



Week ending: July 9, 1980

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NOV 28 1980

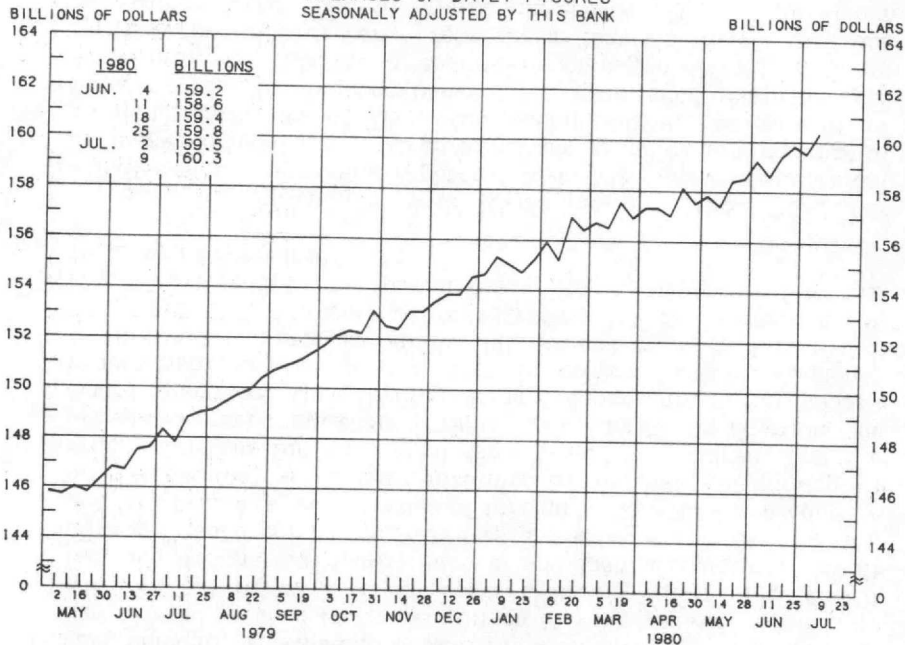
On July 3, the Federal Reserve Board announced the complete phase-out of remaining measures associated with the March 14 credit restraint program. In the announcement, the Board noted that "the special conditions necessitating the extraordinary credit restraints are no longer present." Noting that "normal competitive and market incentives can again be relied upon to assure the flow of credit consistent with normal banking standards," the Board is phasing out the 6-9% range for domestic loan growth for banking institutions and finance companies.

The Board eliminated the special deposit requirement applied to increases in covered consumer credit above a March 14 base amount. This special deposit requirement, originally set at 15 percent and reduced to 7.5 percent on May 22, applied to creditors with \$2 million or more in covered credit outstanding, and it included commercial banks, savings and loan associations, credit unions, finance companies, retailers and other credit card issuers, and U.S. branches and agencies of foreign banks. As a consequence of the elimination of the remaining 7.5 percent special deposit requirement, no further special deposits will be required after the present deposit maintenance period ends July 23. In addition, the Board announced that the remaining 7.5 percent special deposit requirement applied to increases in covered assets of money market mutual funds and similar institutions would be eliminated. This applies to covered assets beginning July 28. Consequently, beginning August 11, no special deposits by money market mutual funds will be required.

In conjunction with these actions, the Board has eliminated the remaining 5 percent marginal reserve requirement on managed liabilities of large banks and agencies and branches of foreign banks. As of the week ending July 9, the amount of reserves held by member banks against managed liabilities was \$273 million. This move applies to managed liabilities (large certificates of deposit, repurchase agreements, Eurodollar borrowings, and federal funds purchased from nonmember institutions) for the week beginning July 10, and to reserves for the week beginning July 24. Also beginning July 10, the Board eliminated the 2 percent supplementary reserve requirement on large time deposits at member banks. This supplementary requirement was initiated in November 1978.

Prepared by Federal Reserve Bank of St. Louis
Released: July 11, 1980

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

LATEST DATA PLOTTED WEEK ENDING: JULY 9, 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.

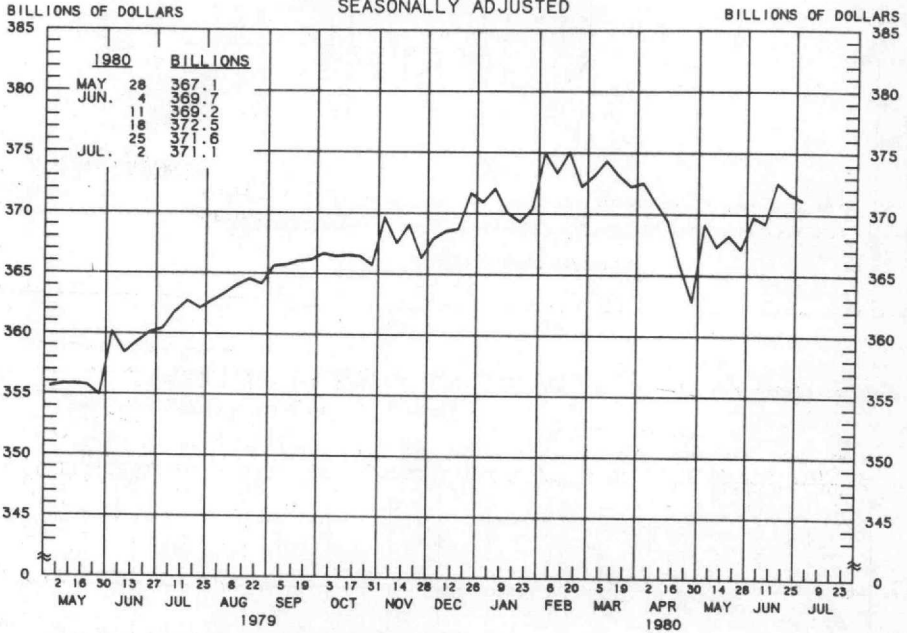
ADJUSTED MONETARY BASE

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

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	7/11/79	10/10/79	12/12/79	1/9/80	2/6/80	3/12/80	4/9/80	5/7/80
12/12/79	9.2							
1/ 9/80	9.4	8.2						
2/ 6/80	8.8	7.4	7.9					
3/12/80	9.0	8.0	8.6	7.7				
4/ 9/80	8.7	7.7	8.0	7.2	8.1			
5/ 7/80	8.1	7.0	6.9	6.1	6.3	4.2		
6/11/80	8.0	7.0	7.0	6.4	6.7	5.5	5.3	
7/ 9/80	8.1	7.3	7.3	6.8	7.1	6.4	6.5	8.3

MONEY STOCK (M1A)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 2, 1980

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

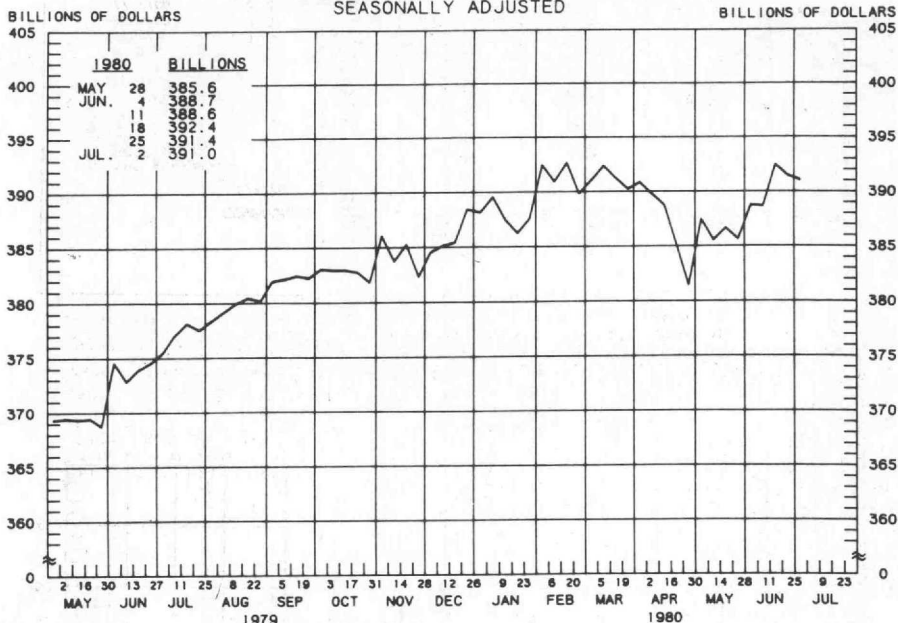
M1A CONSISTS OF CURRENCY AND COIN PLUS COMMERCIAL BANK DEMAND DEPOSITS HELD BY THE NONBANK PUBLIC EXCLUDING THOSE HELD BY FOREIGN BANKS AND OFFICIAL INSTITUTIONS.

MONEY STOCK (M1A)

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

	7/4/79	10/3/79	12/5/79	1/2/80	1/30/80	3/5/80	4/2/80	4/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/ 5/79	5.4							
1/ 2/80	5.8	4.2						
1/30/80	5.3	3.6	4.9					
3/ 5/80	5.8	4.8	6.3	5.6				
4/ 2/80	5.0	3.8	4.5	3.4	4.1			
4/30/80	2.6	0.5	-0.3	-2.2	-3.4	-10.3		
6/ 4/80	2.6	0.8	0.2	-1.1	-1.8	-5.6	-7.4	
7/ 2/80	3.2	1.8	1.6	0.6	0.4	-1.9	-2.0	6.3

MONEY STOCK (M1B)
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 2, 1980

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

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

MONEY STOCK (M1B)

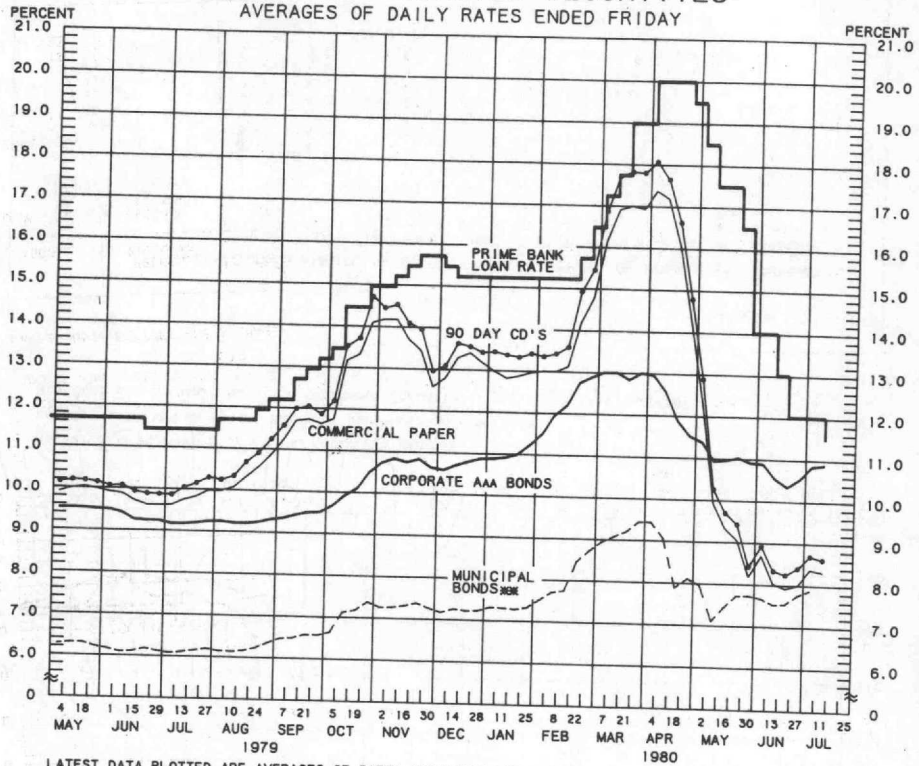
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	7/4/79	10/3/79	12/5/79	1/2/80	1/30/80	3/5/80	4/2/80	4/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/ 5/79	6.2							
1/ 2/80	6.8	4.7						
1/30/80	6.3	4.3	6.6					
3/ 5/80	6.8	5.5	7.7	6.6				
4/ 2/80	6.1	4.6	5.8	4.5	5.2			
4/30/80	3.9	1.8	1.6	-0.4	-1.4	-7.7		
6/ 4/80	3.6	1.6	1.4	-0.1	-0.8	-4.5	-6.5	
7/ 2/80	4.5	3.0	3.2	2.1	2.0	-0.2	-0.2	7.1

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES ENDED FRIDAY



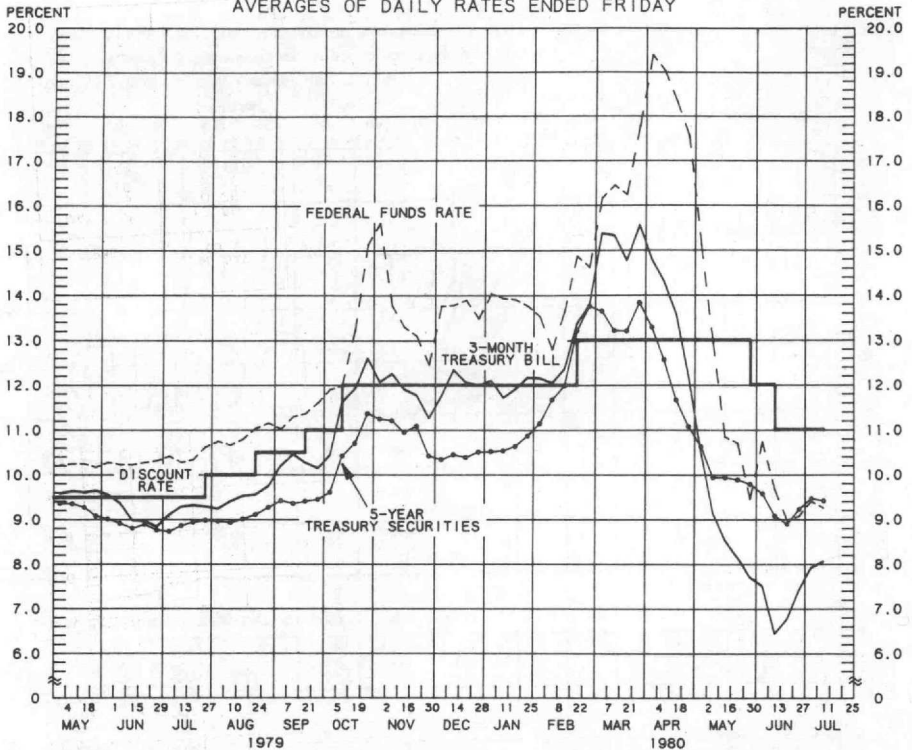
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: JULY 11, 1980

1980		90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
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	7.11
	23	9.43	9.06	9.08	11.02	13.11	7.44
JUNE	6	8.43	8.19	8.42	10.90	13.10	7.72
	13	8.92	8.69	8.68	10.88	12.92	7.73
	20	8.34	8.03	8.06	10.53	12.82	7.67
	27	8.25	7.92	8.08	10.34	12.60	7.55
JULY	4	8.70	8.38	8.33	10.53	12.48	7.76
	11 *	8.62	8.32	8.66	10.84	12.66	7.88
	18			8.56	10.88	12.60	N.A.
	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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES AVERAGES OF DAILY RATES ENDED FRIDAY



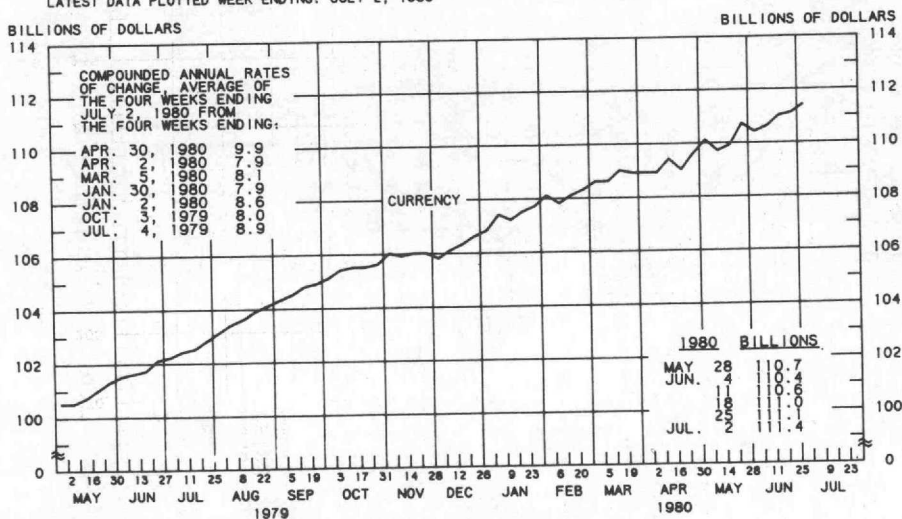
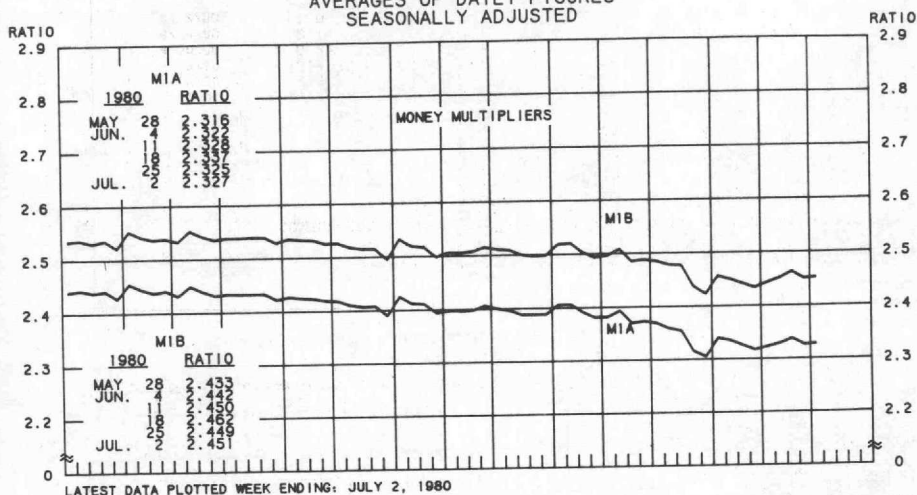
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: JULY 11, 1980

1980	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	9.94	10.20
23	10.71	8.15	8.92	8.34	9.89	10.22
30	9.46	7.70	7.75	8.03	9.79	10.13
JUNE 6	10.74	7.51	8.17	7.91	9.58	10.08
13	9.68	6.44	6.94	7.23	9.08	9.64
20	8.99	6.76	6.66	7.30	8.90	9.45
27	9.08	7.42	7.11	7.65	9.23	9.74
JULY 4	9.41	7.92	8.10	7.86	9.47	10.05
11 *	9.26	8.06	8.11	7.87	9.42	10.07
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

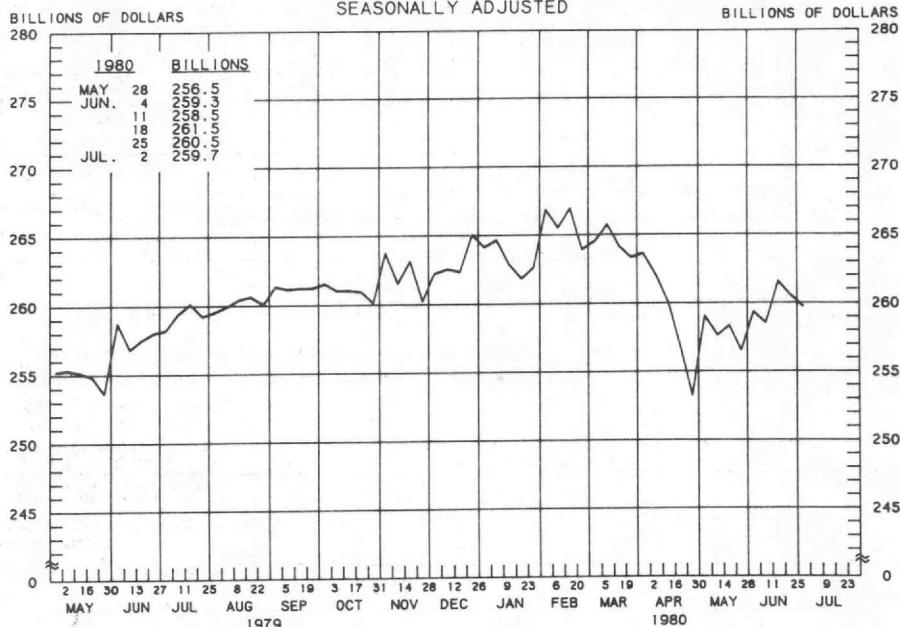
MULTIPLIERS ^{1/}
CURRENCY OF MONEY STOCK MEASURES ^{2/}
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



1/ RATIO OF MONEY STOCK (MIA) OR (MIB) TO ADJUSTED MONETARY BASE
 2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H. 6 RELEASE.

DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 2, 1980

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

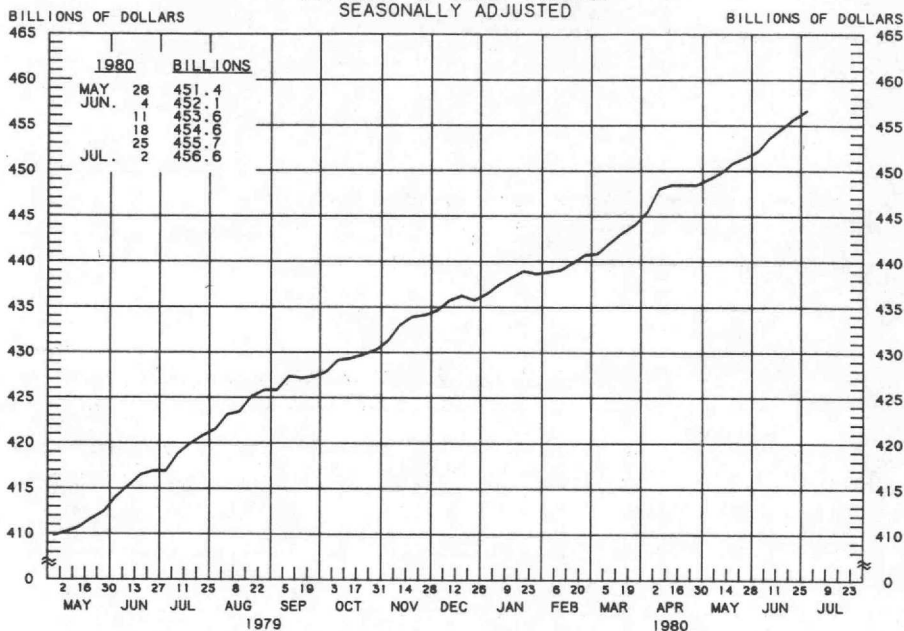
DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

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

	7/4/79	10/3/79	12/5/79	1/2/80	1/30/80	3/5/80	4/2/80	4/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/ 5/79	3.9							
1/ 2/80	4.6	3.4						
1/30/80	3.7	2.0	3.0					
3/ 5/80	4.4	3.6	5.3	3.8				
4/ 2/80	3.4	2.2	2.8	1.1	2.7			
4/30/80	0.2	-2.2	-3.6	-6.2	-7.4	-16.4		
6/ 4/80	0.1	-1.9	-3.0	-5.0	-5.5	-10.6	-13.0	
7/ 2/80	1.0	-0.6	-1.1	-2.6	-2.6	-5.8	-6.1	4.8

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: JULY 2, 1980

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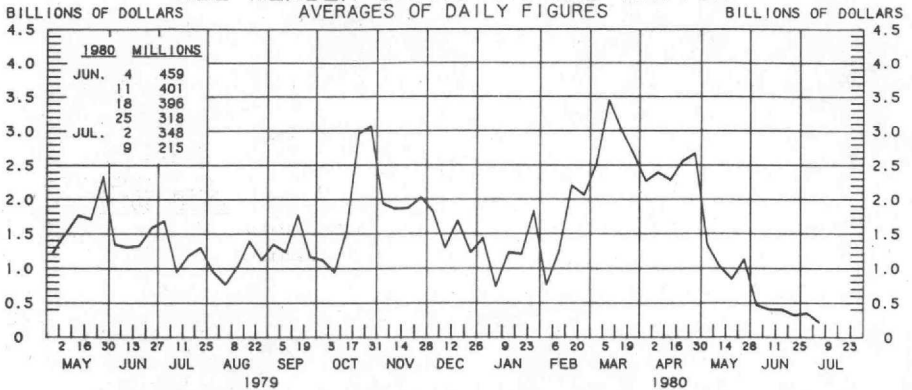
TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000.

SAVINGS PLUS SMALL TIME DEPOSITS

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

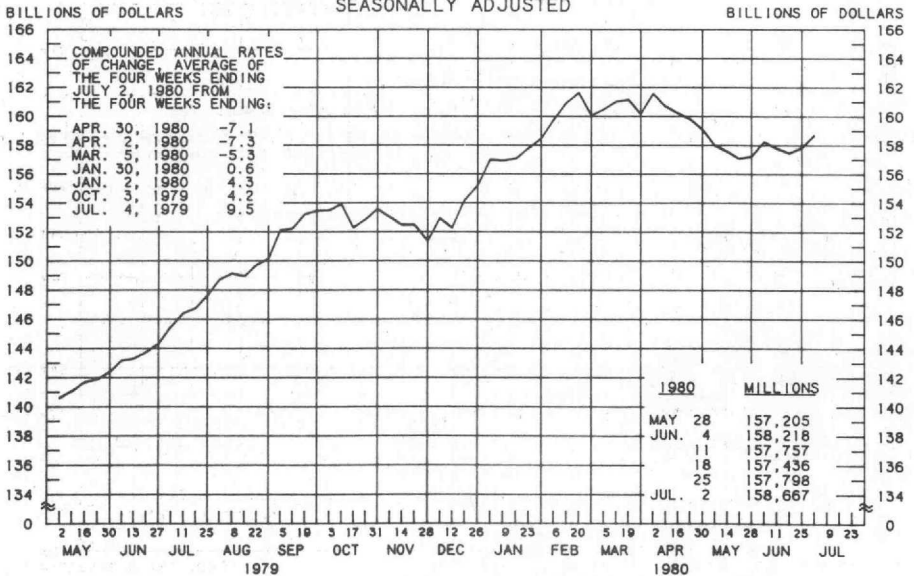
	7/4/79	10/3/79	12/5/79	1/2/80	1/30/80	3/5/80	4/2/80	4/30/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
12/ 5/79	10.2							
1/ 2/80	9.6	8.3						
1/30/80	9.3	8.0	6.8					
3/ 5/80	8.6	7.2	5.8	5.6				
4/ 2/80	8.8	7.7	7.0	7.2	7.2			
4/30/80	9.3	8.6	8.4	8.9	9.4	12.7		
6/ 4/80	9.0	8.3	8.0	8.3	8.6	10.3	10.0	
7/ 2/80	9.3	8.7	8.6	9.0	9.3	10.8	10.8	9.1

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: JULY 9, 1980

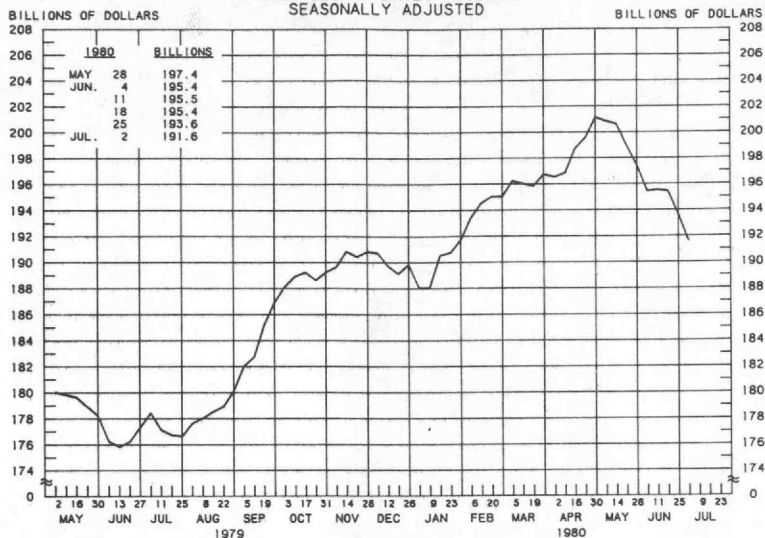
BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 2, 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: JULY 2, 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