



## S. FINANCIAL DATA

Week ending: December 31, 1980

### LIBRARY

The growth rates of the adjusted monetary base and M1A have diverged during the past few months. For example, from the four weeks ending October 22 to the four weeks ending December 24, the adjusted monetary base increased at an 11.7 percent rate and M1A increased at a 0.9 percent rate. While the growth rates of the adjusted base and M1A tend to be quite close over time, short-run deviations occur because of changes in the proportions of financial assets that the nonbank public holds as currency and as various types of bank liabilities.

The decline in the M1A multiplier since early October reflects increases in the ratio of currency to demand deposits (the k-ratio) and the ratio of time deposits to demand deposits (the t-ratio). As these ratios rise, the M1A multiplier falls. As shown in the table below, the k-ratio has remained relatively stable during the past few months. The t-ratio, on the other hand, has increased from 2.435 in the week ending October 8 to 2.580 in the week ending December 24. The rise in the t-ratio reflects the relative attractiveness of higher returns on small time deposits such as money market certificates, with a ceiling rate that is linked to the rate paid on six-month Treasury bills (see page 7). In addition, the rapid growth of large time deposits (page 12) during this period reflects rapidly rising business loan demand (page 11).

M1A Multiplier, k-ratio, and t-ratio  
(seasonally adjusted)

<u>Week ending</u>	<u>k-ratio*</u>	<u>t-ratio **</u>	<u>M1A multiplier</u>
Oct. 8	0.422	2.435	2.410
15	0.422	2.431	2.422
22	0.424	2.435	2.393
29	0.427	2.452	2.390
Nov. 5	0.423	2.444	2.394
12	0.422	2.453	2.404
19	0.424	2.482	2.391
26	0.425	2.497	2.384
Dec. 3	0.427	2.504	2.376
10	0.430	2.526	2.360
17	0.430	2.535	2.358
24	0.437	2.580	2.343

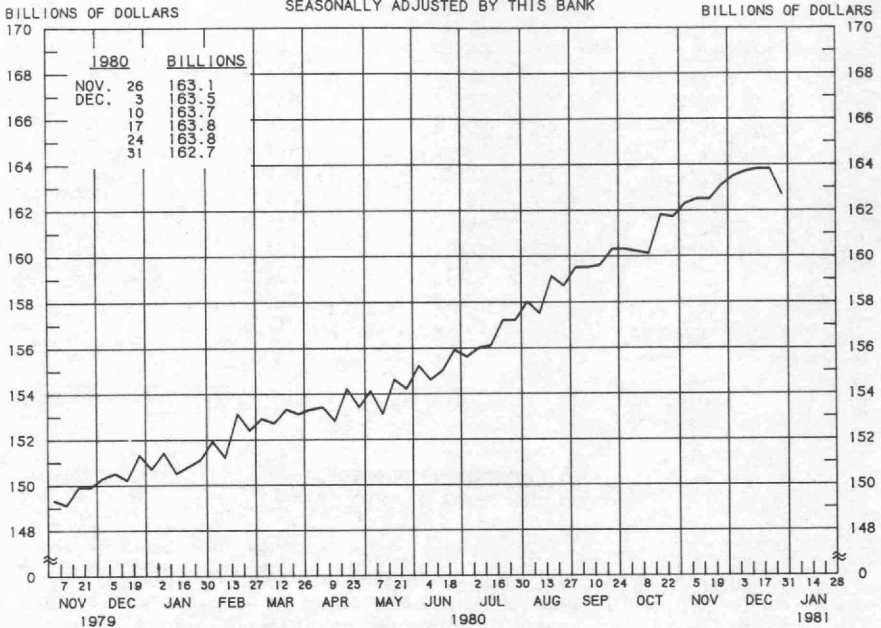
\*k-ratio =  $\frac{\text{Currency}}{\text{Demand deposits}}$

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

Prepared by Federal Reserve Bank of St. Louis

Released: January 2, 1981

## ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED BY THIS BANK

LATEST DATA PLOTTED WEEK ENDING: DECEMBER 31, 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.

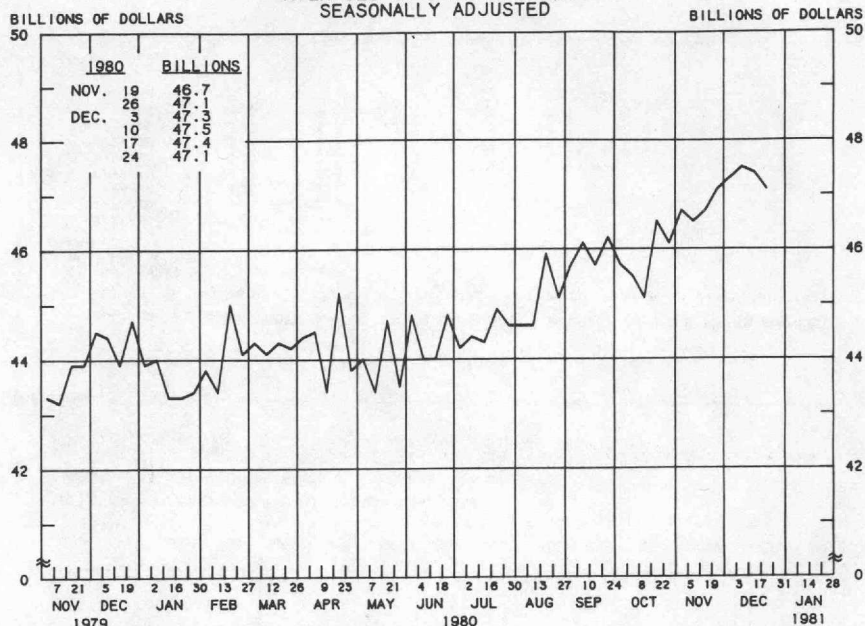
## ADJUSTED MONETARY BASE

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

	1/2/80	4/2/80	5/28/80	7/2/80	7/30/80	9/3/80	10/1/80	10/29/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/28/80	5.5							
7/ 2/80	6.2	5.9						
7/30/80	6.9	7.2	10.2					
9/ 3/80	8.0	8.9	11.8	13.3				
10/ 1/80	8.2	9.1	11.5	12.4	12.8			
10/29/80	8.3	9.1	11.1	11.7	11.7	9.8		
12/ 3/80	8.8	9.7	11.4	12.0	12.1	11.0	11.3	
12/31/80	8.5	9.2	10.6	10.8	10.7	9.5	9.3	9.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

# ADJUSTED BANK RESERVES $\downarrow$ AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 24, 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:

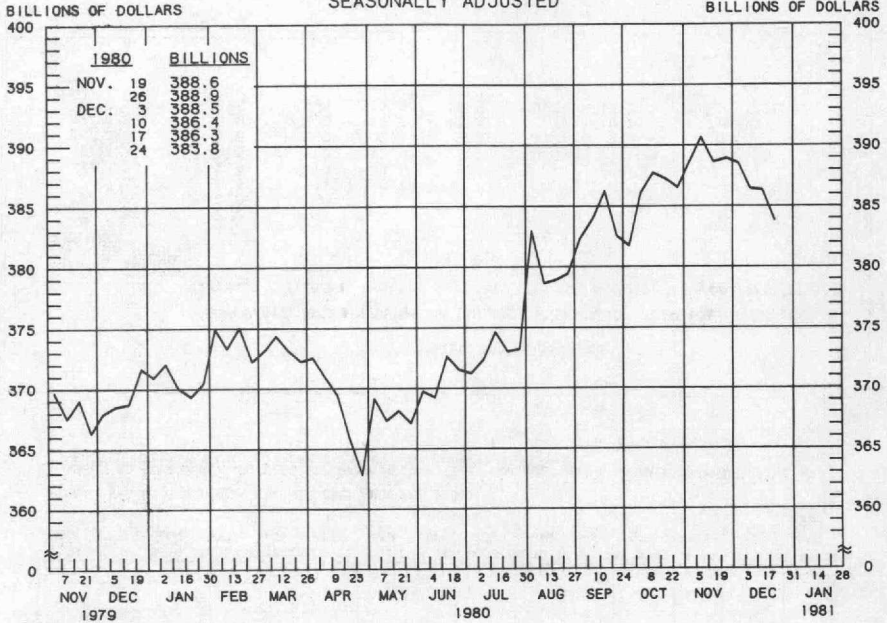
12/26/79 3/26/80 5/21/80 6/25/80 7/23/80 8/27/80 9/24/80 10/22/80

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

5/21/80	-2.2						
6/25/80	0.0	1.8	6.7				
7/23/80	0.4	2.1					
8/27/80	2.4	4.9	9.6	9.5			
9/24/80	4.5	7.8	13.0	14.2	19.6		
10/22/80	3.6	6.0	9.4	9.2	11.2	9.0	
11/26/80	5.9	8.9	12.6	13.3	15.7	16.0	11.9
12/24/80	6.5	9.5	12.9	13.5	15.5	15.7	12.8 22.0

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

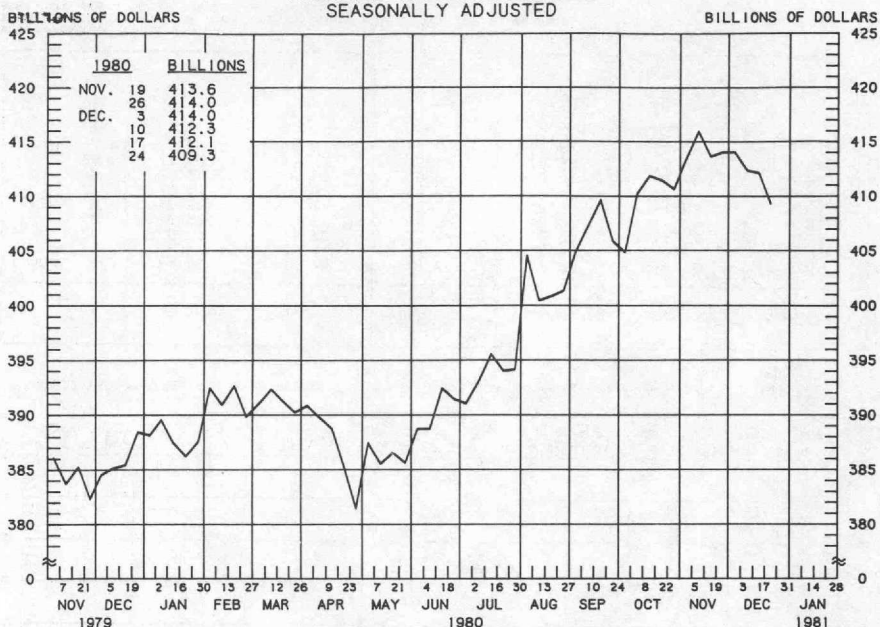


## MONEY STOCK (M1A)

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

	12/26/79	3/26/80	5/21/80	6/25/80	7/23/80	8/27/80	9/24/80	10/22/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/21/80	-1.6							
6/25/80	0.9	-2.5						
7/23/80	1.7	-0.3	9.8					
8/27/80	4.4	4.4	14.0	15.2				
9/24/80	5.3	5.7	13.9	14.7	18.1			
10/22/80	5.4	5.9	12.6	12.8	14.6	10.2		
11/26/80	5.9	6.4	12.1	12.1	13.2	10.0	8.6	
12/24/80	4.6	4.7	9.1	8.5	8.8	5.2	2.7	0.9

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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 24, 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)

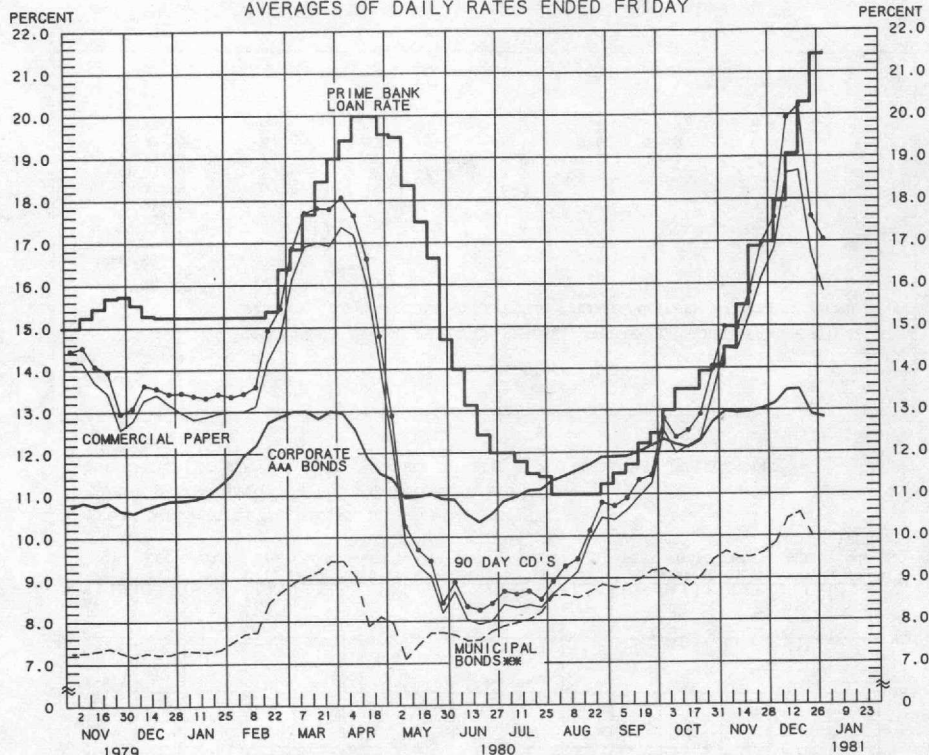
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	12/26/79	3/26/80	5/21/80	6/25/80	7/23/80	8/27/80	9/24/80	10/22/80
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/21/80	-0.4							
6/25/80	2.3	-0.9						
7/23/80	3.4	1.7	12.9					
8/27/80	6.2	6.5	17.0	18.3				
9/24/80	7.3	8.2	17.2	18.1	21.5			
10/22/80	7.5	8.3	15.6	15.9	17.5	13.3		
11/26/80	8.0	8.9	15.0	15.1	16.0	12.9	10.8	
12/24/80	6.7	7.1	11.9	11.4	11.5	7.9	5.0	3.3

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# YIELDS ON SELECTED SECURITIES AVERAGES OF DAILY RATES ENDED FRIDAY



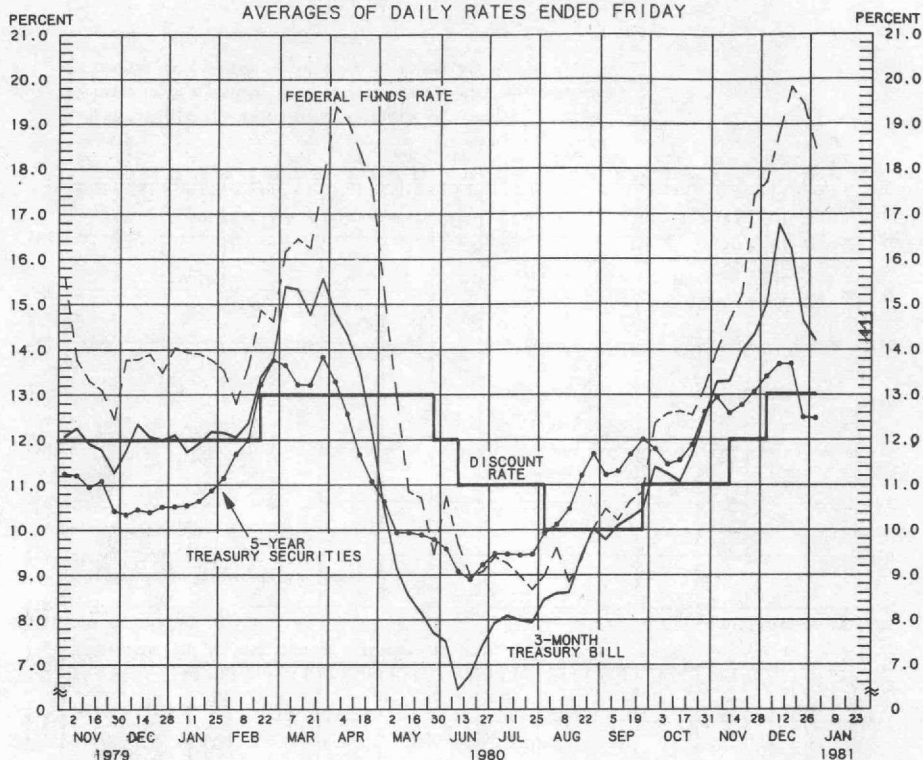
1981	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
NOV. 7	14.98	14.48	14.68	12.96	14.56	9.64
14	14.95	14.44	14.64	12.93	14.61	9.50
21	15.79	15.25	15.46	12.96	14.61	9.50
28	16.97	16.17	16.58	13.03	14.79	9.61
DEC. 5	17.58	16.84	17.28	13.15	14.84	9.84
12	19.93	18.62	19.23	13.47	15.21	10.42
19	20.21	18.68	19.24	13.49	15.36	10.56
26	17.60	16.72	16.84	12.89	15.19	9.99
JAN. 2 *	17.05	15.83	16.35	12.82	15.09	N.A.
9						
16						
23						
30						

\* 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: JANUARY 2, 1981

1981	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
NOV. 7	13.99	13.28	13.27	12.47	12.94	12.41
14	14.65	13.29	13.23	12.21	12.59	12.28
21	15.22	13.98	13.92	12.74	12.77	12.23
28	17.43	14.31	14.03	13.22	13.06	12.26
DEC. 5	17.72	14.98	14.55	13.43	13.40	12.39
12	18.82	16.76	15.07	13.75	13.68	12.74
19	19.83	16.21	15.42	13.71	13.69	12.63
26	19.44	14.62	14.03	12.40	12.50	11.79
JAN. 2 *	18.45	14.20	13.41	12.32	12.48	11.86
9						
16						
23						
30						

\* 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.

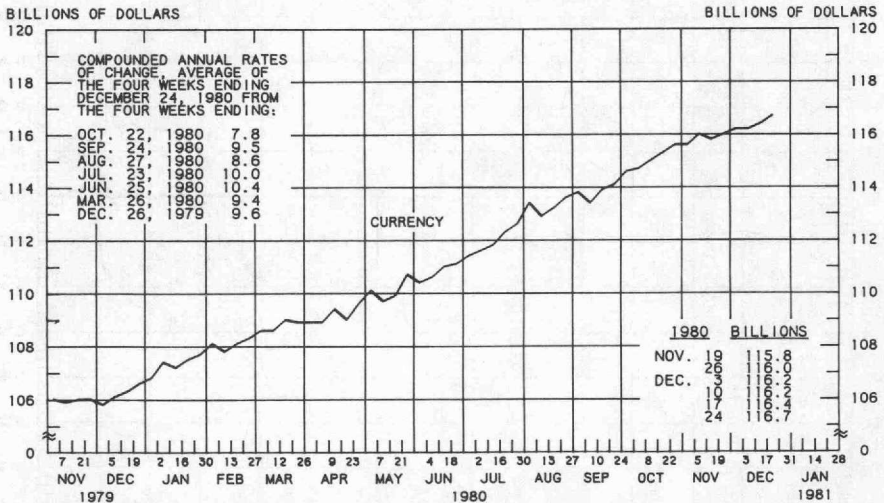
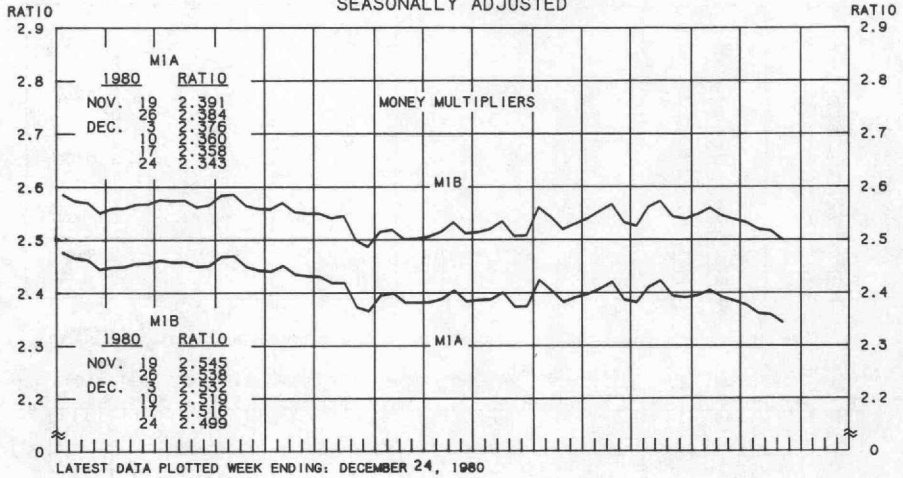
\*\*\*\* NEW ISSUE RATE

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 1/ CURRENCY OF MONEY STOCK MEASURES 2/ AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



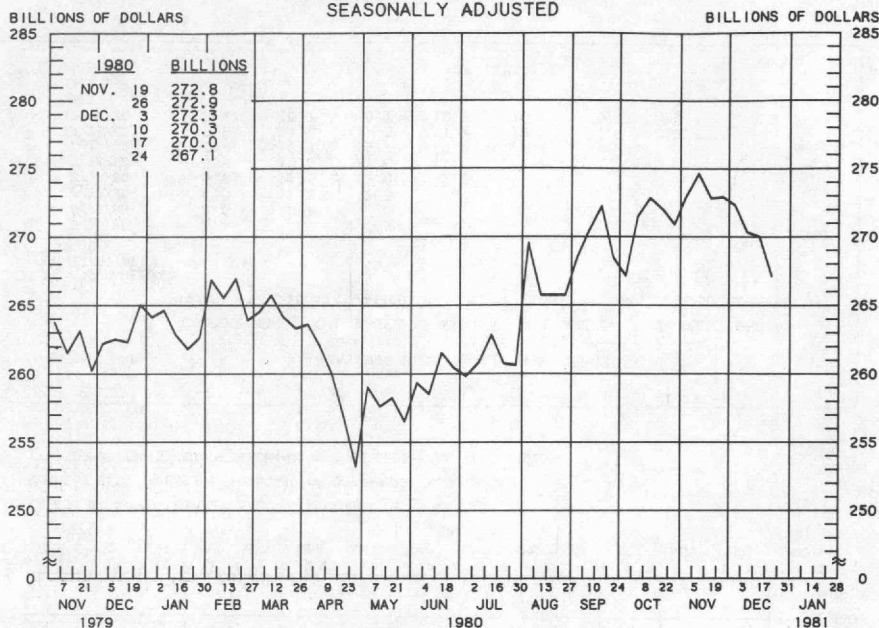
1/ RATIO OF MONEY STOCK (M1A) OR (M1B) TO ADJUSTED MONETARY BASE  
2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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# DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 24, 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:

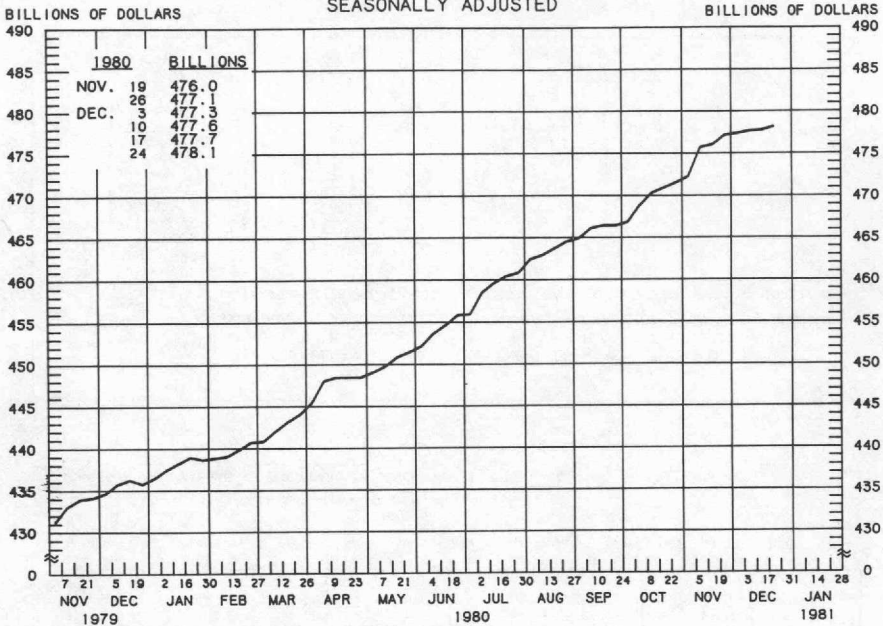
12/26/79 3/26/80 5/21/80 6/25/80 7/23/80 8/27/80 9/24/80 10/22/80

TO THE AVERAGE  
OF FOUR WEEKS  
ENDING:

5/21/80	-5.6						
6/25/80	-2.3	-6.6					
7/23/80	-1.3	-3.9	9.3				
8/27/80	2.1	2.1	14.8	16.1			
9/24/80	3.5	4.2	15.2	16.3	21.4		
10/22/80	3.6	4.3	13.3	15.5	16.1	10.7	
11/26/80	4.2	5.0	12.6	12.6	14.2	10.3	7.5
12/24/80	2.6	2.8	8.6	7.8	8.2	3.7	0.0
							-2.1

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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 24, 1980

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

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

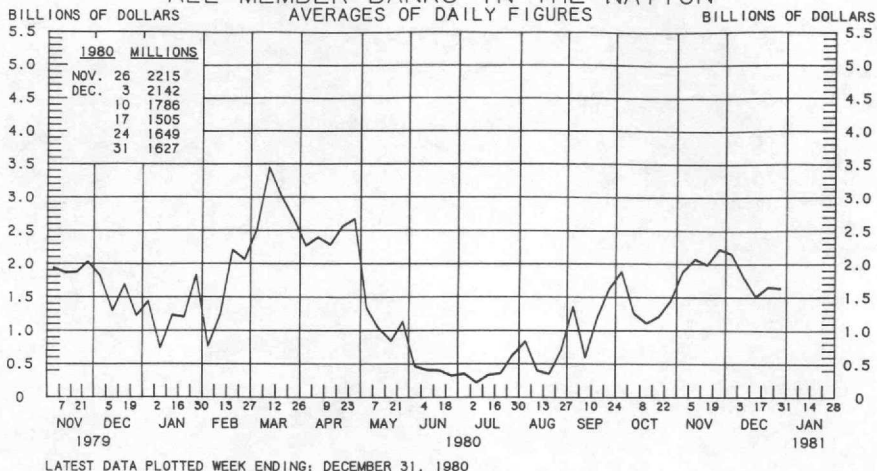
SAVINGS PLUS SMALL TIME DEPOSITS

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

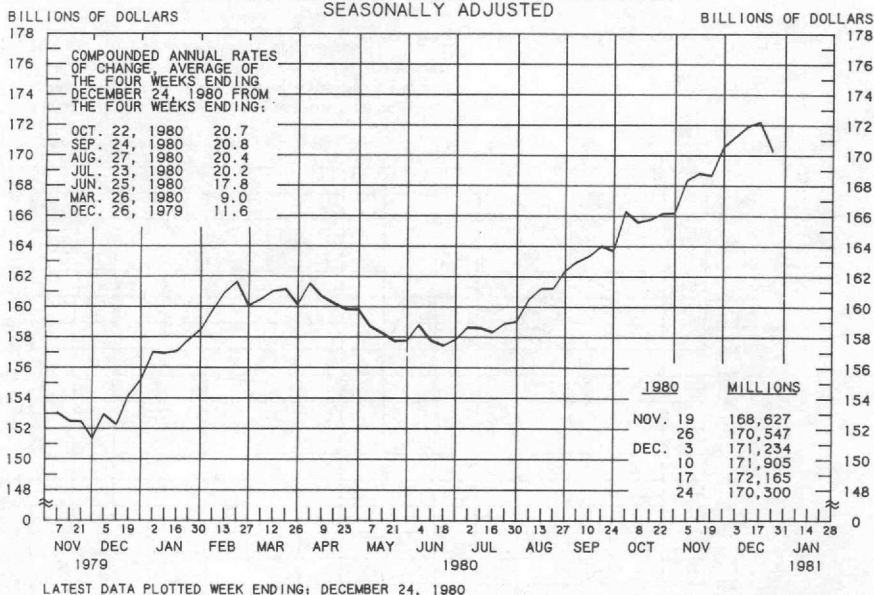
TO THE AVERAGE OF FOUR WEEKS ENDING:	12/26/79	3/26/80	5/21/80	6/25/80	7/23/80	8/27/80	9/24/80	10/22/80
5/21/80	8.1							
6/25/80	8.6	10.8						
7/23/80	9.3	11.6	12.3					
8/27/80	9.6	11.5	12.0	12.6				
9/24/80	9.4	10.9	11.0	11.0	9.7			
10/22/80	9.4	10.7	10.7	10.6	9.6	8.4		
11/26/80	9.9	11.2	11.3	11.4	10.9	10.7	12.1	
12/24/80	9.7	10.7	10.7	10.7	10.1	9.7	10.4	10.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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

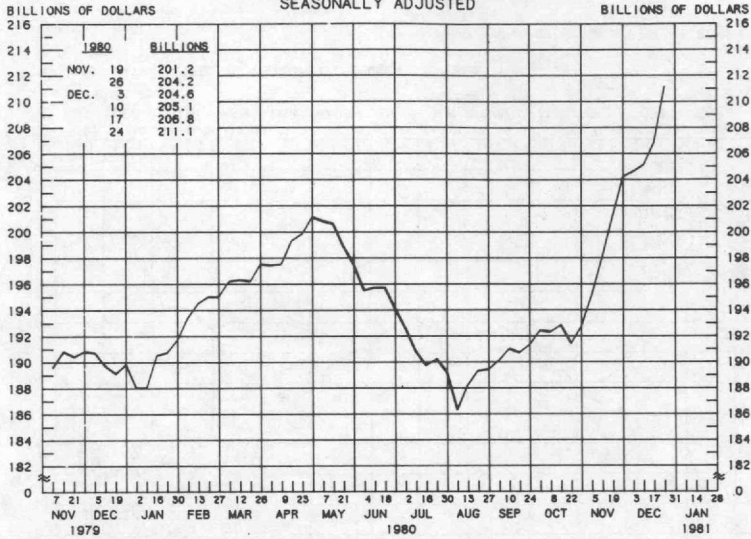


## BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



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



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 24, 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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