



U.S. FINANCIAL DATA

LIBRARY

Week ending: May 2, 1979

The yields on short-term U.S. Treasury bills rose above the ceiling interest rate on passbook savings deposits at commercial banks in June 1977. Since then the spread has progressively widened. In March 1979, the rate on 3-month Treasury bills was nearly 450 basis points above the ceiling on passbook deposits. As the spread between these rates widened, the rate of growth of savings deposits at commercial banks decreased. Growth of these deposits began to slow considerably in October 1977 when the ceiling rate was 116 basis points below the 3-month Treasury bill yield. As shown in the table below, the growth of savings deposits has declined substantially in the last six months.

Similarly, growth of net time deposits slowed in 1977 as yields on longer-term Treasury securities rose above ceiling rates on deposits with comparable maturities. However, although differentials between market rates and deposit ceiling rates widened in mid-1978, growth of net time deposits accelerated. This reflects the introduction of money market certificates (MMCs) whose ceiling varies with the discount yield on new issues of 6-month Treasury bills. In the five months after their introduction, MMCs increased \$17.7 billion, easily offsetting the \$100 million decline in savings deposits. In the following four months, between December 1978 and March 1979, MMCs rose \$18.2 billion. Despite this increase, net time deposits slowed during this period due to a further decline of \$5.7 billion in savings deposits.

Growth Rates of Selected Commercial Bank Deposits
and Interest Rate Differentials

	<u>Savings Deposits</u> (seasonally adjusted, compounded annual rates)	<u>Net Time Deposits</u>	<u>Savings Deposit Ceiling Rate* Less Yield on 3-Month Treasury Bill</u>	<u>4-6 Year Deposit Ceiling Rate** Less Yield on 3-5 Year Treasury Securities</u>
1978				
Jan.	3.9%	9.0%	-1.44%	-0.46%
Feb.	1.1	7.6	-1.45	-0.51
March	1.6	6.2	-1.29	-0.51
April	4.4	8.0	-1.29	-0.65
May	6.1	9.1	-1.41	-0.85
June	3.8	10.6	-1.73	-1.06
July	- 3.7	10.5	-2.01	-1.29
Aug.	5.0	14.8	-2.08	-1.06
Sept.	10.1	13.2	-2.85	-1.13
Oct.	- 1.6	10.4	-2.99	-1.36
Nov.	- 9.2	9.8	-3.64	-1.72
Dec.	- 7.3	3.6	-4.08	-1.98
1979				
Jan.	-12.2	1.6	-4.35	-2.11
Feb.	-11.4	6.7	-4.32	-1.91
March	- 5.9	5.7	-4.48	-2.00

* 5.00 percent.

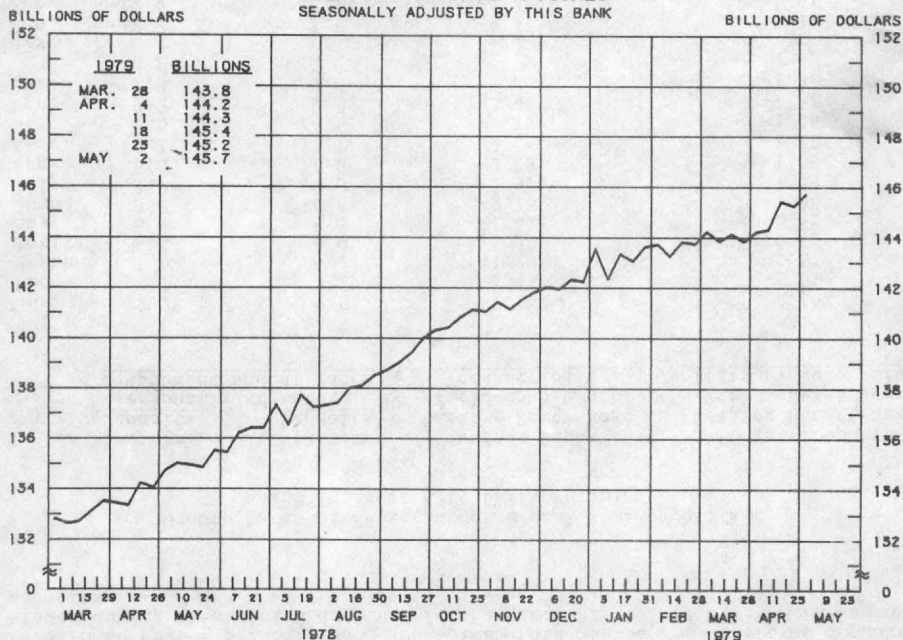
** 7.25 percent.

Prepared by Federal Reserve Bank of St. Louis

Released: May 4, 1979

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: MAY 2, 1979

THE ADJUSTED MONETARY BASE CONSISTS OF: (1) MEMBER BANK RESERVES AT THE FEDERAL RESERVE BANKS, (2) CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL BANKS), AND (3) AN ADJUSTMENT FOR RESERVE REQUIREMENT RATIO CHANGES. THE MAJOR SOURCE OF THE ADJUSTED MONETARY BASE IS FEDERAL RESERVE CREDIT. DATA ARE COMPUTED BY THIS BANK. A DETAILED DESCRIPTION OF THE ADJUSTED MONETARY BASE IS AVAILABLE FROM THIS BANK.

ADJUSTED MONETARY BASE

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

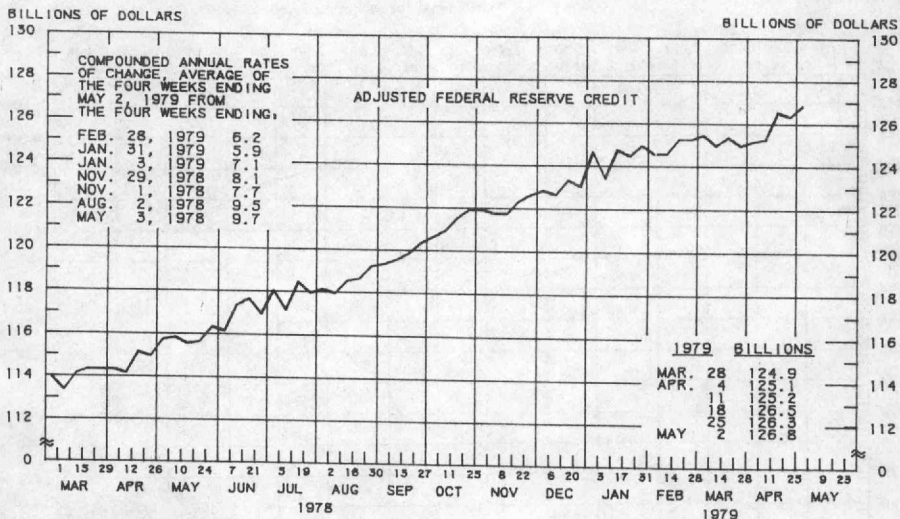
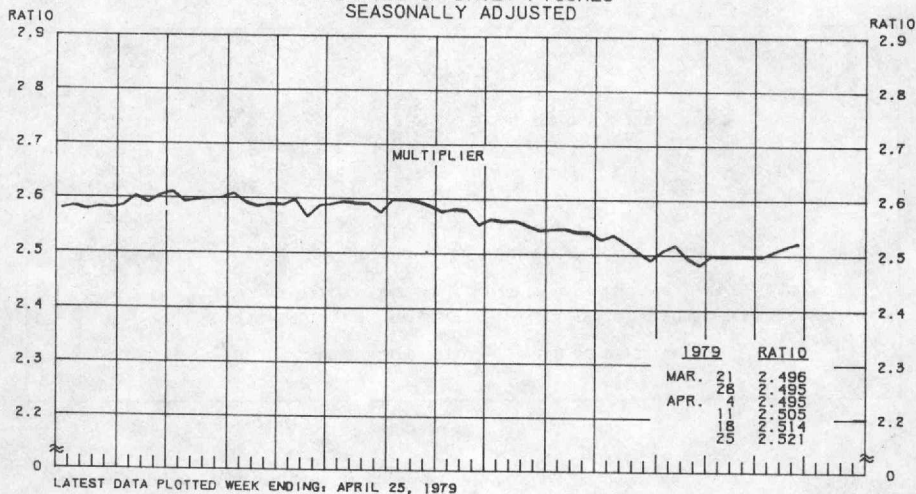
5/3/78 8/2/78 10/4/78 11/1/78 11/29/78 1/3/79 1/31/79 2/28/79

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

10/ 4/78	10.2							
11/ 1/78	10.2	10.9						
11/29/78	9.8	9.9	8.7					
1/ 3/79	9.4	9.4	8.3	7.2				
1/31/79	9.0	8.8	7.6	6.7	6.7			
2/28/79	8.6	8.2	7.1	6.2	6.1	5.1		
4/ 4/79	8.0	7.5	6.3	5.5	5.2	4.3	3.7	
5/ 2/79	8.3	7.8	6.9	6.3	6.3	5.9	6.0	6.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



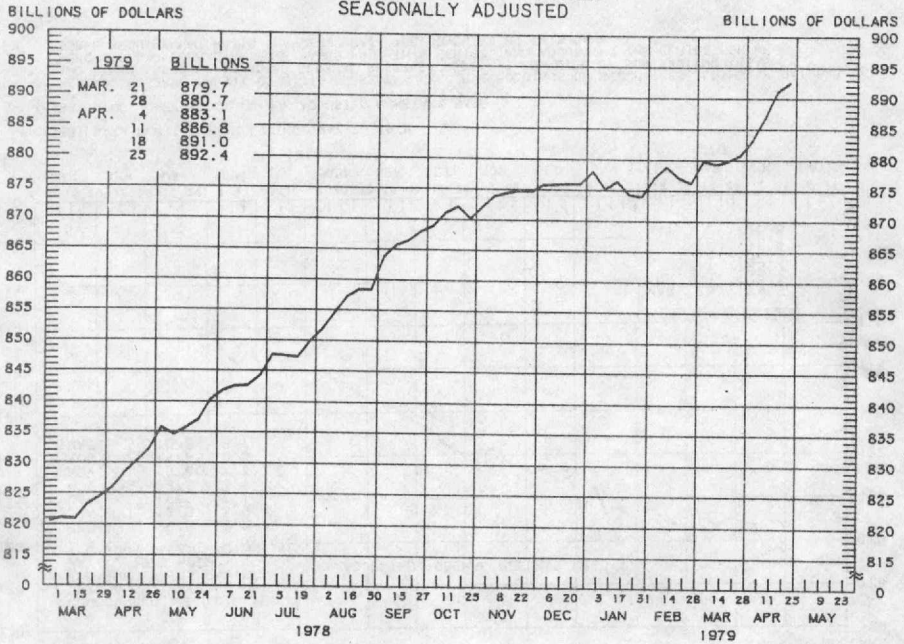
^{1/} RATIO OF MONEY STOCK (M1) / ADJUSTED MONETARY BASE

^{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. 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: APRIL 25, 1979

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

MONEY STOCK PLUS NET TIME DEPOSITS (M2)

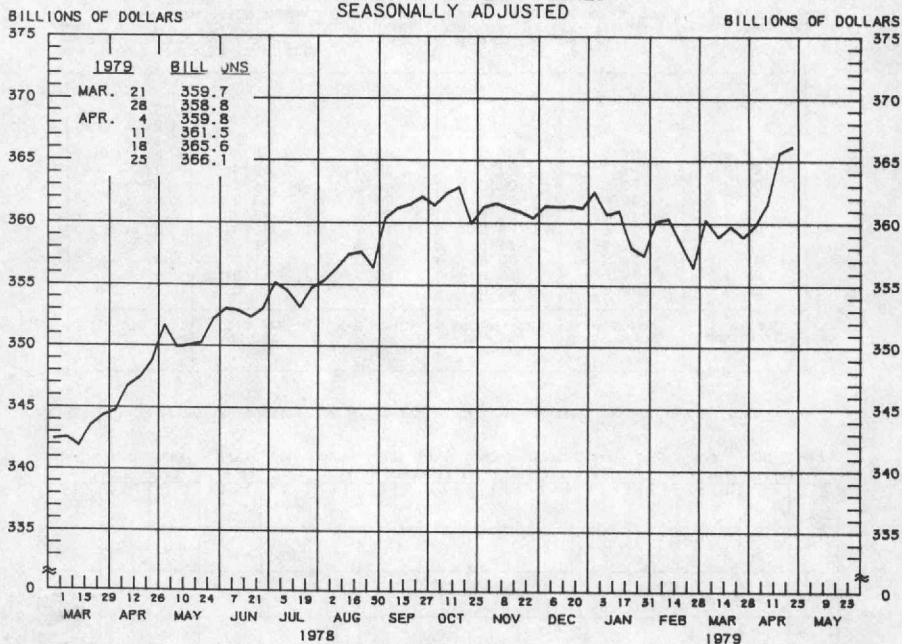
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	4/26/78	7/26/78	9/27/78	10/25/78	11/22/78	12/27/78	1/24/79	2/28/79
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/27/78	10.8							
10/25/78	10.2	11.0						
11/22/78	9.5	9.6	6.0					
12/27/78	8.5	7.9	4.7	3.6				
1/24/79	7.6	6.7	3.5	2.5	1.4			
2/28/79	6.9	5.8	3.1	2.2	1.5	0.9		
3/28/79	6.6	5.6	3.2	2.5	2.0	1.8	2.7	
4/25/79	7.1	6.4	4.5	4.1	4.0	4.4	5.8	8.6

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MONEY STOCK (M1)

AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 25, 1979

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)

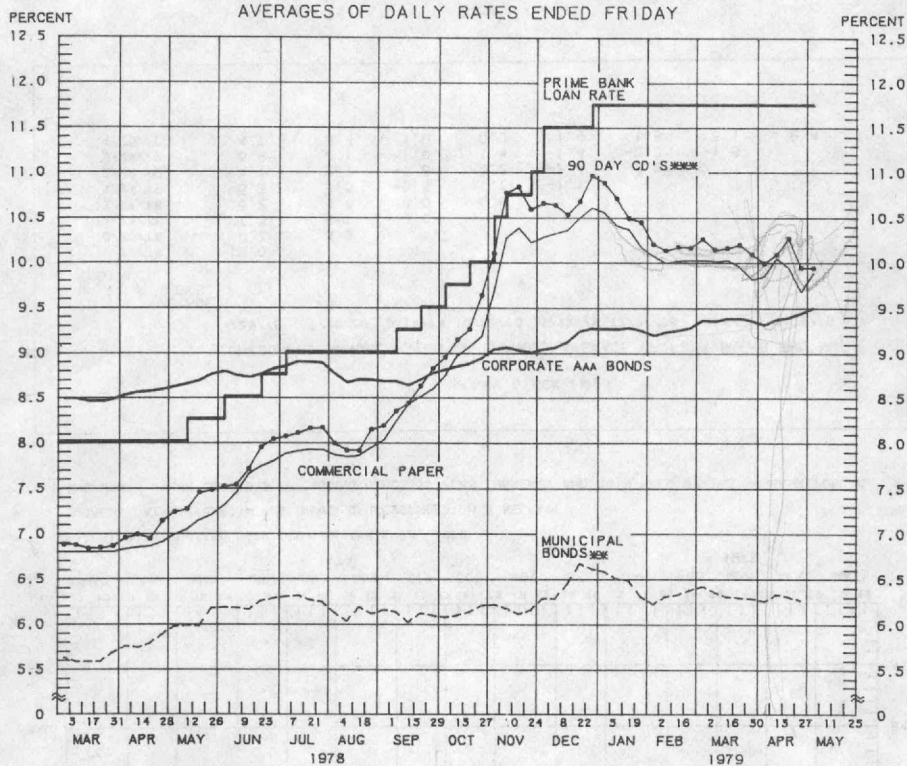
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	4/25/78	7/26/78	9/27/78	10/25/78	11/22/78	12/27/78	1/24/79	2/28/79
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/27/78	10.0							
10/25/78	8.7	8.5						
11/22/78	7.3	6.1	0.0					
12/27/78	6.2	4.7	0.0	-0.6				
1/24/79	5.3	3.5	-0.6	-1.2	-1.1			
2/28/79	4.1	2.1	-1.6	-2.2	-2.4	-3.8		
3/28/79	3.9	2.1	-1.0	-1.4	-1.4	-2.0	-1.8	
4/25/79	4.7	3.4	1.0	0.9	1.4	1.8	3.1	8.4

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: MAY 4, 1979

1979	90 DAY CD'S ^{§§§}	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS ^{§§§}
MAR. 2	10.26	10.03	10.03	9.36	6.42
9	10.14	10.01	9.97	9.35	6.35
16	10.16	10.03	10.00	9.38	6.30
23	10.20	9.95	9.97	9.38	6.29
30	10.09	9.81	9.82	9.35	6.28
APR. 6	9.99	9.85	9.90	9.31	6.25
13	10.09	10.05	10.05	9.37	6.35
20	10.27	9.94	9.90	9.39	6.30
27	9.94	9.68	9.75	9.44	6.26
MAY 4 *	9.94	9.89	9.96	9.50	N. A.
11					
18					
25					

* AVERAGES OF RATES AVAILABLE.

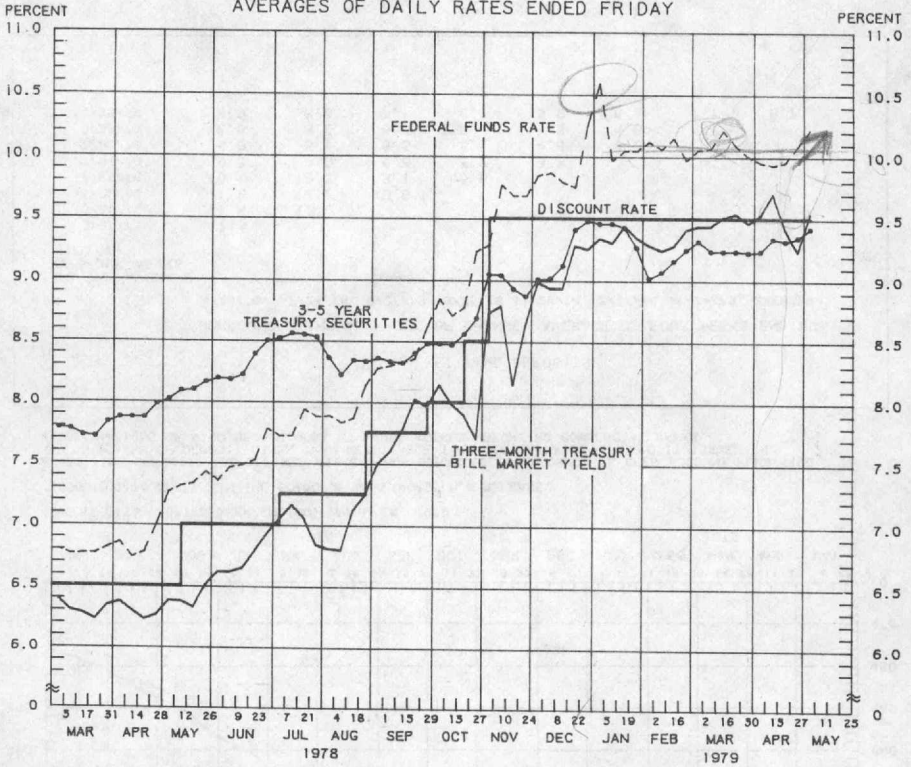
§§§ BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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



1979	FEDERAL FUNDS YIELD	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL YIELD	1-YEAR TREASURY BILL	3-5 YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
MAR. 2	10.06	9.44	9.50	9.50	9.32	9.03
9	10.07	9.44	9.42	9.40	9.24	8.98
16	10.21	9.51	9.46	9.43	9.24	8.99
23	10.09	9.54	9.48	9.37	9.24	8.99
30	10.00	9.46	9.44	9.29	9.23	8.97
APR. 6	9.95	9.53	9.50	9.26	9.24	8.97
13	9.93	9.70	9.57	9.37	9.34	9.02
20	9.96	9.41	9.63	9.22	9.32	9.03
27	10.09	9.23	9.30	9.27	9.35	9.09
MAY 4 *	10.22	9.54	9.57	9.38	9.42	9.15
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.

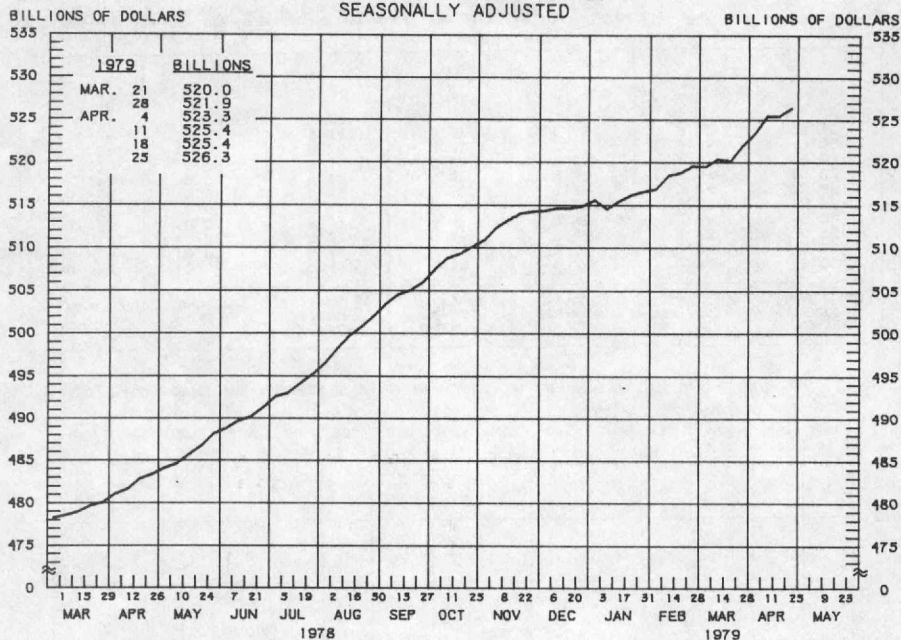
~~***~~ NEW ISSUE RATE

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: APRIL 25, 1979

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

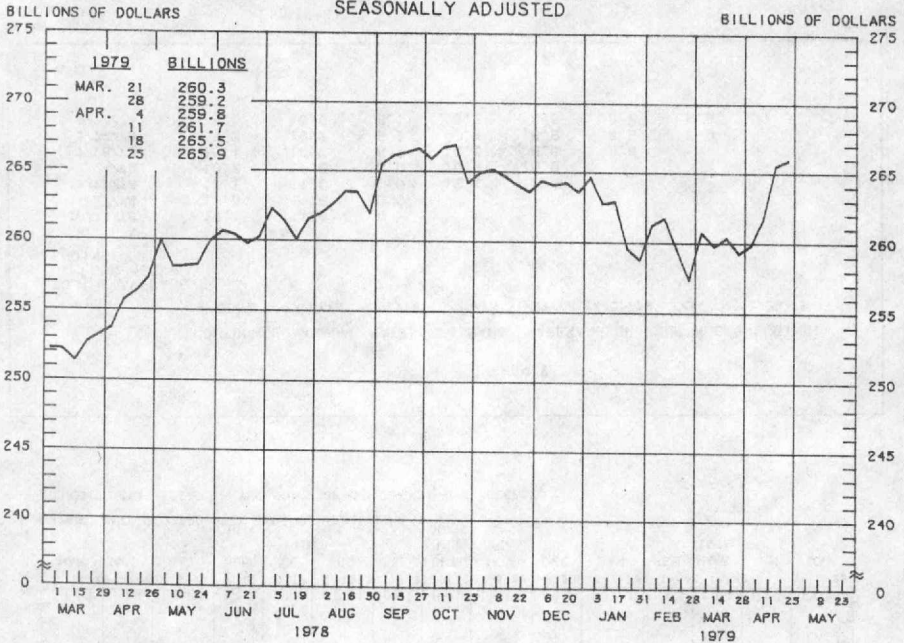
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	4/26/78	7/26/78	9/27/78	10/25/78	11/22/78	12/27/78	1/24/79	2/28/79
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/27/78	11.4							
10/25/78	11.4	13.0						
11/22/78	11.2	12.2	10.6					
12/27/78	10.1	10.3	8.1	6.6				
1/24/79	9.3	9.0	6.6	5.2	3.2			
2/28/79	8.9	8.6	6.5	5.5	4.3	4.3		
3/28/79	8.6	8.2	6.3	5.4	4.5	4.6	5.7	
4/25/79	8.9	8.6	7.1	6.5	5.9	6.4	7.7	8.7

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DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 25, 1979
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:

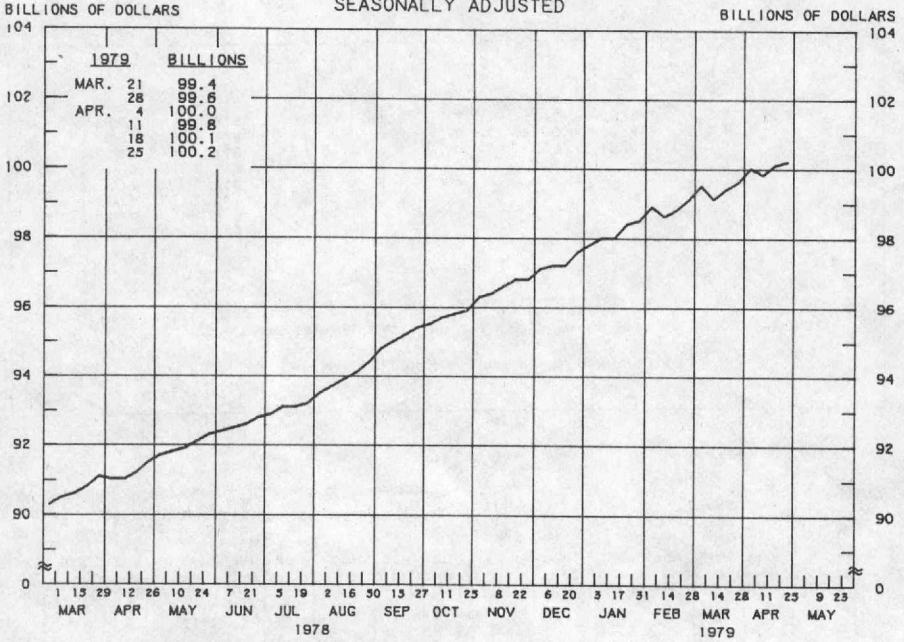
4/26/78 7/26/78 9/27/78 10/25/78 11/22/78 12/27/78 1/24/79 2/28/79

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

9/27/78	9.8								
10/25/78	8.1	7.2							
11/22/78	6.1	4.0	-3.4						
12/27/78	4.8	2.5	-3.1	-4.1					
1/24/79	3.5	0.8	-4.2	-5.2	-4.9				
2/28/79	1.9	-0.9	-5.4	-6.4	-6.6	-8.6			
3/28/79	1.8	-0.7	-4.5	-5.2	-5.0	-5.9	-5.2		
4/25/79	2.9	1.0	-1.9	-2.0	-1.3	-0.9	1.2	8.5	

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CURRENCY COMPONENT
OF MONEY STOCK
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

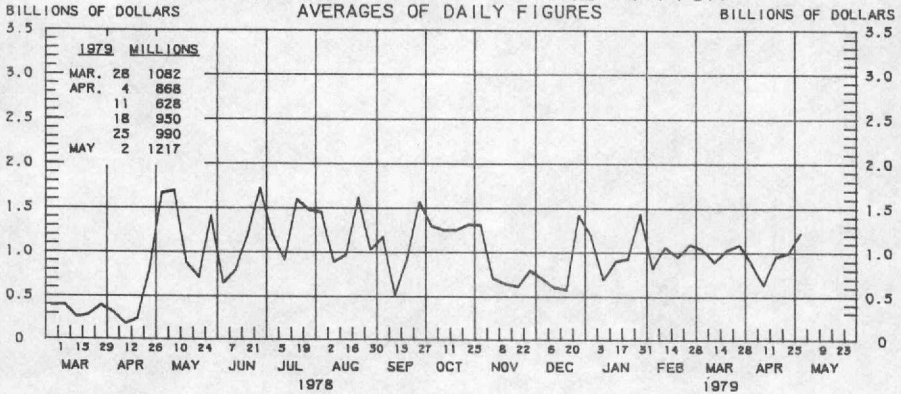


LATEST DATA PLOTTED WEEK ENDING: APRIL 25, 1979
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

CURRENCY							
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:							
TO THE AVERAGE OF FOUR WEEKS ENDING:	4/26/78	7/26/78	9/27/78	10/25/78	11/22/78	12/27/78	1/24/79 2/28/79
9/27/78	10.4						
10/25/78	10.1	11.6					
11/22/78	10.3	11.6	10.0				
12/27/78	10.1	11.0	9.6	10.1			
1/24/79	10.2	11.0	10.0	10.4	10.0		
2/28/79	10.1	10.7	9.7	10.0	9.6	9.9	
3/28/79	9.8	10.2	9.2	9.4	8.9	8.9	7.9
4/25/79	9.6	10.0	9.1	9.2	8.8	8.7	8.0 7.5

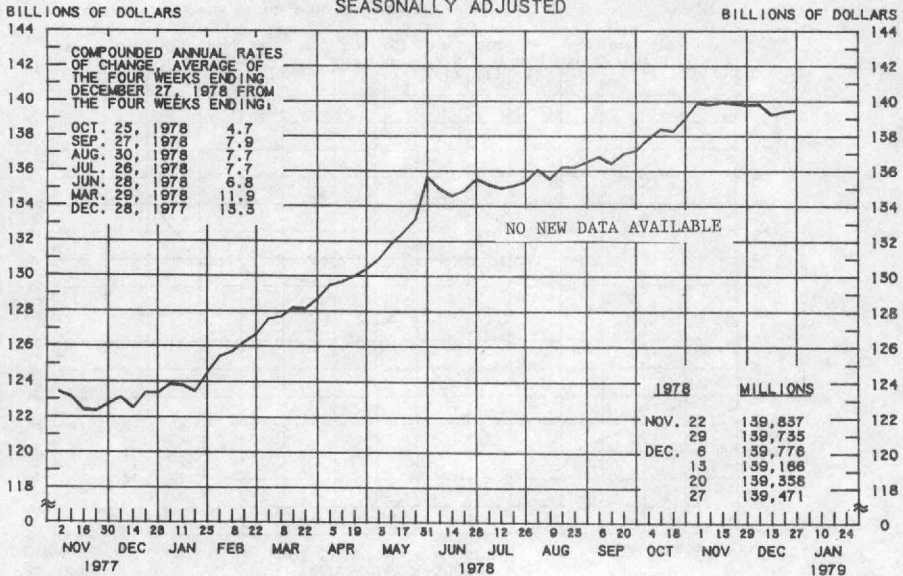
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BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: MAY 2, 1979

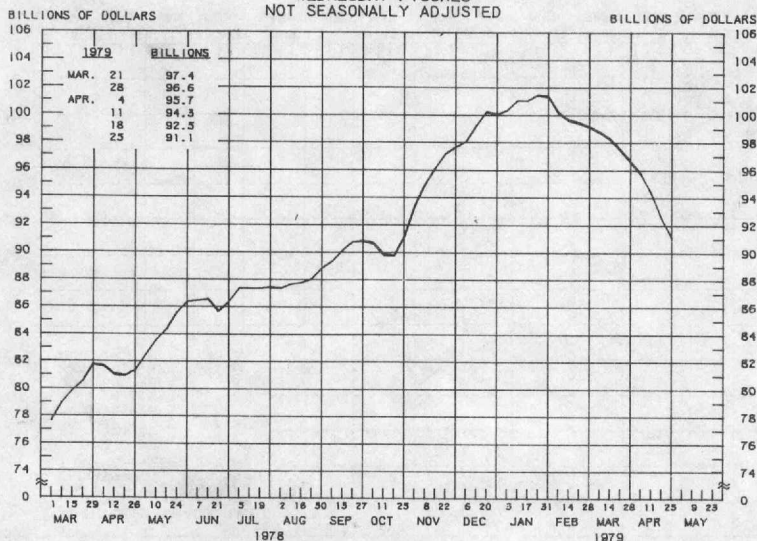
BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 27, 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: APRIL 25, 1979

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