



FINANCIAL DATA

Week ending: July 26, 1978

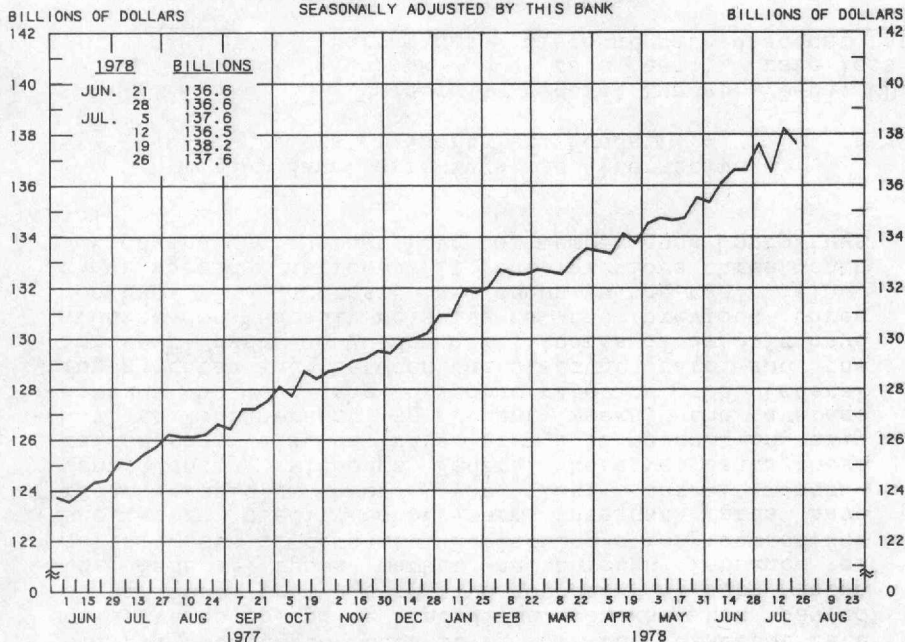
LIBRARY As shown in the table below, over the last three months member bank borrowings from the Federal Reserve Banks have averaged about \$1.2 billion, compared to an average of \$365 million over the previous three months. Member bank borrowings are a source of monetary base, and over the last three months the higher average level of borrowings accounted for about 20 percent of the higher average level of the monetary base in this period. In comparison, during the previous three month period, the level of \$365 million of member bank borrowings represented a reduction from the prior three month period. This development with respect to member bank borrowings operated to reduce the monetary base in the period from mid-January to mid-April of this year.

The amount of member bank borrowings is closely related to the level of the discount rate relative to the price individual banks must pay to obtain funds from alternative sources -- such as in the Federal funds market and through issuance of certificates of deposit. Reflecting strong demand for short-term credit, short-term interest rates have risen rapidly over the last three months. Consequently, although Federal Reserve Banks have raised their discount rates from 6.50 percent in early May to 7.25 percent in recent weeks, the average spreads between the discount rate and the Federal funds rate and between the discount rate and the interest rate on 90-day certificates of deposit have widened considerably relative to the previous three months. In contrast, as shown in the table below, these spreads narrowed in the previous three month period and the average level of member bank borrowings fell.

Member Bank Borrowings and Alternative Costs of Short-Term Funds

<u>Period</u>	<u>Member Bank Borrowings</u>	<u>Federal funds rate less discount rate</u>	<u>90-day CD rate less discount rate</u>
10/12/77 - 1/11/78	\$ 864 million	.53	.71
1/18/78 - 4/19/78	365	.28	.41
4/26/78 - 7/26/78	1,187	.52	.70

MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JULY 26, 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:

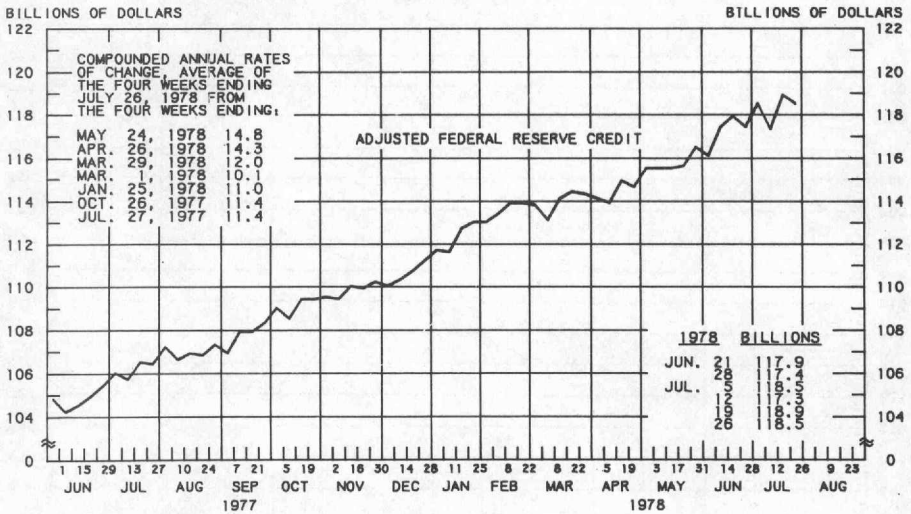
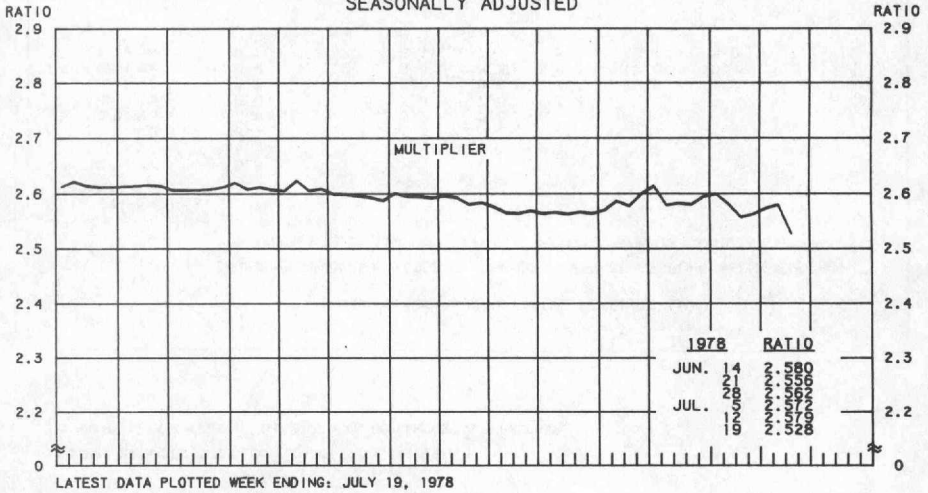
7/27/77 10/26/77 12/28/77 1/25/78 3/1/78 3/29/78 4/26/78 5/24/78

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/28/77	8.9							
1/25/78	10.0	10.4						
3/1/78	10.0	10.2	12.6					
3/29/78	9.1	8.9	9.6	6.8				
4/26/78	8.9	8.6	9.0	6.9	5.0			
5/24/78	9.0	8.8	9.2	7.6	6.7	8.6		
6/28/78	9.5	9.4	9.9	8.9	8.5	10.3	11.8	
7/26/78	9.7	9.8	10.4	9.5	9.4	11.0	12.2	13.1

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



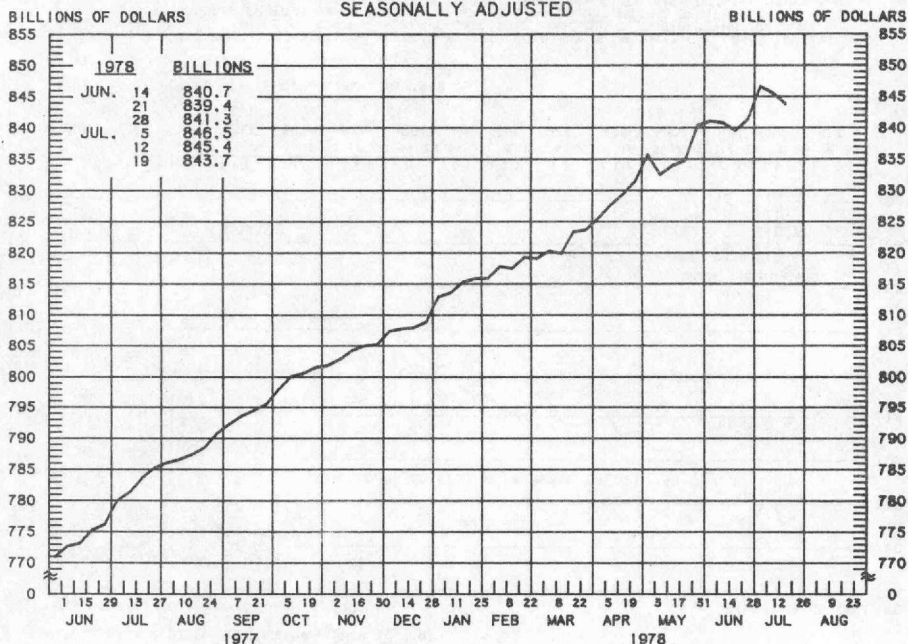
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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.

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: JULY 19, 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:

7/20/77 10/19/77 12/21/77 1/18/78 2/22/78 3/22/78 4/19/78 5/17/78

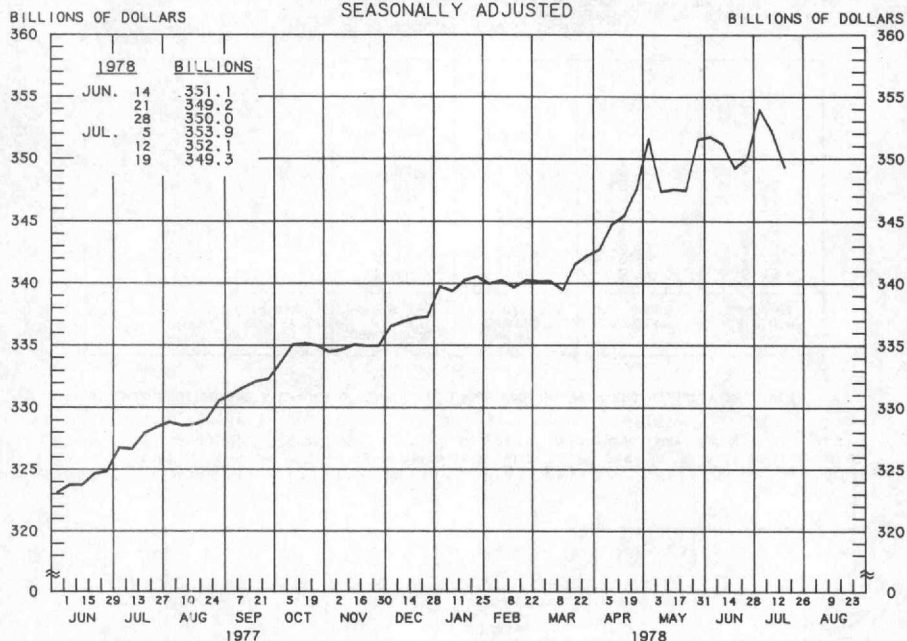
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/21/77	8.3							
1/18/78	8.5	7.3						
2/22/78	8.1	7.0	7.8					
3/22/78	7.8	6.7	6.9	5.8				
4/19/78	8.0	7.1	7.6	7.0	7.4			
5/17/78	8.3	7.7	8.3	8.0	8.7	10.6		
6/21/78	8.4	7.9	8.4	8.3	8.8	10.0	10.1	
7/19/78	8.2	7.7	8.1	7.9	8.3	9.1	8.8	7.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 19, 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)

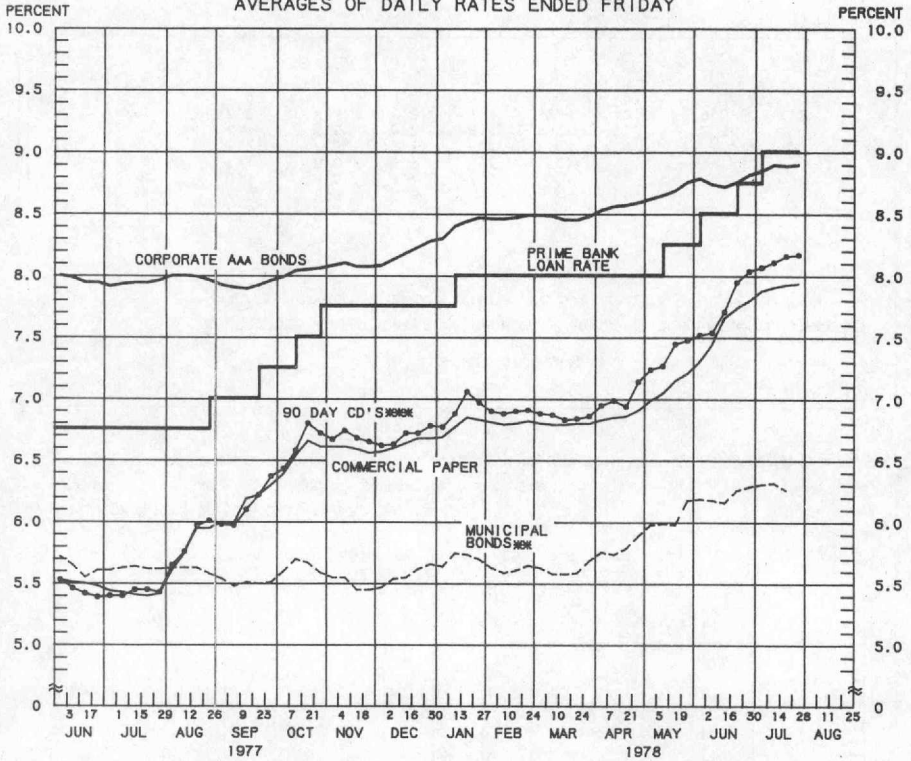
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	7/20/77	10/19/77	12/21/77	1/18/78	2/22/78	3/22/78	4/19/78	5/17/78
12/21/77	7.3							
1/18/78	7.9	6.2						
2/22/78	7.0	5.3	6.3					
3/22/78	6.3	4.5	4.7	2.1				
4/19/78	7.1	6.0	6.9	5.7	7.5			
5/17/78	8.2	7.6	9.1	8.7	11.3	16.7		
6/21/78	8.1	7.6	8.8	8.4	10.1	13.1	12.5	
7/19/78	7.6	7.0	7.8	7.3	8.4	10.2	9.0	4.7

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: JULY 28, 1978

1978	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
JUNE 2	7.52	7.31	7.48	8.79	6.19
9	7.54	7.45	7.54	8.74	6.18
16	7.71	7.66	7.74	8.72	6.16
23	7.95	7.74	7.89	8.76	6.26
30	8.04	7.80	7.94	8.82	6.29
JULY 7	8.07	7.88	8.01	8.85	6.31
14	8.11	7.91	8.06	8.90	6.32
21	8.16	7.93	8.05	8.89	6.26
28 *	8.17	7.94	8.01	8.90	N.A.
AUG. 4					
11					
18					
25					

* AVERAGES OF RATES AVAILABLE.

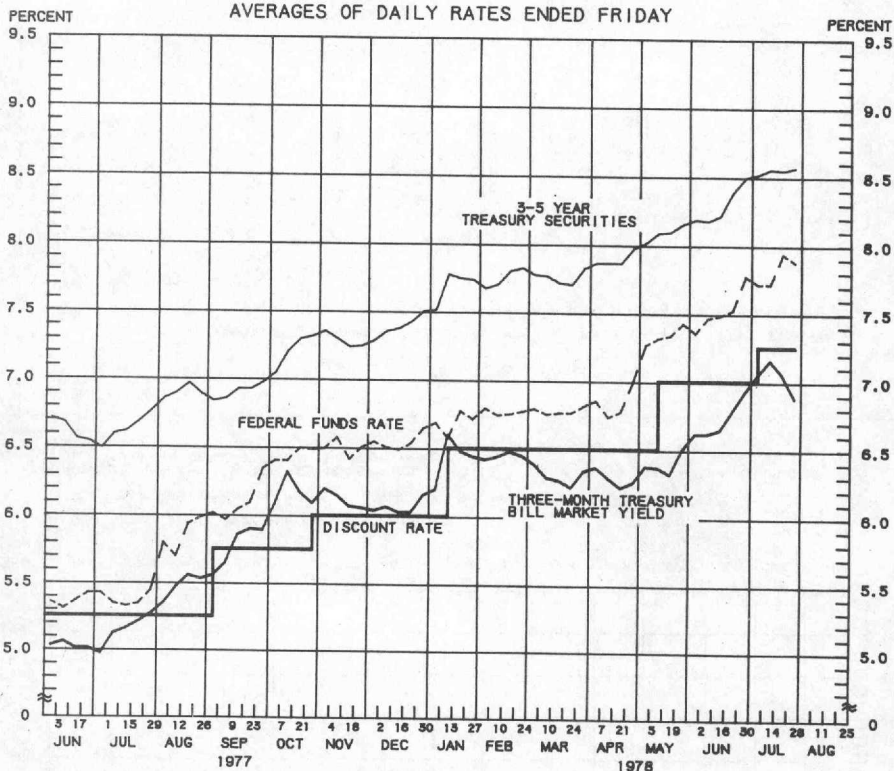
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

*** SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DATES 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



1978	FEDERAL FUNDS %	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL %	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
JUNE 2	7.36	6.62	7.16	7.37	8.19	8.43
9	7.47	6.62	7.10	7.36	8.18	8.39
16	7.49	6.65	7.12	7.46	8.22	8.40
23	7.53	6.79	7.23	7.64	8.39	8.48
30	7.78	6.93	7.40	7.72	8.50	8.56
JULY 7	7.72	7.05	7.45	7.75	8.52	8.60
14	7.72	7.16	7.52	7.82	8.56	8.64
21	7.94	7.05	7.50	7.82	8.55	8.62
28 *	7.88	6.88	7.43	7.81	8.57	8.62
AUG. 4						
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.

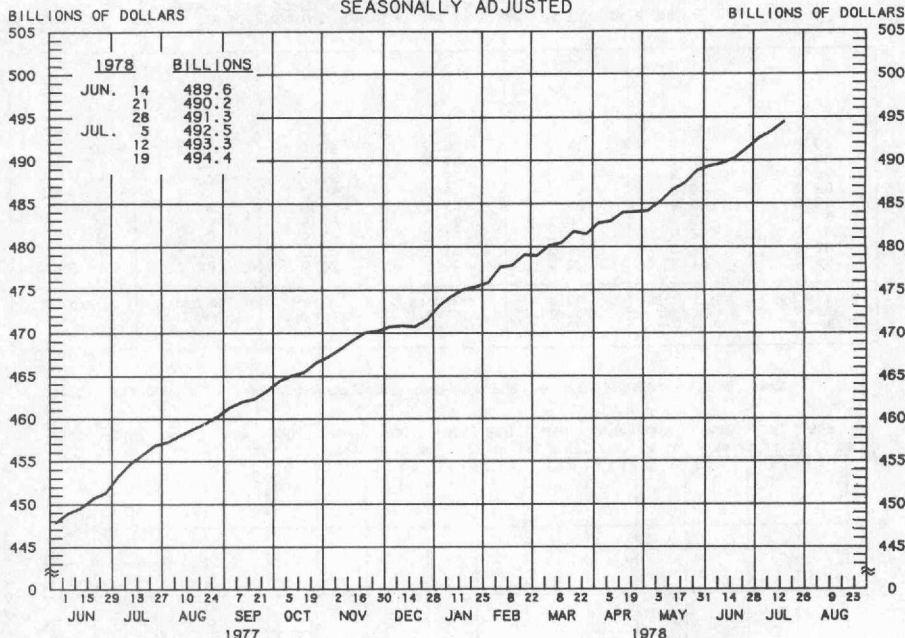
% NEW ISSUE RATE

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: JULY 19, 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:

7/20/77 10/19/77 12/21/77 1/18/78 2/22/78 3/22/78 4/19/78 5/17/78

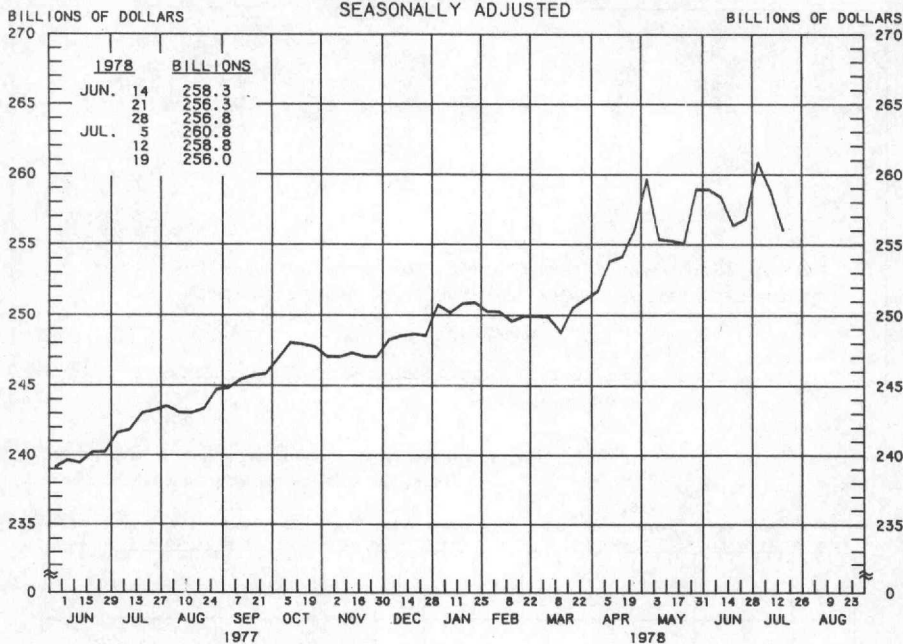
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/21/77	9.0								
1/18/78	8.9	8.0							
2/22/78	9.0	8.4	8.9						
3/22/78	8.8	8.2	8.5	8.6					
4/19/78	8.6	8.0	8.1	8.0	7.1				
5/17/78	8.4	7.7	7.7	7.5	6.8	6.4			
6/21/78	8.6	8.1	8.2	8.2	7.8	7.9	8.4		
7/19/78	8.6	8.2	8.4	8.4	8.1	8.2	8.7	9.9	

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: JULY 19, 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:

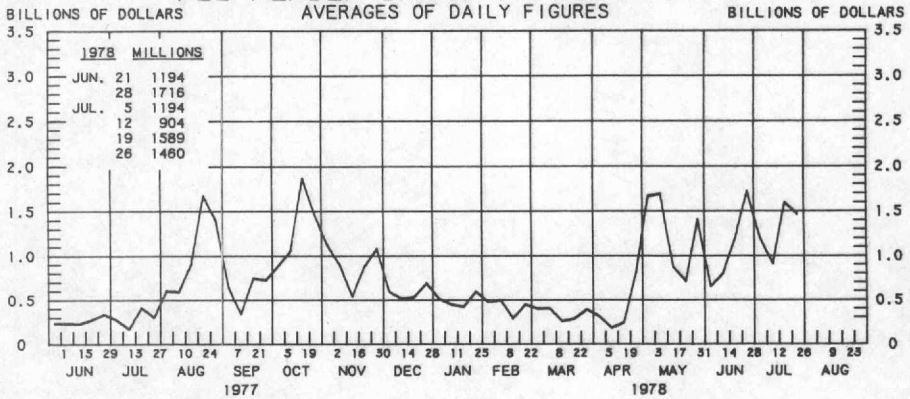
7/20/77 10/19/77 12/21/77 1/18/78 2/22/78 3/22/78 4/19/78 5/17/78

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

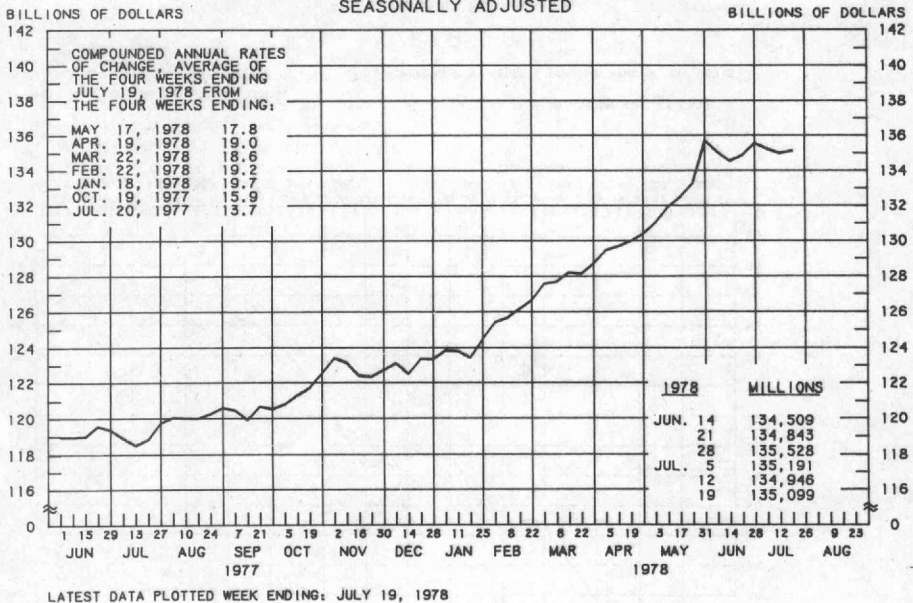
12/21/77	6.4								
1/18/78	7.0	4.6							
2/22/78	5.8	3.3	4.5						
3/22/78	5.0	2.4	2.6	-0.7					
4/19/78	6.1	4.5	5.8	4.4	7.2				
5/17/78	7.5	6.6	8.6	8.2	11.8	19.1			
6/21/78	7.4	6.6	8.2	7.8	10.2	14.2	13.0		
7/19/78	6.8	5.9	7.1	6.6	8.2	10.7	8.8	3.7	

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

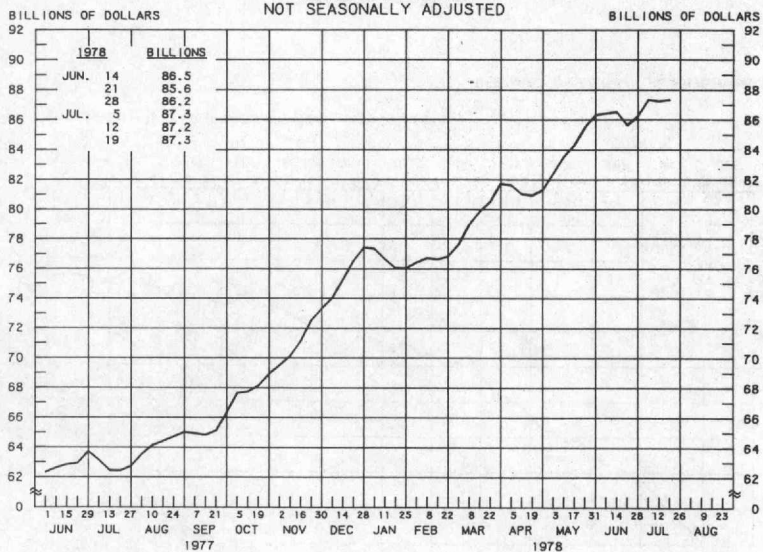


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: JULY 19, 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