



U.S. FINANCIAL DATA

Week ending: April 9, 1980

LIBRARY

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Interest rates have increased sharply since the beginning of the year (pages 6 and 7). The interest rate paid on 90-day certificates of deposits, for example, has risen by more than 425 basis points in the past few months. Likewise, the interest rate on six-month Treasury bills has increased by more than 200 basis points. One consequence of this general increase in interest rates has been a movement of funds into those instruments which pay relatively higher returns. High-yield deposits at commercial banks — accounts such as the six-month money market certificates whose interest rate is allowed to fluctuate with the market — have increased relative to other, low-yield accounts. For instance, total small time deposits — time deposits issued in denominations of less than \$100,000 which include the six-month money market certificates — increased \$12.8 billion from January to March of this year. Over this same period, demand deposits, which pay no explicit interest, increased only \$1.1 billion. Total savings deposits, which have restrictive interest rate ceilings, decreased by \$8.1 billion.

The shifting of funds from low-yield accounts to those offering higher relative returns affects M1A through a component of the money multiplier known as the t-ratio. The t-ratio is calculated by dividing total time deposits by demand deposits. As the t-ratio rises, the money multiplier falls. As shown in the table below, the t-ratio has trended upward since the beginning of the year as total time deposits have grown relative to demand deposits. Consequently, the money multiplier has drifted downward over the past few months.

TOTAL TIME AND DEMAND DEPOSITS AT COMMERCIAL BANKS*
(Averages of daily figures, billions of dollars)

Week ending	Total time deposits	Demand deposits	t-ratio**	M1A multiplier
Jan. 2	\$ 622.7	\$ 265.9	2.342	2.409
9	624.8	266.4	2.345	2.405
16	626.5	265.1	2.363	2.401
23	628.3	264.2	2.378	2.401
30	629.2	265.4	2.371	2.403
Feb. 6	632.2	269.0	2.350	2.419
13	634.3	268.3	2.364	2.425
20	635.5	269.3	2.360	2.406
27	637.0	266.3	2.392	2.396
Mar. 5	637.9	265.9	2.399	2.392
12	638.5	267.7	2.385	2.405
19	639.0	265.9	2.403	2.381
26	640.3	265.6	2.411	2.385
Apr. 2	641.2	265.4	2.416	2.380

* All data are seasonally adjusted.

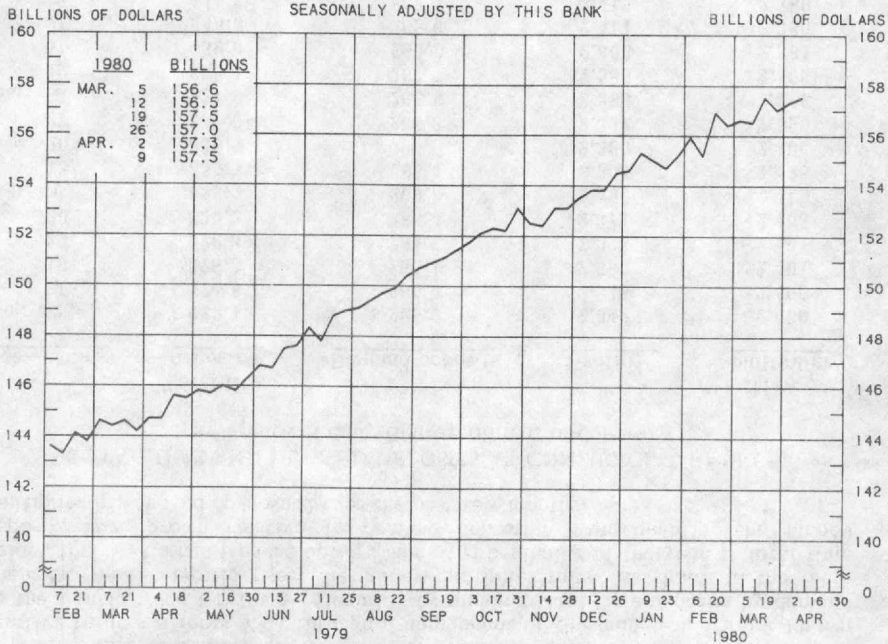
$$** \text{ t-ratio} = \frac{\text{Total time deposits}}{\text{Demand deposits}}$$

Prepared by Federal Reserve Bank of St. Louis

Released: April 11, 1980

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



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:	4/11/79	7/11/79	9/12/79	10/10/79	11/7/79	12/12/79	1/9/80	2/6/80
9/12/79	9.9							
10/10/79	9.9	10.7						
11/ 7/79	9.7	10.0	9.0					
12/12/79	9.2	9.2	7.9	7.1				
1/ 9/80	9.3	9.4	8.6	8.2	8.2			
2/ 6/80	8.9	8.8	7.9	7.4	7.3	7.9		
3/12/80	9.0	9.0	8.3	8.0	8.0	8.6	7.7	
4/ 9/80	8.8	8.7	8.0	7.7	7.6	8.0	7.2	8.1

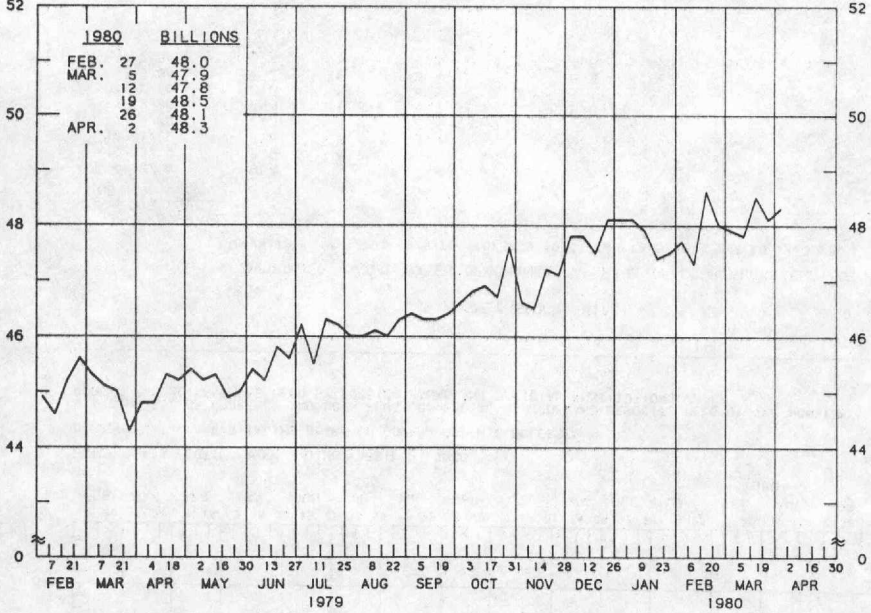
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES ^{1/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

^{1/} ADJUSTED MONETARY BASE LESS CURRENCY HELD BY THE NONBANK PUBLIC (MEMBER BANK RESERVES AT FEDERAL RESERVE BANKS (+) CURRENCY HELD BY COMMERCIAL BANKS).

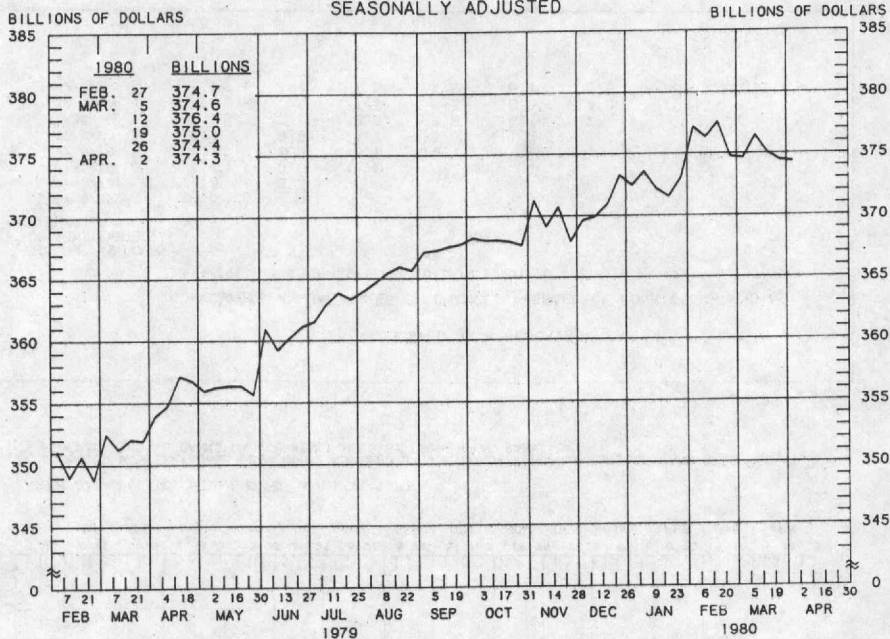
ADJUSTED BANK RESERVES

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

	4/4/79	7/4/79	9/5/79	10/3/79	10/31/79	12/5/79	1/2/80	1/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 5/79	7.5							
10/ 3/79	7.3	6.3						
10/31/79	8.7	9.0	11.8					
12/ 5/79	8.1	7.9	8.9	10.4				
1/ 2/80	9.3	9.9	11.7	13.6	11.6			
1/30/80	7.9	7.7	8.2	8.8	6.1	7.1		
3/ 5/80	7.8	7.6	7.9	8.3	6.3	7.0	1.2	
4/ 2/80	7.6	7.4	7.6	7.9	6.1	6.6	2.5	6.2

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MONEY STOCK (M1A) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

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

M1A CONSISTS OF CURRENCY AND COIN PLUS COMMERCIAL BANK DEMAND DEPOSITS HELD BY THE NONBANK PUBLIC EXCLUDING THOSE HELD BY FOREIGN BANKS AND OFFICIAL INSTITUTIONS.

MONEY STOCK (M1A)

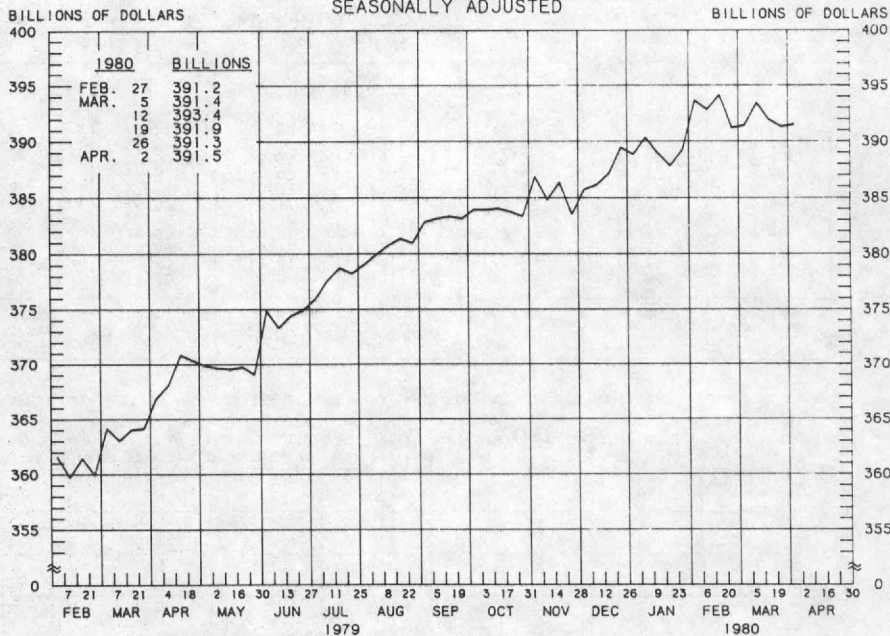
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	4/4/79	7/4/79	9/5/79	10/3/79	10/31/79	12/5/79	1/2/80	1/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 5/79	9.4							
10/ 3/79	8.9	8.2						
10/31/79	7.8	6.4	3.4					
12/ 5/79	7.3	5.9	3.7	2.5				
1/ 2/80	7.4	6.3	4.8	4.3	6.0			
1/30/80	7.0	5.8	4.5	4.0	5.1	5.8		
3/ 5/80	7.2	6.4	5.4	5.3	6.3	7.2	6.7	
4/ 2/80	6.4	5.4	4.3	4.0	4.6	4.8	3.7	3.9

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MONEY STOCK (M1B)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

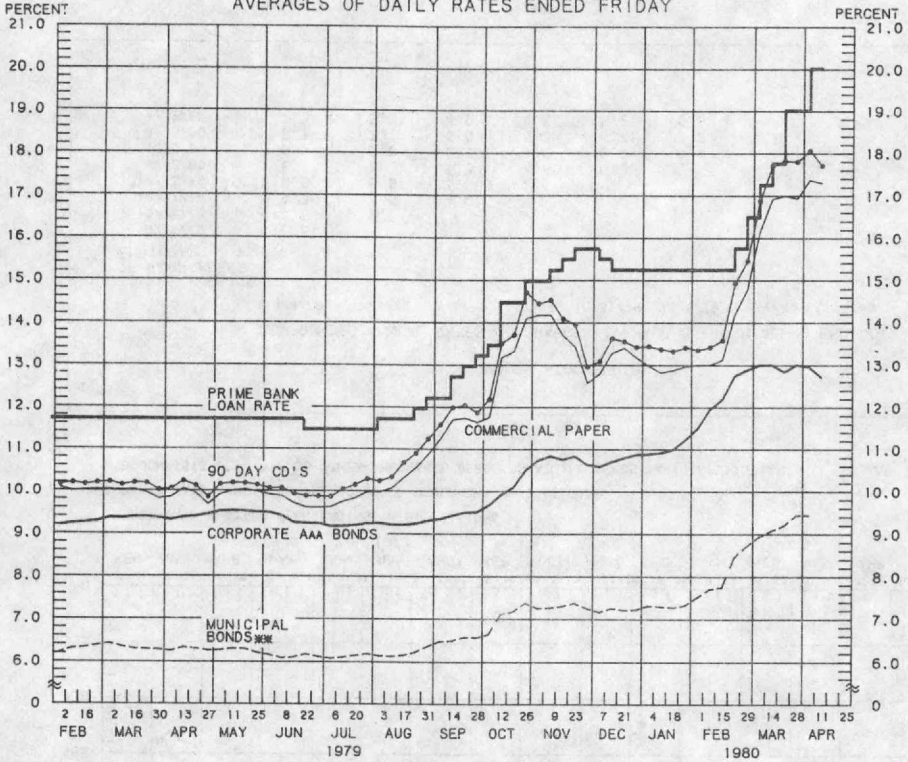
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

M1B CONSISTS OF M1A PLUS OTHER CHECKABLE DEPOSITS AT ALL DEPOSITARY INSTITUTIONS.

MONEY STOCK (M1B)									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	4/4/79	7/4/79	9/5/79	10/3/79	10/31/79	12/5/79	1/2/80	1/30/80	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
9/ 5/79	11.3								
10/ 3/79	10.6	9.7							
10/31/79	9.3	7.6	4.0						
12/ 5/79	8.5	6.8	3.9	2.6					
1/ 2/80	8.6	7.2	5.3	4.8	6.5				
1/30/80	8.2	6.8	5.1	4.6	5.7	6.9			
3/ 5/80	8.3	7.1	5.9	5.6	6.7	7.8	6.9		
4/ 2/80	7.5	6.2	4.9	4.5	5.2	5.6	4.3	4.4	

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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: APRIL 11, 1980

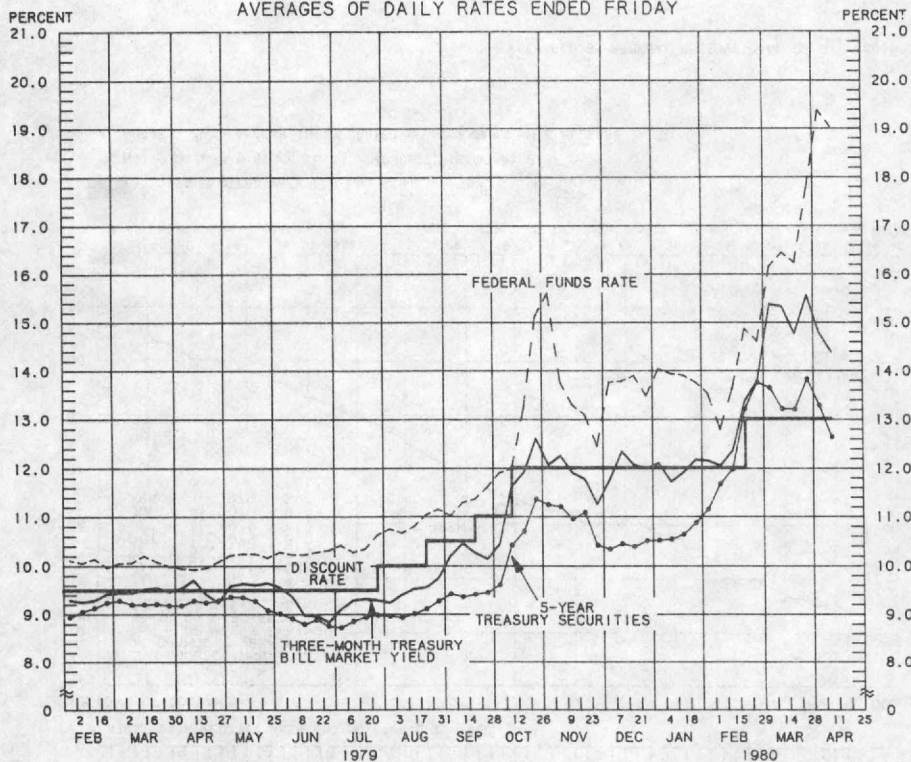
1980	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
FEB. 1	13.36	13.01	13.11	11.49	12.69	7.52
8	13.43	13.01	13.13	11.95	13.11	7.71
15	13.59	13.13	13.33	12.19	13.41	7.75
22	14.93	14.21	14.65	12.74	13.82	8.46
29	15.45	14.78	15.10	12.88	14.16	8.72
MAR. 7	16.87	16.17	16.59	13.00	14.27	8.94
14	17.71	16.92	17.24	13.00	14.35	9.08
21	17.82	17.00	17.22	12.83	14.45	9.20
28	17.80	16.93	17.29	13.00	14.67	9.44
APR. 4	18.07	17.37	17.51	12.95	14.75	9.44
11 *	17.71	17.30	17.16	12.70	14.64	N.A.
18						
25						

* AVERAGES OF RATES AVAILABLE.
 * BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.
 * DATA ARE 4-MONTH COMMERCIAL PAPER RATES.
 N.A. - NOT AVAILABLE

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SELECTED INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



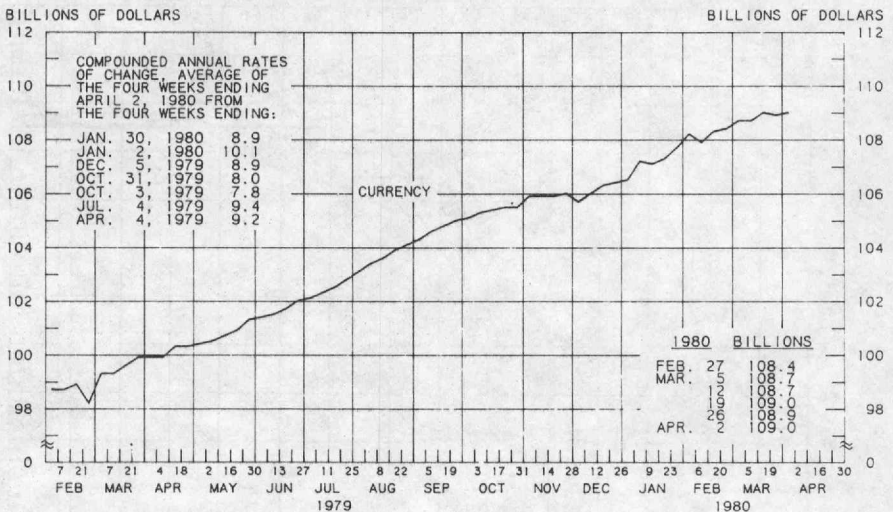
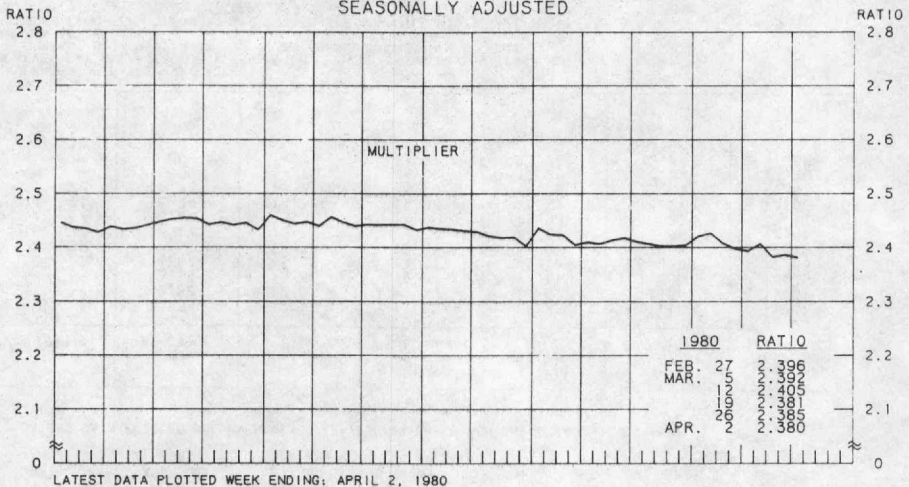
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: APRIL 11, 1980

1980	FEDERAL FUNDS ^{***}	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL ^{***}	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
FEB. 1	13.54	12.15	11.85	11.23	11.15	11.01
8	12.80	12.05	11.99	11.51	11.68	11.51
15	13.64	12.36	12.26	11.91	11.99	11.76
22	14.87	13.38	13.01	13.12	13.22	12.53
29	14.62	13.78	13.63	13.53	13.76	12.49
MAR. 7	16.17	15.37	14.79	13.94	13.65	12.41
14	16.45	15.32	14.96	13.92	13.22	12.11
21	16.24	14.76	14.95	13.89	13.21	12.06
28	17.78	15.55	15.70	14.39	13.83	12.47
APR. 4	19.39	14.78	14.80	13.90	13.29	12.20
11 ^{**}	19.04	14.38	14.23	13.20	12.64	11.66
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.

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MULTIPLIER \downarrow
CURRENCY OF MONEY STOCK MEASURES \downarrow
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



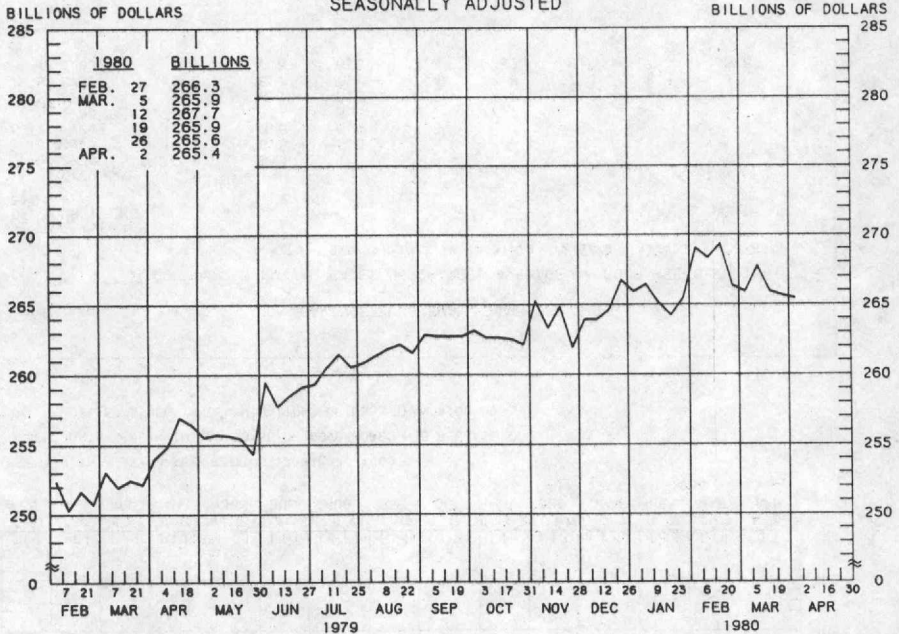
LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

1/ RATIO OF MONEY STOCK (M1A) / ADJUSTED MONETARY BASE

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

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DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



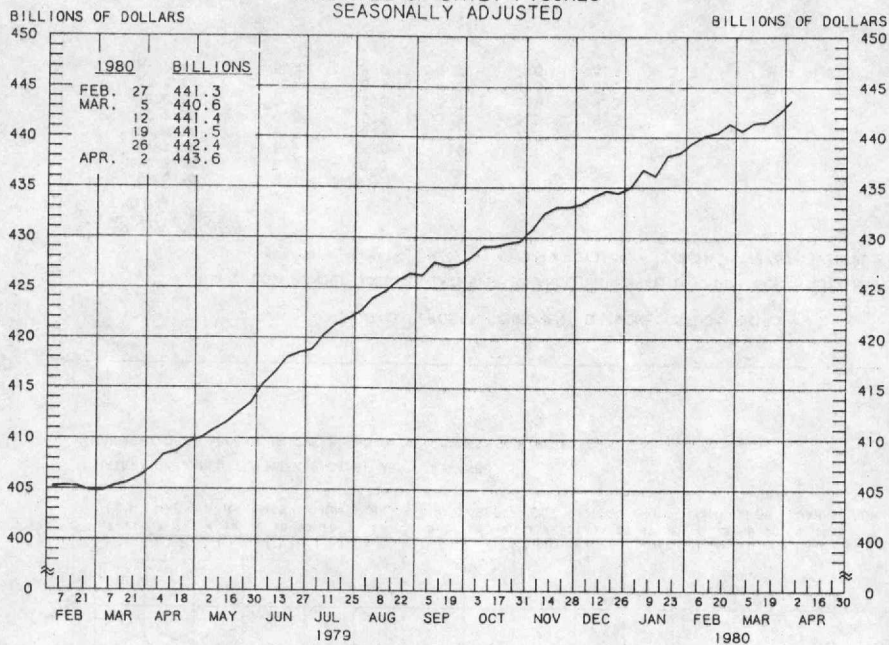
LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

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

DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)								
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
	4/4/79	7/4/79	9/5/79	10/3/79	10/31/79	12/5/79	1/2/80	1/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 5/79	9.1							
10/ 3/79	8.2	6.5						
10/31/79	6.9	4.6	1.0					
12/ 5/79	6.5	4.4	2.2	1.5				
1/ 2/80	6.8	5.2	3.8	3.9	6.3			
1/30/80	6.1	4.5	3.1	2.9	4.3	4.5		
3/ 5/80	6.4	5.1	4.2	4.3	5.6	6.2	4.9	
4/ 2/80	5.4	3.9	2.7	2.6	3.4	3.2	1.4	2.0

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SAVINGS PLUS SMALL TIME DEPOSITS
ALL COMMERCIAL BANKS
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



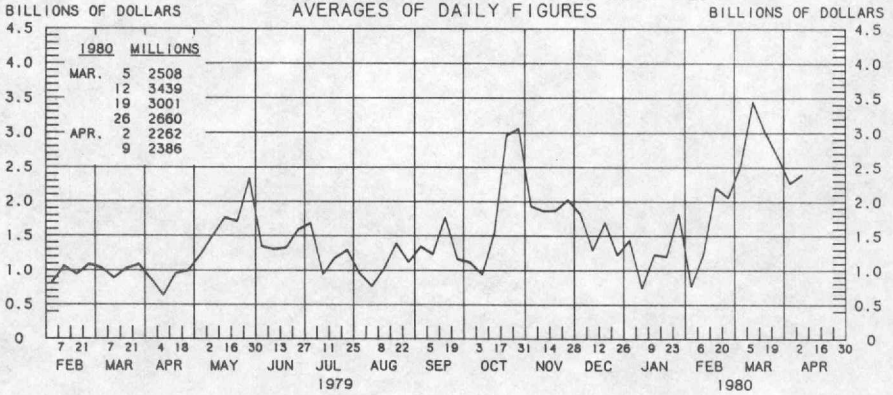
SAVINGS PLUS SMALL TIME DEPOSITS

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

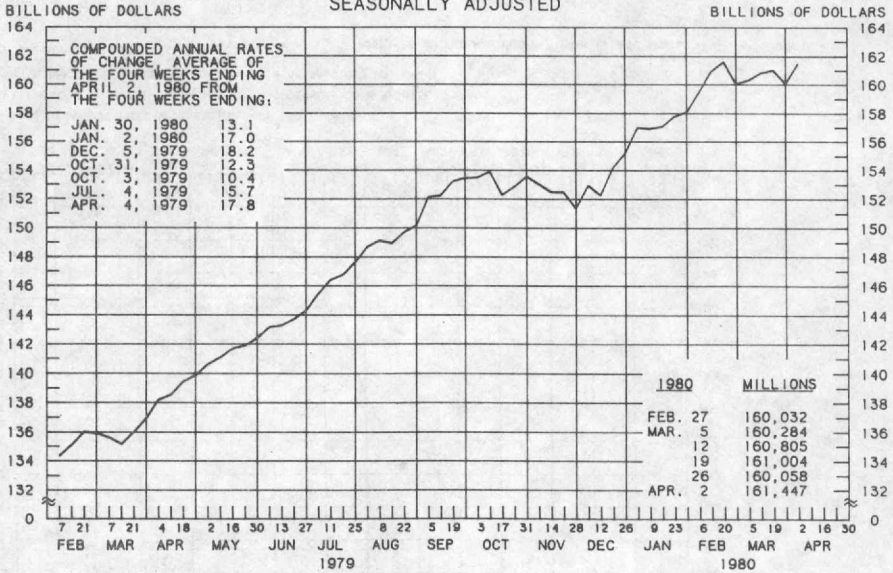
	4/4/79	7/4/79	9/5/79	10/3/79	10/31/79	12/5/79	1/2/80	1/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
9/ 5/79	11.8							
10/ 3/79	10.8	9.4						
10/31/79	10.1	8.5	5.6					
12/ 5/79	10.0	8.6	6.9	7.5				
1/ 2/80	9.4	8.1	6.5	6.7	7.2			
1/30/80	9.4	8.1	6.9	7.2	7.7	6.8		
3/ 5/80	9.2	8.1	7.1	7.4	7.8	7.3	8.4	
4/ 2/80	8.9	7.8	6.8	7.0	7.2	6.7	7.3	6.6

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BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION

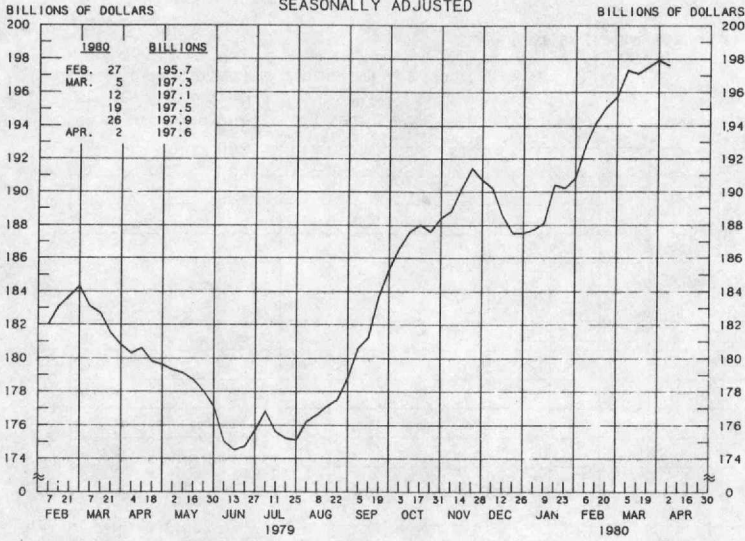


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: APRIL 2, 1980

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

TIME DEPOSITS ISSUED IN DENOMINATIONS OF \$100,000 OR MORE.

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