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THE PRESIDENT HAS SEEN. *dy*

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

April 18, 1975

*NR7*

MEMORANDUM FOR THE PRESIDENT

Subject: Monetary and Financial Conditions

In the week ending April 17 both monetary aggregates and bank reserves continued to grow at rates consistent with a moderate economic recovery during the remainder of the year. In the most recent 13-week period  $M_1$  has grown at an annual rate of 5.6 percent and  $M_2$  at 9.8 percent. After several weeks of substantial increases interest rates tended to ease slightly in the most recent week.

  
Alan Greenspan  
Chairman



Some Details  
(Optional Reading)

Money Growth

Percent Changes of Monetary Aggregates,  
Seasonally Adjusted Annual Rates

Period	M <sub>1</sub> (currency plus demand deposits)	M <sub>2</sub> (currency plus all commercial bank deposits except large CD's)	Credit (adjusted bank credit proxy)
Past 52 weeks (from average of four weeks ending Apr. 10, 1974 to average of four weeks ending Apr. 9, 1975)	4.2	7.2	8.1
Past 26 weeks (from average of four weeks ending Oct. 9, 1974 to average of four weeks ending Apr. 9, 1975)	4.5	8.3	4.8
Past 13 weeks (from average of four weeks ending Jan. 8, 1975 to average of four weeks ending Apr. 9, 1975)	5.6	9.8	4.1
Past 4 weeks (from average of four weeks ending Mar. 12, 1975 to average of four weeks ending Apr. 9, 1975)	9.0	10.7	8.7

Interest Rates  
(average of daily figures)  
(percent)

Period	U.S. Government			Prime commercial paper 4-6 months	Moody's Aaa bond rate
	3-month bills	3-5 year issues	long term bonds		
October	7.24	7.98	7.22	9.36	9.27
November	7.59	7.65	6.93	8.81	8.90
December	7.18	7.22	6.78	8.98	8.89
January	6.49	7.29	6.68	7.30	8.83
February	5.58	6.85	6.61	6.33	8.62
March	5.54	7.00	6.73	6.06	8.67
Week ending:					
Mar. 21	5.38	7.05	6.75	5.95	8.69
Mar. 28	5.54	7.19	6.83	5.93	8.78
April 4	5.56	7.47	6.88	6.03	8.87
April 11	6.02	7.74	7.05	6.23	8.94
April 18 <sup>P</sup>	5.54	7.74	7.03	6.22	8.95