



# U.S. FINANCIAL DATA

Week ending: June 4, 1980

LIBRARY

JUN 28 1980

The M1A multiplier expresses the amount of money that is supplied to the public for a given amount of the adjusted monetary base. In other words, the multiplier relates observed changes in the adjusted monetary base to observed movements in the M1A monetary aggregate. Consequently, declines in the value of the multiplier in conjunction with reductions in the growth of the base will yield relatively large decreases in the growth rate of the M1A money stock.

During the past several months, the M1A multiplier has declined. Two important components of the M1A multiplier that have contributed to this decline are the currency and time deposit ratios (k- and t-ratios). These ratios reflect decisions made by the public concerning the forms in which its money holdings are kept. For instance, the k-ratio component of the multiplier reflects the public's allocation of its money holdings between currency and demand deposits. The t-ratio indicates the proportion of bank deposits that the public wishes to hold in the form of interest-bearing time deposits versus non-interest bearing demand deposits. As funds are shifted from low-yield accounts, such as demand deposits, to those offering higher relative yields, the k- and t-ratios tend to rise. As each of these ratios rises, the M1A multiplier falls, other things being equal.

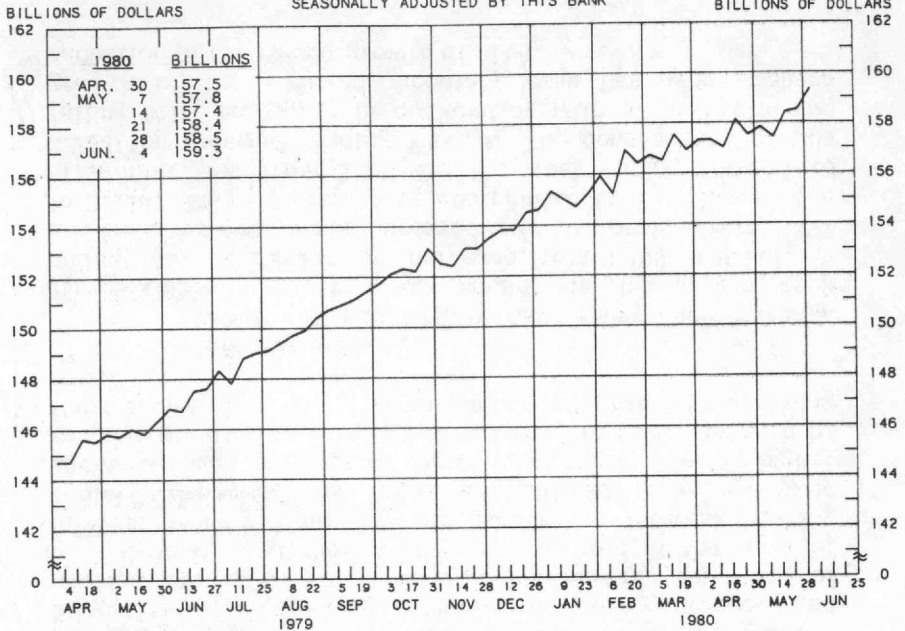
Both the k- and t-ratios have risen since March 5. For example, from the week ending March 5 to the week ending May 28, the k-ratio increased from 0.409 to 0.427. In addition, the t-ratio has increased over this period from 2.397 to 2.500. These factors have contributed to a decline of the M1A multiplier from 2.391 for the week ending March 5 to 2.333 for the week ending May 28. The consequence of this falling M1A multiplier in conjunction with a slowing in the growth of the adjusted monetary base has been a sharp reduction in the recent growth of M1A.

Prepared by Federal Reserve Bank of St. Louis

Released: June 6, 1980

# ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JUNE 4, 1980

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

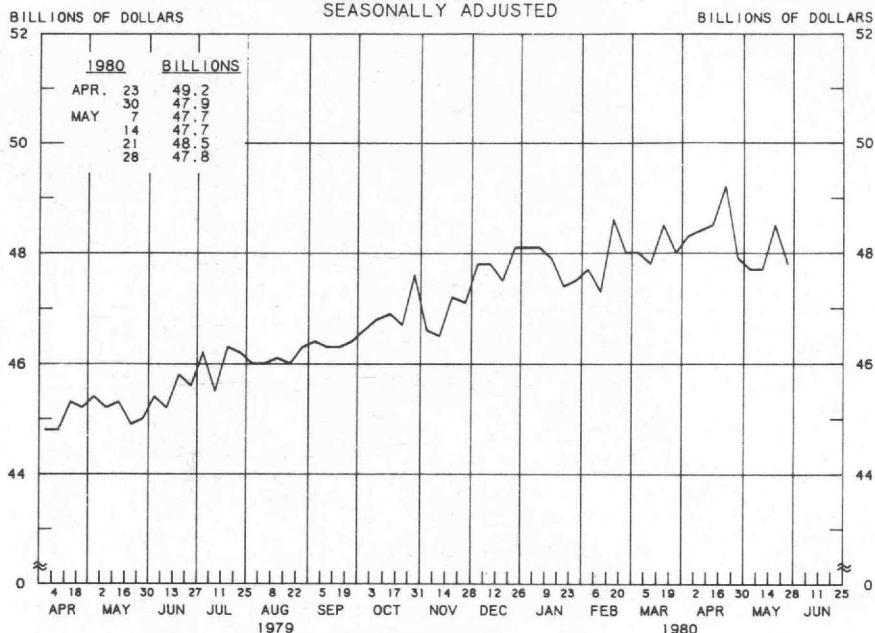
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	6/6/79	9/5/79	11/7/79	12/5/79	1/2/80	2/6/80	3/5/80	4/2/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
11/ 7/79	10.5							
12/ 5/79	9.5	7.7						
1/ 2/80	9.7	8.4	7.5					
2/ 6/80	9.3	8.0	7.3	8.6				
3/ 5/80	9.3	8.3	7.8	8.9				
4/ 2/80	9.1	8.1	7.6	8.4	8.1	8.2		
5/ 7/80	8.5	7.4	6.8	7.3	6.5	6.3	4.9	
6/ 4/80	8.3	7.3	6.8	7.2	6.6	6.4	5.5	4.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

# ADJUSTED BANK RESERVES <sup>1/</sup>

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1980

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

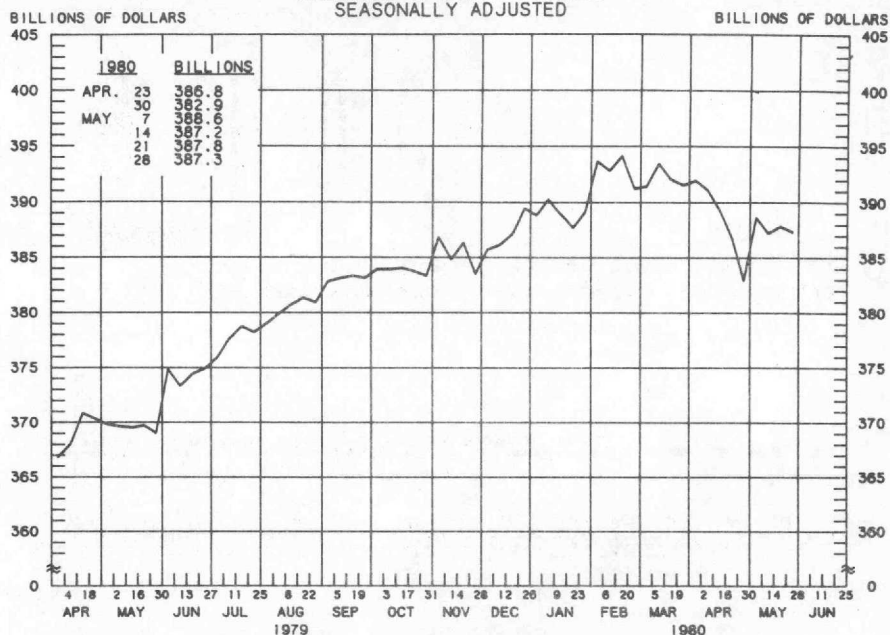
## ADJUSTED BANK RESERVES

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	5/30/79	8/29/79	10/31/79	11/28/79	12/26/79	1/30/80	2/27/80	3/26/80
10/31/79	10.2							
11/28/79	8.1	7.1						
12/26/79	10.6	11.7	11.6					
1/30/80	8.7	8.4	6.1	10.3				
2/27/80	8.4	8.0	6.0	8.8	1.2			
3/26/80	8.1	7.6	5.9	8.0	2.5	5.6		
4/30/80	8.2	7.8	6.5	8.3	4.3	6.9	7.5	
5/28/80	6.2	5.2	3.3	4.3	0.5	1.3	0.0	-2.4

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# MONEY STOCK (M1B) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 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:

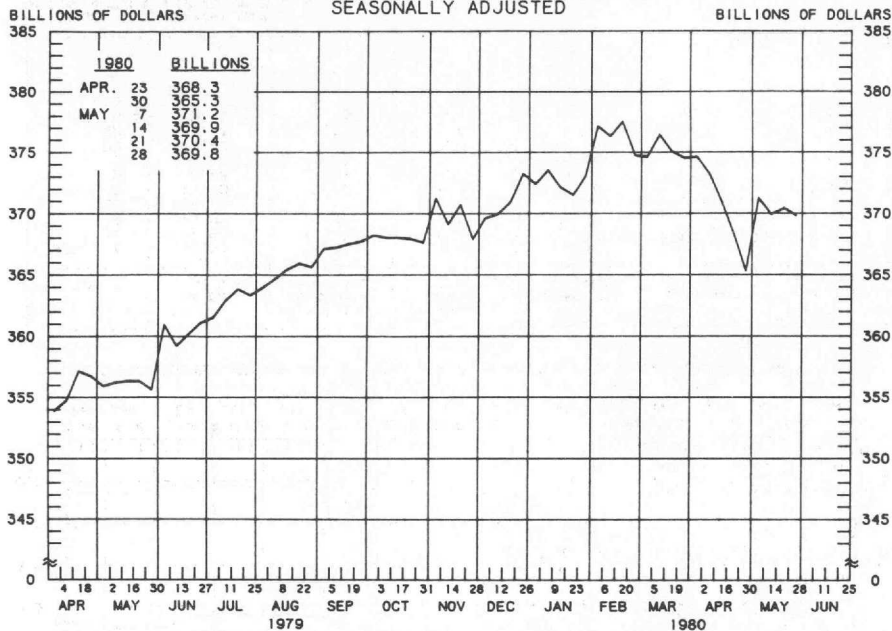
5/30/79 8/29/79 10/31/79 11/28/79 12/26/79 1/30/80 2/27/80 3/26/80

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

10/31/79	9.3							
11/28/79	8.8	5.0						
12/26/79	8.4	5.2	5.9					
1/30/80	7.9	5.2	5.6	5.5				
2/27/80	8.5	6.5	7.5	8.0	9.0			
3/26/80	7.4	5.2	5.5	5.4	5.3	5.3		
4/30/80	5.3	2.7	2.0	1.3	0.3	-1.5	-7.7	
5/28/80	4.9	2.5	1.8	1.2	0.4	-1.0	-5.2	-6.3

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# MONEY STOCK (M1A) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 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:

5/30/79 8/29/79 10/31/79 11/28/79 12/26/79 1/30/80 2/27/80 3/26/80

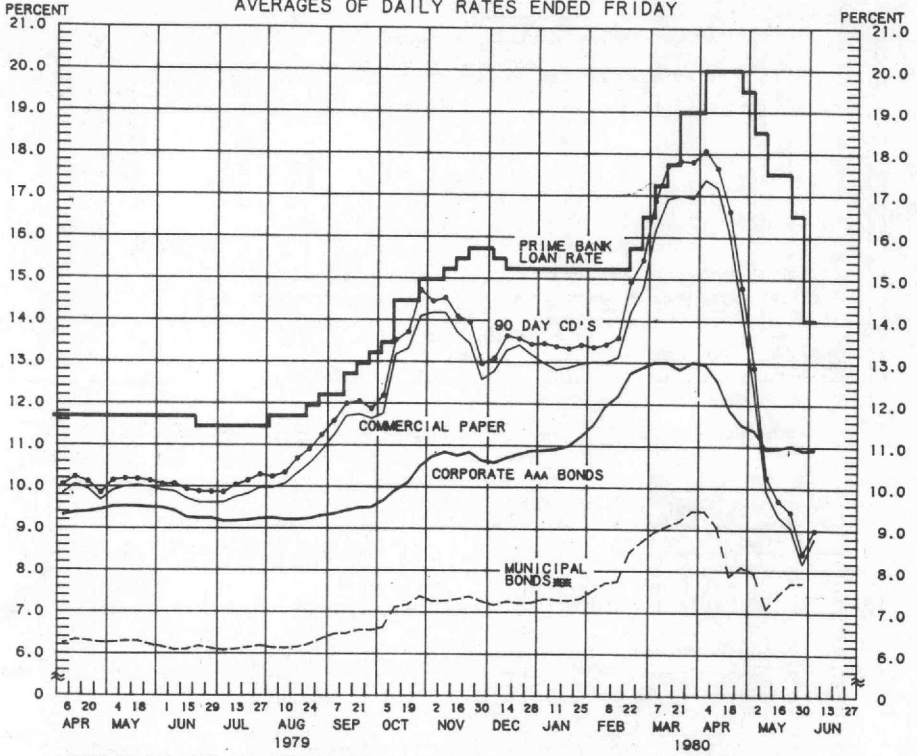
TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

10/31/79	8.0						
11/28/79	7.8	4.8					
12/26/79	7.3	4.7	5.4				
1/30/80	6.9	4.7	5.1	4.5			
2/27/80	7.7	6.1	7.2	7.4	8.9		
3/26/80	6.5	4.6	4.9	4.5	4.6	4.6	
4/30/80	4.1	1.6	0.8	-0.2	-1.2	-3.3	-10.3
5/28/80	4.0	1.8	1.1	0.3	-0.4	-1.8	-6.3
							-7.2

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# YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



1980	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
APR. 4	18.07	17.37	17.51	12.95	14.75	9.44
11	17.65	17.19	17.12	12.57	14.56	9.07
18	16.62	16.03	16.06	11.87	14.11	7.89
25	14.79	14.19	14.39	11.51	13.86	8.11
MAY 2	12.89	12.31	12.46	11.38	13.68	7.96
9	10.26	9.92	10.04	10.93	13.20	7.11
16	9.70	9.32	9.60	10.96	13.10	7.44
23	9.43	9.06	9.08	11.02	13.11	7.72
30	8.43	8.19	8.42	10.90	13.10	7.73
JUNE 6 *	8.99	8.79	8.73	10.93	12.98	N.A.
13						
20						
27						

\* AVERAGES OF RATES AVAILABLE.

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

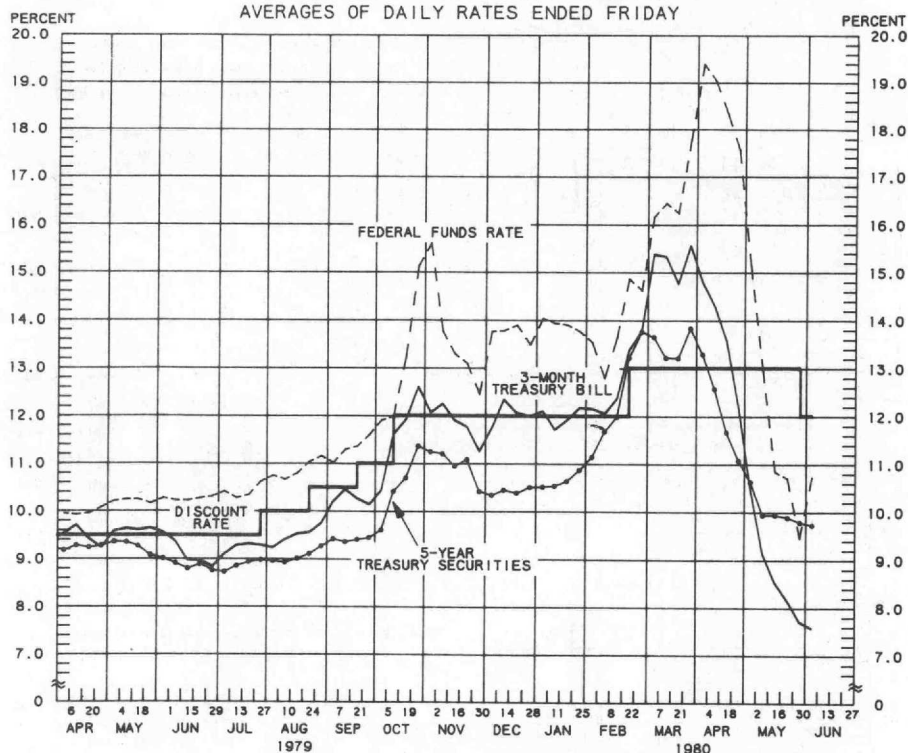
\*\*\*\* DATA ARE 4-MONTH COMMERCIAL PAPER RATES.

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: JUNE 6, 1980

1980	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
APR. 4	19.39	14.78	14.80	13.90	13.29	12.20
11	19.04	14.30	14.23	13.11	12.57	11.61
18	18.35	13.57	13.55	11.97	11.67	10.95
25	17.56	12.18	11.89	10.80	11.08	10.74
MAY 2	15.12	10.47	10.79	9.99	10.63	10.51
9	12.96	9.14	9.50	9.00	9.94	9.94
16	10.85	8.53	8.78	8.72	9.89	10.22
23	10.71	8.15	8.92	8.34	9.79	10.13
30	9.46	7.70	7.75	8.03	9.73	10.15
JUNE 6	10.74	7.57	8.17	8.00		
13						
20						
27						

IN 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.

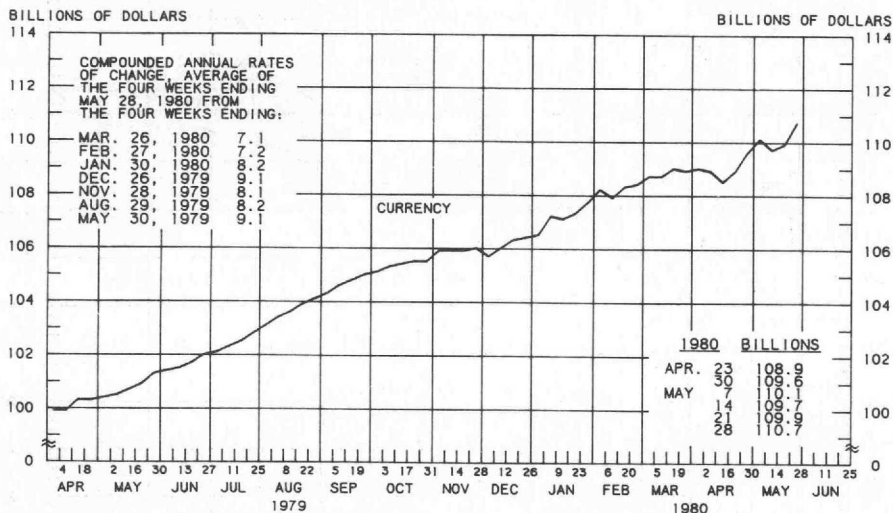
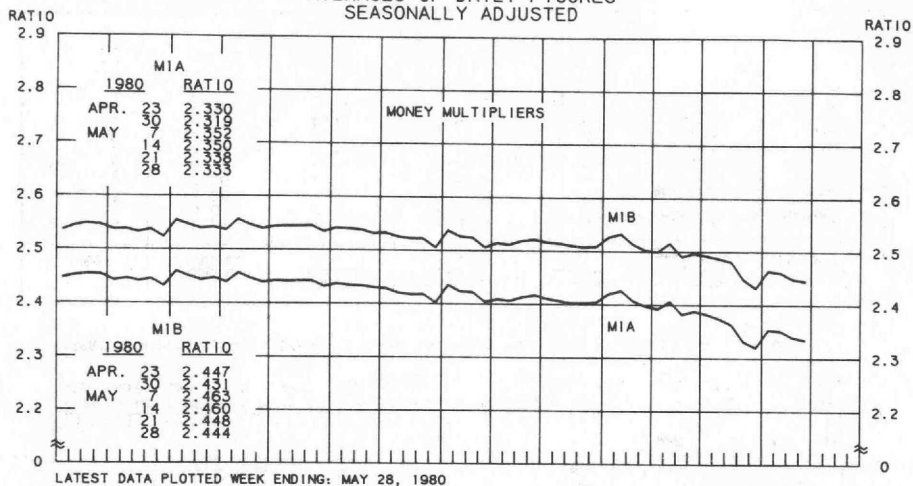
NEW ISSUE RATE

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

# MULTIPLIERS <sup>1/</sup> CURRENCY OF MONEY STOCK MEASURES <sup>2/</sup> AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



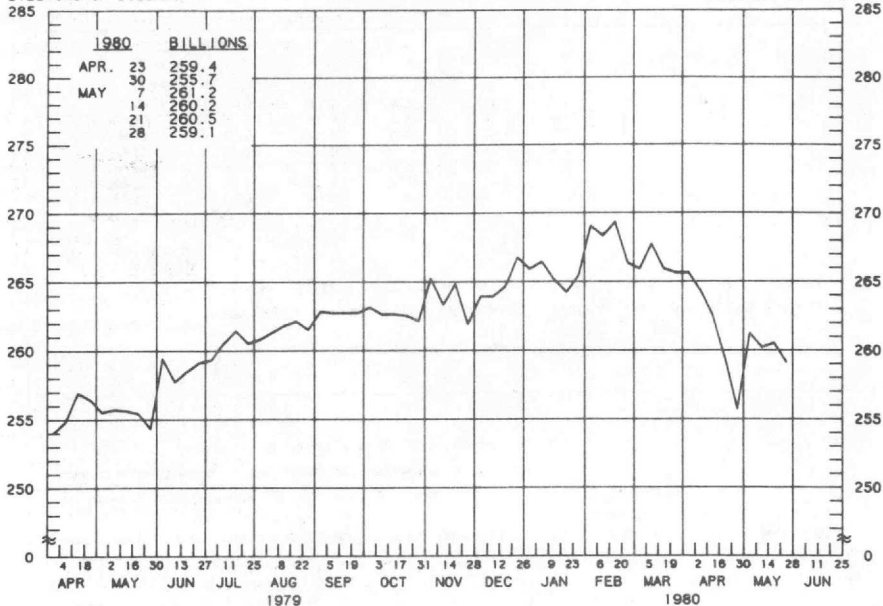


# DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 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:

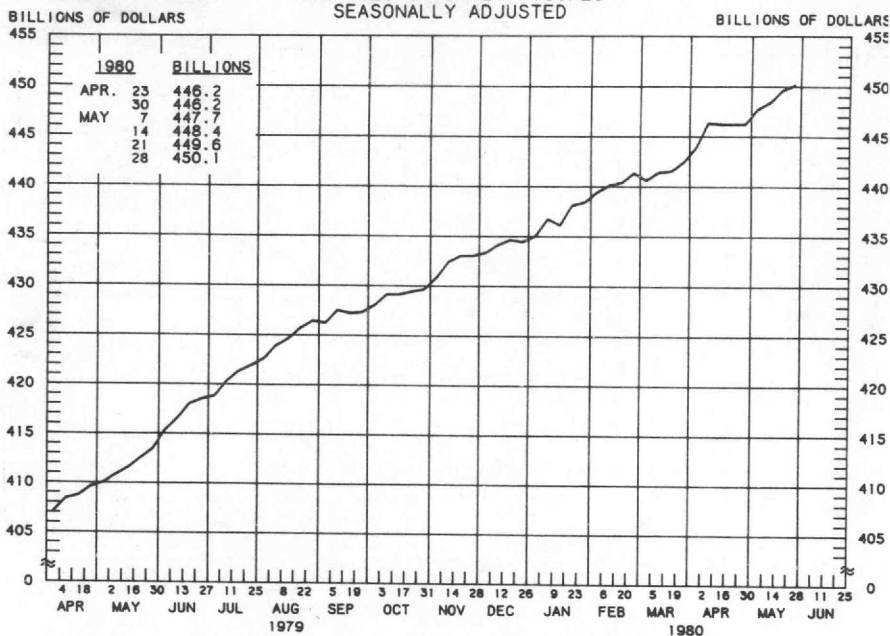
5/30/79 8/29/79 10/31/79 11/28/79 12/26/79 1/30/80 2/27/80 3/26/80

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

10/31/79	6.8							
11/28/79	6.8	3.2						
12/26/79	6.5	3.7	5.8					
1/30/80	5.9	3.3	4.3	3.3				
2/27/80	6.8	5.0	6.8	6.8	7.6			
3/26/80	5.2	3.1	3.6	2.9	2.3	2.5		
4/30/80	2.2	-0.7	-1.5	-2.9	-4.6	-7.0	-15.5	
5/28/80	2.0	-0.7	-1.4	-2.6	-4.0	-5.7	-11.3	-12.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1980

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

TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000.

## SAVINGS PLUS SMALL TIME DEPOSITS

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

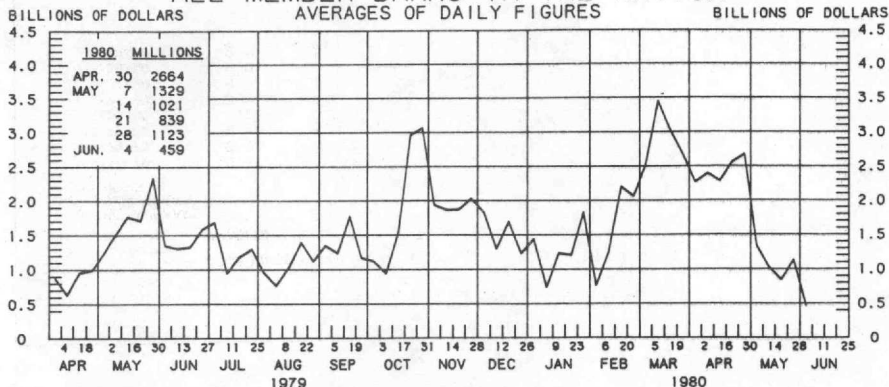
5/30/79 8/29/79 10/31/79 11/28/79 12/26/79 1/30/80 2/27/80 3/26/80

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

10/31/79	10.1						
11/28/79	10.0	6.8					
12/26/79	9.4	6.5	7.5				
1/30/80	9.2	6.9	7.7	6.9			
2/27/80	9.2	7.2	8.0	7.6	8.5		
3/26/80	8.7	6.7	7.2	6.7	7.0	6.4	
4/30/80	9.0	7.4	8.0	7.8	8.3	8.4	8.0
5/28/80	9.0	7.5	8.1	7.9	8.3	8.4	8.1
							10.2

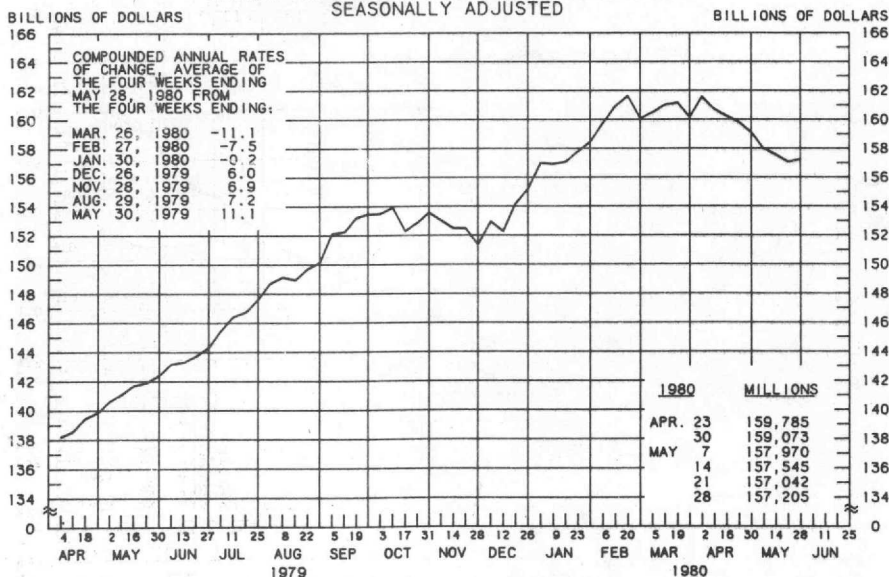
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: JUNE 4, 1980

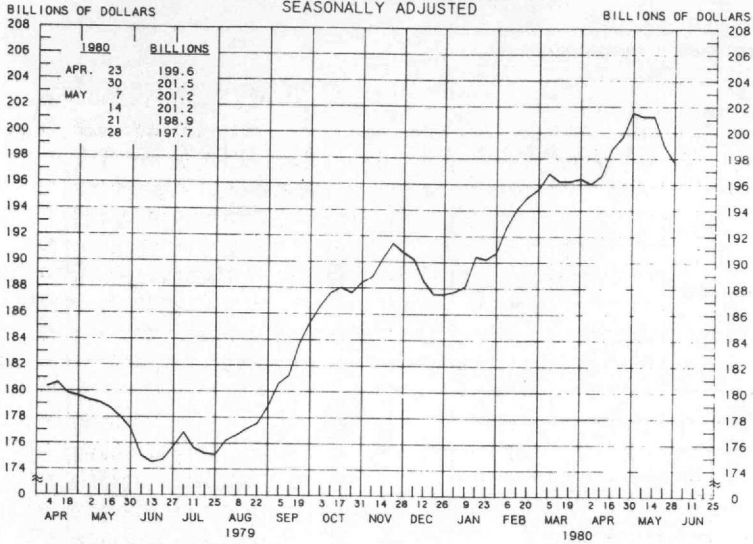
## BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1980

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: MAY 28, 1980

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

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS