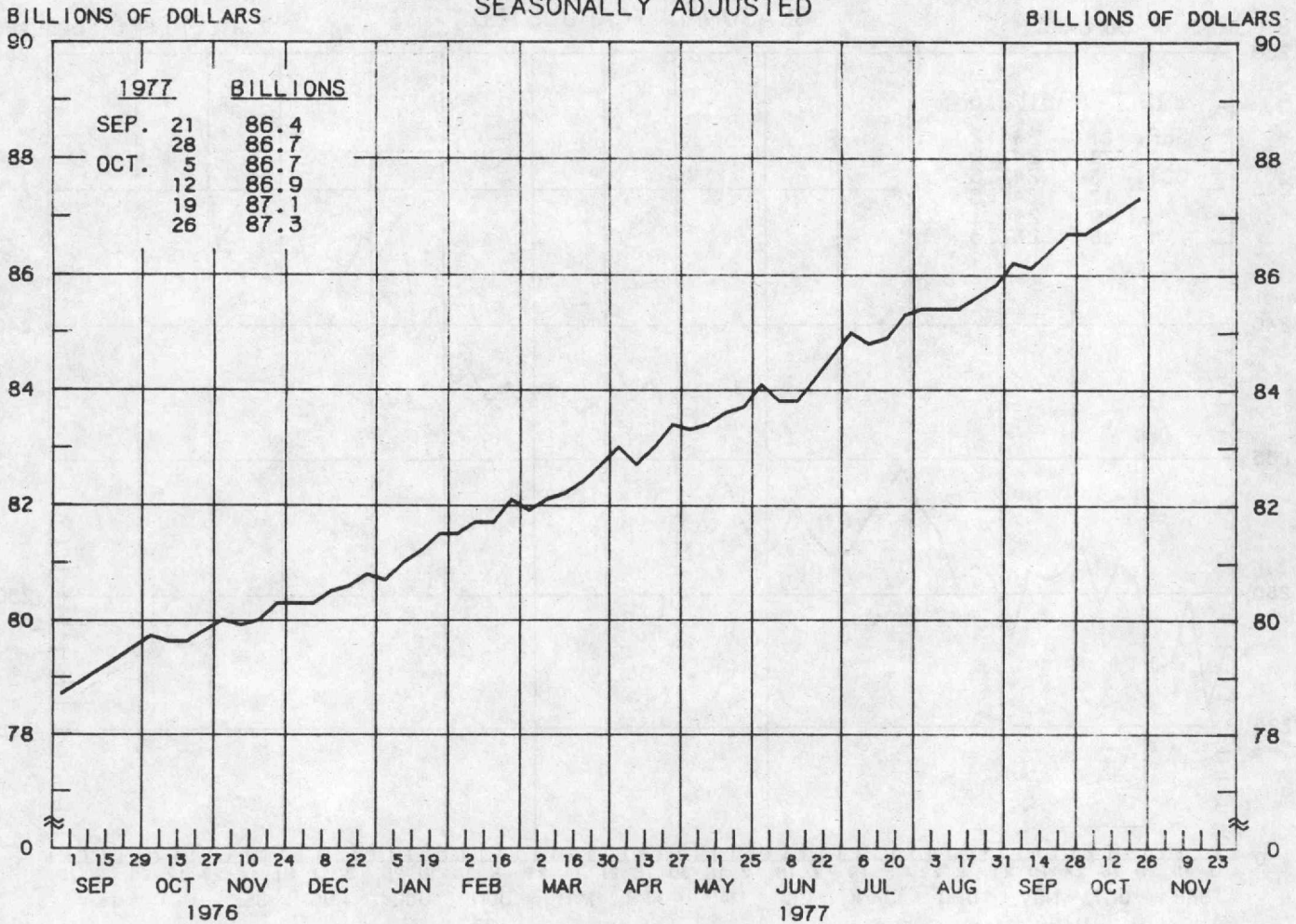
10/27/76 1/26/77 3/23/77 4/27/77 5/25/77 6/29/77 7/27/77 8/24/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

3/23/77	2.4								
4/27/77	6.0	7.8							
5/25/77	5.0	5.6	11.4						
6/29/77	4.5	4.7	7.9	0.5					
7/27/77	6.4	7.5	11.3	7.3	11.2				
8/24/77	6.1	6.9	9.7	6.2	8.5	13.0			
9/28/77	6.3	7.0	9.4	6.6	8.4	11.0	5.6		
10/26/77	7.1	8.1	10.4	8.2	10.0	12.6	9.2	12.3	

CURRENCY COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 26, 1977

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

CURRENCY

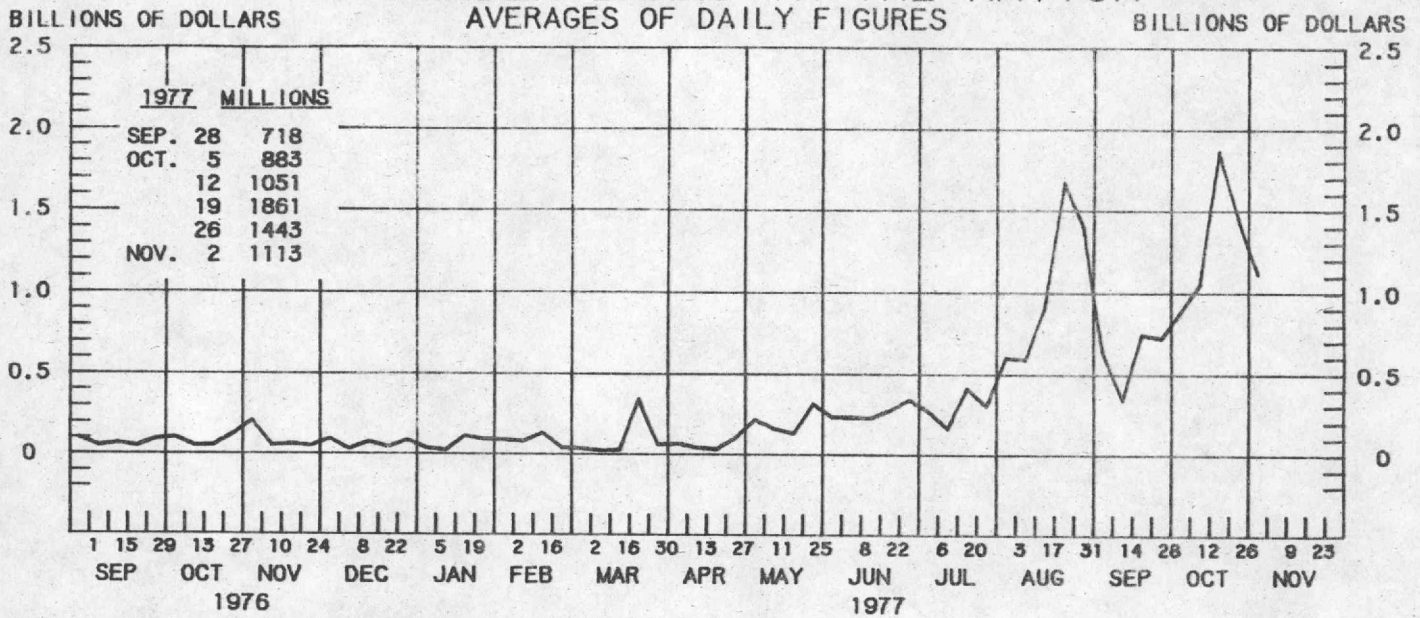
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

10/27/76 1/26/77 3/23/77 4/27/77 5/25/77 6/29/77 7/27/77 8/24/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

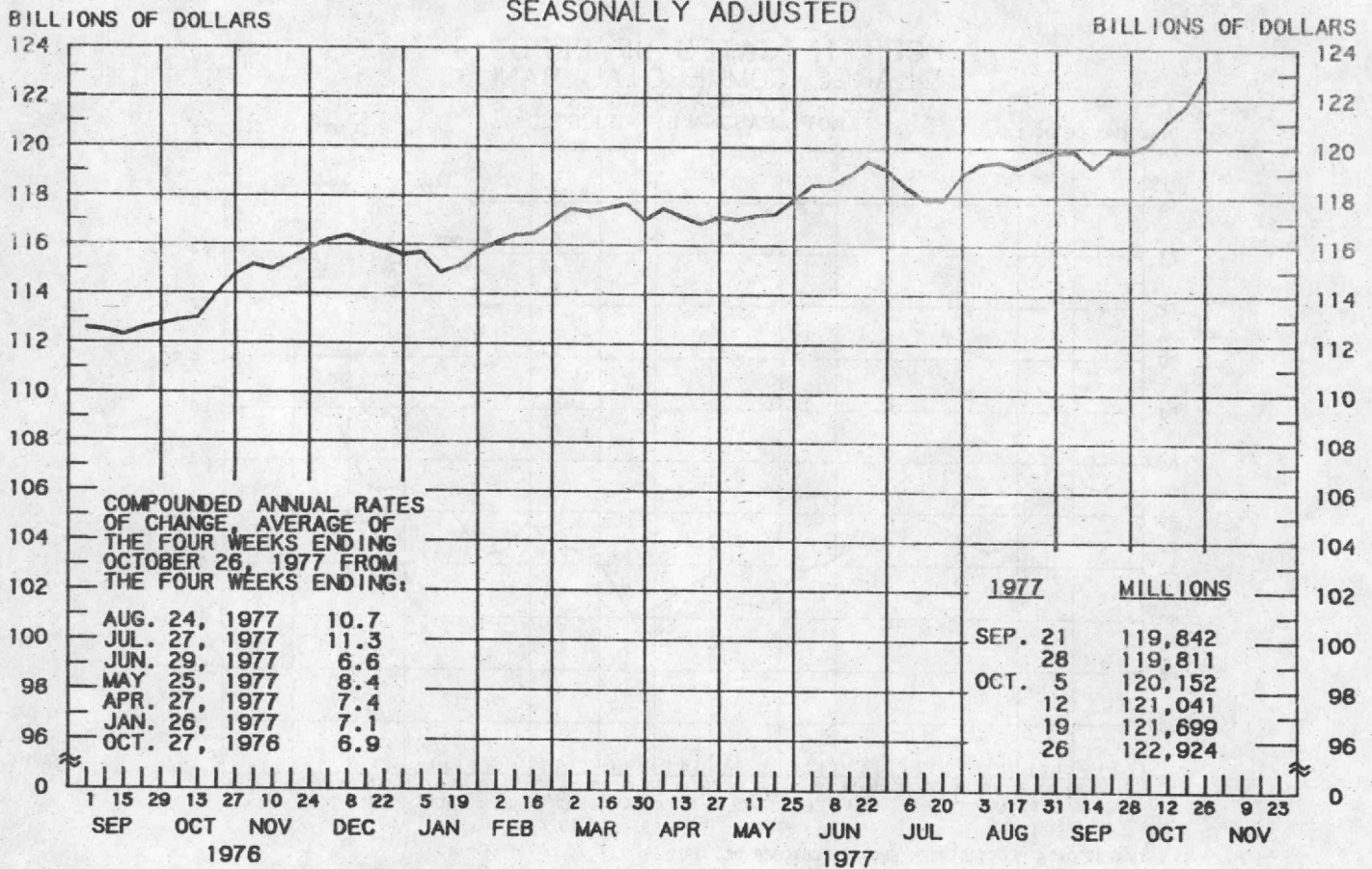
3/23/77	7.9							
4/27/77	8.5	9.7						
5/25/77	8.4	9.3	9.5					
6/29/77	8.3	9.0	8.9	7.9				
7/27/77	9.0	9.8	10.2	10.0	10.8			
8/24/77	8.9	9.6	9.8	9.5	9.9	11.3		
9/28/77	9.1	9.9	10.1	10.0	10.4	11.4	9.9	
10/26/77	9.2	9.8	10.0	9.9	10.2	10.9	9.7	10.6

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 2, 1977

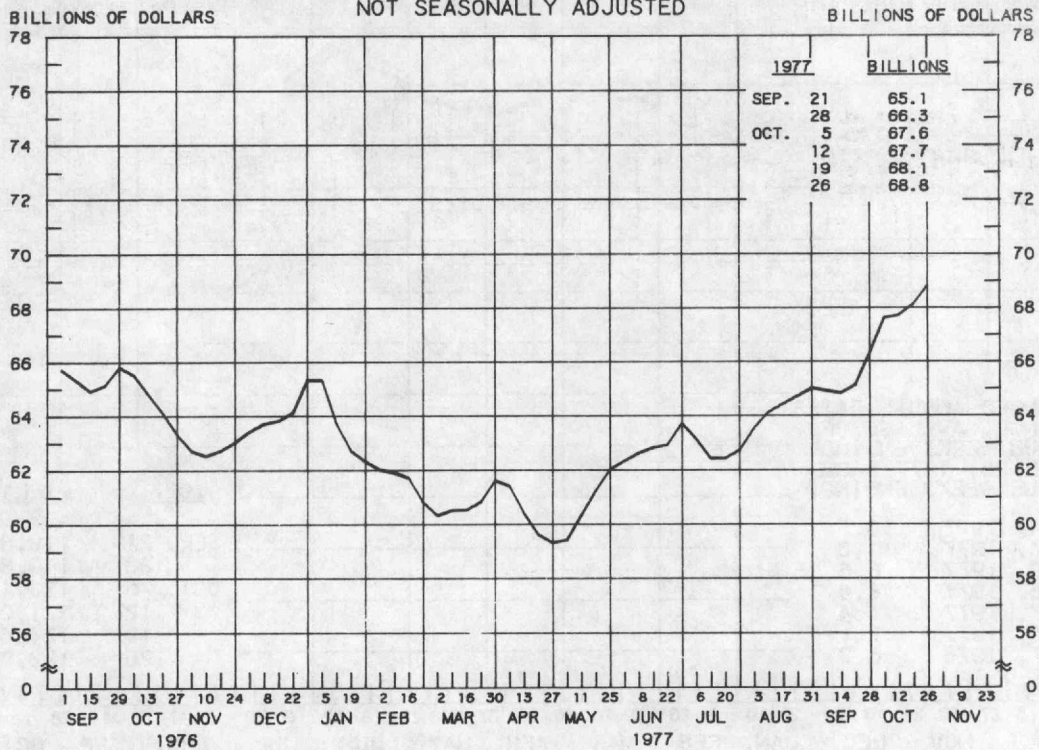
BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 26, 1977

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 26, 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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS