

U.S. FINANCIAL DATA

RESEARCH LIBRARY

Federal Reserve Bank

of St. Louis

Week ending: June 6, 1979

AUG 26 1998

On May 30, 1979, Federal regulators of depository institutions announced several changes affecting maximum interest rates payable on time and savings deposits. These changes become effective July 1, 1979. Ceiling rates on savings deposits will be raised 25 basis points, to 5.25 percent at commercial banks and 5.50 percent at thrift institutions. Depository institutions will also be permitted to offer a new category of non-negotiable time deposits with initial maturities of 4 years or longer, which will have a ceiling interest rate tied to the average 4-year yield on Treasury securities. The ceiling rate on these deposits at thrift institutions will be set each month for new deposits received during that month at one percentage point below the 4-year yield on Treasury securities, with the ceiling rate at commercial banks one-quarter of a percentage point lower than the ceiling rate for thrifts. The ceiling rate of interest established at the time of issue will not change during the period the deposit is outstanding. The yield on 4-year Treasury securities to which the monthly ceilings are tied will be announced three business days before the beginning of each month, and will be based upon average daily yields during the previous five business days as determined by the Treasury.

Minimum denominations will no longer be required on time deposits, except for 6-month money market certificates which will continue to have a minimum denomination of \$10,000. However, depository institutions may set minimum denominations for any category of time deposits if they so desire. In a related ruling, depository institutions may accept deposits that have been pooled by depositors to reach minimum denomination requirements, but the institutions may not solicit or promote pooled deposits in any way.

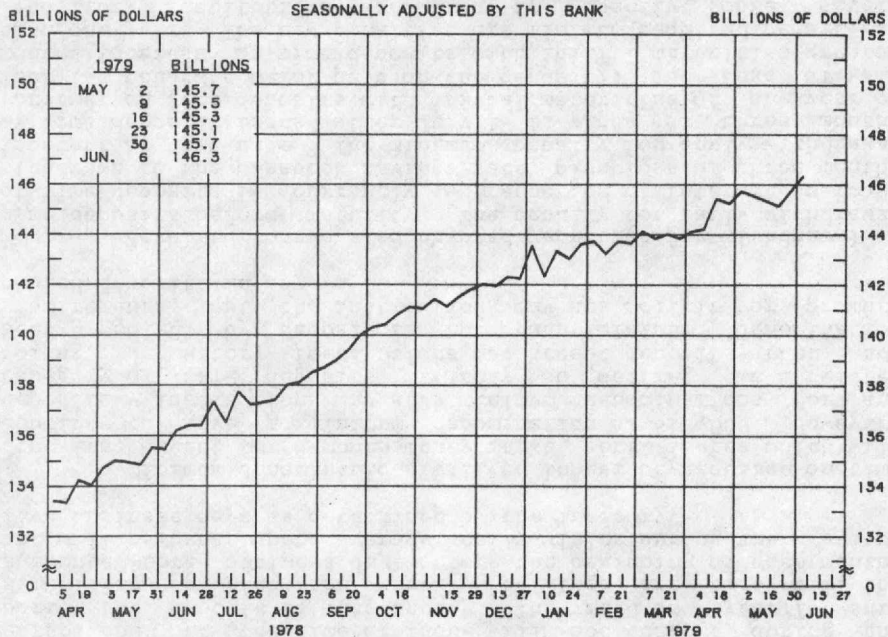
Regulators have also changed penalties for withdrawal of time deposits before maturity. The penalty for early withdrawal of time deposits is currently a reduction of interest on funds withdrawn to the passbook savings rate, plus loss of three months interest at that rate. The minimum penalty for early withdrawal of time deposits issued after July 1 is loss of three months interest on time deposits with initial maturities of one year or less (at the rate being paid on the deposit), and loss of six months interest on time deposits with initial maturities greater than one year. The new penalties are minimum required penalties; depository institutions are free to specify more severe penalties, if they are disclosed to depositors in deposit contracts.

Prepared by Federal Reserve Bank of St. Louis

Released: June 8, 1979

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JUNE 6, 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.

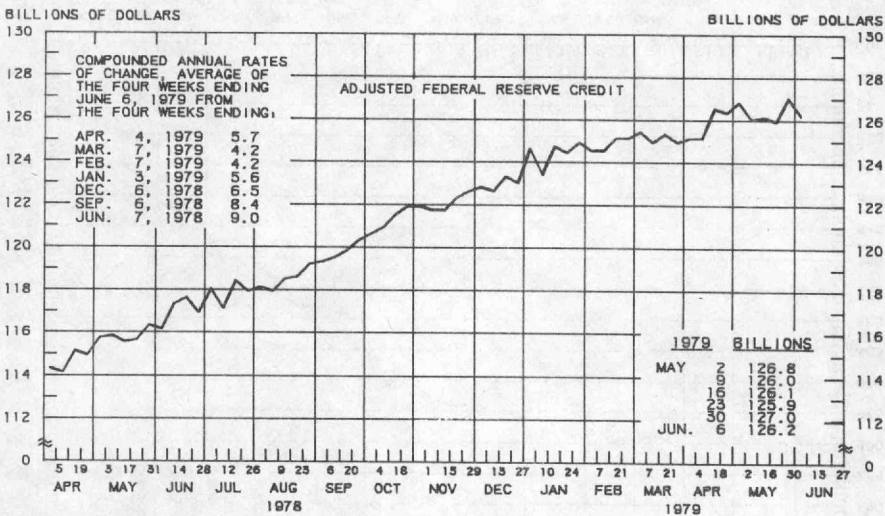
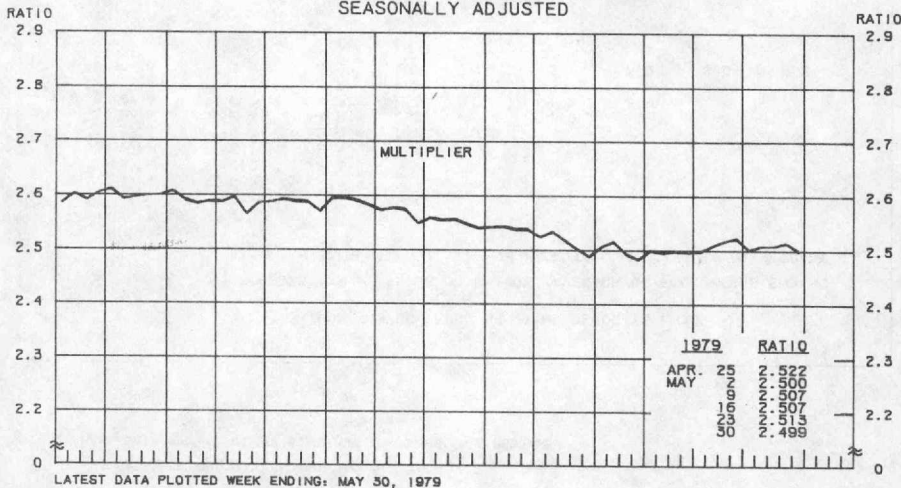
ADJUSTED MONETARY BASE

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	6/7/78	9/6/78	11/8/78	12/6/78	1/3/79	2/7/79	3/7/79	4/4/79
11/ 8/78	10.6							
12/ 6/78	9.7	9.9						
1/ 3/79	9.5	9.6	6.6					
2/ 7/79	9.1	8.9	6.7	7.6				
3/ 7/79	8.5	8.0	5.7	6.1	5.0			
4/ 4/79	7.8	7.1	5.0	5.1	4.0	2.3		
5/ 9/79	8.3	7.8	6.3	6.6	6.2	6.0	7.5	
6/ 6/79	7.7	7.1	5.6	5.7	5.2	4.8	5.4	7.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



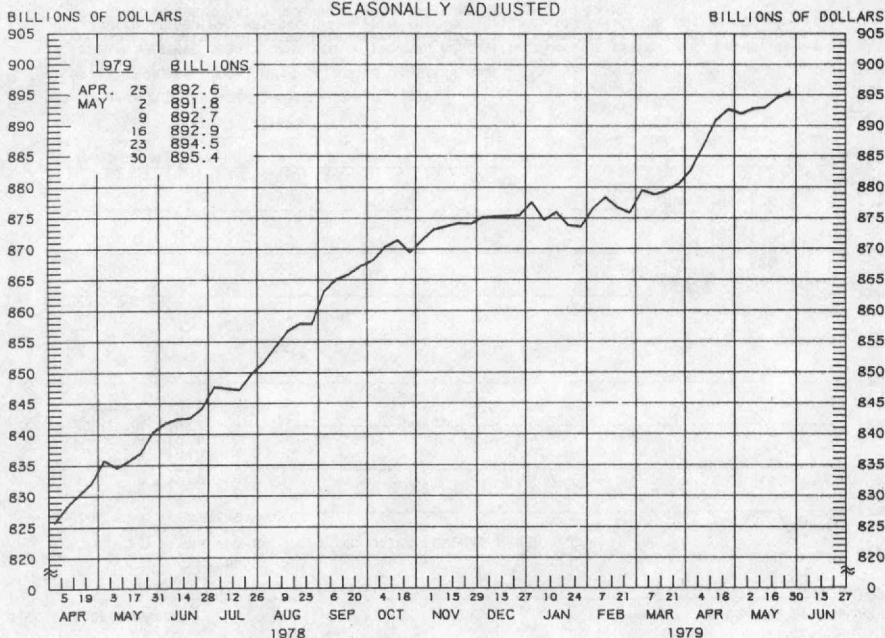
^{1/} RATIO OF MONEY STOCK (M1) / ADJUSTED MONETARY BASE

^{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.

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MONEY STOCK PLUS NET TIME DEPOSITS (M2)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



MONEY STOCK PLUS NET TIME DEPOSITS (M2)

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

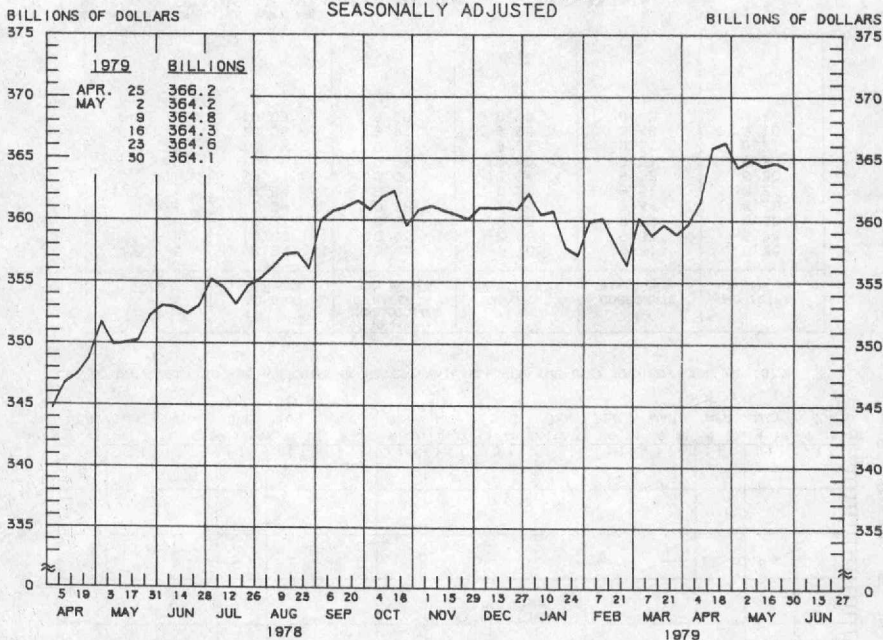
5/31/78 8/30/78 11/1/78 11/29/78 12/27/78 1/31/79 2/28/79 3/28/79

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/ 1/78	9.8							
11/29/78	9.0	8.2						
12/27/78	8.1	6.8	3.6					
1/31/79	6.7	5.0	1.8	0.5				
2/28/79	6.4	4.8	2.2	1.4	1.0			
3/28/79	6.2	4.7	2.6	2.0	1.9	3.9		
5/ 2/79	7.0	5.9	4.6	4.6	5.1	7.6	9.4	
5/30/79	6.8	5.8	4.7	4.7	5.1	7.0	8.0	9.8

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MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 30, 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)

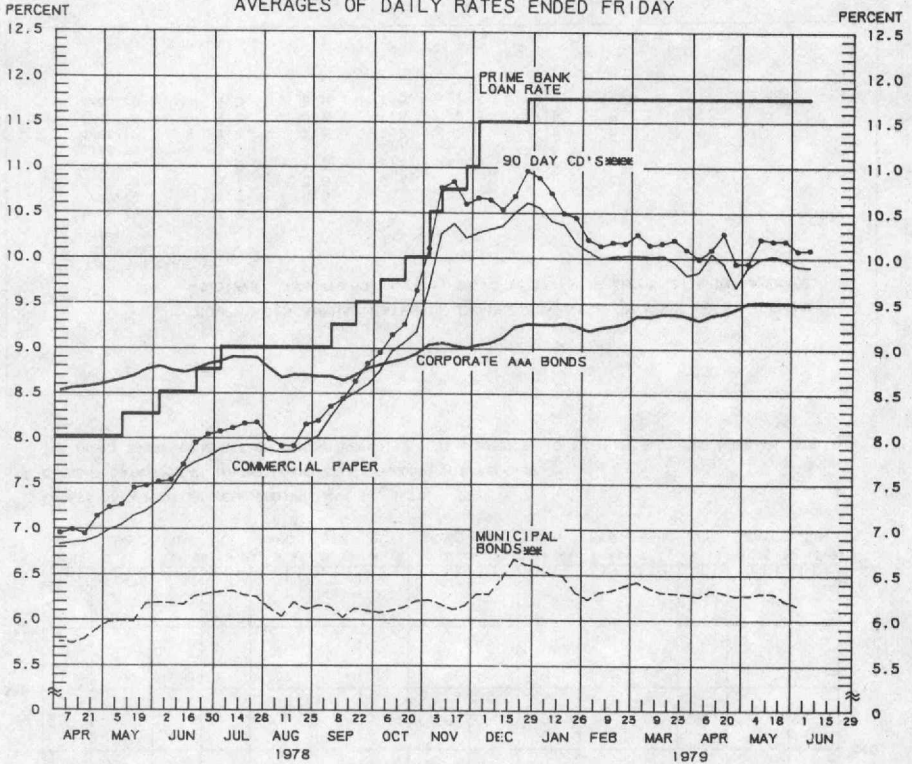
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	5/31/78	8/30/78	11/1/78	11/29/78	12/27/78	1/31/79	2/28/79	3/28/79
11/ 1/78	7.2							
11/29/78	5.8	4.4						
12/27/78	5.1	3.6	-0.4					
1/31/79	3.6	1.5	-2.3	-2.5				
2/28/79	3.1	1.1	-2.1	-2.2	-3.6			
3/28/79	3.0	1.3	-1.2	-1.1	-1.8	0.5		
5/ 2/79	4.3	3.2	1.8	2.5	2.8	6.2	9.7	
5/30/79	4.0	2.9	1.6	2.2	2.4	4.8	6.7	8.7

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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: JUNE 8, 1979

1979	90 DAY CD'S ^{***}	PRIME COMMERCIAL PAPER 4-6 MONTH	PRIME BANKERS' ACCE'TANCES	CORPORATE AAA BONDS	MUNICIPAL BONDS ^{**}
APR. 6	9.99	9.85	9.90	9.31	6.25
13	10.09	10.05	10.05	9.37	6.33
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	9.91	9.99	9.51	6.27
11	10.21	10.00	10.04	9.52	6.30
18	10.19	10.03	10.00	9.51	6.30
25	10.19	9.98	9.94	9.51	6.21
JUNE 1	10.08	9.91	9.93	9.48	6.16
8 *	10.09	9.90	9.93	9.48	N. A.
15					
22					
29					

* AVERAGES OF RATES AVAILABLE.

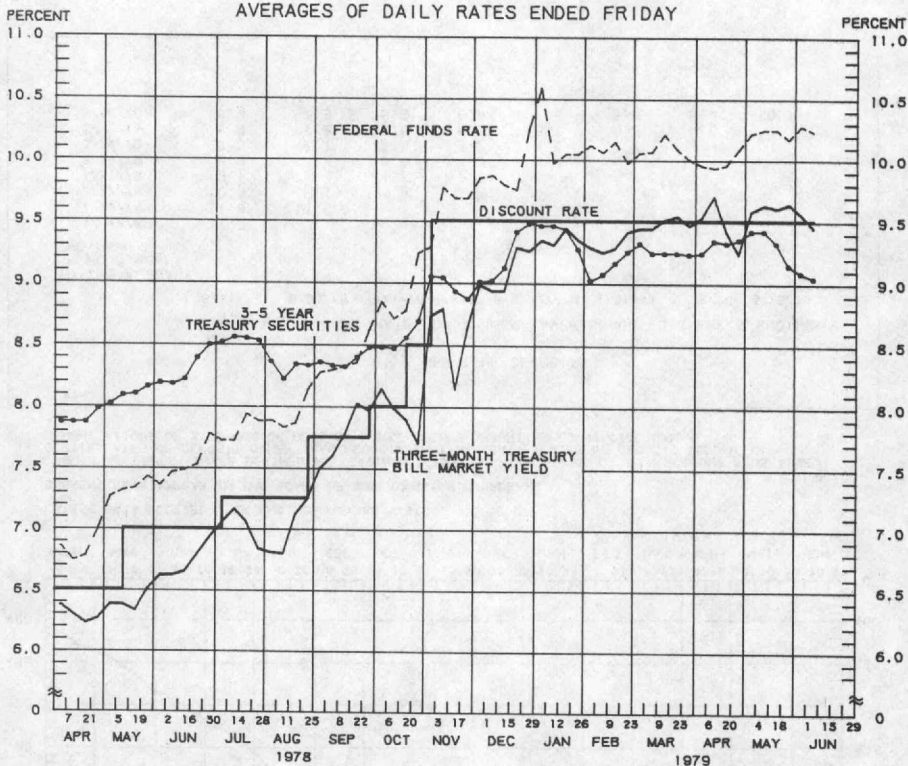
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

*** 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: JUNE 8, 1979

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
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	9.58	9.57	9.40	9.42	9.17
11	10.25	9.63	9.62	9.39	9.42	9.20
18	10.25	9.60	9.46	9.26	9.32	9.13
25	10.17	9.64	9.60	9.14	9.14	9.03
JUNE 1	10.28	9.55	9.41	9.05	9.08	8.98
8 *	10.23	9.44	9.43	9.00	9.04	8.96
15						
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.

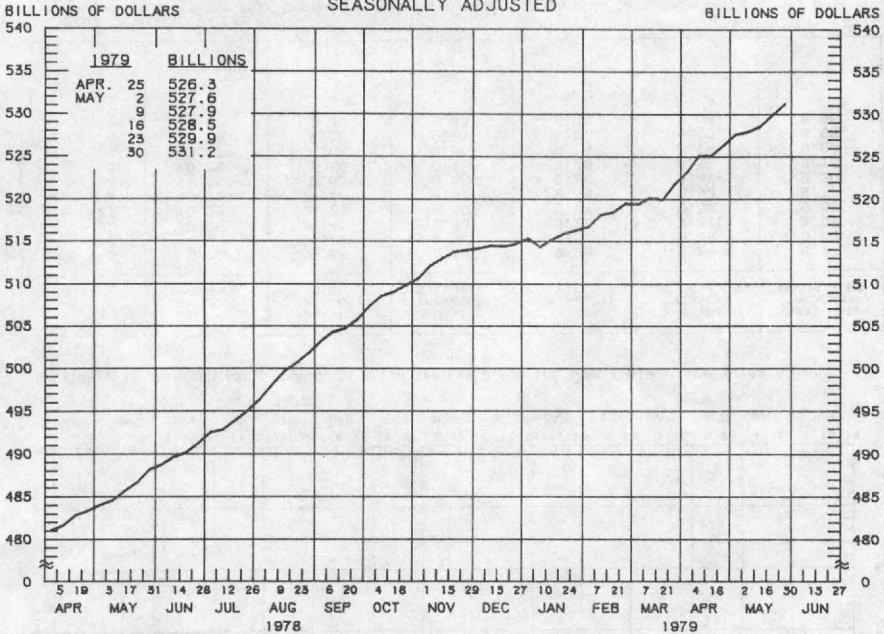
**** NEW ISSUE RATE

***** RATES ON LONG-TERM TREASURY SECURITIES ARE COMPUTED BY THE FEDERAL RESERVE BANK OF ST. LOUIS.

***** TREASURY BILL YIELDS ON DISCOUNT BASIS.

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NET TIME DEPOSITS
ALL COMMERCIAL BANKS
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 30, 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:

5/31/78 8/30/78 11/1/78 11/29/78 12/27/78 1/31/79 2/28/79 3/28/79

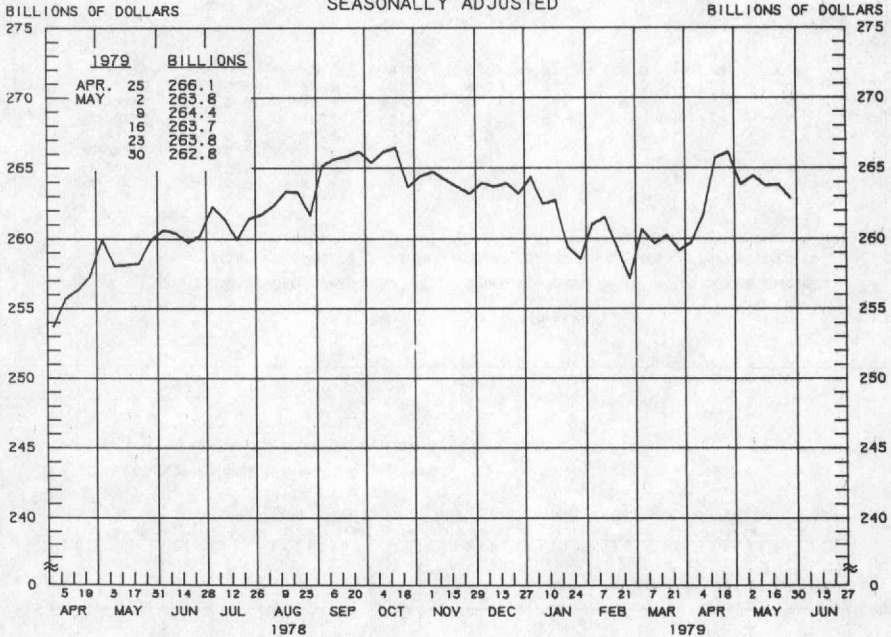
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/ 1/78	11.7									
11/29/78	11.4	11.0								
12/27/78	10.3	9.1	6.4							
1/31/79	9.1	7.4	4.7	2.5						
2/28/79	8.9	7.4	5.3	4.0	4.3					
3/28/79	8.5	7.1	5.3	4.2	4.6	6.2				
5/ 2/79	8.9	7.8	6.6	6.0	6.7	8.5	9.0			
5/30/79	8.9	7.9	6.9	6.4	7.0	8.5	8.9	10.7		

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DEMAND DEPOSIT COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 30, 1979

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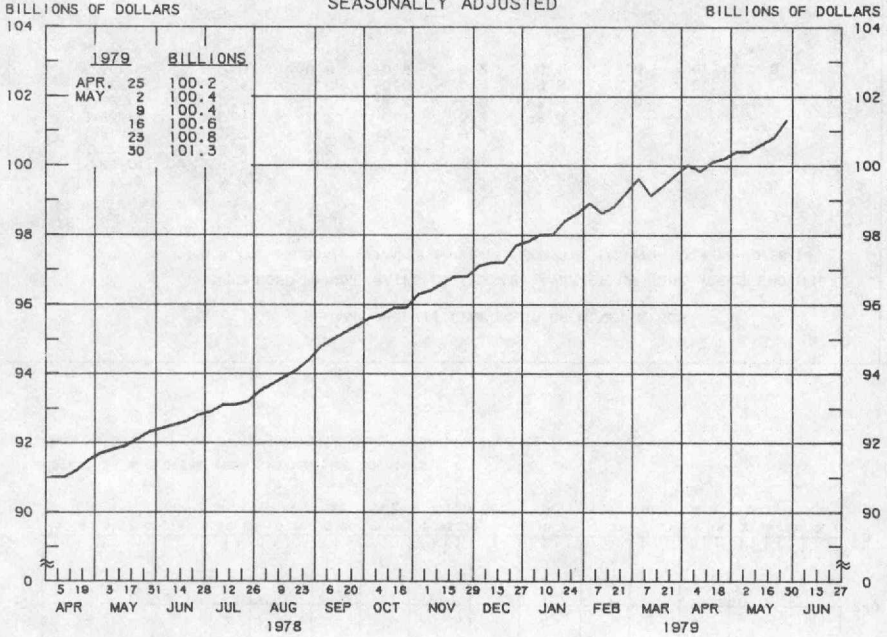
DEMAND DEPOSIT COMPONENT OF MONEY STOCK

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

	5/31/78	8/30/78	11/1/78	11/29/78	12/27/78	1/31/79	2/28/79	3/28/79
TO THE AVERAGE OF FOUR WEEKS ENDING:								
11/ 1/78	6.0							
11/29/78	4.1	2.0						
12/27/78	3.4	1.2	-3.6					
1/31/79	1.2	-1.7	-6.5	-6.8				
2/28/79	0.6	-2.2	-6.1	-6.2	-8.3			
3/28/79	0.6	-1.8	-4.8	-4.6	-5.5	-2.0		
5/ 2/79	2.4	1.0	-0.6	0.4	0.8	5.6	10.7	
5/30/79	2.0	0.6	-0.9	-0.2	0.1	3.6	6.3	8.7

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CURRENCY COMPONENT OF MONEY STOCK AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED

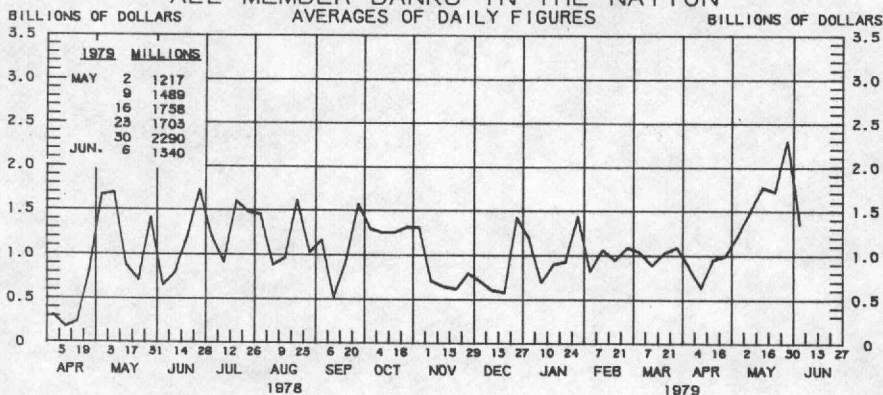


LATEST DATA PLOTTED WEEK ENDING: MAY 30, 1979
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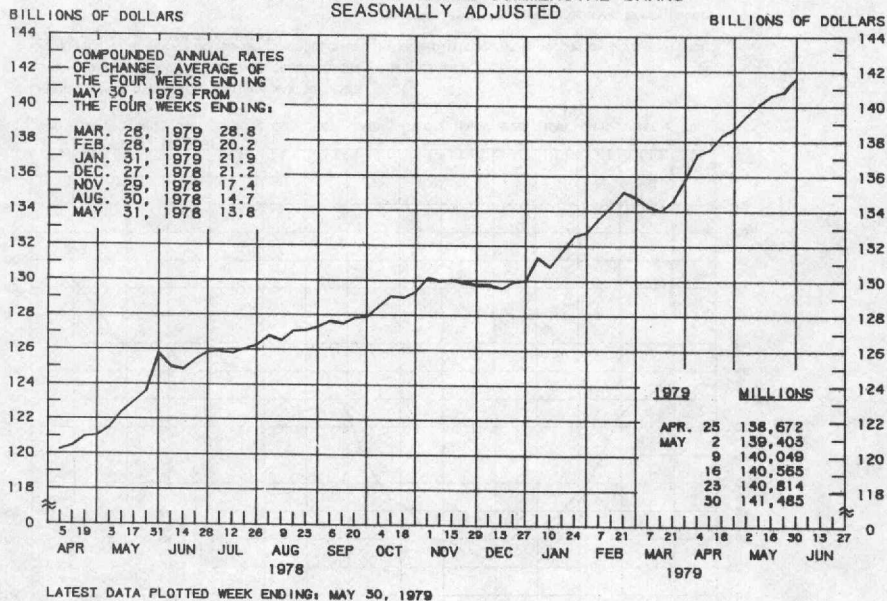
CURRENCY								
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
	5/31/78	8/30/78	11/1/78	11/29/78	12/27/78	1/31/79	2/28/79	3/28/79
TO THE AVERAGE OF FOUR WEEKS ENDING:								
11/ 1/78	10.6							
11/29/78	10.5	12.0						
12/27/78	10.2		9.1					
1/31/79	10.3	11.2	9.9	9.9				
2/28/79	10.1	10.7	9.5	9.4	9.9			
3/28/79	9.9	10.4	9.3	9.1	9.4	8.2		
5/ 2/79	9.6	9.8	8.7	8.5	8.5	7.5	7.2	
5/30/79	9.6	9.8	8.8	8.7	8.7	8.0	7.9	7.8

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BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



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

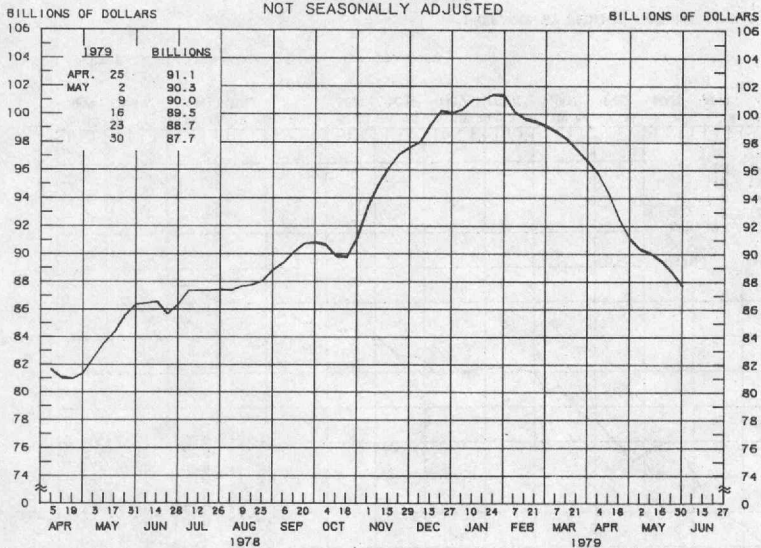


PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

CERTIFICATES OF DEPOSIT LARGE COMMERCIAL BANKS

WEDNESDAY FIGURES

NOT SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 30, 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