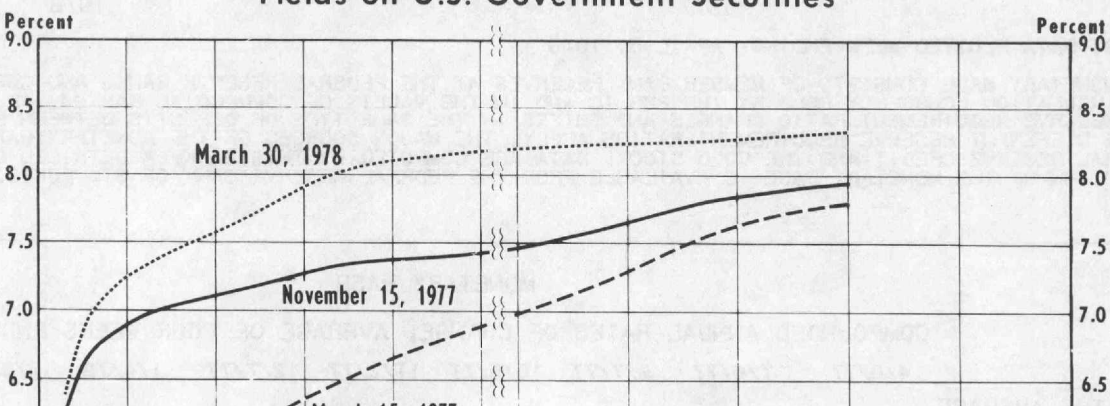
U.S. FINANCIAL DATA

Week ending: April 5, 1978

In mid-March of 1977 the yield curve for U.S. Government securities was steeply sloped for maturities out to 20 years, with more than a 300 basis point (3 percentage point) spread between 3-month Treasury bills and 20-year Treasury bonds. The yield curve flattened substantially by mid-November of last year, with the spread between 3-month Treasury bills and 20-year Treasury bonds narrowing to about 150 basis points. This change was the result of a sharp rise in short-term yields of about 150 basis points, reflecting large increases in short-term credit demands during the second and third quarters of 1977. Long-term yields increased only slightly between March and November of last year, in part because the majority of the increased credit demands during mid-1977 occurred in the shorter-term markets, and in part because expectations of future inflation remained stable.

However, from mid-November of last year to late March of this year there has been little change in yields on shorter-term Treasury securities, while yields on 3- to 10- year securities have increased by about 70 basis points and yields on 10- to 20-year securities have increased about 50 basis points. Consequently, the yield curve is currently quite flat for maturities beyond four years, but is quite steep relative to the yield curve in November for maturities up to four years. One factor contributing to the recent behavior of short-term yields has been the purchase of short-term Treasury securities by foreign central banks as a by-product of their intervention in foreign exchange markets to support the value of the dollar.

Yields on U.S. Government Securities

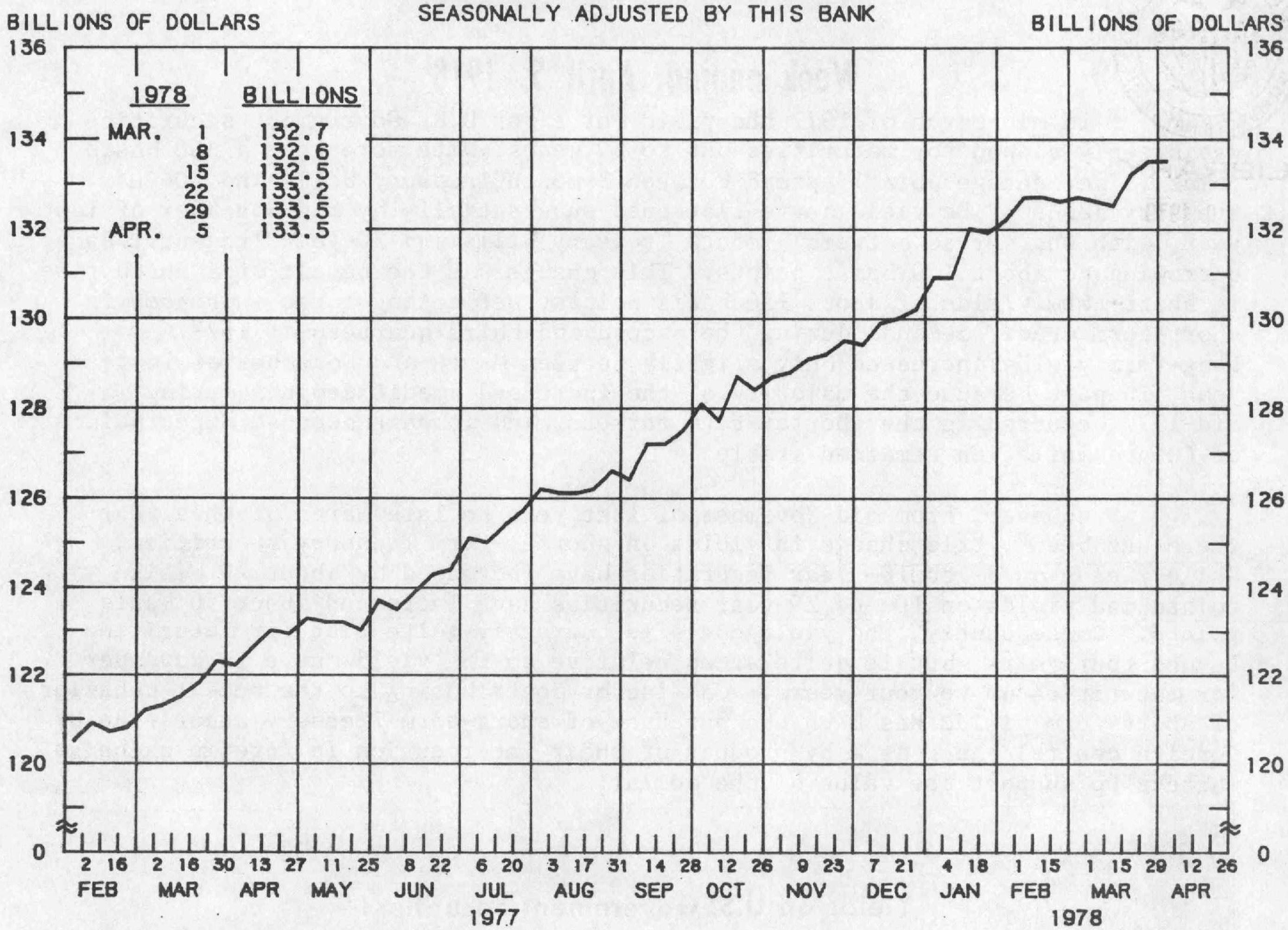


Prepared by Federal Reserve Bank of St. Louis

Prepared by Federal Reserve Bank of St. Louis

Released: April 7, 1978

MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: APRIL 5, 1978

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.

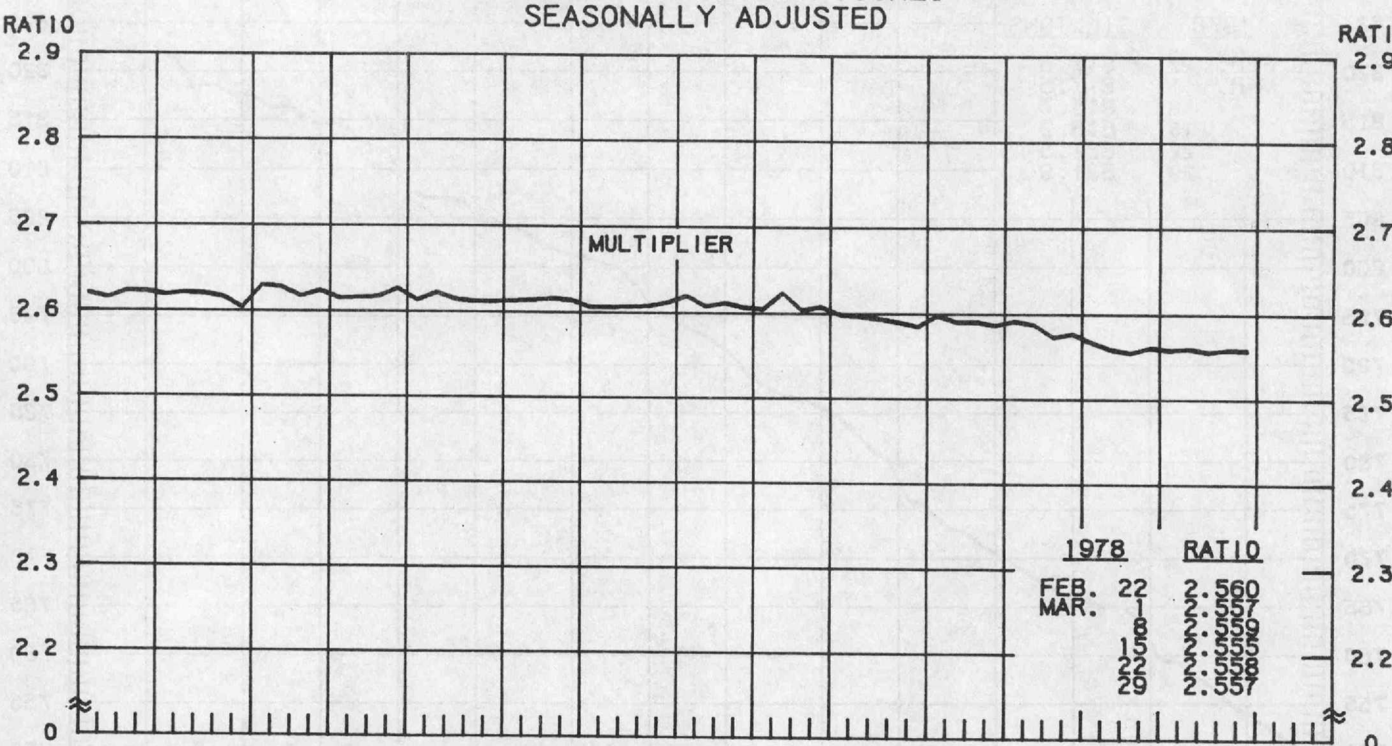
MONETARY BASE

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

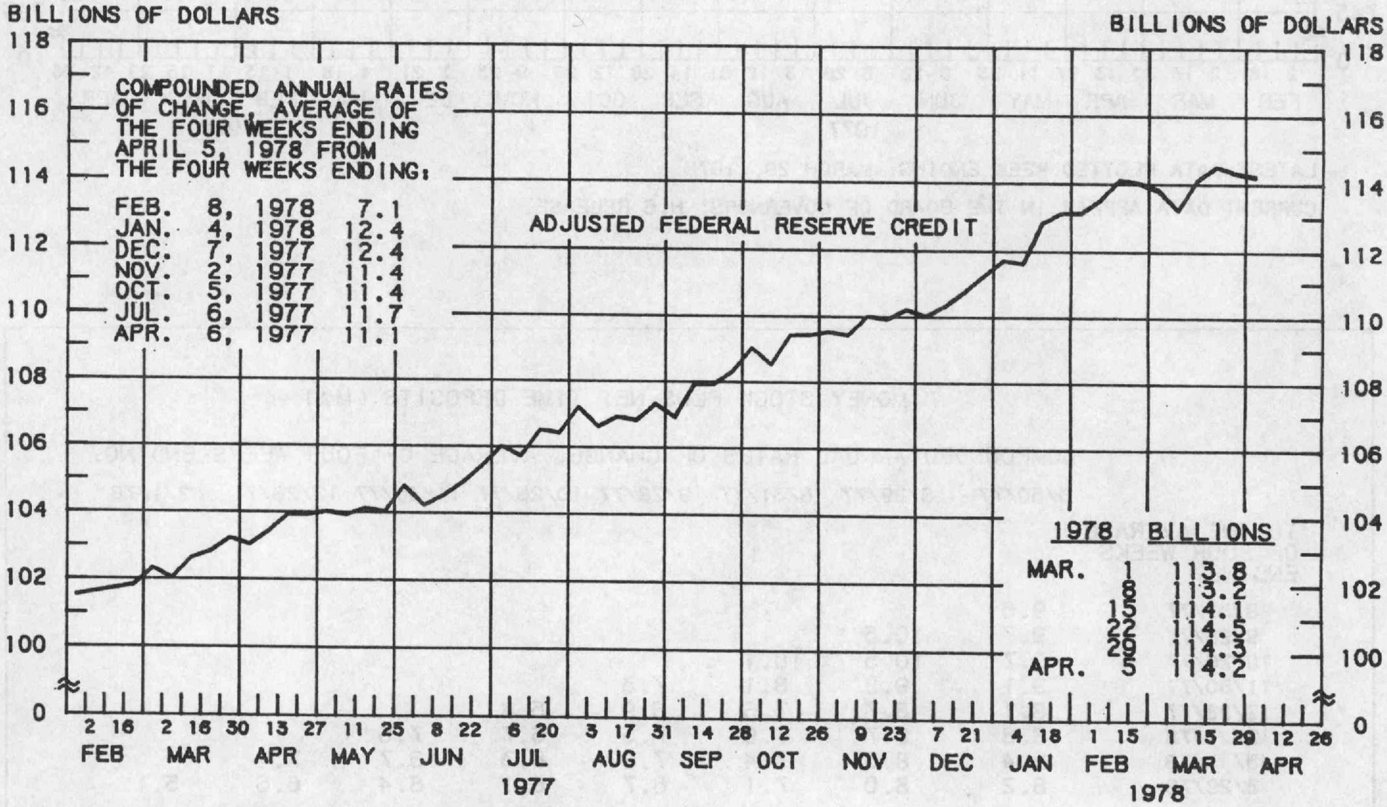
TO THE AVERAGE OF FOUR WEEKS ENDING:	4/6/77	7/6/77	9/7/77	10/5/77	11/2/77	12/7/77	1/4/78	2/8/78
9/ 7/77	8.5							
10/ 5/77	9.2	10.3						
11/ 2/77	9.3	10.2	11.3					
12/ 7/77	9.0	9.6	9.8	8.4				
1/ 4/78	9.2	9.7	10.0	9.1	8.9			
2/ 8/78	10.0	10.7	11.4	11.0	11.4	13.7		
3/ 8/78	9.5	10.1	10.4	9.9	10.0	10.9	11.1	
4/ 5/78	9.2	9.5	9.7	9.1	9.1	9.5	9.2	5.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978



LATEST DATA PLOTTED WEEK ENDING: APRIL 5, 1978

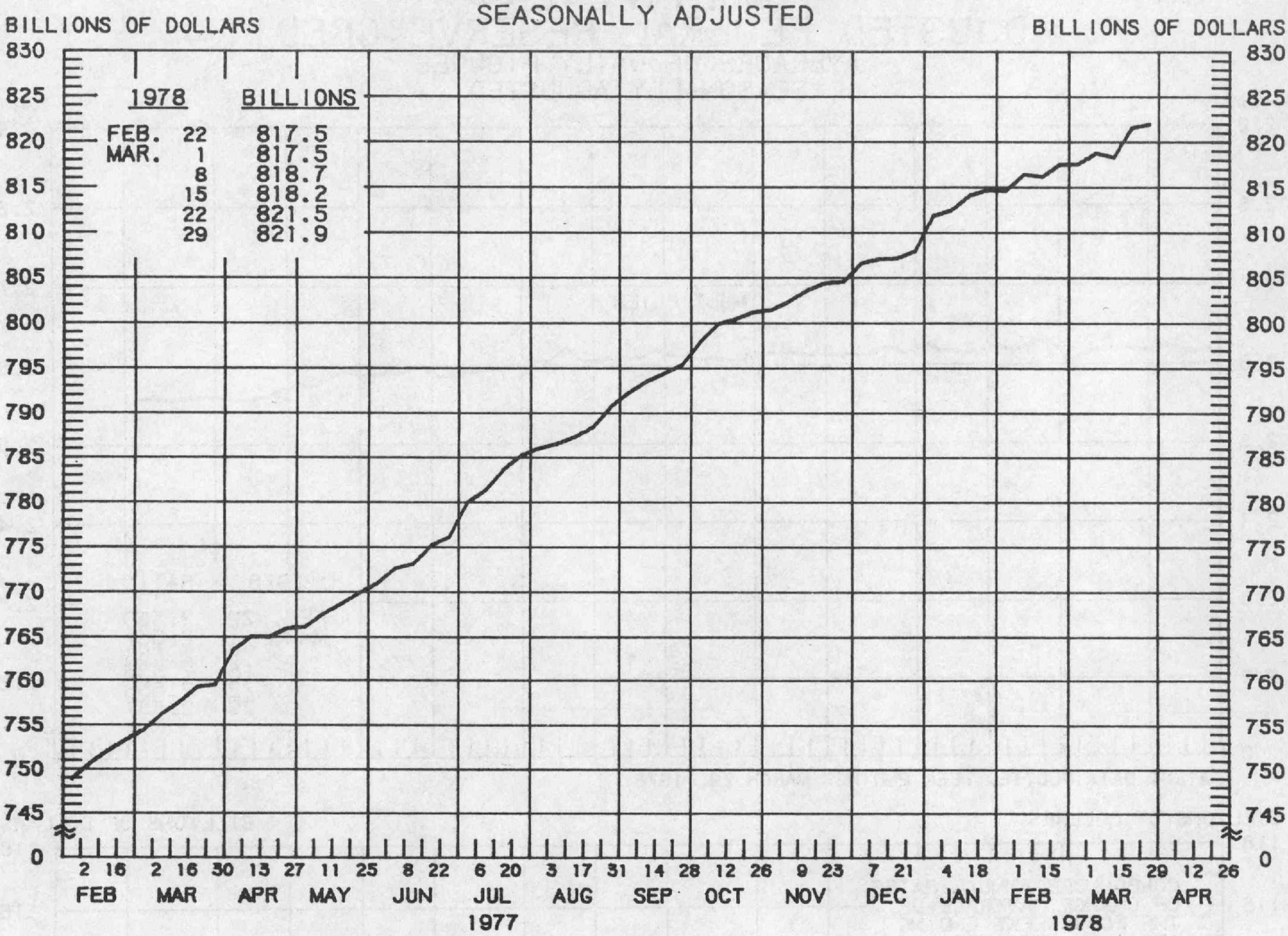
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK PLUS NET TIME DEPOSITS (M2)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

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

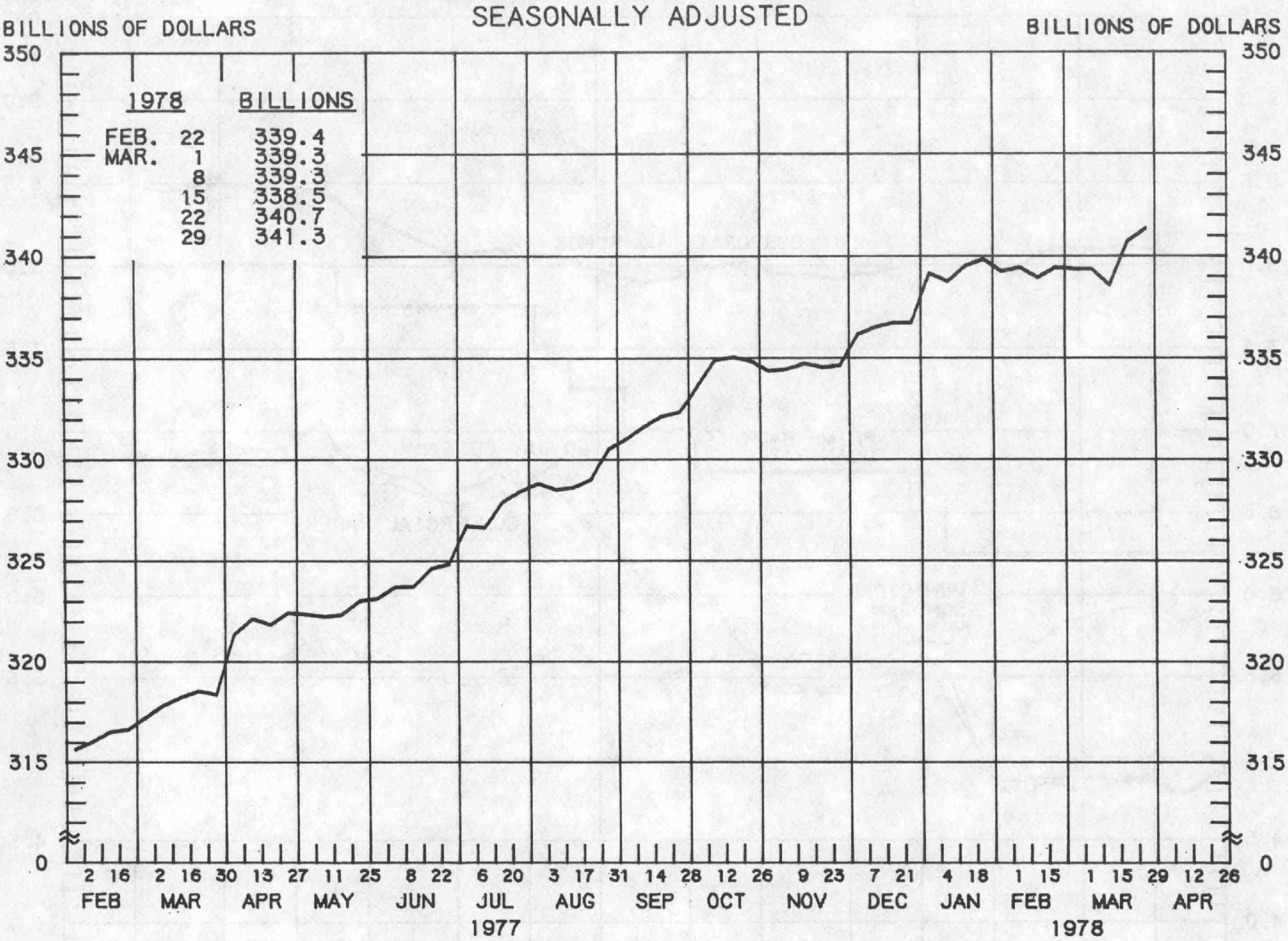
MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/30/77	6/29/77	8/31/77	9/28/77	10/26/77	11/30/77	12/28/77	2/1/78
8/31/77	9.6							
9/28/77	9.7	10.5						
10/26/77	9.7	10.5	10.1					
11/30/77	9.1	9.2	8.1	7.3				
12/28/77	8.7	8.7	7.6	6.9	5.4			
2/ 1/78	8.8	8.7	7.9	7.5	6.7	7.6		
3/ 1/78	8.4	8.3	7.4	7.0	6.3	6.7	7.1	
3/29/78	8.2	8.0	7.1	6.7	6.1	6.4	6.5	5.1

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

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)

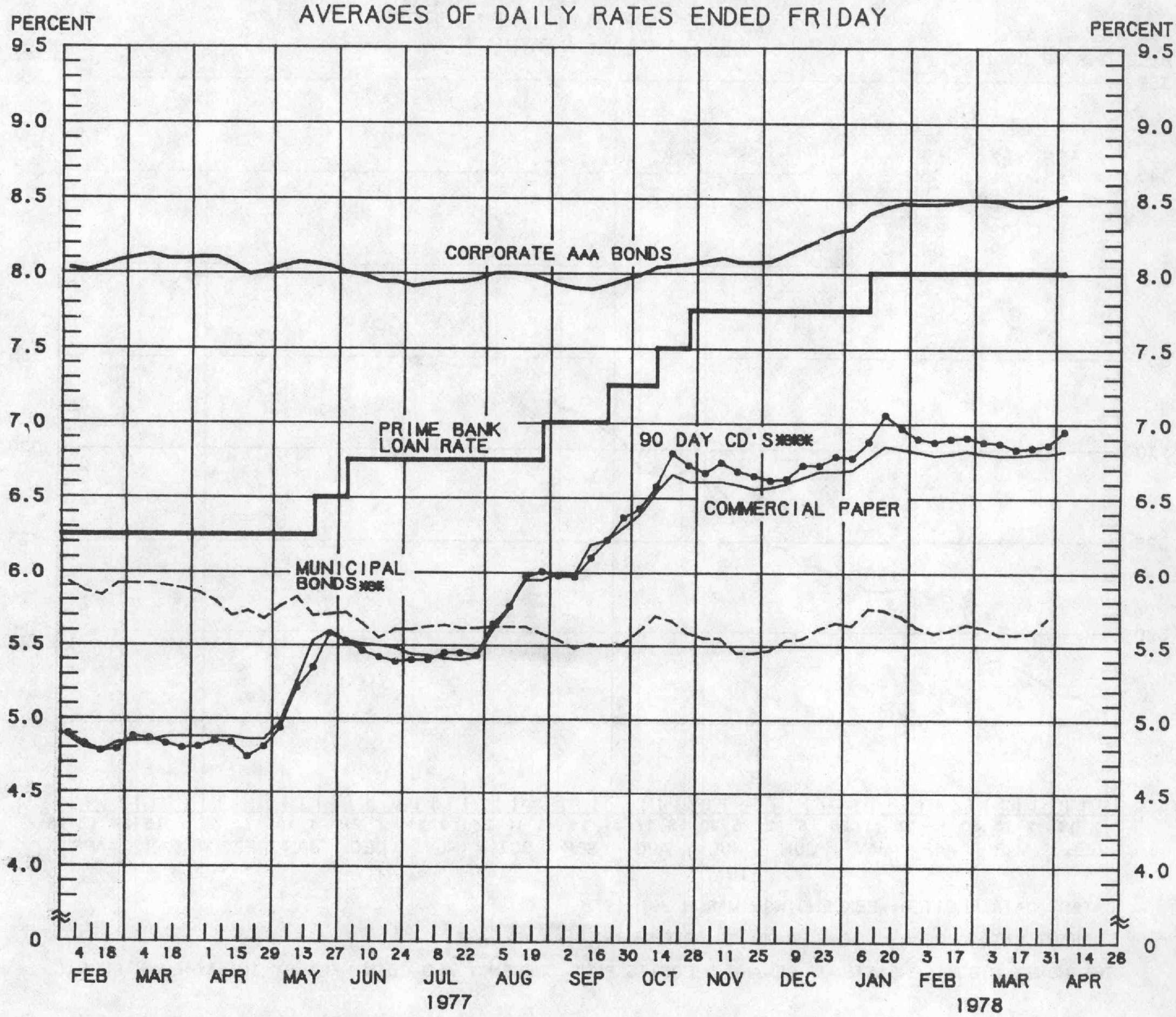
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/30/77	6/29/77	8/31/77	9/28/77	10/26/77	11/30/77	12/28/77	2/1/78
8/31/77	8.4							
9/28/77	8.7	9.7						
10/26/77	9.1	10.1	11.2					
11/30/77	7.8	7.7	6.7	5.0				
12/28/77	7.7	7.7	6.9	5.8	3.3			
2/ 1/78	7.9	7.9	7.4	6.7	5.3	8.4		
3/ 1/78	7.2	7.0	6.2	5.4	4.1	5.7	4.9	
3/29/78	6.9	6.6	5.8	5.0	3.9	5.0	4.2	1.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 7, 1978

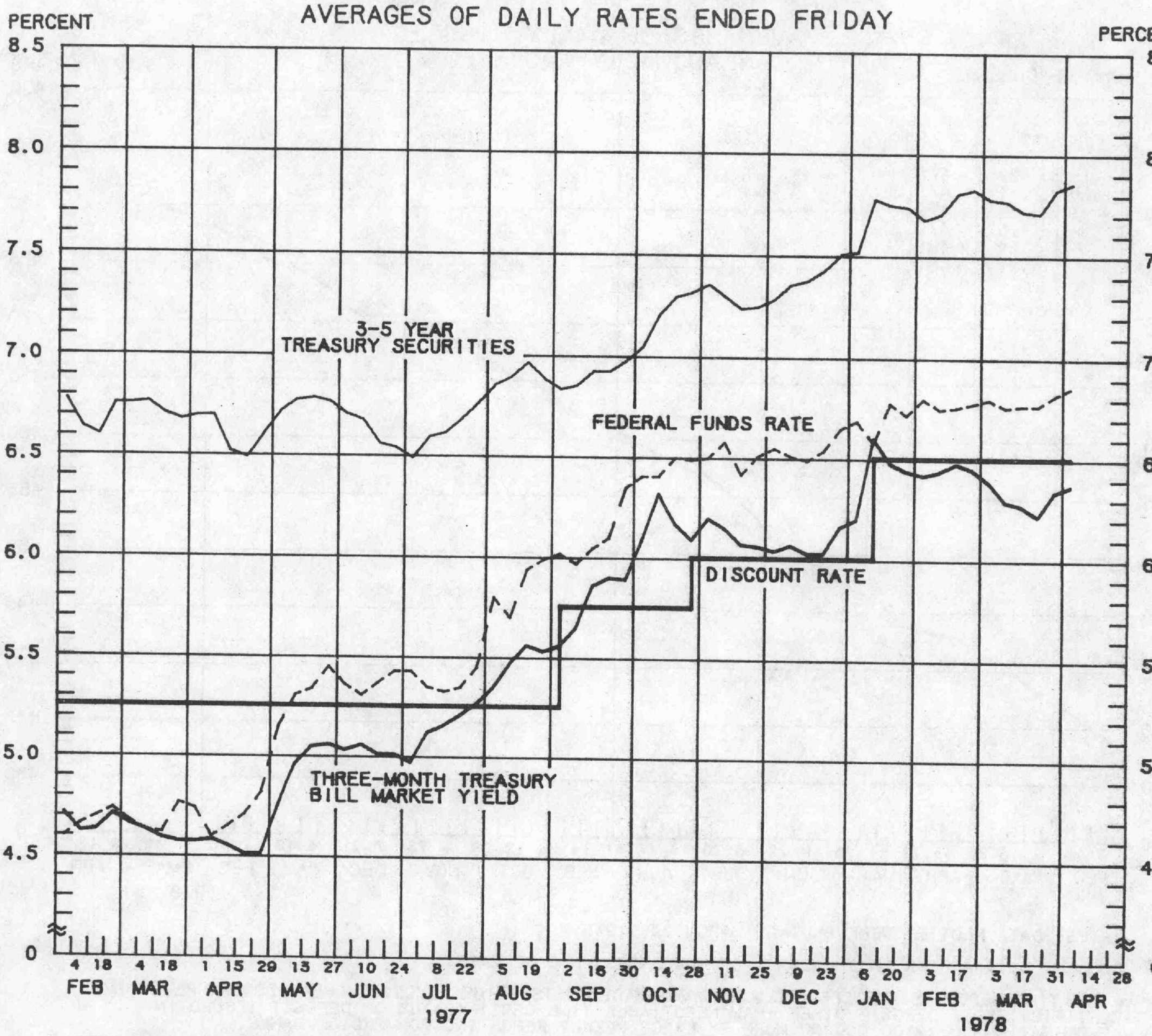
1978	90 DAY CD'S ***	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS **
FEB. 3	6.90	6.81	6.82	8.46	5.63
10	6.88	6.79	6.81	8.46	5.59
17	6.90	6.80	6.83	8.47	5.61
24	6.91	6.82	6.83	8.49	5.65
MAR. 3	6.88	6.80	6.80	8.49	5.63
10	6.87	6.79	6.80	8.48	5.58
17	6.83	6.79	6.80	8.45	5.58
24	6.84	6.80	6.76	8.45	5.59
31	6.86	6.80	6.80	8.48	5.69
APR. 7 *	6.95	6.82	6.84	8.52	N.A.
14					
21					
28					

* 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



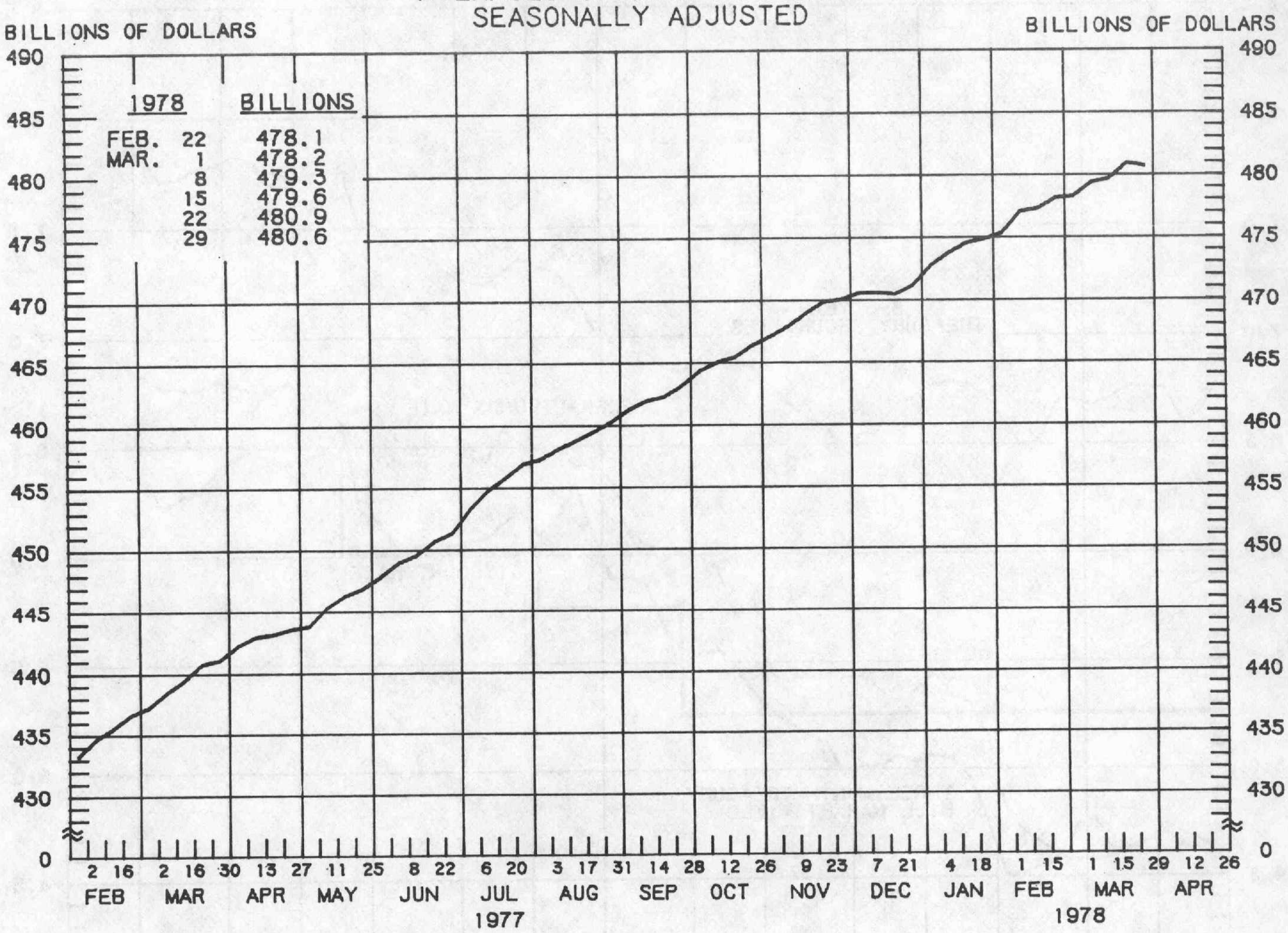
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 7, 1978

1978	FEDERAL FUNDS **	3-MONTH TREASURY BILLS	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
FEB. 3	6.80	6.42	6.80	7.68	8.05
10	6.75	6.44	6.84	7.71	8.08
17	6.76	6.48	6.90	7.81	8.12
24	6.78	6.45	6.88	7.83	8.12
MAR. 3	6.80	6.39	6.84	7.78	8.11
10	6.76	6.29	6.81	7.77	8.09
17	6.77	6.27	6.80	7.72	8.06
24	6.77	6.22	6.77	7.71	8.06
31	6.82	6.34	6.89	7.83	8.16
APR. 7 *	6.86	6.37	6.93	7.86	8.20
14					
21					
28					

* 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: MARCH 29, 1978

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.

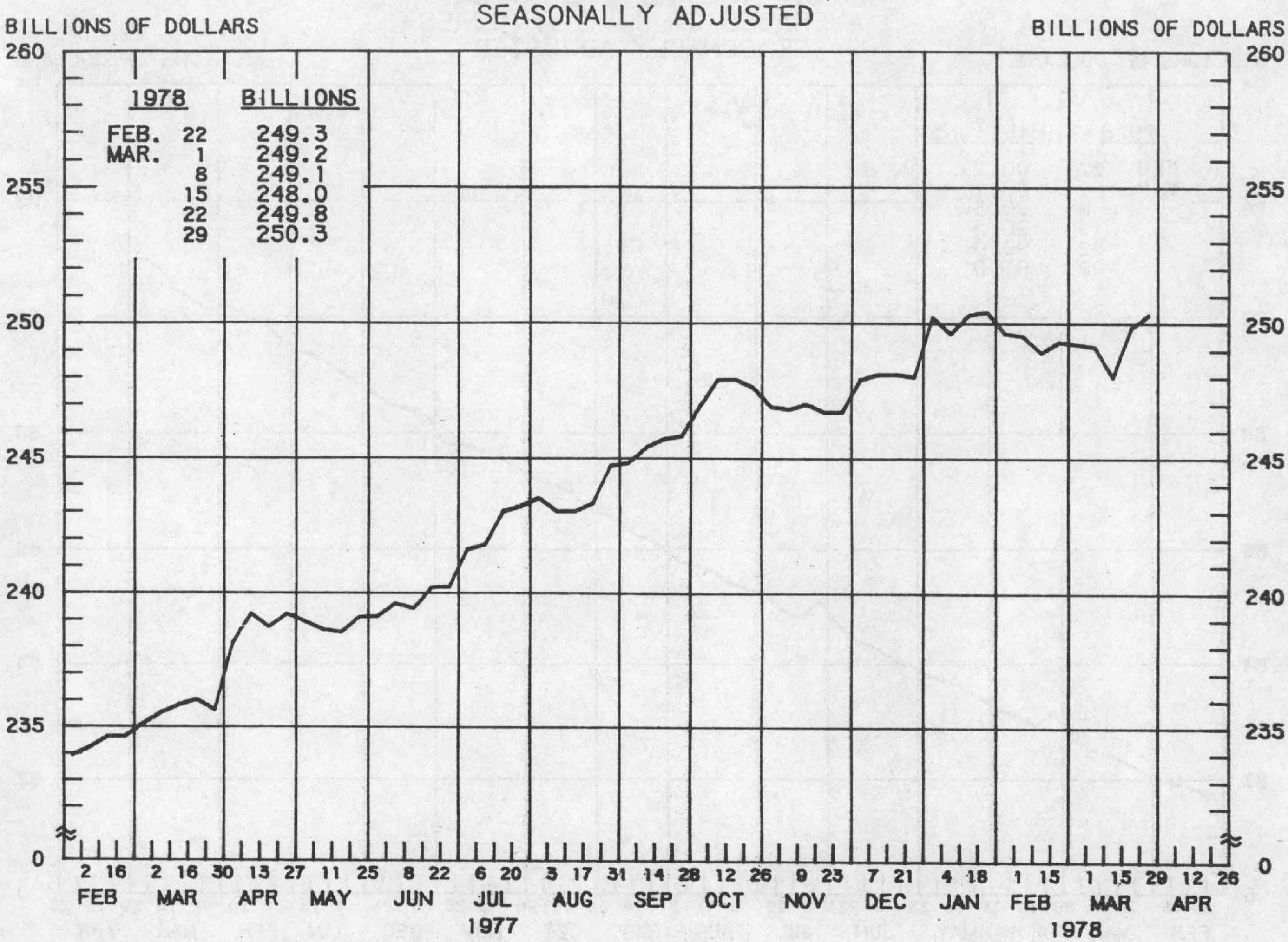
NET TIME DEPOSITS

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/30/77	6/29/77	8/31/77	9/28/77	10/26/77	11/30/77	12/28/77	2/1/78
8/31/77	10.6							
9/28/77	10.3	11.1						
10/26/77	10.2	10.7	9.1					
11/30/77	10.1	10.3	9.1	9.2				
12/28/77	9.4	9.3	7.9	7.6	6.8			
2/ 1/78	9.4	9.3	8.2	8.0	7.6	6.8		
3/ 1/78	9.3	9.2	8.2	8.1	7.8	7.4	8.9	
3/29/78	9.1	9.0	8.1	7.9	7.7	7.3	8.3	7.8

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

DEMAND DEPOSIT COMPONENT OF MONEY STOCK
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

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

DEMAND DEPOSIT COMPONENT OF MONEY STOCK

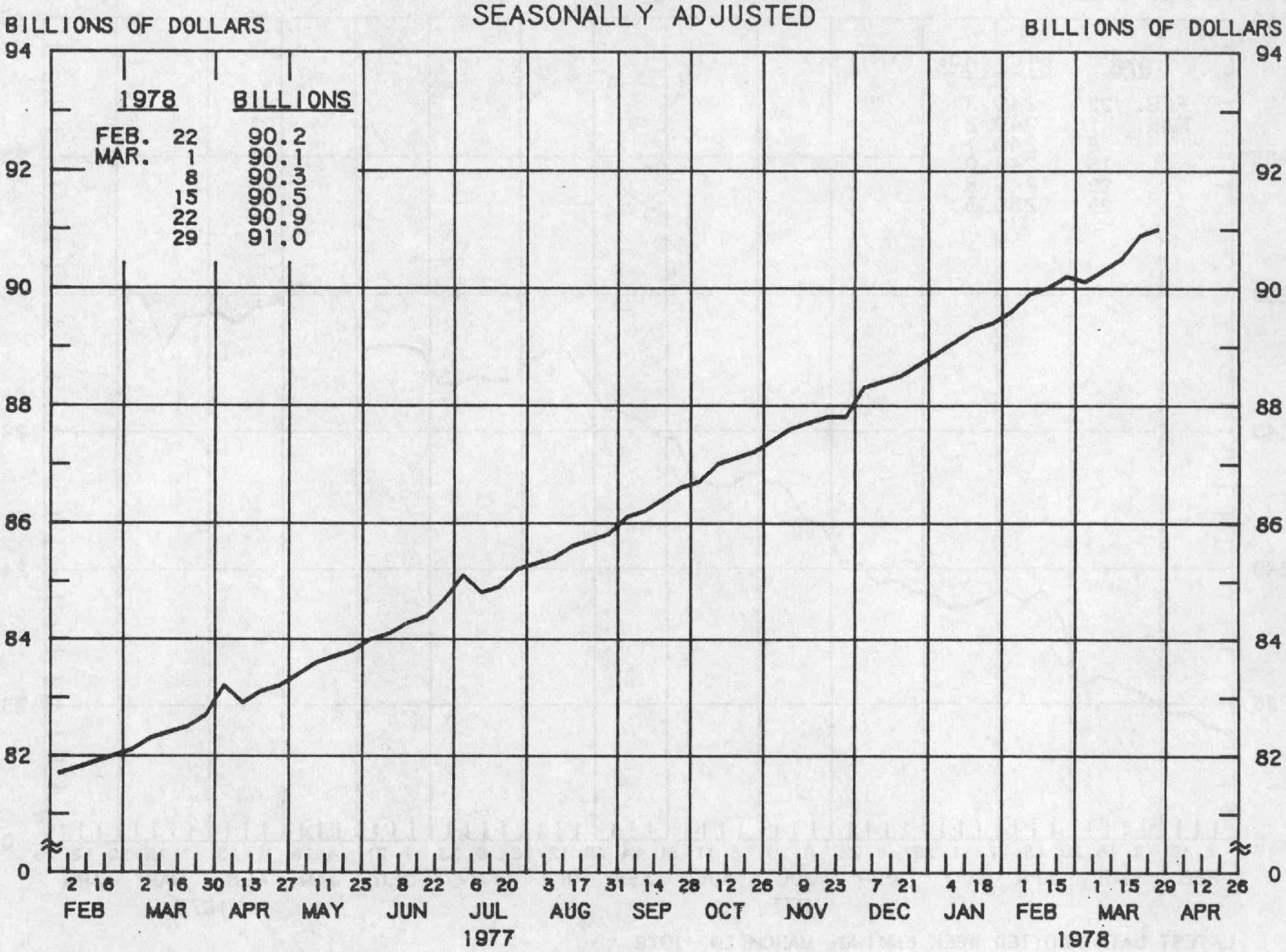
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/30/77	6/29/77	8/31/77	9/28/77	10/26/77	11/30/77	12/28/77	2/1/78
8/31/77	8.0							
9/28/77	8.4	9.5						
10/26/77	8.9	10.1	11.5					
11/30/77	7.1	6.9	5.5	3.3				
12/28/77	7.0	6.9	5.8	4.3	0.9			
2/ 1/78	7.2	7.2	6.4	5.5	3.6	7.7		
3/ 1/78	6.2	5.8	4.7	3.7	1.9	3.9	2.8	
3/29/78	5.8	5.3	4.2	3.2	1.6	3.1	2.1	-1.8

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CURRENCY COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

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

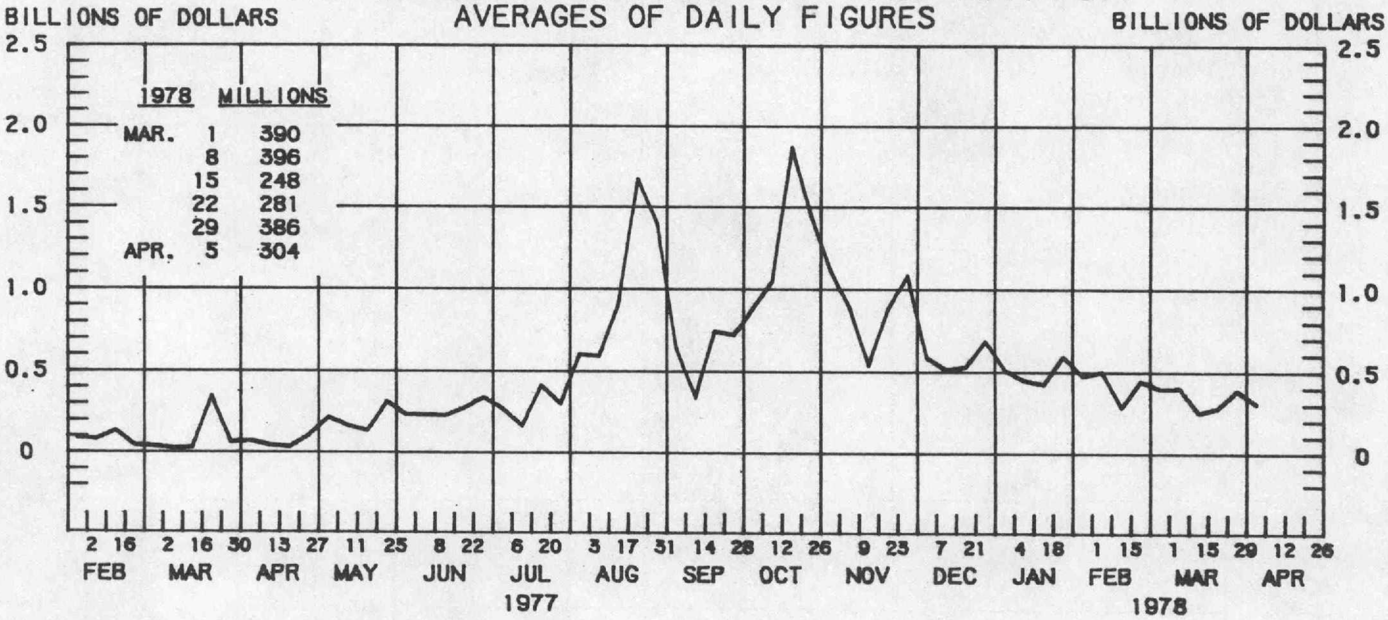
CURRENCY

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/30/77	6/29/77	8/31/77	9/28/77	10/26/77	11/30/77	12/28/77	2/1/78
8/31/77	9,1							
9/28/77	9.4	9.3						
10/26/77	9.6	9.7	11.1					
11/30/77	9.5	9.5	10.2	9.7				
12/28/77	9.8	10.0	10.7	10.6	10.4			
2/ 1/78	10.0	10.1	10.8	10.7	10.6	11.7		
3/ 1/78	10.0	10.2	10.8	10.7	10.6	11.4	10.9	
3/29/78	9.9	10.1	10.6	10.5	10.3	10,8	10.3	9,8

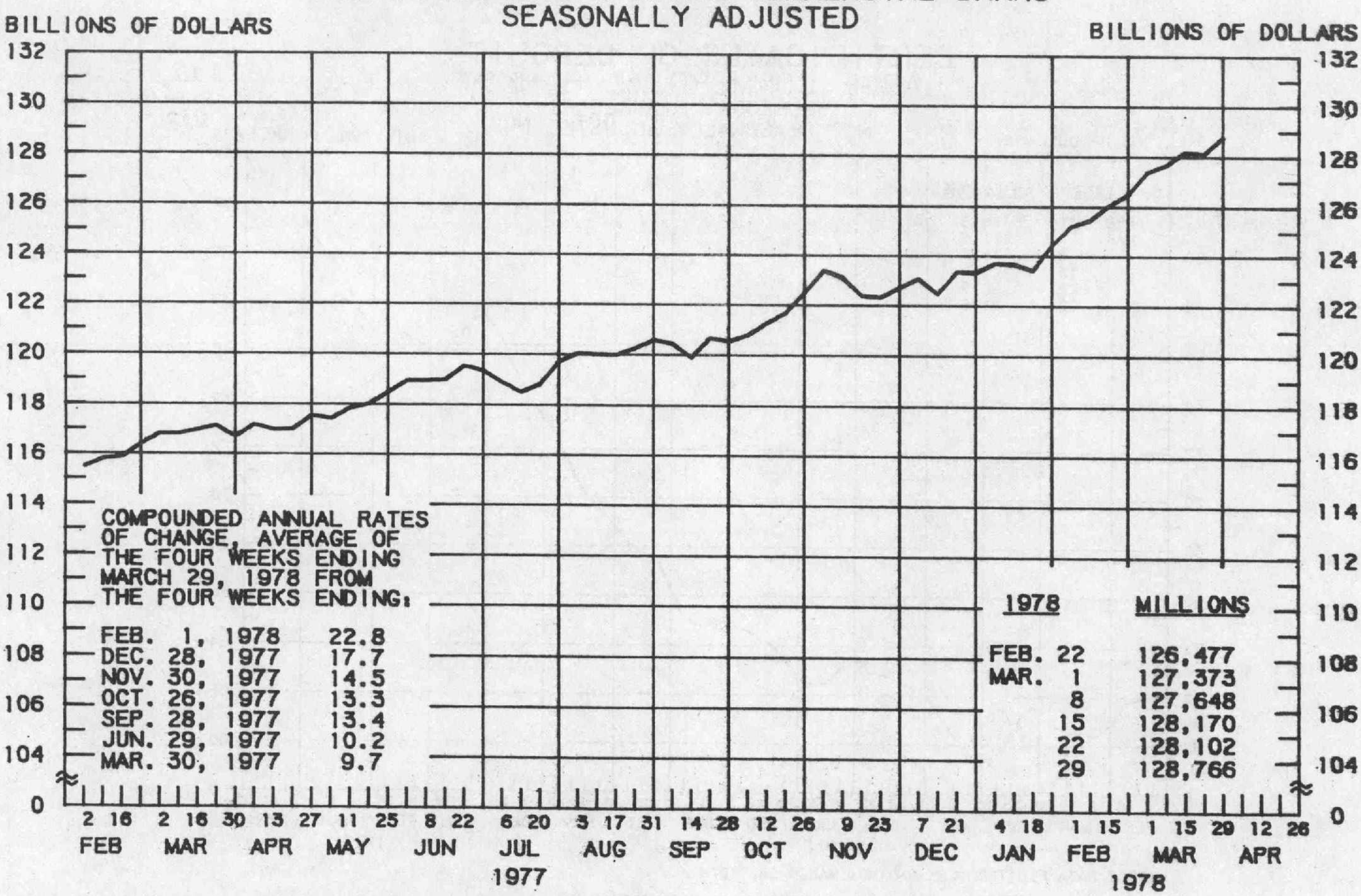
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS
ALL MEMBER BANKS IN THE NATION
AVERAGES OF DAILY FIGURES



LATEST DATA PLOTTED WEEK ENDING: APRIL 5, 1978

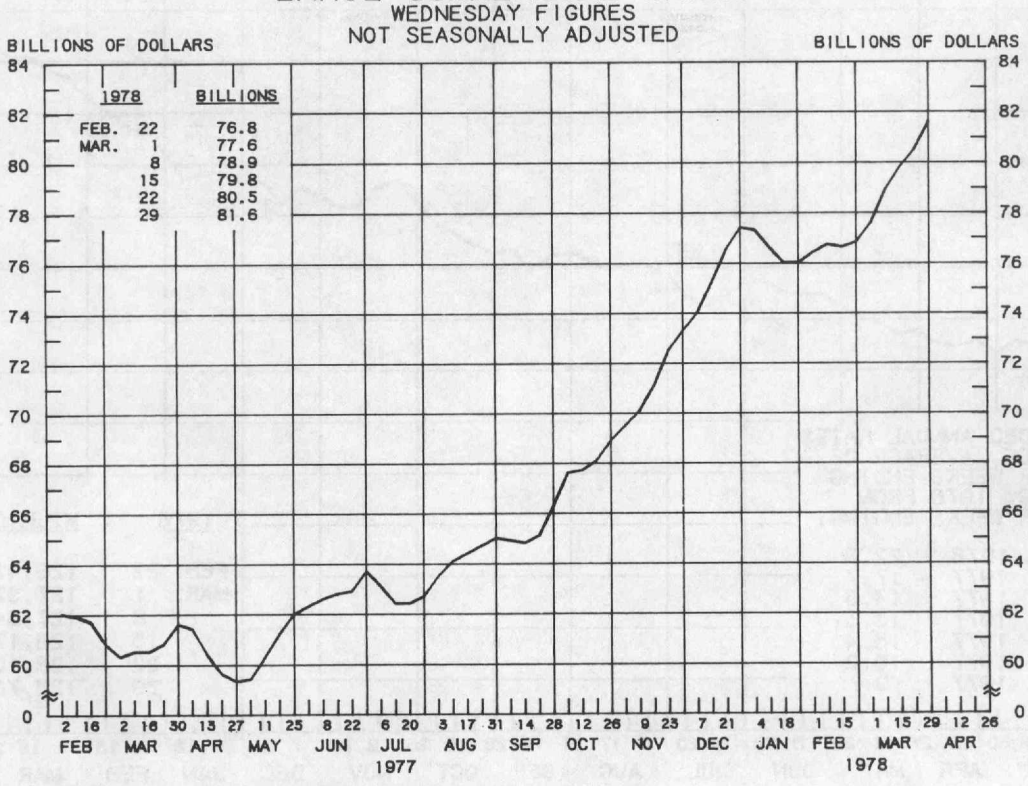
BUSINESS LOANS
(COMMERCIAL AND INDUSTRIAL)
WEEKLY REPORTING LARGE COMMERCIAL BANKS
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CERTIFICATES OF DEPOSIT
LARGE COMMERCIAL BANKS
WEDNESDAY FIGURES
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 29, 1978

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