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THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
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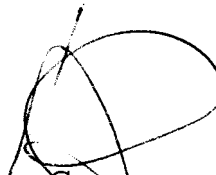
May 23, 1975

MR7

MEMORANDUM FOR THE PRESIDENT

Subject: Weekly Monetary and Financial Conditions

In the past 13 weeks narrowly defined money grew at an annual rate of 7.4 percent near the top of the target range of growth rates set by the Federal Reserve Board. The growth in monetary aggregates, along with a further decline in private loan demand, contributed to a decline in interest rates this week. In the week ending May 23, the three month Treasury bill rate was down to 5.12 percent, compared to 5.18 percent last week, and far below the peak rate of 9.91 percent reached the week of August 30, 1974.



Alan Greenspan



Some Details
(Optional Reading)

Money Growth

Percent Changes of Monetary Aggregates,
Seasonally Adjusted Annual Rates

Period	M ₁ (currency plus demand deposits)	M ₂ (currency plus all commercial bank deposits except large CD's)	Credit (adjusted bank credit proxy)
Past 52 weeks (from average of four weeks ending May 15, 1974 to average of four weeks ending May 14, 1975)	3.8	7.2	7.9
Past 26 weeks (from average of four weeks ending Nov. 13, 1974 to average of four weeks ending May 14, 1975)	3.7	7.8	7.1
Past 13 weeks (from average of four weeks ending Feb. 12, 1975 to average of four weeks ending May 14, 1975)	7.4	10.4	5.6
Past 4 weeks (from average of four weeks ending Apr. 16, 1975 to average of four weeks ending May 14, 1975)	2.3	7.9	1.6

Interest Rates
(average of daily figures)
(percent)

Period	U.S. Government 3-month bills	U.S. Government 3-5 year issues	long term bonds	Prime commercial paper 4-6 months	Moody's Aaa bond rate
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
April	5.69	7.76	7.03	6.15	8.95
Week ending:					
April 25	5.65	7.90	7.08	6.13	8.97
May 2	5.72	7.87	7.09	6.15	9.01
May 9	5.36	7.64	6.98	6.08	8.96
May 16	5.18	7.45	6.94	5.93	8.88
May 23 ^P	5.12	7.34	6.97	5.66	8.84