



U.S. FINANCIAL DATA

Week ending: December 27, 1978

The increase in the discount rate from 8.50 percent to 9.50 percent on November 1 has had a continuing impact on the amount of member bank borrowing from Federal Reserve Banks. During the six-week period from September 27 to November 1, the average spread between the Federal funds rate and the discount rate had been about 69 basis points, and member bank borrowings had averaged approximately \$1.3 billion. Since November 1, however, the average spread between the Federal funds rate and the discount rate has been about 33 basis points and the level of member bank borrowings has averaged about \$.8 billion.

The decline in the amount of member bank borrowings from Federal Reserve Banks since November 1 in response to the rise in the discount rate contrasts sharply with the behavior of two other categories of borrowings by commercial banks -- large certificates of deposit (CDs) and Eurodollar borrowings. Weekly reporting large commercial banks have significantly increased both their Eurodollar borrowings and issuance of large CDs in the period since November 1, compared to these borrowings in the period from September 27 to November 1. This increase in the level of these borrowings occurred despite sharply higher CD and Eurodollar interest rates since November 1 when compared to the earlier period, as shown in the table below.

CERTIFICATES OF DEPOSIT AND EURODOLLAR BORROWINGS OUTSTANDING AT WEEKLY REPORTING BANKS (Billions of Dollars, Not Seasonally Adjusted)

Large Certificates of Deposit			Eurodollar Borrowings*	
Week	90-Day Rate	Amount Outstanding**	3-Month Rate	Amount Outstanding
Sept. 27	8.83 %	\$ 90.8	9.41 %	\$ 5.3
Oct. 4	8.95	90.6	9.58	6.5
11	9.15	89.8	9.74	6.3
18	9.26	89.7	9.89	6.4
25	9.64	91.1	10.38	6.9
Nov. 1	10.10	93.3	9.81	8.4
8	10.77	94.9	11.28	8.2
15	10.84	96.1	11.70	9.4
22	10.59	97.1	11.27	7.2
29	10.66	97.6	11.66	9.0
Dec. 6	10.64	97.8	11.56	10.0
13	10.53	99.0	11.33	9.8
20	10.68	100.3	11.60	10.0

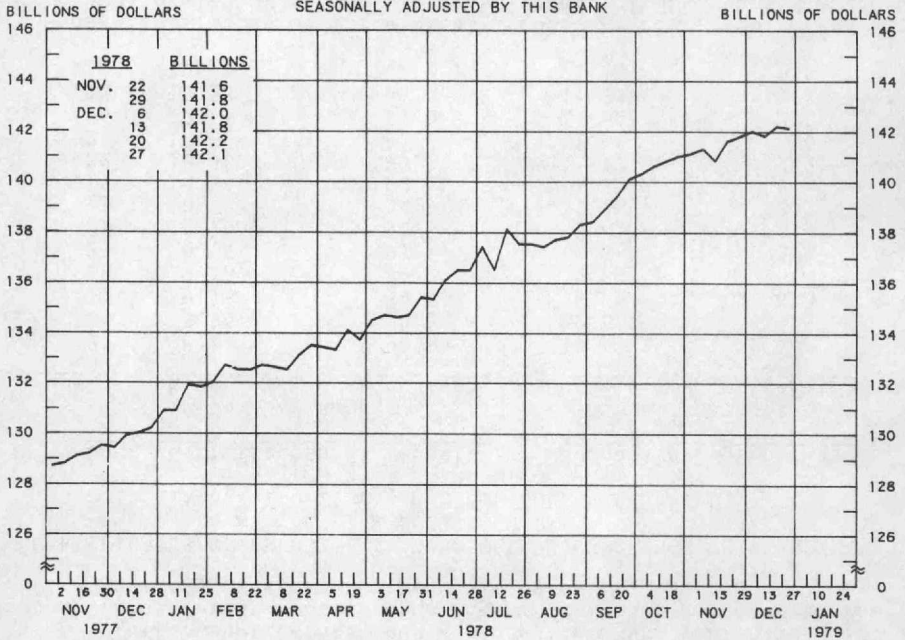
* Gross liabilities of large weekly reporting commercial banks to own foreign branches. Sources: Board of Governors H.4.2 and H.9 releases.

** 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

Released: December 29, 1978

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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 27, 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.

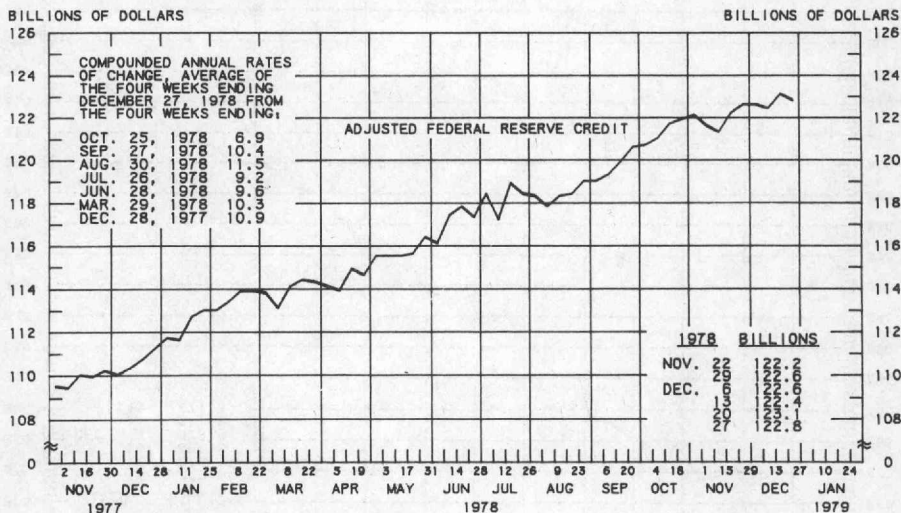
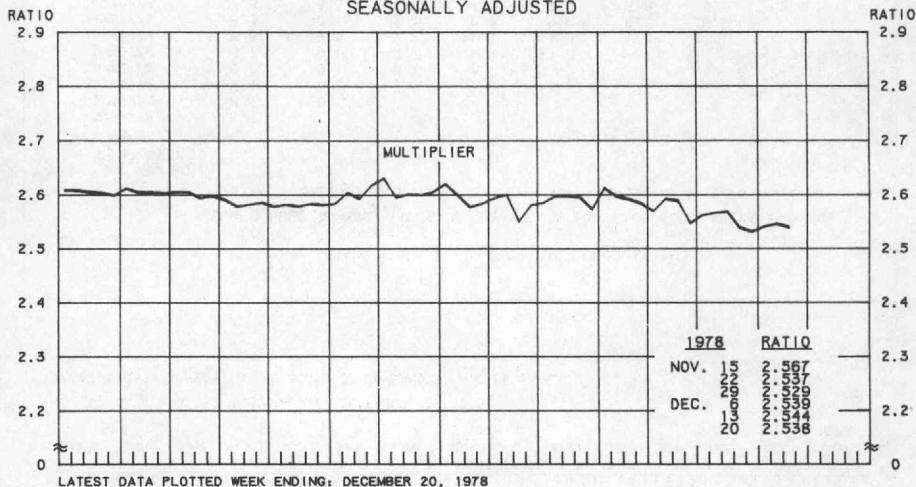
MONETARY BASE

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

	12/28/77	3/29/78	5/24/78	6/28/78	7/26/78	8/30/78	9/27/78	10/25/78
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/24/78	9.2							
6/28/78	9.8	10.0						
7/26/78	10.2	10.7	12.6					
8/30/78	9.2	8.9	9.1	7.4				
9/27/78	9.7	9.7	10.2	9.4	7.8			
10/25/78	10.1	10.4	11.0	10.7	10.0	14.5		
11/29/78	9.6	9.6	10.0	9.4	8.6	10.9	9.5	
12/27/78	9.3	9.2	9.4	8.9	8.1	9.6	8.3	5.5

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



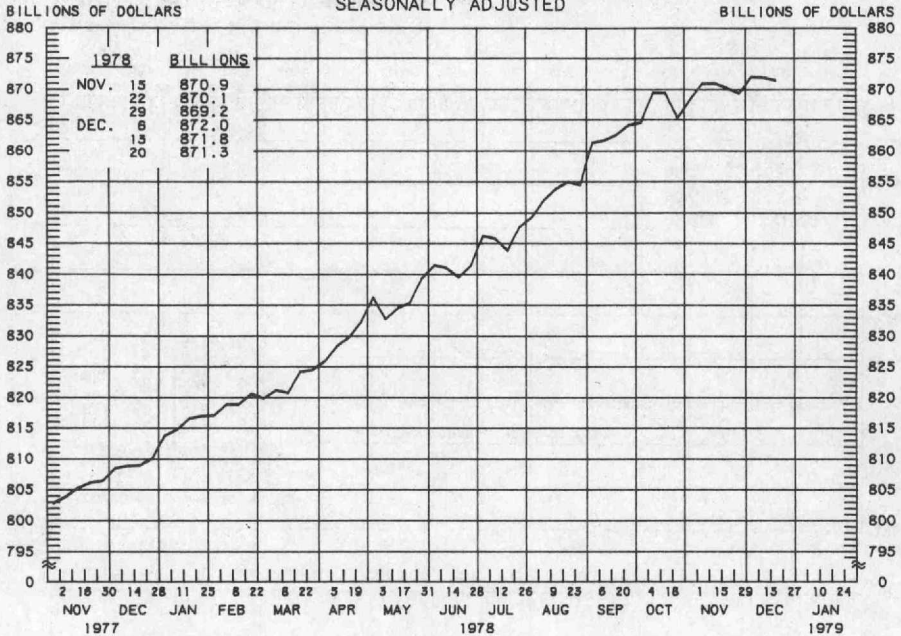
1/ RATIO OF MONEY STOCK (M1) / MONETARY BASE.

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: DECEMBER 20, 1978

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

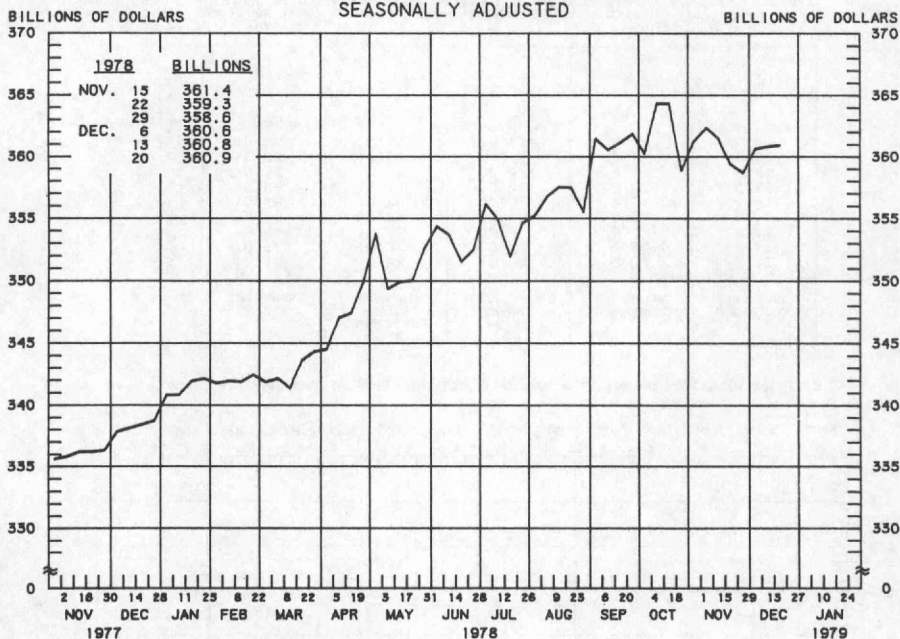
MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

	12/21/77	3/22/78	5/17/78	6/21/78	7/19/78	8/23/78	9/20/78	10/18/78
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/17/78	8.1							
6/21/78	8.1	9.5						
7/19/78	7.9	8.7	7.4					
8/23/78	8.3	9.2	8.6	8.7				
9/20/78	8.7	9.6	9.3	9.7	11.3			
10/18/78	8.8	9.8	9.6	10.0	11.1	11.4		
11/22/78	8.3	8.9	8.5	8.6	9.1	8.5	6.9	
12/20/78	7.8	8.1	7.6	7.5	7.7	6.8	5.3	2.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 20, 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.

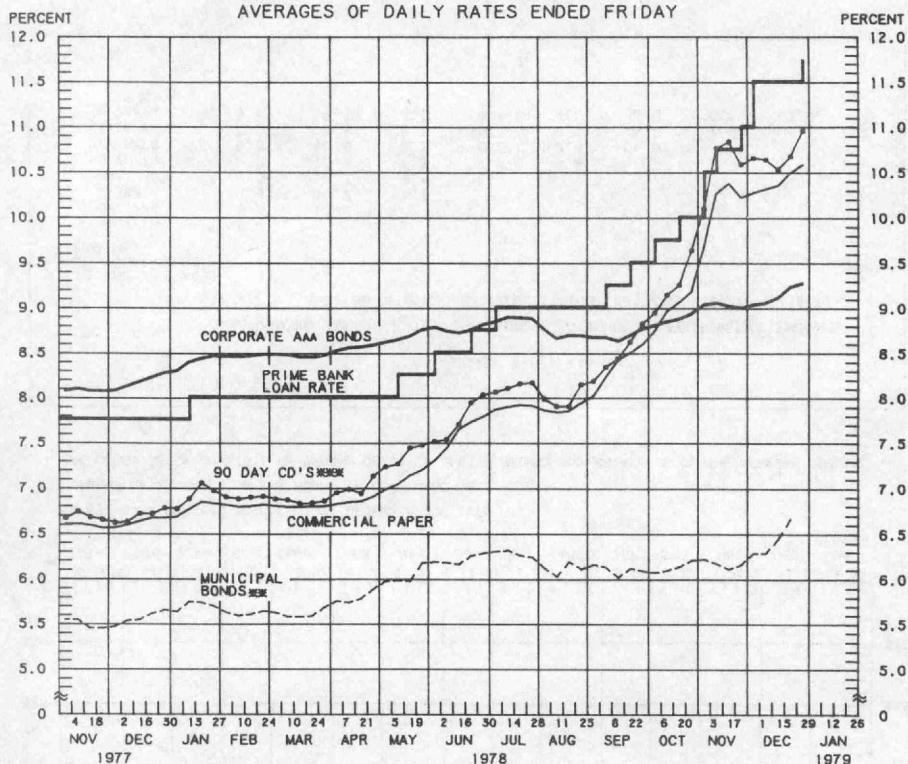
MONEY STOCK (M1)

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	12/21/77	3/22/78	5/17/78	6/21/78	7/19/78	8/23/78	9/20/78	10/18/78
5/17/78	9.8							
6/21/78	9.3	13.2						
7/19/78	8.4	10.7	5.2					
8/23/78	8.5	10.3	6.5	6.2				
9/20/78	8.7	10.4	7.5	7.7	9.9			
10/18/78	9.0	10.6	8.3	8.6	10.4	11.5		
11/22/78	7.5	8.3	5.8	5.5	6.1	5.0	2.4	
12/20/78	6.7	7.1	4.6	4.1	4.3	3.0	0.7	-3.9

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: DECEMBER 29, 1978

1979	90 DAY CD'S	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS
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	10.37	9.12	6.45
22	10.68	10.50	10.78	9.24	6.67
29 *	10.96	10.59	10.75	9.28	N.A.
JAN. 5					
12					
19					
26					

* AVERAGES OF RATES AVAILABLE.

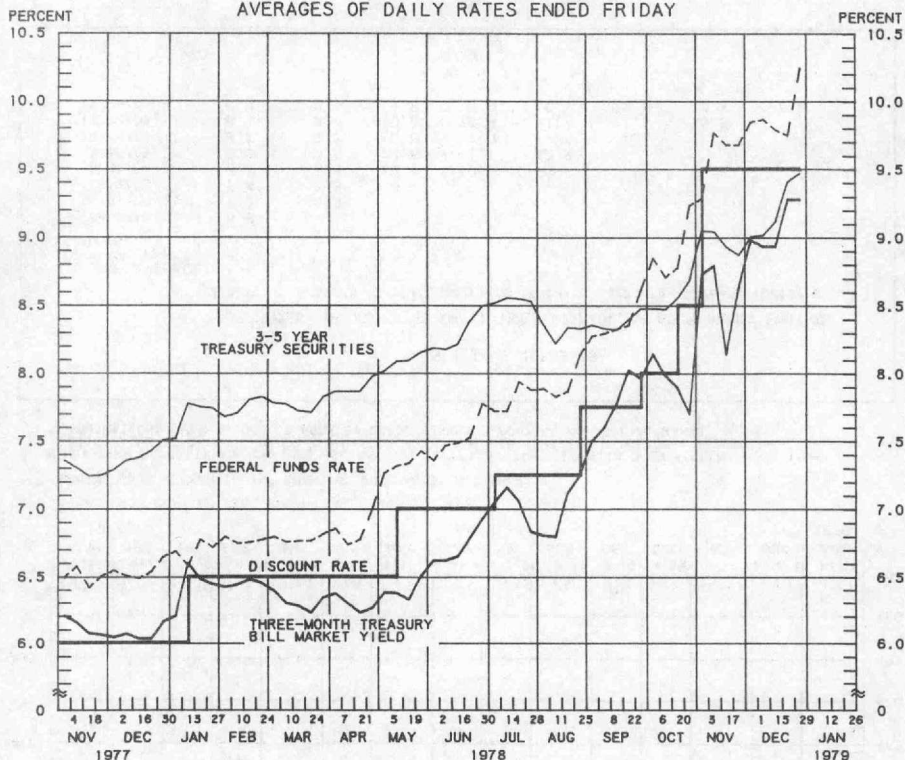
SEMI-BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

SEMI-BOND 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: DECEMBER 29, 1978

1979	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	9.33	9.29	9.01	8.71
8	9.87	8.93	9.22	9.32	9.02	8.75
15	9.79	8.93	9.26	9.28	9.12	8.80
22	9.75	9.28	9.52	9.61	9.41	8.94
29 *	10.25	9.28	9.58	9.62	9.47	8.92
JAN. 5						
12						
19						
26						

* 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.

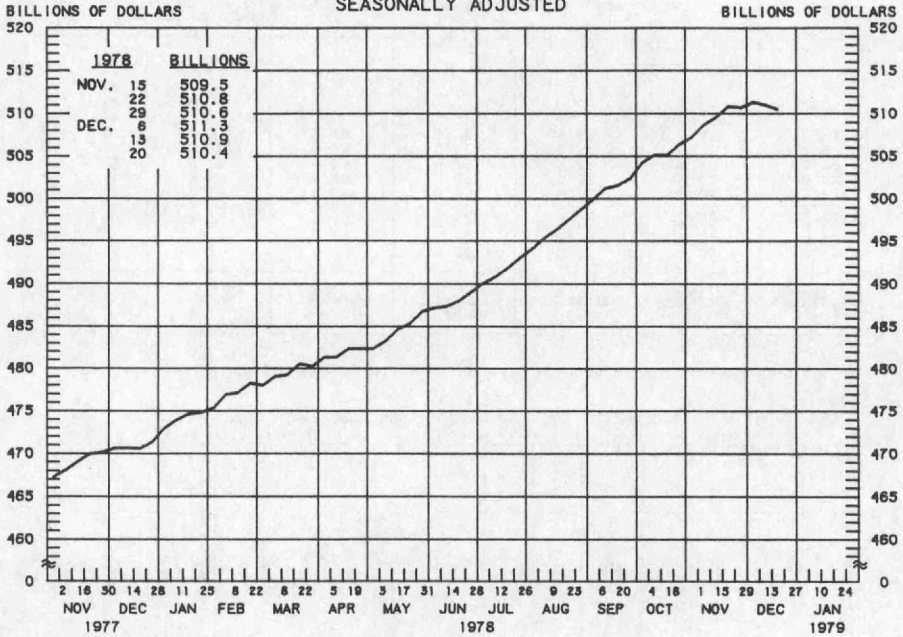
NEW ISSUE RATE

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 20, 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

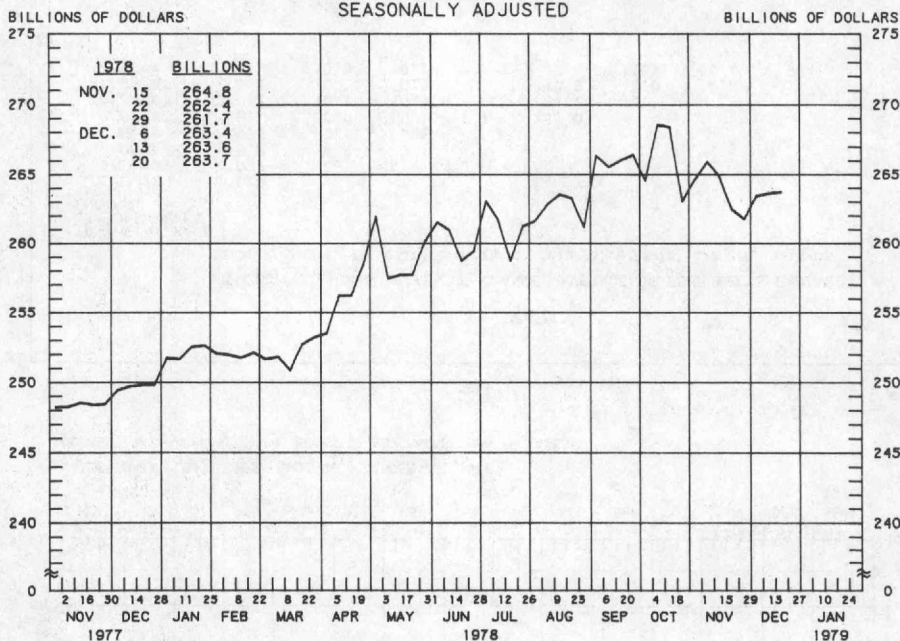
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	12/21/77	3/22/78	5/17/78	6/21/78	7/19/78	8/23/78	9/20/78	10/18/78
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/17/78	6.8							
6/21/78	7.3	6.9						
7/19/78	7.4	7.3	9.1					
8/23/78	8.1	8.4	10.1	10.5				
9/20/78	8.5	9.0	10.6	11.1	12.2			
10/18/78	8.7	9.2	10.6	11.0	11.7	11.5		
11/22/78	8.9	9.4	10.6	10.8	11.4	11.1	10.5	
12/20/78	8.6	8.9	9.8	9.9	10.1	9.5	8.7	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: DECEMBER 20, 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:

12/21/77 3/22/78 5/17/78 6/21/78 7/19/78 8/23/78 9/20/78 10/18/78

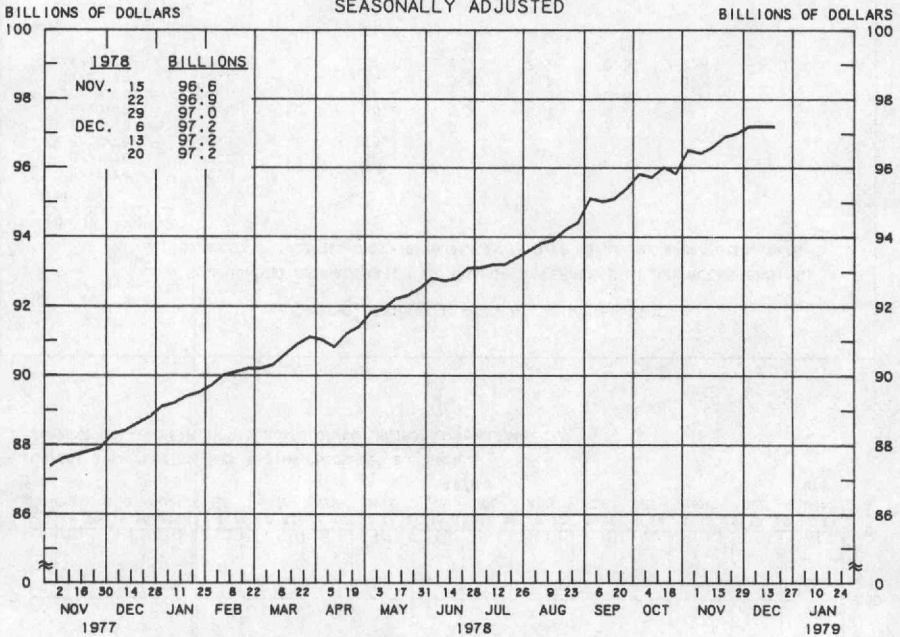
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

5/17/78	9.8							
6/21/78	9.0	14.4						
7/19/78	8.1	11.3	4.1					
8/23/78	8.2	10.7	5.7	5.7				
9/20/78	8.3	10.6	6.6	6.9	9.2			
10/18/78	8.6	10.7	7.5	8.0	9.9	10.6		
11/22/78	6.6	7.6	4.1	3.8	4.2	2.5	-0.7	
12/20/78	5.5	6.1	2.7	2.2	2.2	0.3	-2.4	-8.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CURRENCY COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 20, 1978

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

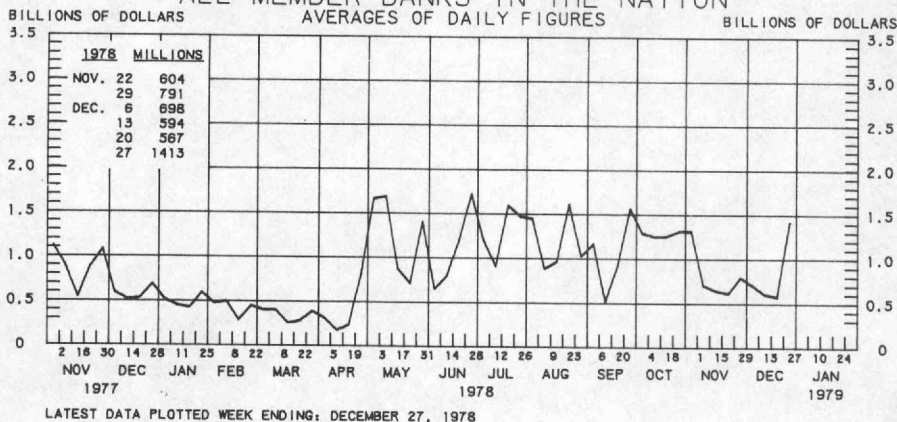
CURRENCY

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

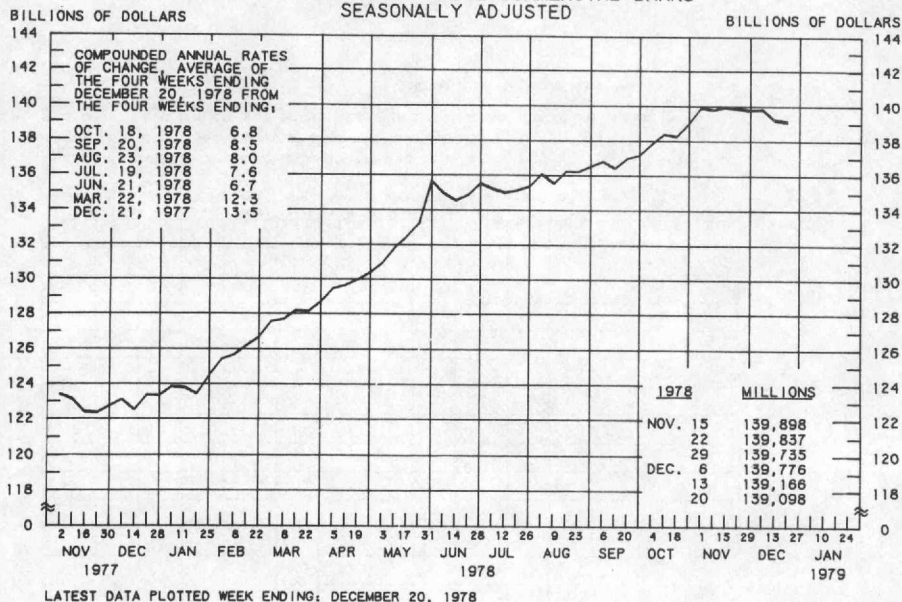
	12/21/77	3/22/78	5/17/78	6/21/78	7/19/78	8/23/78	9/20/78	10/18/78
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/17/78	10.1							
6/21/78	10.2	10.1						
7/19/78	9.8	9.4	9.1					
8/23/78	9.6	9.1	8.8	7.7				
9/20/78	10.1	10.0	10.1	9.8	11.0			
10/18/78	10.2	10.2	10.3	10.2	11.2	13.1		
11/22/78	10.2	10.2	10.3	10.2	10.9	12.0	10.8	
12/20/78	10.1	10.0	10.1	9.9	10.4	11.1	10.1	9.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

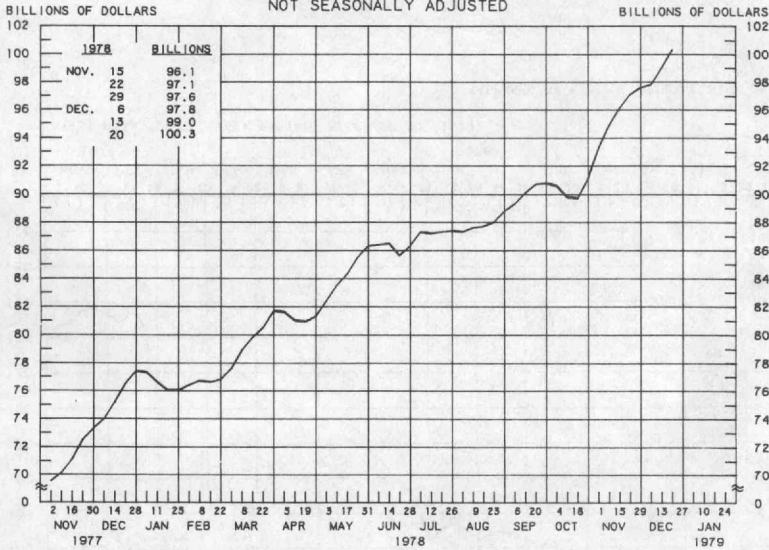


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 20, 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