

Week ending: November 23, 1977



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Negotiable certificates of deposit (CDs) at large commercial banks have risen sharply since early May of this year, rising from an average of \$59.7 billion in the four weeks ending May 4 of this year to \$71.1 billion in the most recent week (see page 12 of this release). As indicated in the table below, the proportions of large negotiable CDs maturing in 12 months or longer has also been rising since the survey in late April of this year. This rise in the proportion of CDs with longer maturities may be partly due to rising expectations of short-term interest rates. However, this lengthening of maturities of large CDs appears to also reflect a continuing reaction by member banks to changes in reserve requirements on their time deposits.

The Federal Reserve Board made a series of changes in reserve requirements on time deposits beginning in late 1974 with the intention of inducing member banks to lengthen the maturity of their time deposits. In December 1974 reserve requirements were raised on time deposits with initial maturities of less than 180 days, and reserve requirements on longer-term time deposits were lowered. In October 1975 and January 1976 reserve requirements on longer-term time deposits were lowered further.

The table below indicates the extent to which banks have lengthened the maturities of their large CDs since early 1976.* There has been a gradual rise in the percentage of large CDs with maturities of over one year, from 2.4 percent in late February of last year to 6.4 percent in late September of this year. A very high percentage of large CDs still mature in six months or less, as that percentage has declined only slightly. Of large CDs maturing in more than six months, the rising proportion has been in longer-term CDs. The proportion maturing in more than six months but less than one year has gradually declined.

* The sample of banks reporting in that survey was changed in early 1976, making comparisons to previous surveys difficult. See the G.9 release of the Board of Governors.

Maturity Distribution of Outstanding Negotiable Time Certificates of Deposit

Survey Date	Percentage of Large Negotiable CDs Maturing in		Survey Date	Percentage of Large Negotiable CDs Maturing in	
	6 Months or Less	Over 12 Months		6 Months or Less	Over 12 Months
2/25/76	88.6 %	2.4 %	12/29/76	87.5 %	4.7 %
3/31/76	87.8	2.8	1/26/77	87.8	4.9
4/28/76	86.6	3.0	2/23/77	88.1	4.9
5/26/76	87.1	3.1	3/30/77	87.6	4.9
6/30/76	88.2	3.0	4/27/77	86.3	5.7
7/28/76	88.6	2.9	5/25/77	86.7	5.9
8/25/76	87.9	3.0	6/29/77	86.1	6.1
9/29/76	87.4	3.5	7/27/77	86.3	6.4
10/27/76	87.8	3.7	8/31/77	85.6	6.8
11/24/76	87.7	3.8	9/28/77	86.5	6.4

Source: G.9 release, Board of Governors.

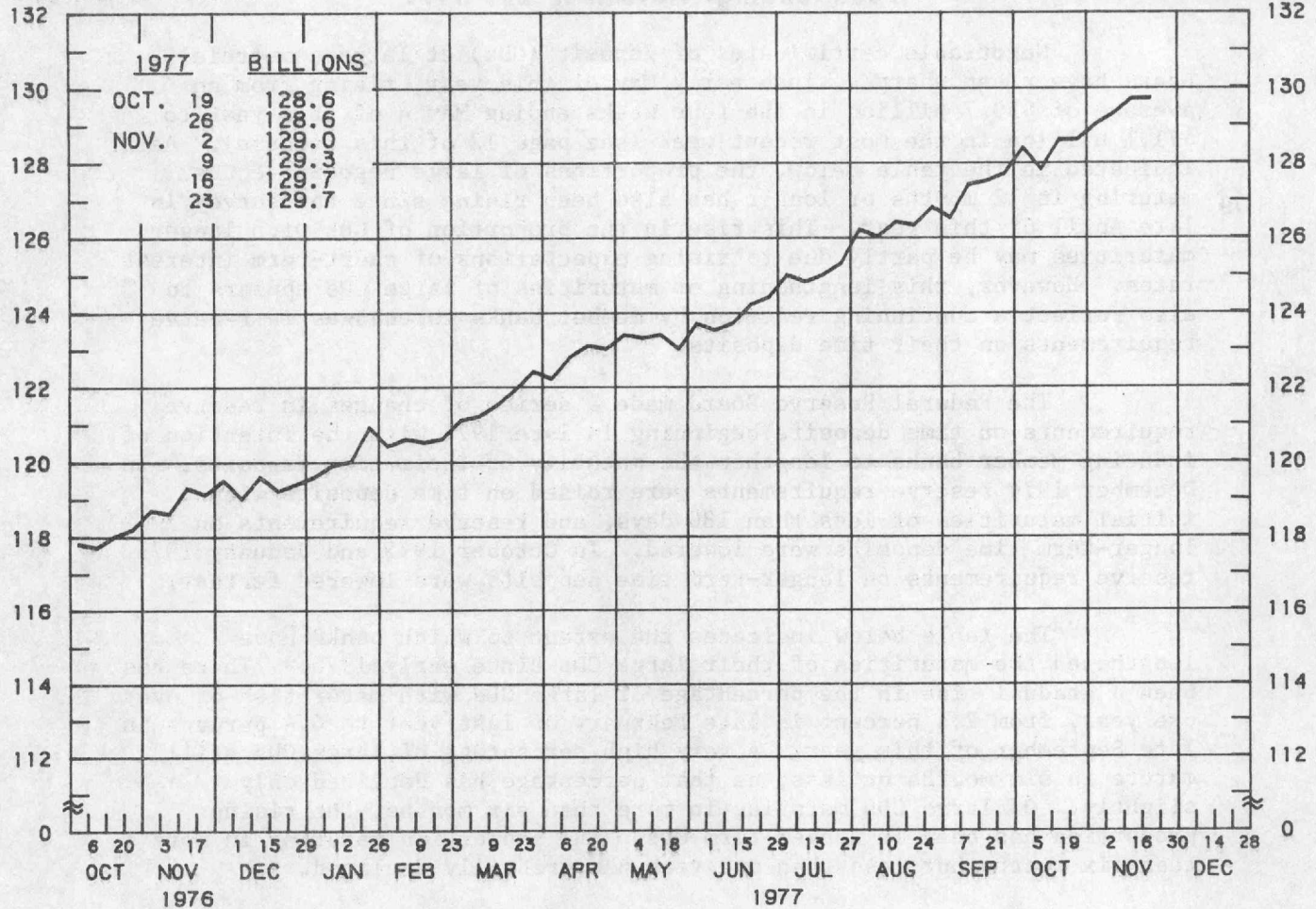
Prepared by Federal Reserve Bank of St. Louis

Released: November 25, 1977

MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 23, 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

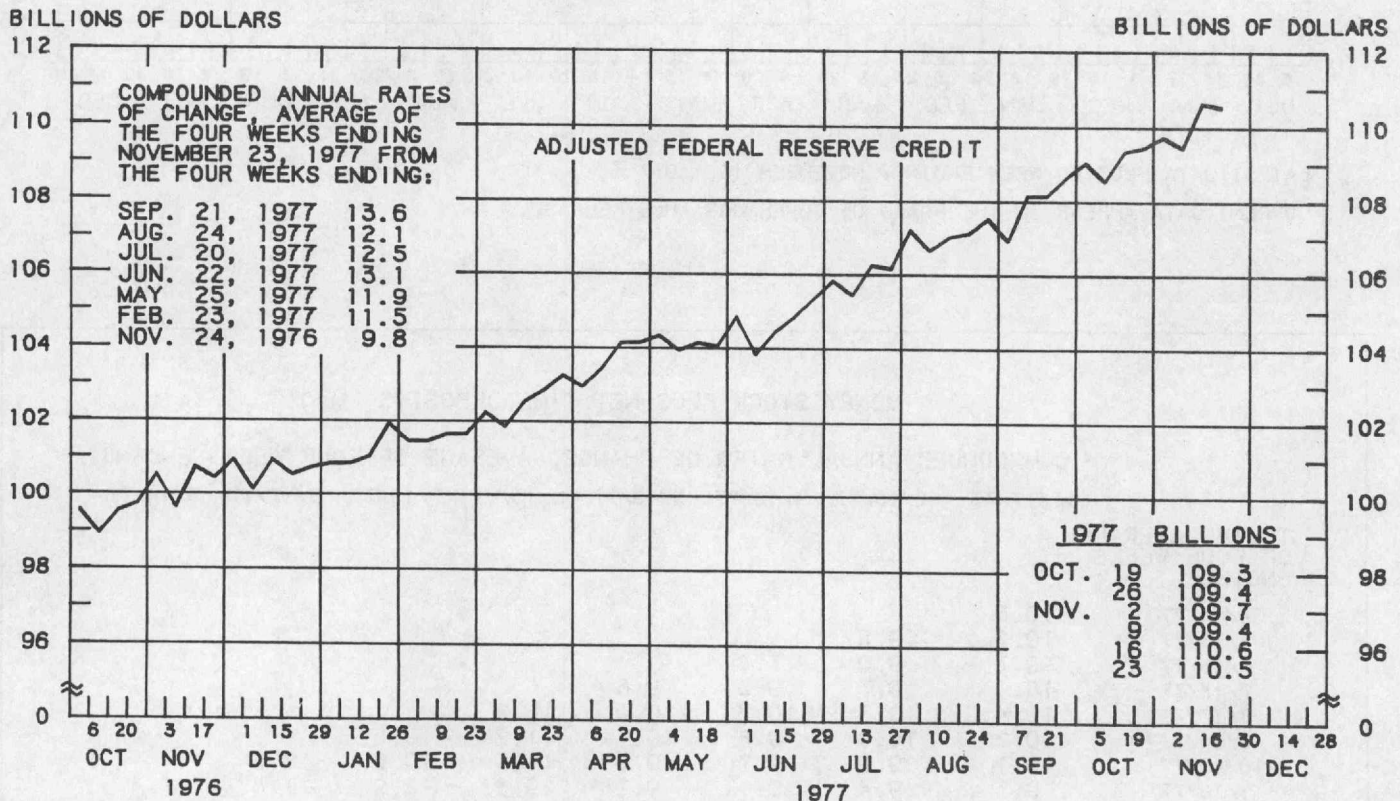
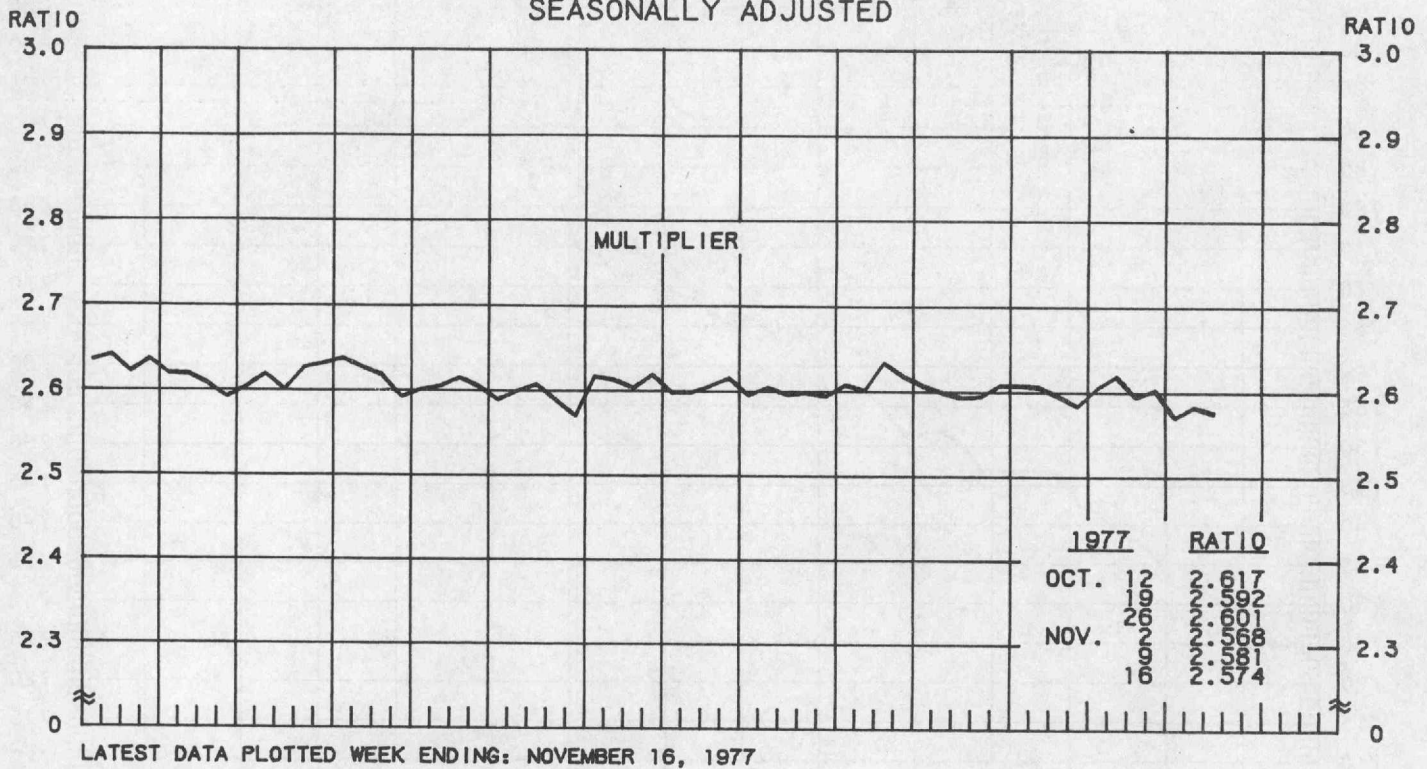
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

11/24/76 2/23/77 4/20/77 5/25/77 6/22/77 7/20/77 8/24/77 9/21/77

TO THE AVERAGE
 OF FOUR WEEKS
 ENDING:

4/20/77	7.9							
5/25/77	7.5	9.6						
6/22/77	7.3	8.6	5.8					
7/20/77	7.7	9.1	7.4	8.2				
8/24/77	8.3	9.7	8.7	9.7	11.7			
9/21/77	8.4	9.7	8.9	9.7	11.1	11.1		
10/26/77	8.7	9.9	9.3	10.1	11.1	11.1	10.5	
11/23/77	8.8	10.0	9.5	10.1	11.0	11.0	10.5	10.9

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

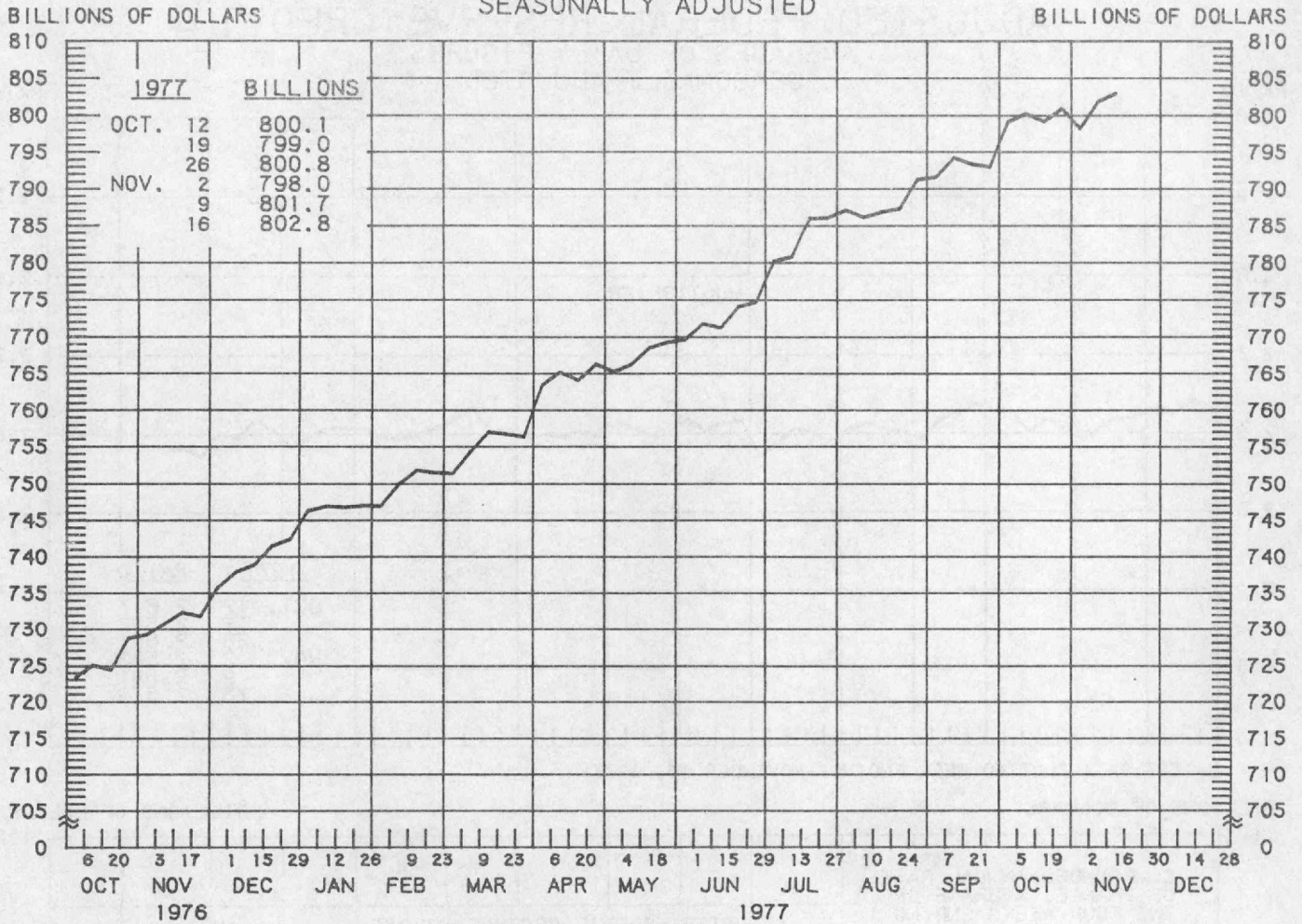


1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: NOVEMBER 16, 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:

11/17/76 2/16/77 4/13/77 5/18/77 6/15/77 7/13/77 8/17/77 9/14/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

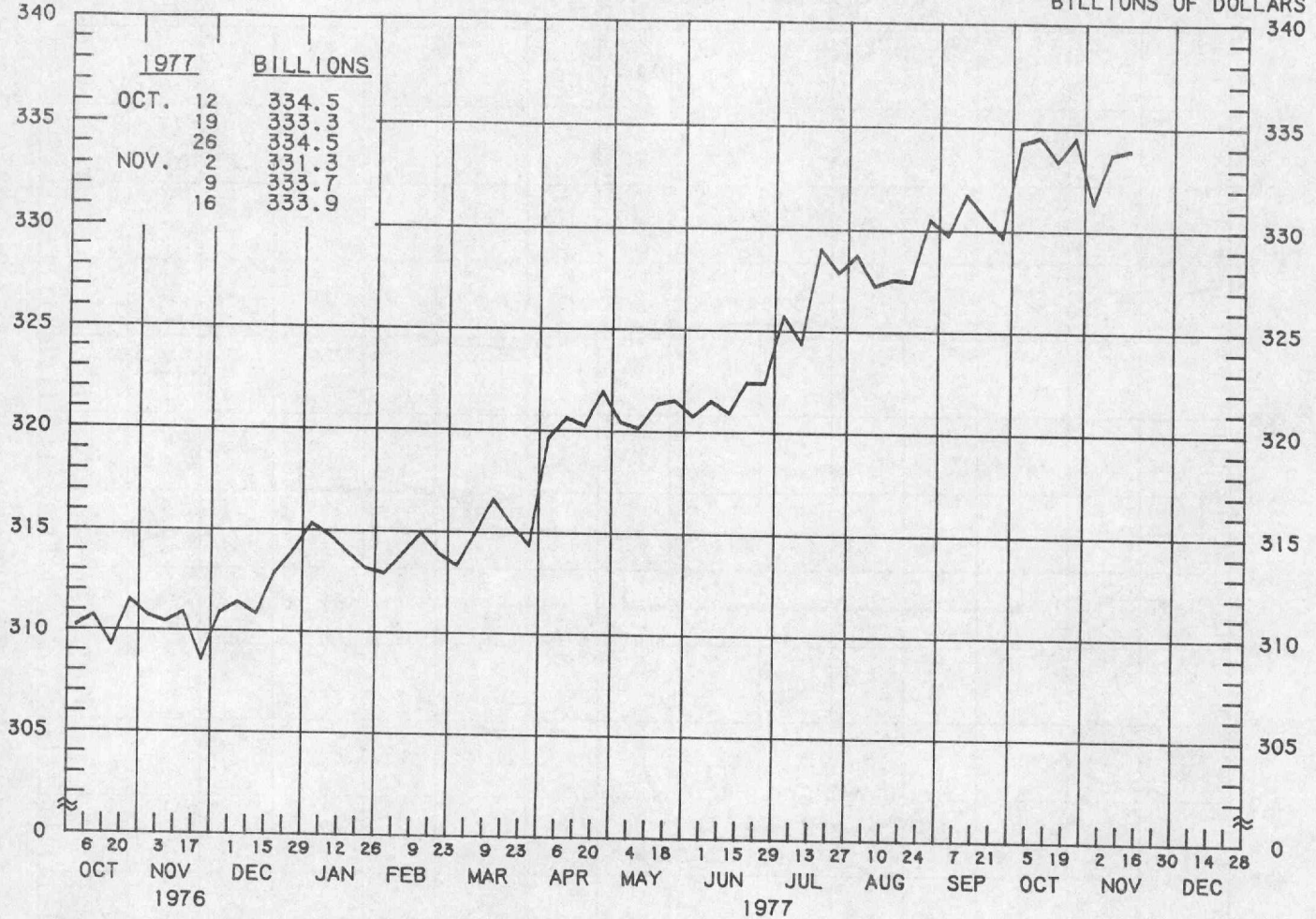
4/13/77	10.5							
5/18/77	10.2	9.8						
6/15/77	9.7	9.0	7.8					
7/13/77	10.1	9.7	9.3	9.6				
8/17/77	10.4	10.3	10.3	10.9	12.8			
9/14/77	10.2	10.0	9.8	10.1	11.2	10.5		
10/19/77	10.1	9.9	9.7	9.9	10.6	10.0	8.5	
11/16/77	9.7	9.4	9.1	9.2	9.6	8.9	7.5	7.4

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 16, 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)

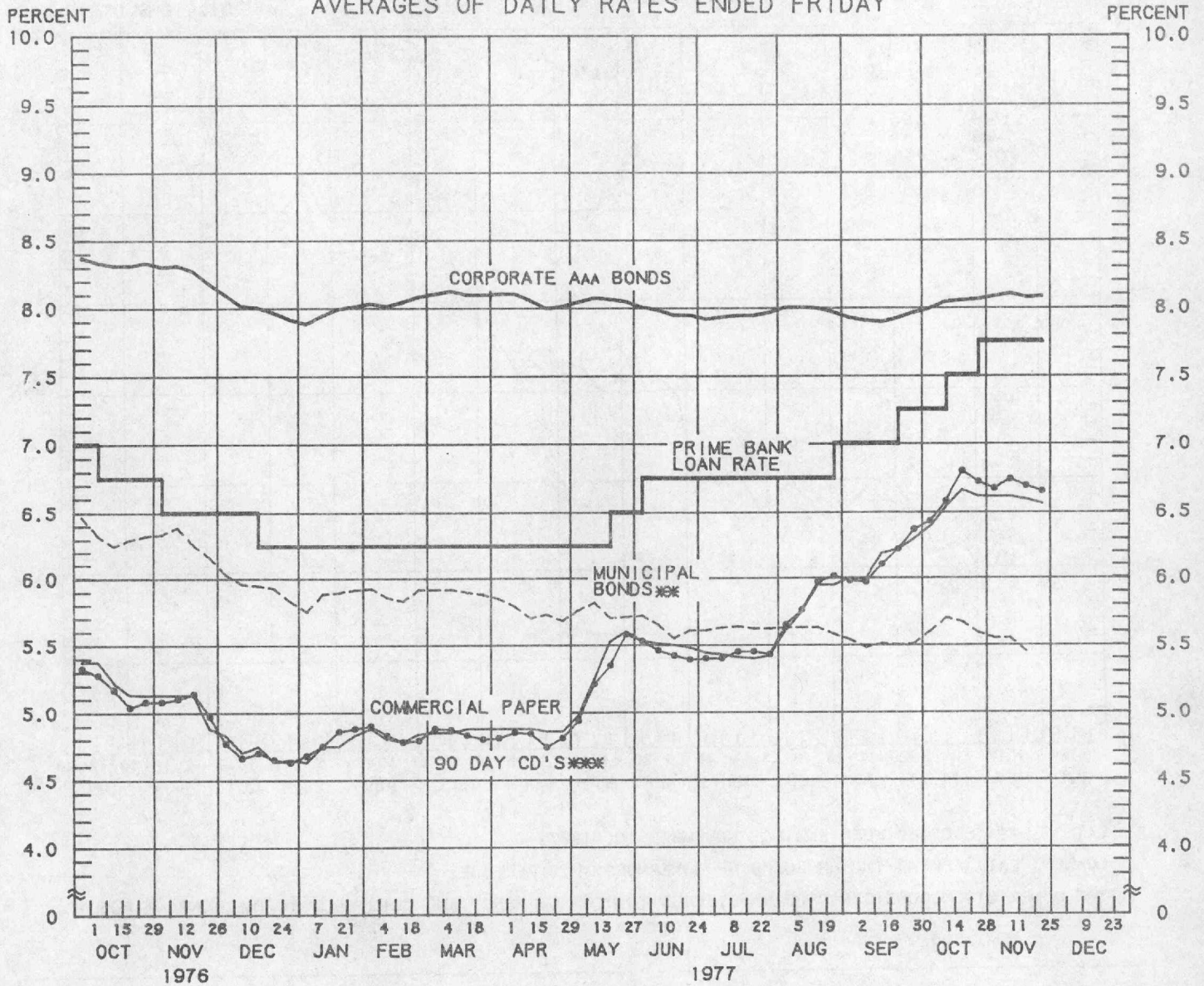
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
11/17/76 2/16/77 4/13/77 5/18/77 6/15/77 7/13/77 8/17/77 9/14/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

4/13/77	5.3							
5/18/77	6.5	9.5						
6/15/77	5.8	7.5	6.9					
7/13/77	6.4	8.1	8.0	5.8				
8/17/77	7.3	9.2	9.7	8.9	12.5			
9/14/77	7.4	9.1	9.4	8.7	11.1	11.4		
10/19/77	7.7	9.2	9.6	9.1	10.9	11.0	9.3	
11/16/77	7.2	8.5	8.5	7.9	9.2	8.9	7.0	6.5

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 25, 1977

1977	90 DAY CD'S ***	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS ***
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	6.61	6.69	8.08	5.55
11	6.74	6.61	6.66	8.10	5.55
18	6.69	6.59	6.57	8.07	5.45
25 *	6.65	6.56	6.51	8.08	N.A.
DEC. 2					
9					
16					
23					
30					

* AVERAGES OF RATES AVAILABLE.

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

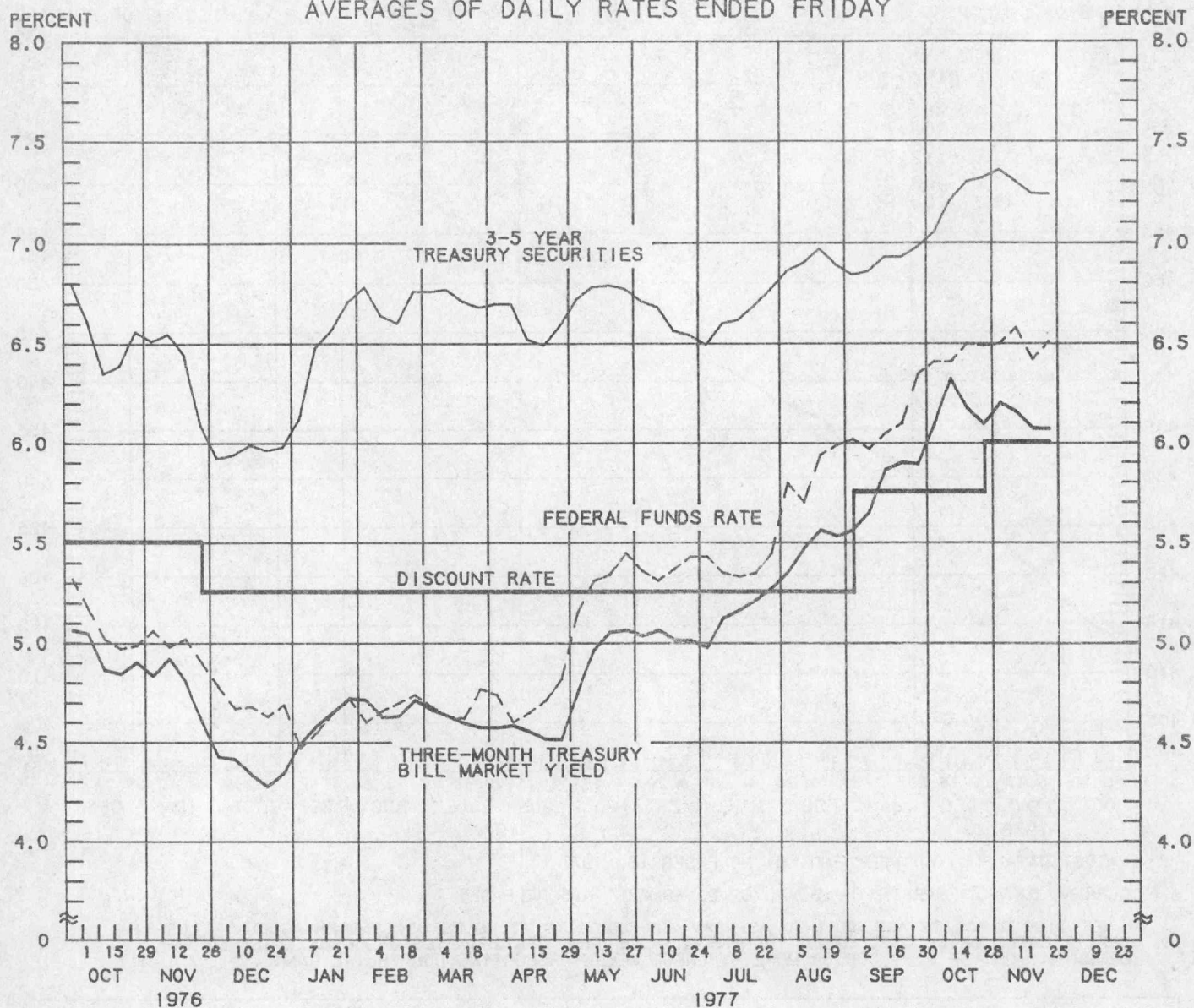
*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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 25, 1977

1977	FEDERAL FUNDS **	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	6.20	6.60	7.36	7.70
11	6.58	6.15	6.55	7.30	7.71
18	6.42	6.07	6.49	7.24	7.67
25 *	6.51	6.07	6.49	7.24	7.65
DEC. 2					
9					
16					
23					
30					

* 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.

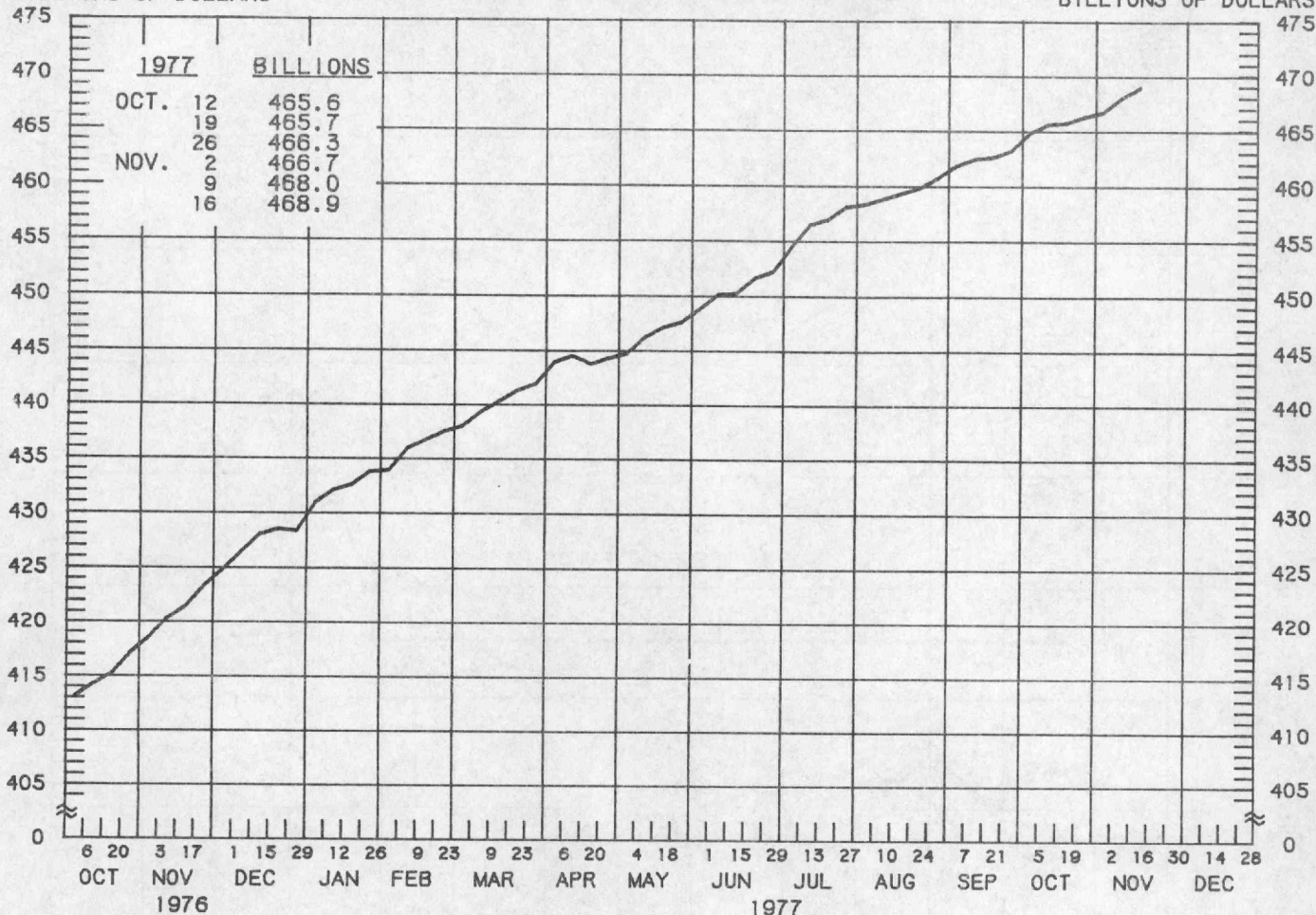
TREASURY BILL YIELDS ON DISCOUNT BASIS.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

NET TIME DEPOSITS ALL COMMERCIAL BANKS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 16, 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:

11/17/76 2/16/77 4/13/77 5/18/77 6/15/77 7/13/77 8/17/77 9/14/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

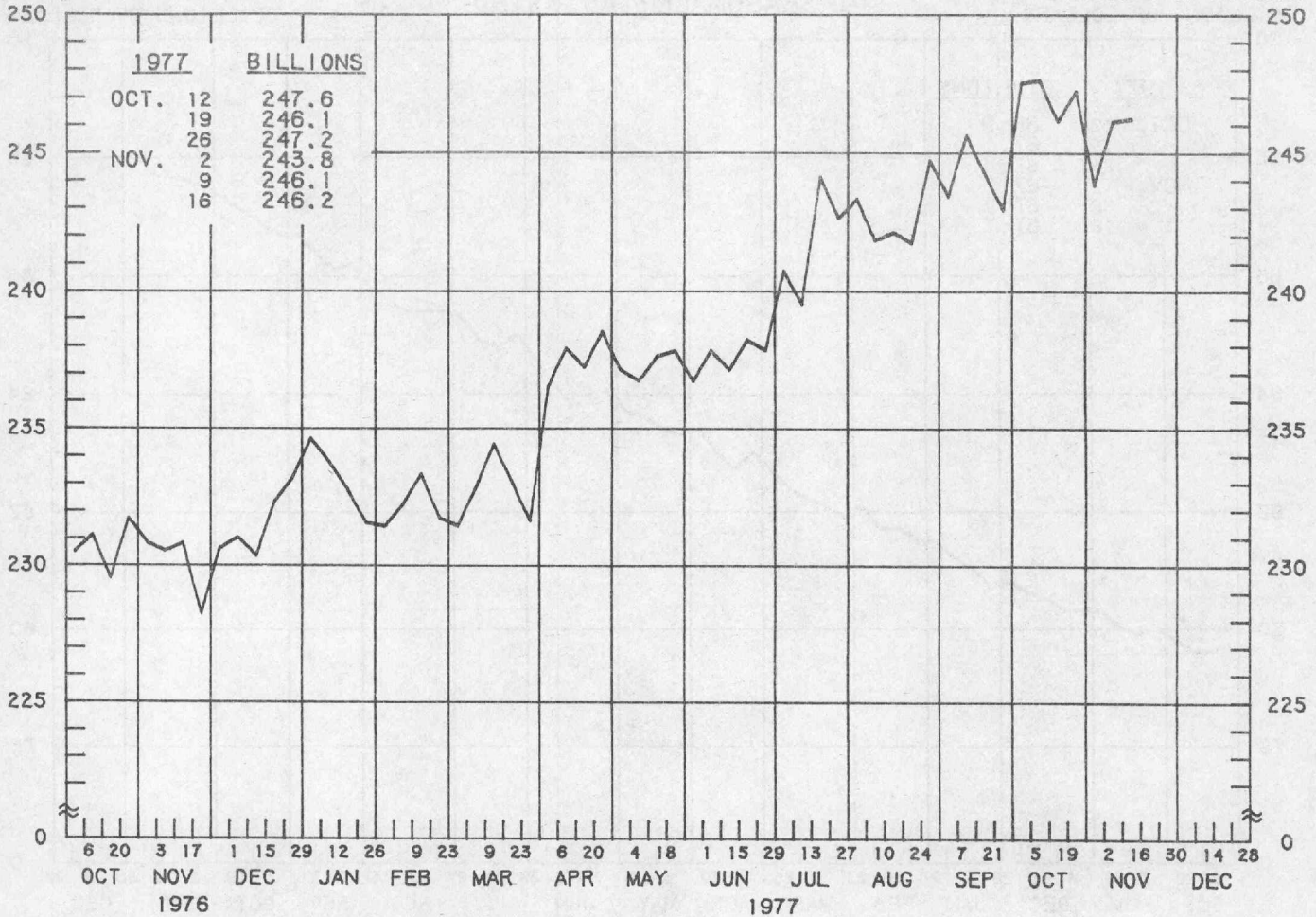
4/13/77	14.5							
5/18/77	12.9	10.0						
6/15/77	12.7	10.2	8.5					
7/13/77	12.8	10.9	10.1	12.4				
8/17/77	12.7	11.1	10.6	12.2	12.7			
9/14/77	12.2	10.6	10.0	11.1	11.1	9.9		
10/19/77	11.8	10.3	9.7	10.5	10.4	9.4	8.1	
11/16/77	11.5	10.0	9.5	10.1	9.9	9.0	8.0	8.2

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 16, 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:

11/17/76 2/16/77 4/13/77 5/18/77 6/15/77 7/13/77 8/17/77 9/14/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

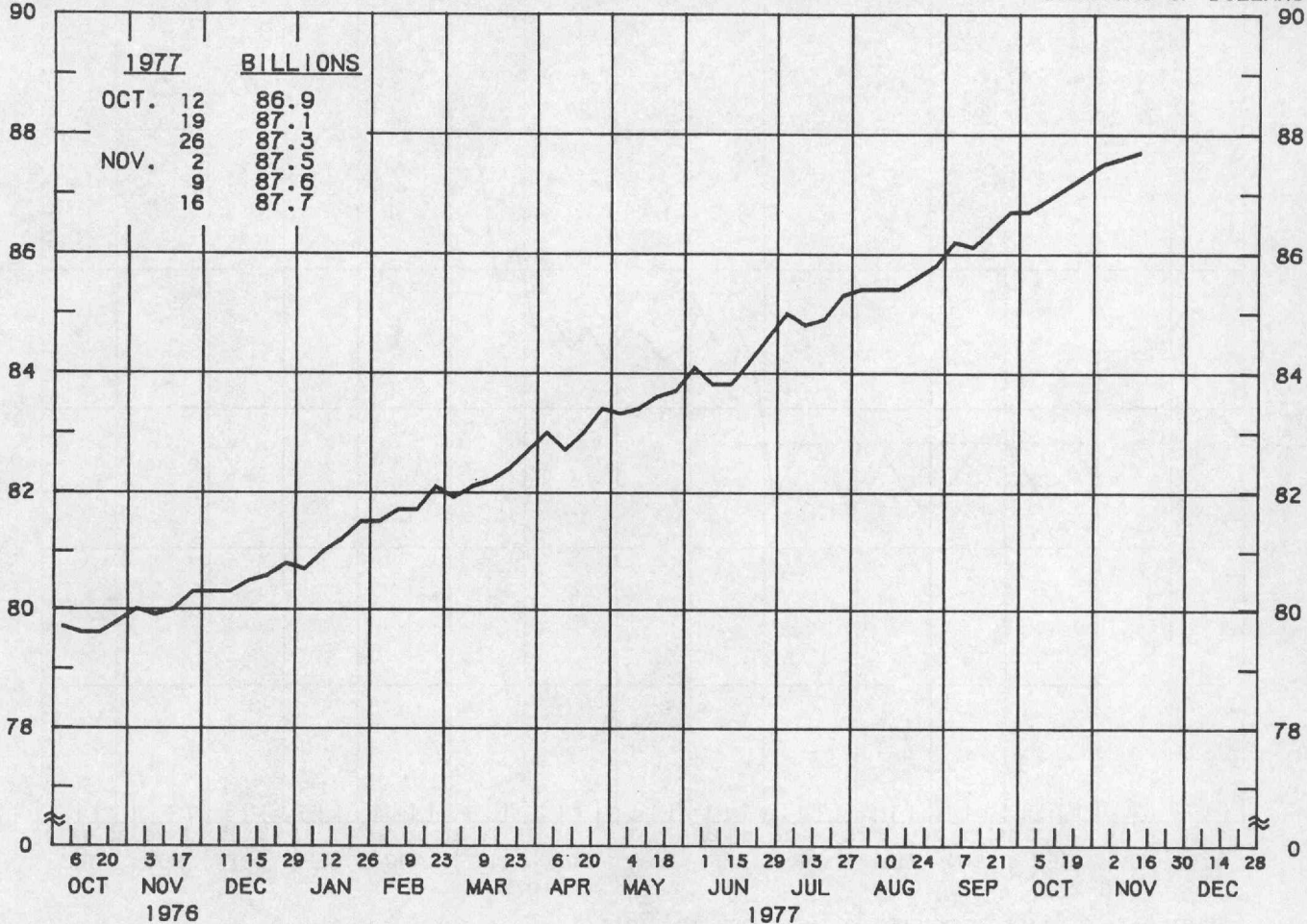
4/13/77	4.1							
5/18/77	5.7	9.6						
6/15/77	4.9	7.2	6.6					
7/13/77	5.4	7.6	7.5	4.5				
8/17/77	6.7	9.2	9.8	8.7	13.1			
9/14/77	6.8	9.0	9.4	8.5	11.4	12.2		
10/19/77	7.1	9.0	9.4	8.7	10.8	11.1	8.6	
11/16/77	6.4	7.9	8.0	7.1	8.6	8.3	5.6	4.6

CURRENCY COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 16, 1977

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

CURRENCY

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

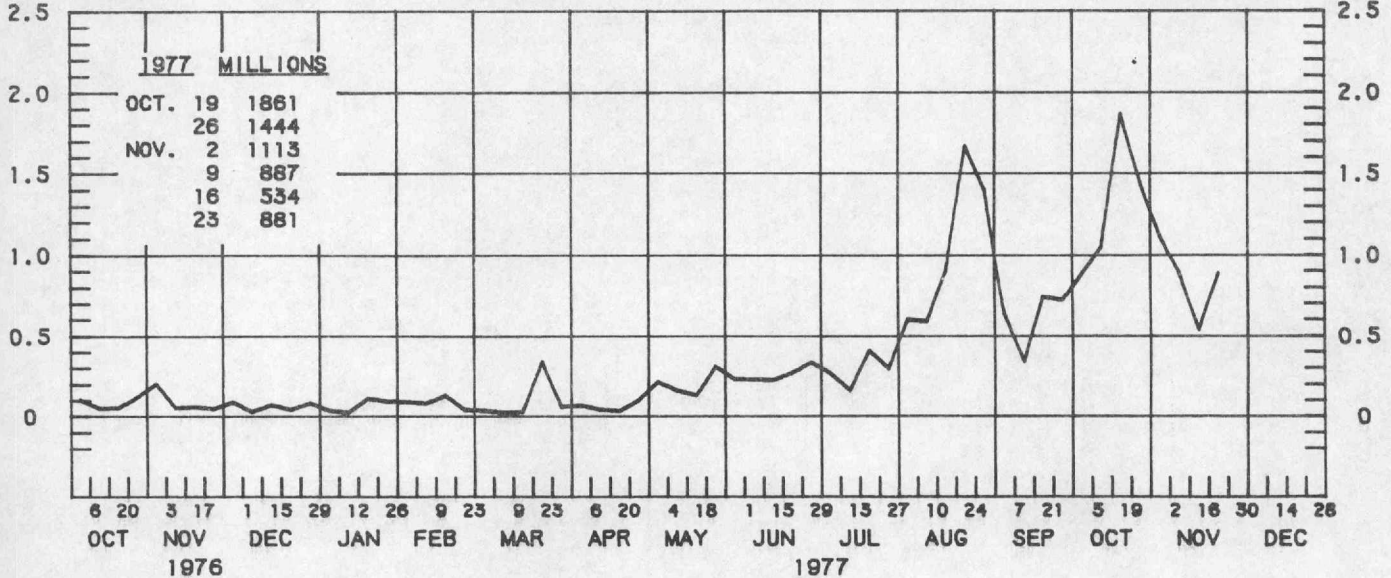
11/17/76 2/16/77 4/13/77 5/18/77 6/15/77 7/13/77 8/17/77 9/14/77

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

4/13/77	8.9								
5/18/77	9.0	9.1							
6/15/77	8.8	8.9	8.7						
7/13/77	9.3	9.7	10.0	10.6					
8/17/77	9.3	9.5	9.7	9.9	10.8				
9/14/77	9.2	9.3	9.4	9.5	9.9	8.5			
10/19/77	9.5	9.8	10.0	10.2	10.7	10.0	10.6		
11/16/77	9.5	9.8	9.9	10.1	10.4	9.9	10.2	11.3	

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

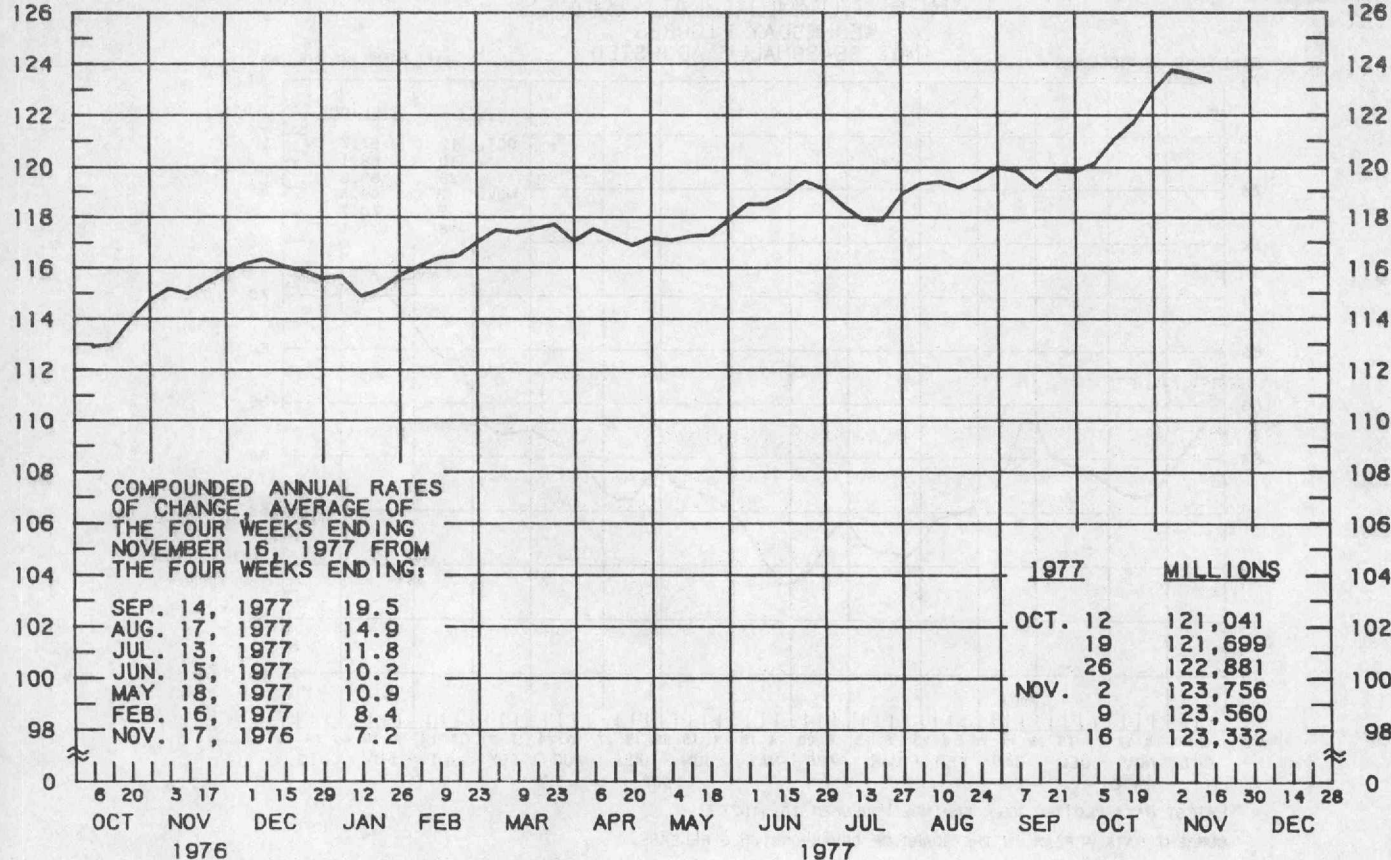
BILLIONS OF DOLLARS AVERAGES OF DAILY FIGURES BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 23, 1977

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

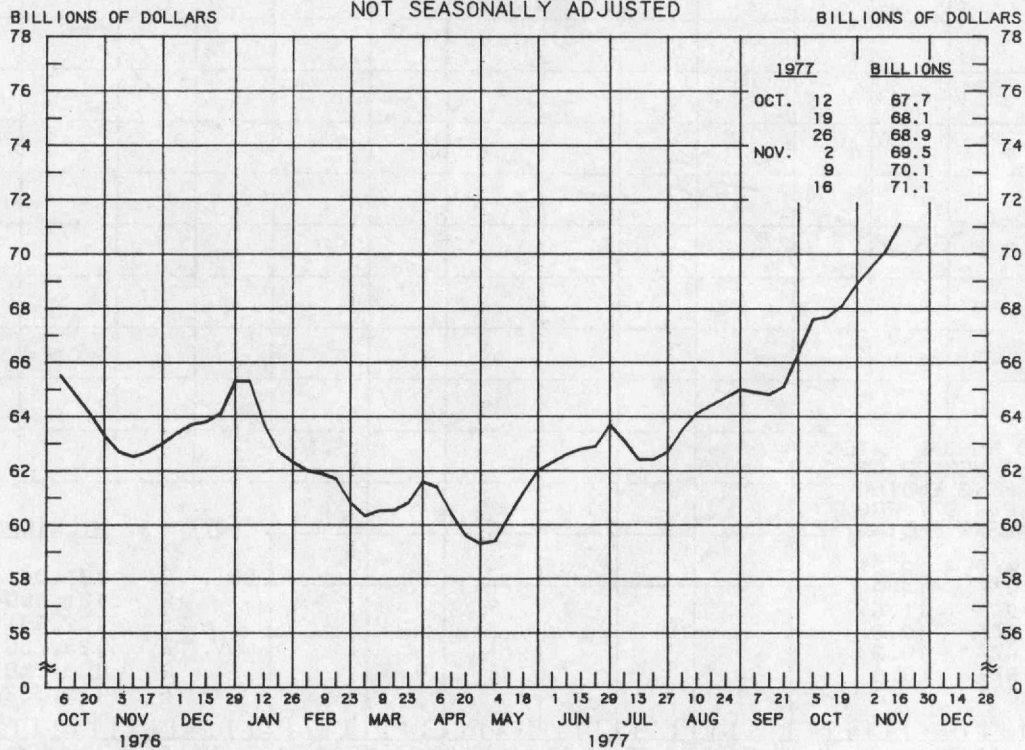
BILLIONS OF DOLLARS BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 16, 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: NOVEMBER 16, 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