



# FINANCIAL DATA

Week ending: December 13, 1978

LIBRARY

DEC 26 1978

Growth in the money stock (M1) has slowed considerably in recent weeks. In the two-month period from the four weeks ending October 4 to the four weeks ending December 6, the money stock decreased at an annual rate of 1.4 percent, down sharply from its nearly 12 percent rate of growth during the previous two-month period. Accompanying this decline in the rate of growth in M1 over the past two months has been a rapid increase in total time deposits. The growth of time deposits has occurred in large-denomination certificates of deposits (CDs) and certain components of net time deposits. For a given growth of the monetary base, this rapid growth of time deposits means that more reserves must be used to support time deposits and less reserves are available to support growth of demand deposits.

Growth in CDs has accelerated sharply over the past two months. Although the interest rate on CDs has risen nearly 160 basis points since October 6, the amount of CDs issued by large commercial banks has increased by \$8.0 billion on a seasonally adjusted basis. In comparison, CDs rose by only \$1.0 billion over the previous two-month period, during which the interest rate on CDs rose by about one percentage point.

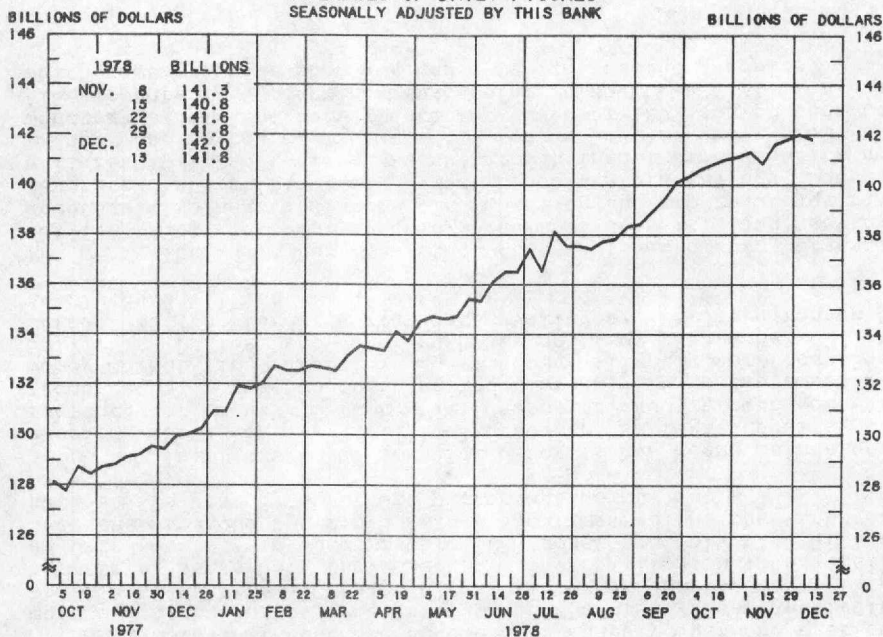
The growth of net time deposits has been maintained, despite about a \$2.7 billion drop in savings deposits, by issuance of money market time deposits and growth of ATS accounts. In the two-month period from July 26 to September 27, money market time deposits increased by slightly more than \$4.2 billion. During the one-month period from September 27 to October 25 (the latest survey data available), MMTDs increased by nearly \$4.2 billion.

The November 1 introduction of automatic transfer service (ATS) between checking (demand deposit) and savings accounts also had a discernible impact on the growth of net time deposits. Any shifting of demand deposits into savings deposits will result in an increase in the growth in net time deposits and a decrease in the growth of M1, for a given growth of the monetary base. The survey data for November 29 showed that the ATS accounts at commercial banks totalled about \$2 billion, of which somewhat more than 50% had come from demand deposits.

Prepared by Federal Reserve Bank of St. Louis

Released: December 15, 1978

**MONETARY BASE**  
**AVERAGES OF DAILY FIGURES**  
**SEASONALLY ADJUSTED BY THIS BANK**



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 15, 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**

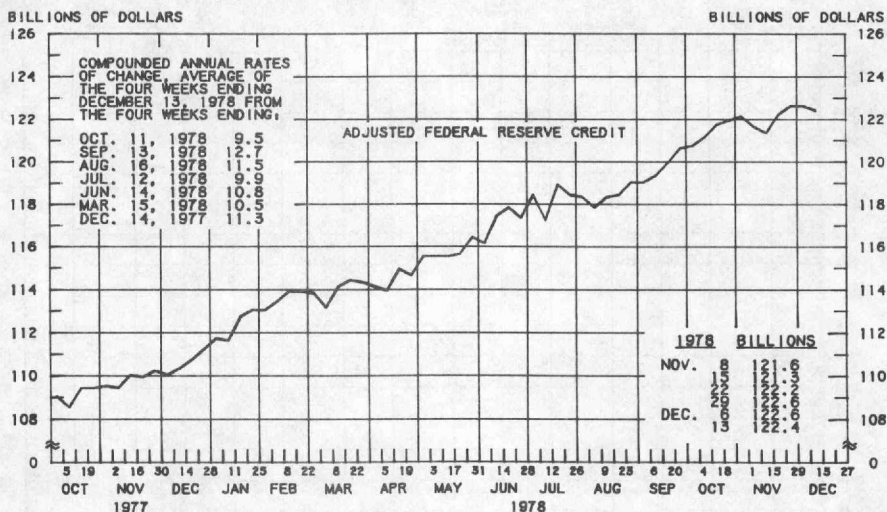
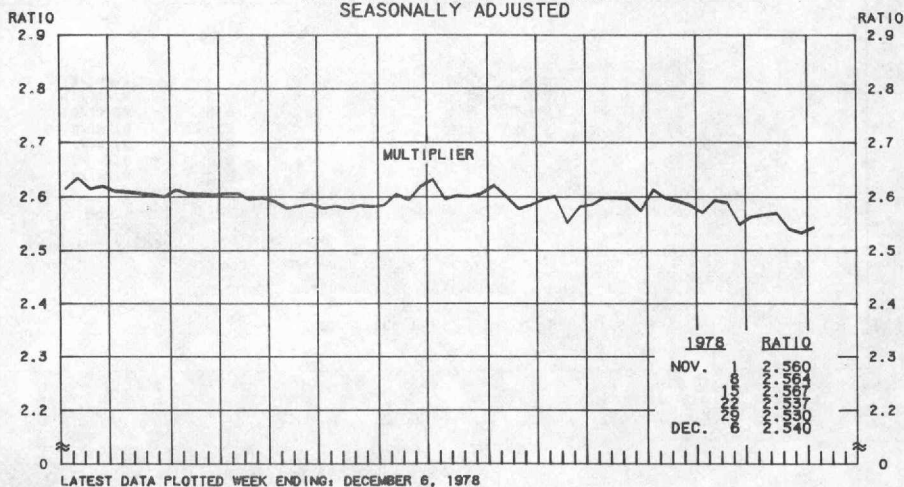
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

|          | 5/10/78 | 6/14/78 | 7/12/78 | 8/16/78 | 9/13/78 | 10/11/78 |
|----------|---------|---------|---------|---------|---------|----------|
| 5/10/78  | 9.4     |         |         |         |         |          |
| 6/14/78  | 9.3     | 8.7     |         |         |         |          |
| 7/12/78  | 9.8     | 9.8     | 10.8    |         |         |          |
| 8/16/78  | 9.3     | 9.0     | 9.1     | 9.3     |         |          |
| 9/13/78  | 9.3     | 8.9     | 9.1     | 9.2     | 7.4     |          |
| 10/11/78 | 10.0    | 10.0    | 10.5    | 11.0    | 10.3    | 12.9     |
| 11/15/78 | 9.7     | 9.7     | 10.0    | 10.2    | 9.6     | 10.9     |
| 12/13/78 | 9.5     | 9.4     | 9.5     | 9.7     | 9.0     | 9.9      |
|          |         |         |         |         |         | 11.8     |
|          |         |         |         |         |         | 7.2      |

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**MULTIPLIER <sup>1/</sup>**  
**ADJUSTED FEDERAL RESERVE CREDIT <sup>2/</sup>**  
 AVERAGES OF DAILY FIGURES  
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 13, 1978

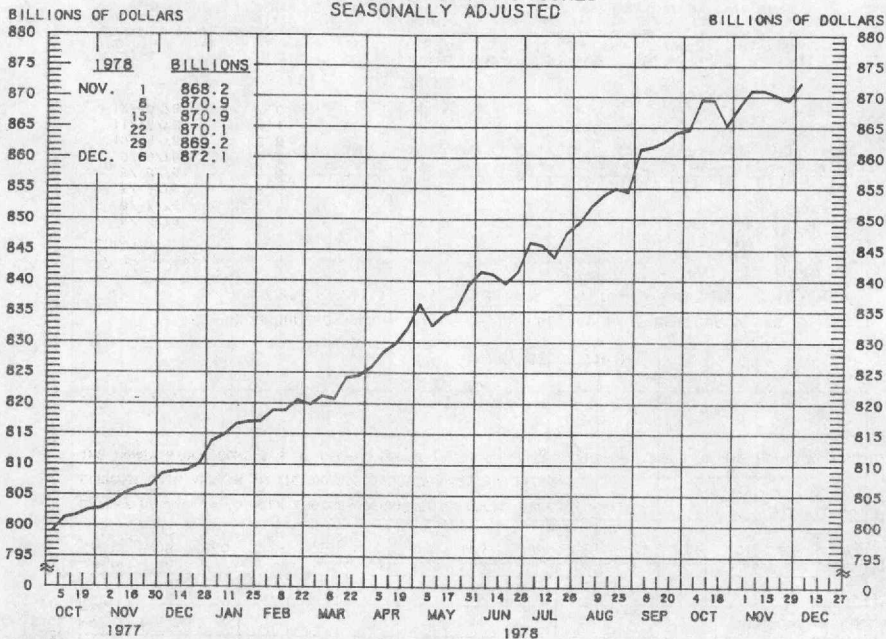
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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.

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## MONEY STOCK PLUS NET TIME DEPOSITS (M2)

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 6, 1978

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

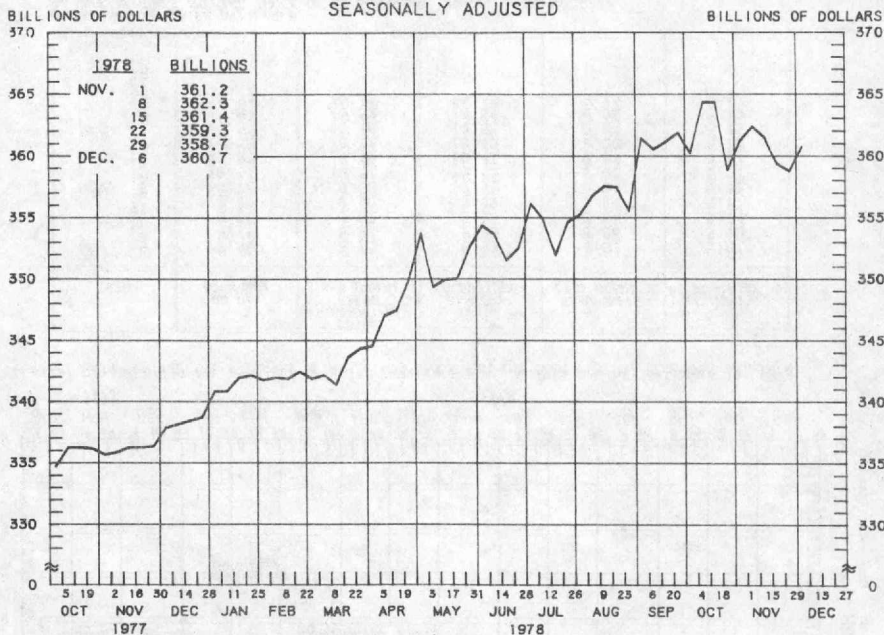
### MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

| TO THE AVERAGE<br>OF FOUR WEEKS<br>ENDING: | 12/7/77 | 3/8/78 | 5/3/78 | 6/7/78 | 7/5/78 | 8/9/78 | 9/6/78 | 10/4/78 |
|--|---------|--------|--------|--------|--------|--------|--------|---------|
| 5/ 3/78                                    | 7.9     |        |        |        |        |        |        |         |
| 6/ 7/78                                    | 7.9     | 8.9    |        |        |        |        |        |         |
| 7/ 5/78                                    | 7.8     | 8.4    | 7.4    |        |        |        |        |         |
| 8/ 9/78                                    | 7.8     | 8.3    | 7.6    | 7.5    |        |        |        |         |
| 9/ 6/78                                    | 8.3     | 9.0    | 8.7    | 9.1    | 10.1   |        |        |         |
| 10/ 4/78                                   | 8.6     | 9.3    | 9.2    | 9.6    | 10.5   | 12.2   |        |         |
| 11/ 8/78                                   | 8.3     | 8.9    | 8.7    | 8.9    | 9.3    | 9.9    | 8.6    |         |
| 12/ 6/78                                   | 7.9     | 8.3    | 8.0    | 8.0    | 8.2    | 8.3    | 6.9    | 5.1     |

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**MONEY STOCK (M1)**  
**AVERAGES OF DAILY FIGURES**  
**SEASONALLY ADJUSTED**



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 6, 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.

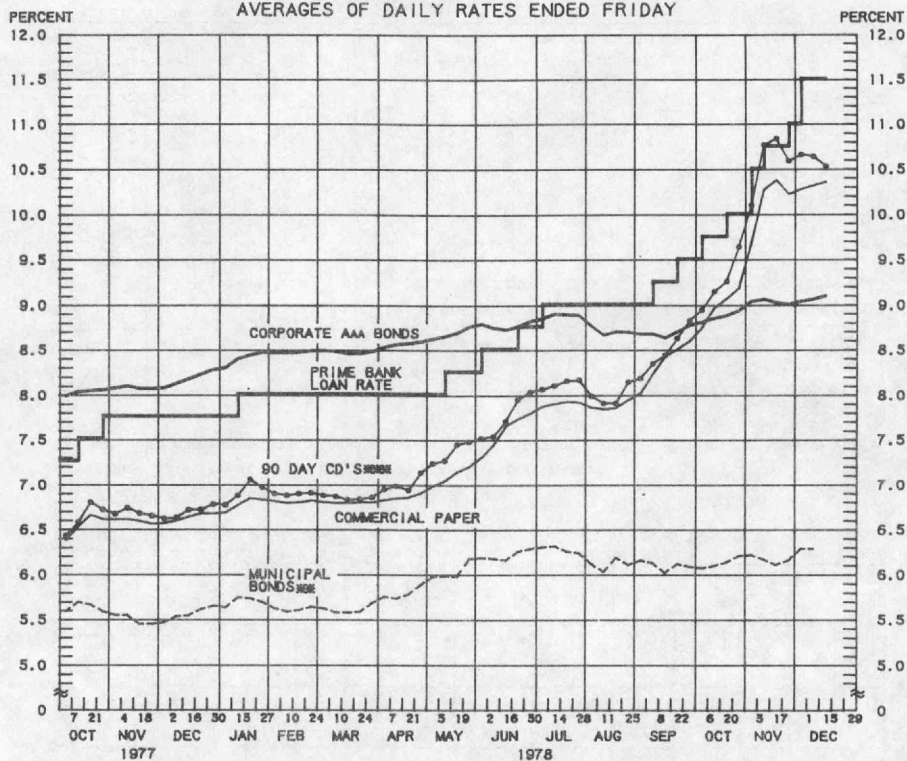
| MONEY STOCK (M1)   |         |        |        |        |        |        |        |         |  |
|--|---------|--------|--------|--------|--------|--------|--------|---------|--|
| COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING: |         |        |        |        |        |        |        |         |  |
| TO THE AVERAGE OF FOUR WEEKS ENDING:                             | 12/7/77 | 3/8/78 | 5/3/78 | 6/7/78 | 7/5/78 | 8/9/78 | 9/6/78 | 10/4/78 |  |
| 5/ 3/78  | 9.8     |        |        |        |        |        |        |         |  |
| 6/ 7/78  | 9.2     | 11.8   |        |        |        |        |        |         |  |
| 7/ 5/78  | 8.8     | 10.6   | 6.6    |        |        |        |        |         |  |
| 8/ 9/78  | 8.0     | 8.9    | 5.5    | 4.9    |        |        |        |         |  |
| 9/ 6/78  | 8.6     | 9.6    | 7.2    | 7.4    | 7.8    |        |        |         |  |
| 10/ 4/78   | 8.8     | 9.8    | 7.9    | 8.2    | 8.8    | 12.1   |        |         |  |
| 11/ 8/78   | 8.1     | 8.7    | 6.8    | 6.9    | 6.9    | 8.3    | 6.1    |         |  |
| 12/ 6/78   | 7.0     | 7.1    | 5.1    | 4.8    | 4.5    | 4.7    | 2.3    | -1.4    |  |

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# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 15, 1978

| 1978   | 90 DAY<br>CD'S <sup>7</sup> | PRIME<br>COMMERCIAL<br>PAPER<br>4-6 MONTH | PRIME<br>BANKERS'<br>ACCEPTANCES | CORPORATE<br>AAA BONDS | MUNICIPAL<br>BONDS <sup>20</sup> |
|--------|-----------------------------|---|----------------------------------|------------------------|----------------------------------|
| OCT. 6 | 8.95                        | 8.75                                      | 8.89                             | 8.81                   | 6.07                             |
| 13     | 9.15                        | 8.97                                      | 9.06                             | 8.85                   | 6.10                             |
| 20     | 9.26                        | 9.07                                      | 9.33                             | 8.88                   | 6.14                             |
| 27     | 9.64                        | 9.19                                      | 9.59                             | 8.94                   | 6.21                             |
| NOV. 3 | 10.10                       | 9.68                                      | 10.46                            | 9.04                   | 6.22                             |
| 10     | 10.77                       | 10.27                                     | 10.63                            | 9.06                   | 6.17                             |
| 17     | 10.84                       | 10.38                                     | 10.47                            | 9.02                   | 6.11                             |
| 24     | 10.59                       | 10.22                                     | 10.40                            | 9.00                   | 6.16                             |
| DEC. 1 | 10.66                       | 10.28                                     | 10.52                            | 9.04                   | 6.29                             |
| 8      | 10.64                       | 10.32                                     | 10.38                            | 9.06                   | 6.29                             |
| 15 *   | 10.53                       | 10.36                                     | 10.35                            | 9.10                   | N.A.                             |
| 22     |                             |   |                                  |                        |                                  |
| 29     |                             |   |                                  |                        |                                  |

\* AVERAGES OF RATES AVAILABLE.

<sup>7</sup> BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

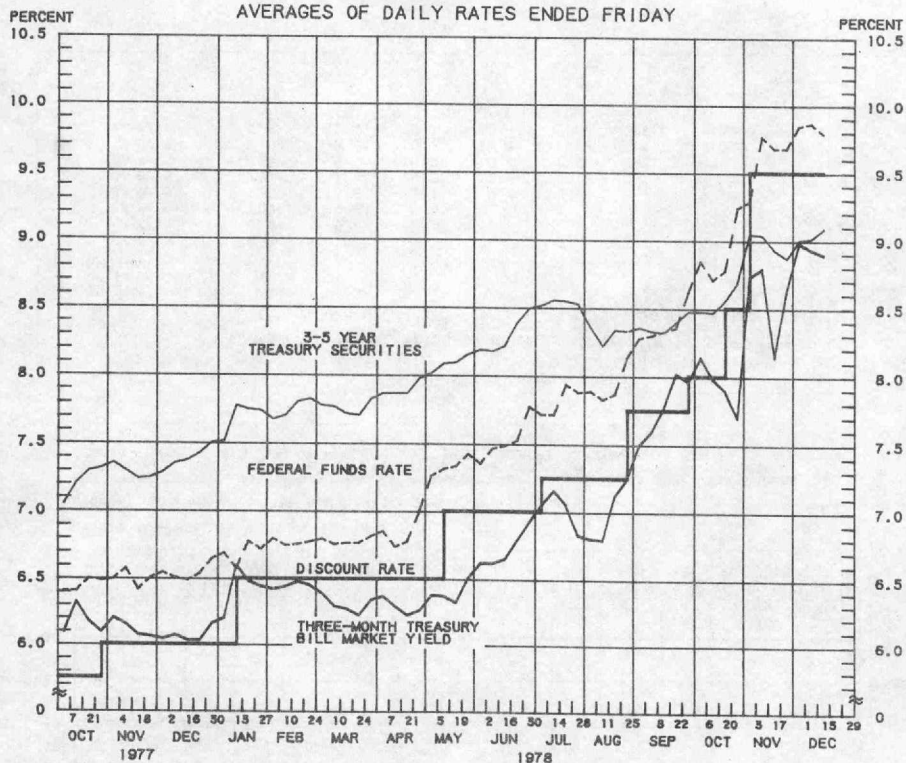
<sup>20</sup> SEVEN-DAY AVERAGES OF SECONDARY MARKET RATES FOR THE WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATES SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

N.A. - NOT AVAILABLE

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# SELECTED INTEREST RATES

## AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 15, 1978

| 1978   | FEDERAL FUNDS RATE | 3-MONTH TREASURY BILL | 6-MONTH TREASURY BILL | 1-YEAR TREASURY BILL | 3-5 YEAR TREASURY SECURITIES | LONG-TERM TREASURY SECURITIES |
|--------|--------------------|-----------------------|-----------------------|----------------------|------------------------------|-------------------------------|
| OCT. 6 | 8.85               | 8.14                  | 8.38                  | 8.23                 | 8.48                         | 8.55                          |
| 13     | 8.71               | 7.98                  | 8.42                  | 8.28                 | 8.47                         | 8.53                          |
| 20     | 8.78               | 7.89                  | 8.56                  | 8.46                 | 8.56                         | 8.59                          |
| 27     | 9.24               | 7.70                  | 8.61                  | 8.53                 | 8.69                         | 8.64                          |
| NOV. 3 | 9.29               | 8.73                  | 8.98                  | 9.17                 | 9.05                         | 8.72                          |
| 10     | 9.77               | 8.79                  | 9.42                  | 9.32                 | 9.04                         | 8.73                          |
| 17     | 9.68               | 8.14                  | 9.29                  | 9.08                 | 8.93                         | 8.65                          |
| 24     | 9.68               | 8.63                  | 9.00                  | 9.12                 | 8.87                         | 8.66                          |
| DEC. 1 | 9.85               | 8.98                  | 9.35                  | 9.29                 | 9.01                         | 8.71                          |
| 8      | 9.87               | 8.93                  | 9.22                  | 9.32                 | 9.02                         | 8.75                          |
| 15 *   | 9.79               | 8.89                  | 9.26                  | 9.24                 | 9.09                         | 8.78                          |
| 22     |                    |                       |                       |                      |                              |                               |
| 29     |                    |                       |                       |                      |                              |                               |

\* 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.

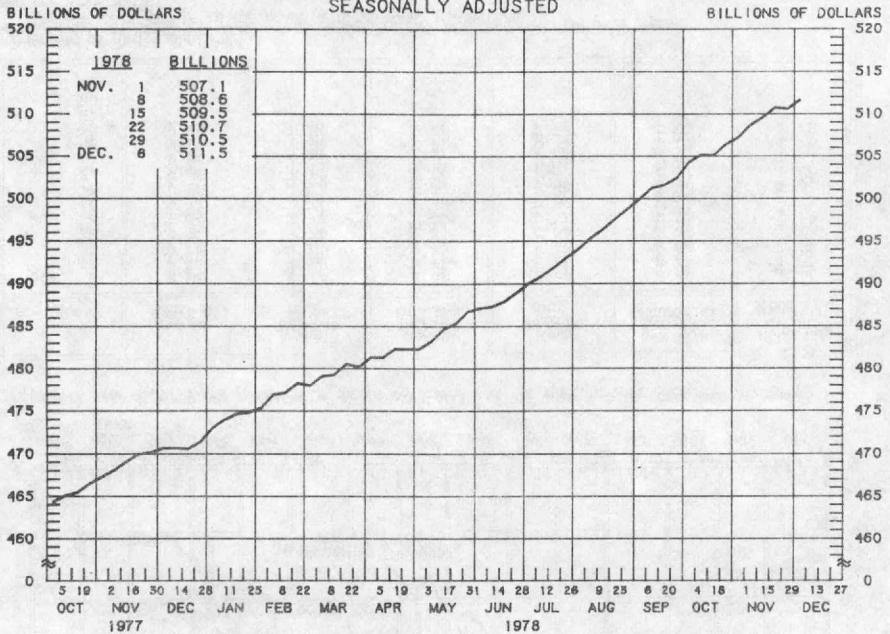
\*\*\*\* NEW ISSUE RATE

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: DECEMBER 6, 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:

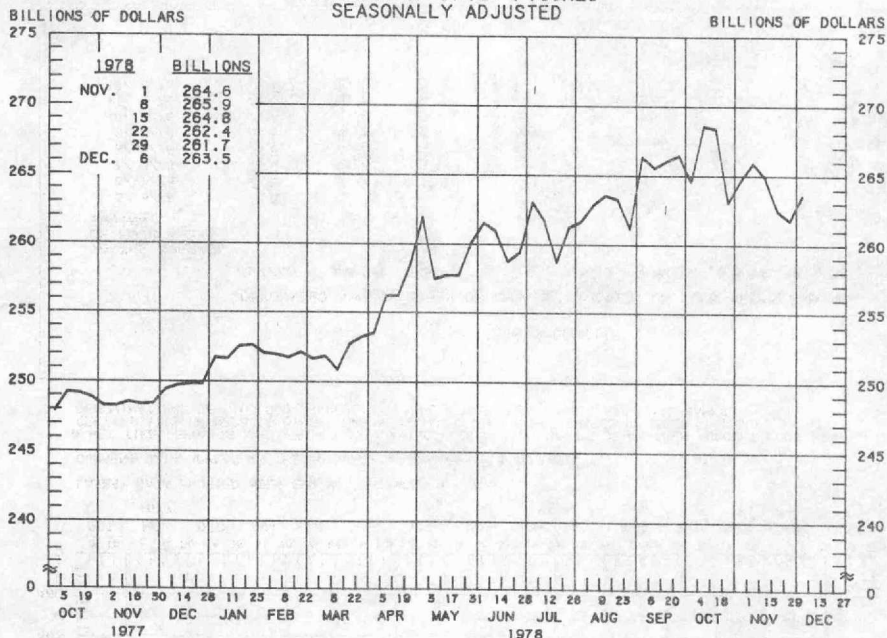
|                                      | 12/7/77 | 3/8/78 | 5/3/78 | 6/7/78 | 7/5/78 | 8/9/78 | 9/6/78 | 10/4/78 |
|--------------------------------------|---------|--------|--------|--------|--------|--------|--------|---------|
| TO THE AVERAGE OF FOUR WEEKS ENDING: |         |        |        |        |        |        |        |         |
| 5/ 3/78                              | 6.6     |        |        |        |        |        |        |         |
| 6/ 7/78                              | 6.9     | 6.7    |        |        |        |        |        |         |
| 7/ 5/78                              | 7.0     | 6.8    | 7.9    |        |        |        |        |         |
| 8/ 9/78                              | 7.6     | 7.8    | 9.1    | 9.4    |        |        |        |         |
| 9/ 6/78                              | 8.1     | 8.5    | 9.9    | 10.4   | 11.9   |        |        |         |
| 10/ 4/78                             | 8.4     | 8.9    | 10.2   | 10.7   | 11.8   | 12.2   |        |         |
| 11/ 8/78                             | 8.5     | 9.0    | 10.1   | 10.5   | 11.2   | 11.2   | 10.5   |         |
| 12/ 6/78                             | 8.7     | 9.2    | 10.1   | 10.4   | 11.0   | 11.0   | 10.4   | 9.9     |

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# DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 8, 1978  
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

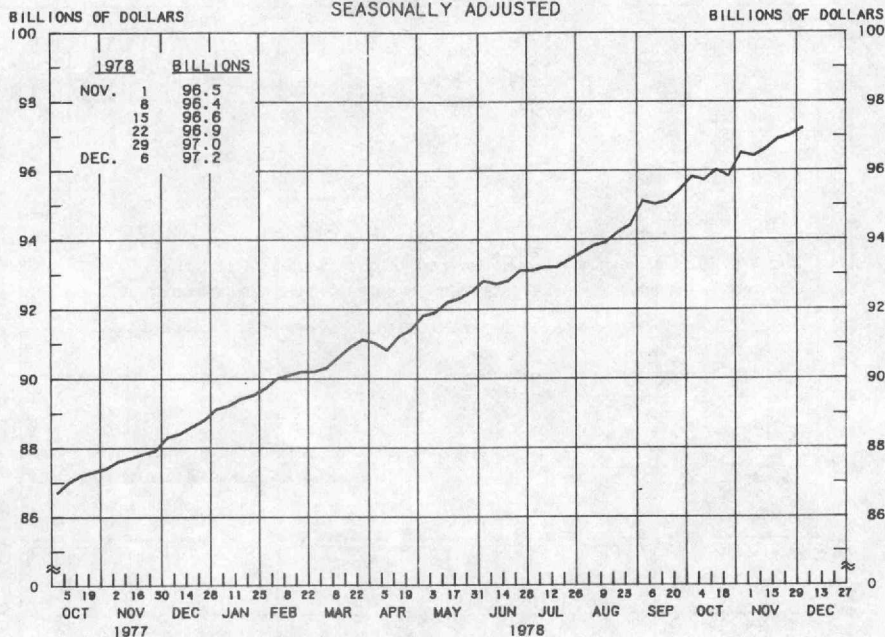
## DEMAND DEPOSIT COMPONENT OF MONEY STOCK

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

|                                      | 12/7/77 | 3/8/78 | 5/3/78 | 6/7/78 | 7/5/78 | 8/9/78 | 9/8/78 | 10/4/78 |
|--------------------------------------|---------|--------|--------|--------|--------|--------|--------|---------|
| TO THE AVERAGE OF FOUR WEEKS ENDING: |         |        |        |        |        |        |        |         |
| 5/ 3/78                              | 9.7     |        |        |        |        |        |        |         |
| 6/ 7/78                              | 8.7     | 12.5   |        |        |        |        |        |         |
| 7/ 5/78                              | 8.4     | 10.9   | 5.3    |        |        |        |        |         |
| 8/ 9/78                              | 7.5     | 9.0    | 4.2    | 4.1    |        |        |        |         |
| 9/ 8/78                              | 8.0     | 9.5    | 6.0    | 6.6    | 6.8    |        |        |         |
| 10/ 4/78                             | 8.3     | 9.7    | 6.9    | 7.6    | 8.1    | 11.7   |        |         |
| 11/ 8/78                             | 7.3     | 8.2    | 5.5    | 5.7    | 5.6    | 6.9    | 4.5    |         |
| 12/ 8/78                             | 5.8     | 6.0    | 3.2    | 3.0    | 2.4    | 2.4    | -0.6   | -5.3    |

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**CURRENCY COMPONENT  
OF MONEY STOCK**  
AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 6, 1978

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

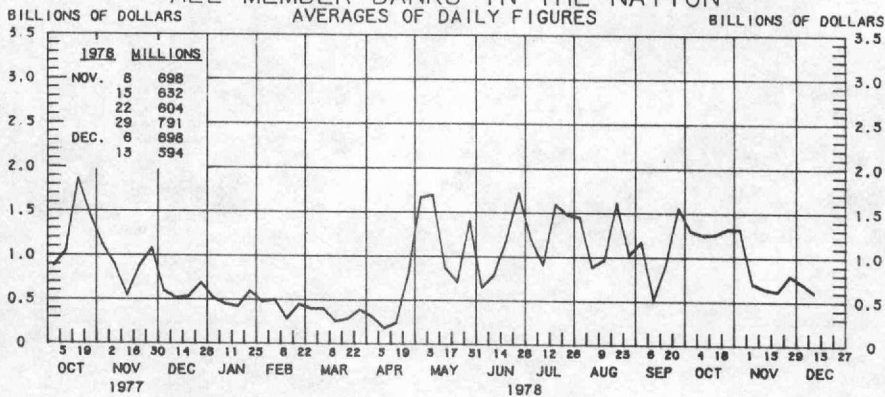
CURRENCY

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

|  | 12/1/77 | 3/8/78 | 5/3/78 | 6/7/78 | 7/5/78 | 8/9/78 | 9/6/78 | 10/4/78 |
|--|---------|--------|--------|--------|--------|--------|--------|---------|
| TO THE AVERAGE<br>OF FOUR WEEKS<br>ENDING: |         |        |        |        |        |        |        |         |
| 5/ 3/78                                    | 9.9     |        |        |        |        |        |        |         |
| 6/ 7/78                                    | 10.7    | 10.6   |        |        |        |        |        |         |
| 7/ 5/78                                    | 10.1    | 9.4    | 10.6   |        |        |        |        |         |
| 8/ 9/78                                    | 9.6     | 8.9    | 9.2    | 6.4    |        |        |        |         |
| 9/ 6/78                                    | 10.0    | 9.5    | 10.1   | 8.5    | 9.7    |        |        |         |
| 10/ 4/78                                   | 10.3    | 10.0   | 10.7   | 9.6    | 10.7   | 13.2   |        |         |
| 11/ 8/78                                   | 10.3    | 10.0   | 10.6   | 9.7    | 10.6   | 12.1   | 11.5   |         |
| 12/ 6/78                                   | 10.2    | 10.0   | 10.5   | 9.7    | 10.5   | 11.5   | 11.0   | 10.1    |

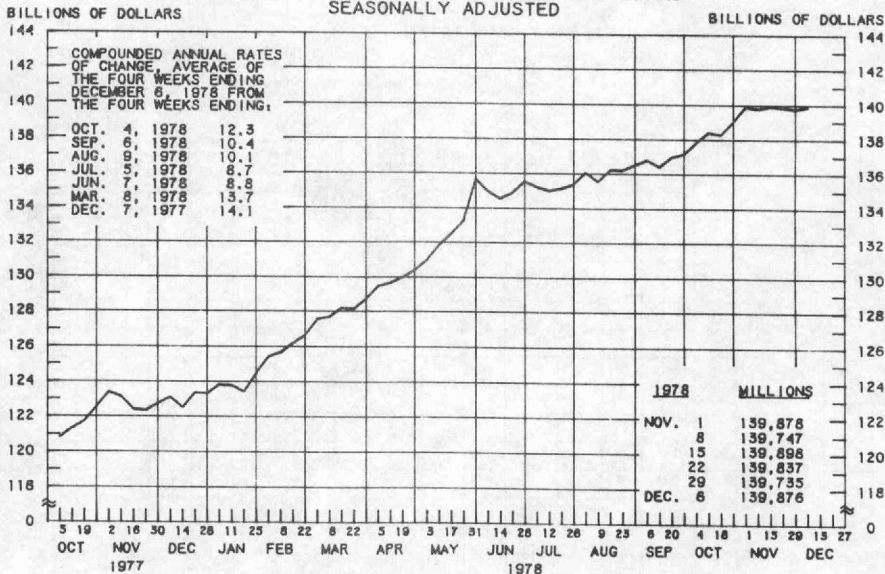
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

## BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 13, 1978

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

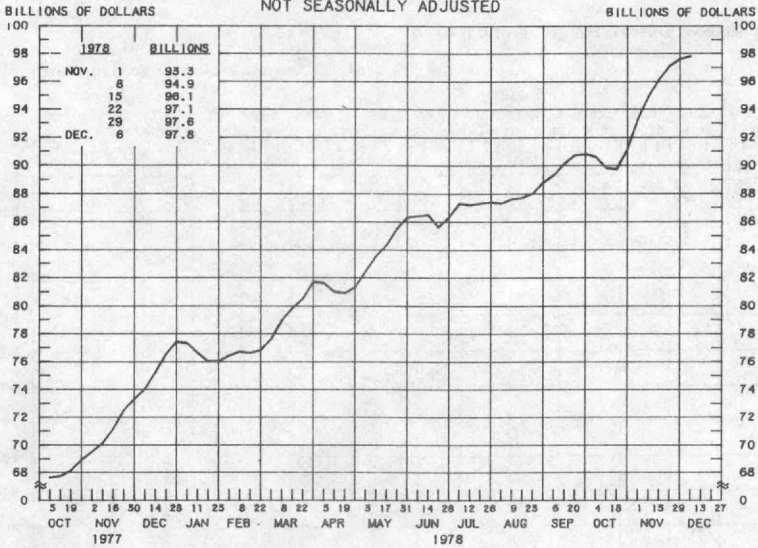


LATEST DATA PLOTTED WEEK ENDING: DECEMBER 6, 1978

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**CERTIFICATES OF DEPOSIT  
LARGE COMMERCIAL BANKS**

WEDNESDAY FIGURES  
NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 6, 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