



Week ending: August 6, 1980

The growth of the adjusted monetary base since October of last year can be viewed in three stages. For example, from the four weeks ending October 31, 1979, to the four weeks ending February 27, 1980, the adjusted monetary base increased at a 7.6 percent rate. The second stage was characterized by a slowing in the growth of the adjusted base to a rate of 5.0 percent from the four weeks ending February 27 to the four weeks ending May 28. In the most recent period, from the four weeks ending May 28 to the four weeks ending July 30, the base growth accelerated to a rate of 10.3 percent. Concurrent with these periods of base growth were the movements of the M1A and M1B multipliers (see page 8). For instance, from late October 1979 to late February 1980, the multipliers were relatively stable. From February to late May, however, each multiplier declined sharply and then leveled off over the period since May.

The fluctuations in the growth of the adjusted monetary base, combined with the sharp movements in the money multipliers are reflected in the growth rates of M1A and M1B. As indicated in the table below, the pattern of growth for both M1A and M1B is quite similar to the pattern of movements in the adjusted monetary base. The stop-go pattern of M1B growth is quite evident. For example, from the four weeks ending October 31, 1979, to the four weeks ending February 27, 1980 (designated above as stage one) M1B increased at a 7.2 percent rate. During the second stage, characterized above as a period of slowing base growth, M1B decreased at a 5.1 percent rate. More recently, M1B has grown at a rapid 12.4 percent rate since May, an increase that is associated with a similar movement in adjusted monetary base growth.

Growth Rates of the Adjusted Monetary Base, M1A, and M1B
(seasonally adjusted, compounded annual rates of change)

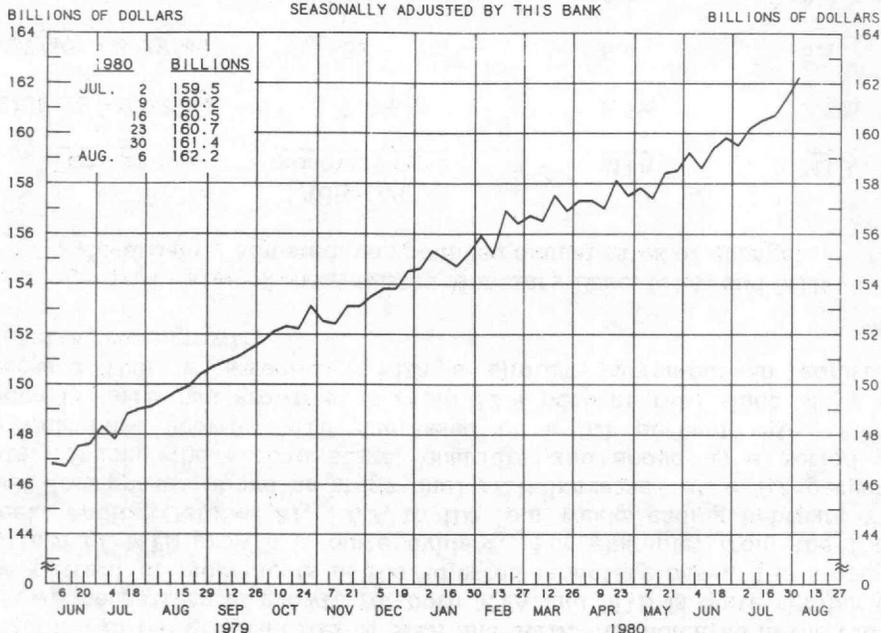
<u>Period*</u>	<u>Adjusted monetary base</u>	<u>M1A</u>	<u>M1B</u>
10/31/79 - 2/27/80	7.6%	6.5%	7.2%
2/27/80 - 5/28/80	5.0	-6.3	-5.1
5/28/80 - 7/30/80	10.3	8.8	12.4

*Four-week averages ending these dates.

Prepared by Federal Reserve Bank of St. Louis
Released: August 8, 1980

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: AUGUST 6, 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.

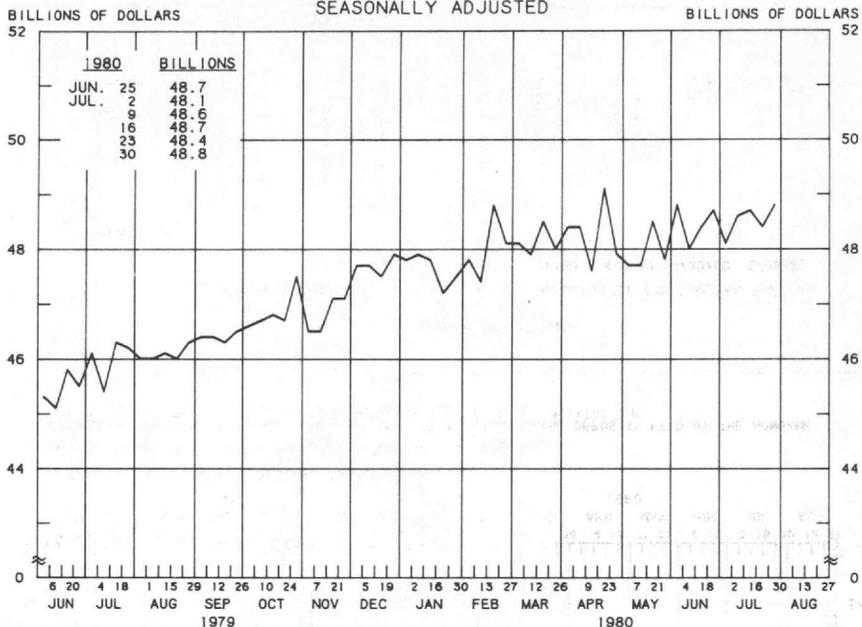
ADJUSTED MONETARY BASE									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	8/8/79	11/7/79	1/9/80	2/6/80	3/5/80	4/9/80	5/7/80	6/4/80	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
1/ 9/80	8.9								
2/ 6/80	8.3	7.3							
3/ 5/80	8.5	7.8	7.4						
4/ 9/80	8.3	7.6	7.2	8.1					
5/ 7/80	7.7	6.8	6.1	6.3	4.9				
6/ 4/80	7.6	6.8	6.2	6.4	5.5	4.6			
7/ 9/80	7.7	7.1	6.7	7.0	6.4	6.2	7.9		
8/ 6/80	8.1	7.7	7.5	7.9	7.6	7.8	9.5	10.7	

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES \downarrow

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



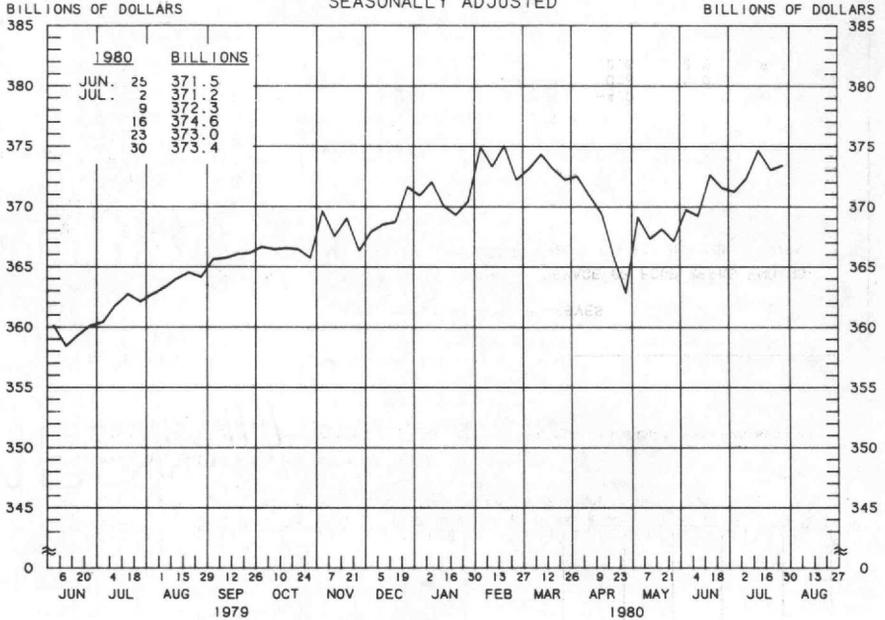
LATEST DATA PLOTTED WEEK ENDING: JULY 30, 1980

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:									
	8/1/79	10/31/79	1/2/80	1/30/80	2/27/80	4/2/80	4/30/80	5/28/80	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
1/ 2/80		9.0							
1/30/80		7.1	6.1						
2/27/80		7.7	7.3	4.2					
4/ 2/80		7.2	6.7	4.3	7.5				
4/30/80		6.7	6.1	3.9	6.0	3.7			
5/28/80		5.0	3.7	1.0	1.9	-0.8	-4.0		
7/ 2/80		5.4	4.5	2.5	3.5	1.8	0.8	0.0	
7/30/80		5.7	4.9	3.3	4.2	3.0	2.6	2.5	8.7

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MONEY STOCK (M1A)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 30, 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:

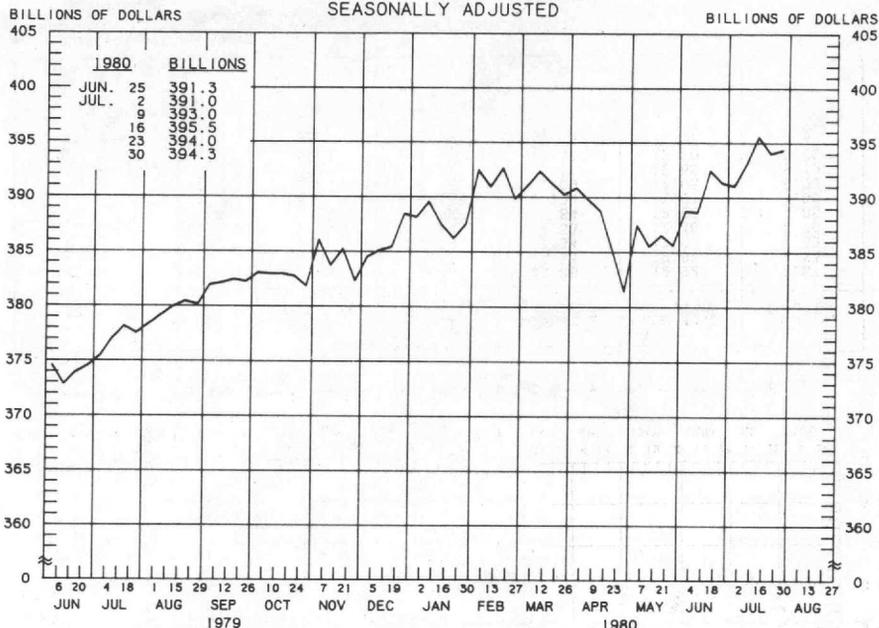
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	8/1/79	10/31/79	1/2/80	1/30/80	2/27/80	4/2/80	4/30/80	5/28/80
1/ 2/80	5.0							
1/30/80	4.5	4.6						
2/27/80	5.6	6.5	7.2					
4/ 2/80	4.4	4.4	3.4	4.1				
4/30/80	1.8	0.5	-2.2	-3.4	-9.9			
5/28/80	1.9	0.8	-1.3	-2.1	-6.3	-8.6		
7/ 2/80	2.6	2.0	0.6	0.4	-2.1	-2.0	6.3	
7/30/80	3.0	2.6	1.6	1.6	-0.4	0.2	6.8	8.8

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MONEY STOCK (M1B)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 30, 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)

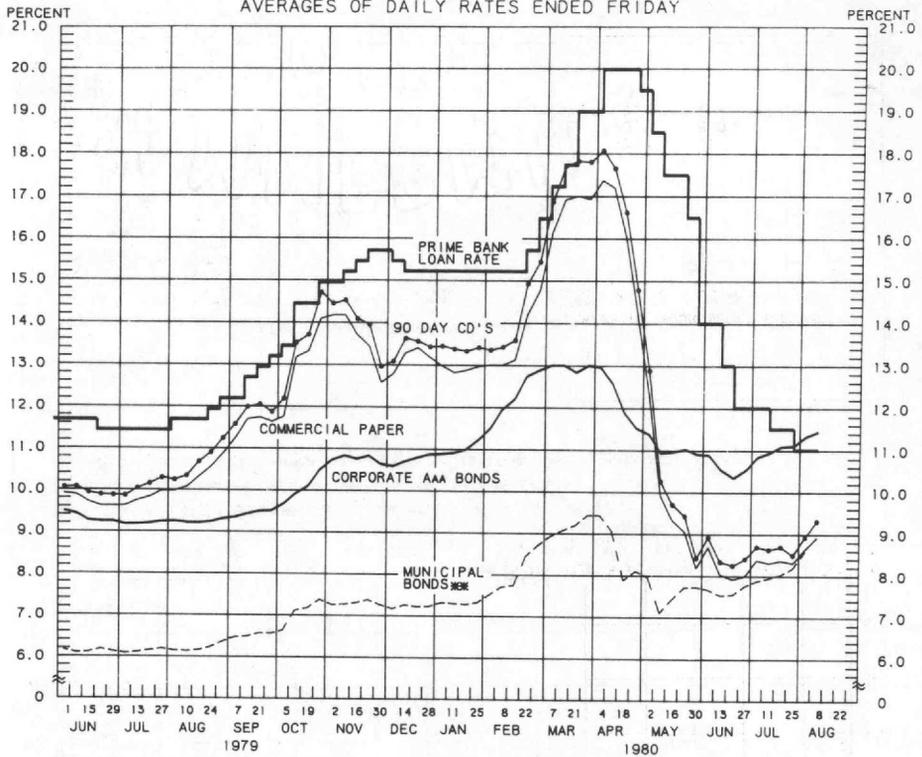
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	8/1/79	10/31/79	1/2/80	1/30/80	2/27/80	4/2/80	4/30/80	5/28/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 2/80	5.8							
1/30/80	5.4	5.4						
2/27/80	6.4	7.2	8.0					
4/ 2/80	5.3	5.3	4.5	5.2				
4/30/80	3.0	1.9	-0.4	-1.4	-7.3			
5/28/80	2.8	1.7	-0.3	-1.1	-5.1	-7.7		
7/ 2/80	3.8	3.2	2.1	1.9	-0.4	-0.3	6.9	
7/30/80	4.4	4.1	3.3	3.4	1.7	2.4	8.4	12.4

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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 ***
JUNE 6	8.92	8.69	8.68	10.88	12.92	7.67
13	8.34	8.03	8.06	10.53	12.82	7.53
20	8.25	7.92	8.08	10.34	12.60	7.55
27	8.41	8.00	8.33	10.53	12.48	7.76
JULY 4	8.70	8.38	8.66	10.84	12.66	7.88
11	8.63	8.31	8.58	10.94	12.61	7.95
18	8.70	8.37	8.55	11.09	12.65	8.03
25	8.50	8.31	8.44	11.11	12.65	8.19
AUG. 1	8.93	8.64	8.97	11.33	12.70	8.59
8 *	9.31	8.92	9.14	11.44	12.92	N.A.
15						
22						
29						

* AVERAGES OF RATES AVAILABLE.

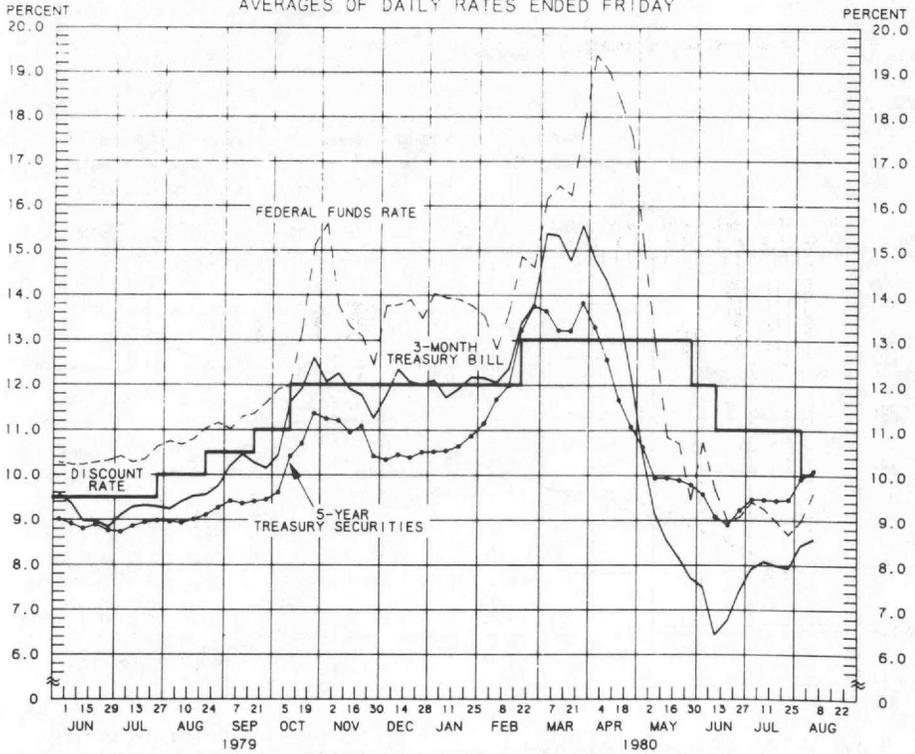
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

*** 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: AUGUST 8, 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
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	8.08	8.11	7.91	9.46	10.13
18	8.98	7.98	8.11	7.93	9.44	10.16
25	8.68	7.93	7.91	7.94	9.46	10.17
AUG. 1	8.98	8.44	8.28	8.43	9.92	10.51
8 *	9.60	8.57	8.87	8.59	10.10	10.61
15						
22						
29						

* AVERAGES OF RATES AVAILABLE.

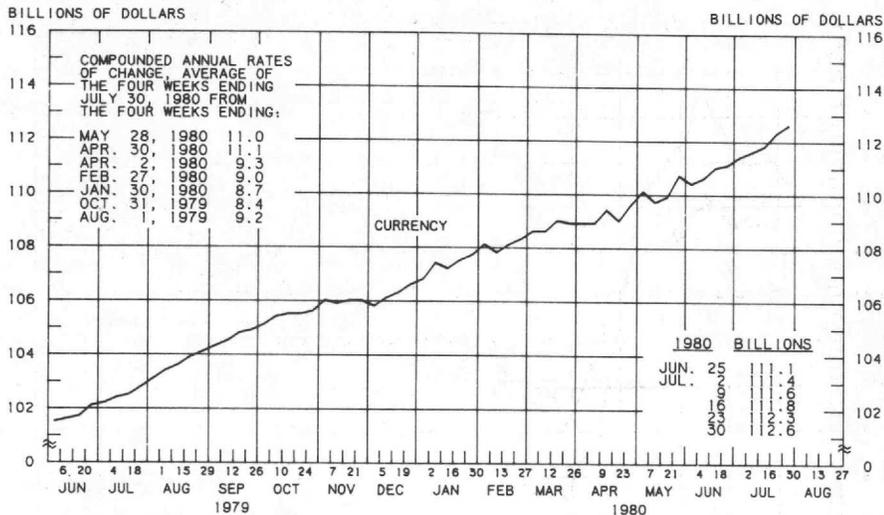
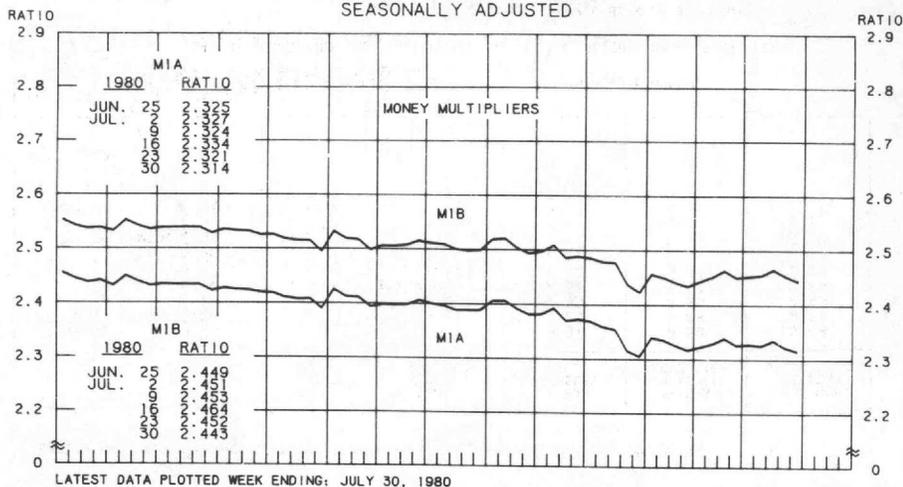
** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN. CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

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



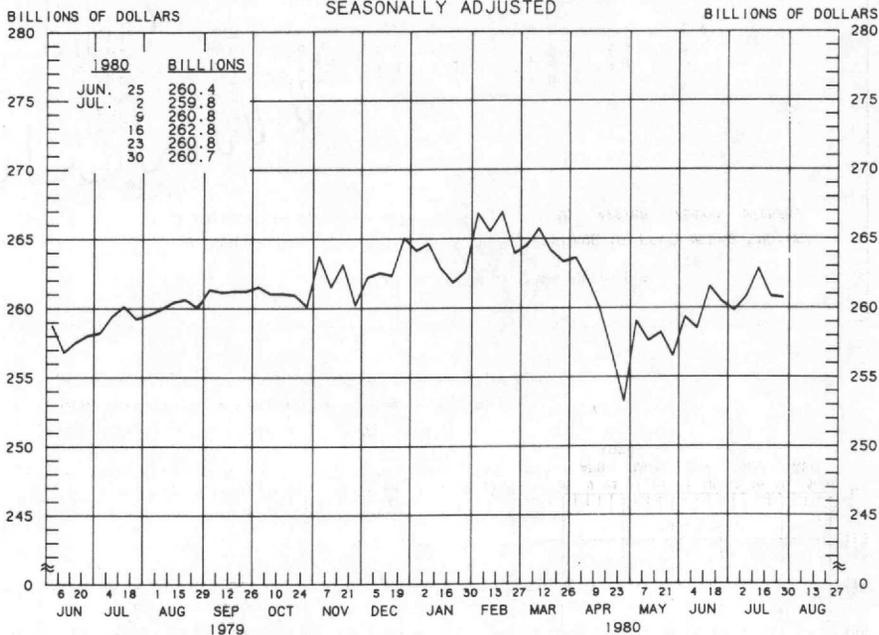
LATEST DATA PLOTTED WEEK ENDING: JULY 30, 1980

1/ RATIO OF MONEY STOCK (MIA) OR (MIB) TO 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



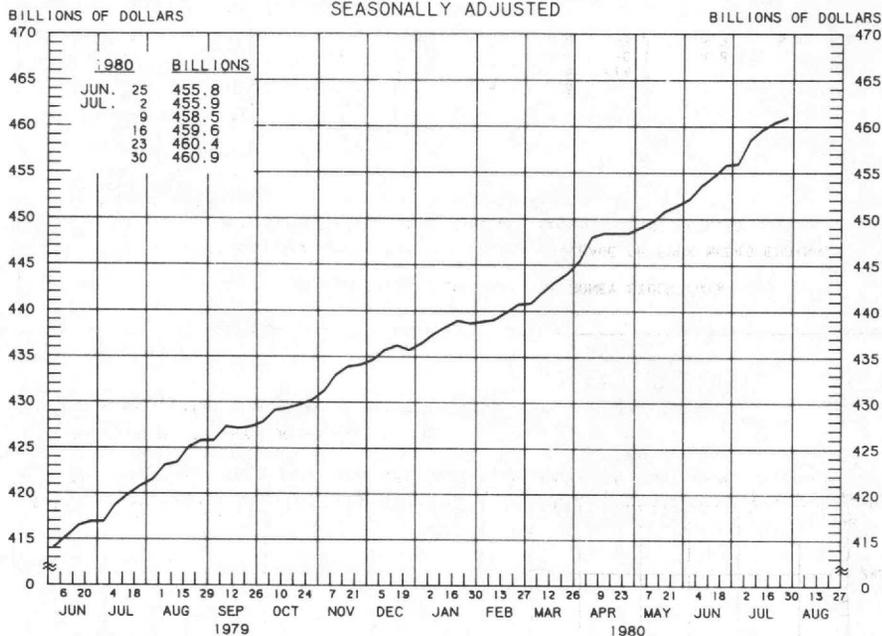
LATEST DATA PLOTTED WEEK ENDING: JULY 30, 1980

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:								
	8/1/79	10/31/79	1/2/80	1/30/80	2/27/80	4/2/80	4/30/80	5/28/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 2/80	3.6							
1/30/80	2.6	3.4						
2/27/80	4.2	6.0	5.8					
4/ 2/80	2.6	3.1	1.1	2.7				
4/30/80	-0.8	-2.1	-6.2	-7.4	-15.8			
5/28/80	-0.8	-2.0	-5.3	-5.9	-11.5	-14.7		
7/ 2/80	0.2	-0.4	-2.6	-2.6	-6.1	-6.1	4.8	
7/30/80	0.7	0.3	-1.4	-1.3	-4.0	-3.3	5.2	8.1

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



LATEST DATA PLOTTED WEEK ENDING: JULY 30, 1980

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

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

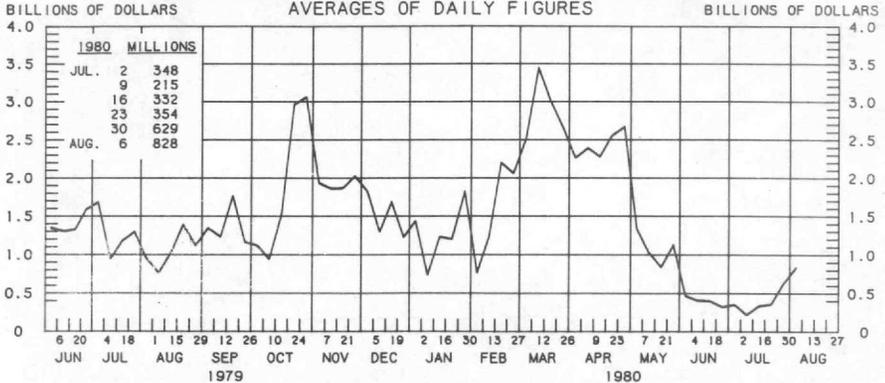
SAVINGS PLUS SMALL TIME DEPOSITS

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

	8/1/79	10/31/79	1/2/80	1/30/80	2/27/80	4/2/80	4/30/80	5/28/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 2/80	9.1							
1/30/80	8.7	8.3						
2/27/80	8.1	7.3	5.5					
4/ 2/80	8.3	7.9	7.2	7.2				
4/30/80	9.0	8.9	8.9	9.4	12.0			
5/28/80	8.7	8.5	8.3	8.5	10.0	10.1		
7/ 2/80	9.0	8.9	8.9	9.2	10.5	10.7	8.9	
7/30/80	9.4	9.5	9.7	10.1	11.3	11.7	10.8	13.1

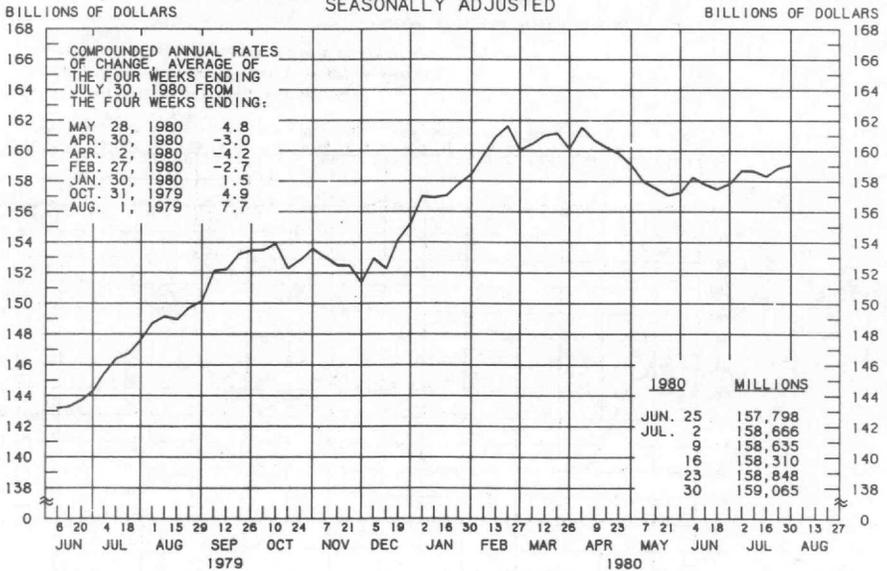
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS ALL MEMBER BANKS IN THE NATION



LATEST DATA PLOTTED WEEK ENDING: AUGUST 6, 1980

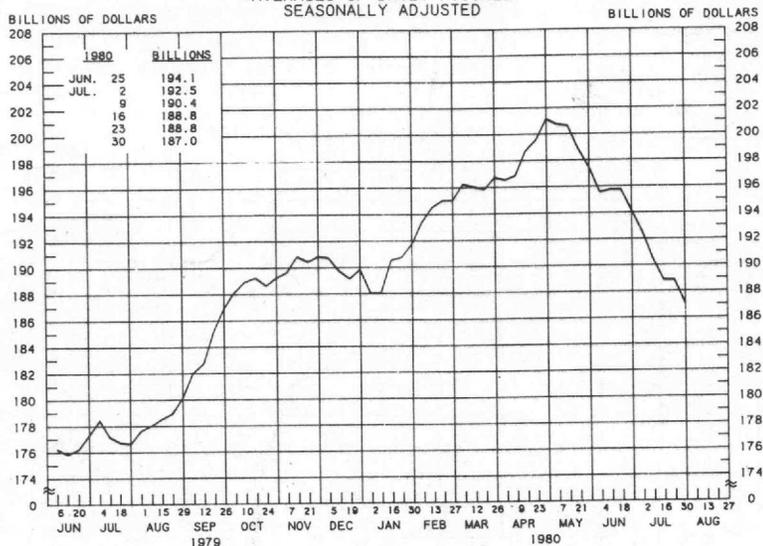
BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 30, 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 30, 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