



S. FINANCIAL DATA

Week ending: March 25, 1981

LIBRARY MAR 31 1981 The prime loan rate at most large commercial banks is now 17 percent. This rate, while 450 basis points below the historic high of last year, is still substantially above other short-term rates. For example, the prime rate is now approximately 400 basis points above the 4-month prime commercial paper rate. While a positive differential usually exists between these two rates due to the costs associated with issuing commercial paper, this differential is relatively large by historical standards.

A similar differential existed last year when market rates were declining rapidly. The table below indicates that the prime rate exceeded the prime commercial paper rate by 400 basis or more from April through June. This large differential precipitated an increase in the issuance of commercial paper and a reduction in business loans, as business firms found it less expensive to issue commercial paper than to borrow from banks. However, from July through December, the differential between the two rates remained below 400 basis points, and business loans increased as the issuance of commercial paper declined. Based on last year's experience, the rate differential is now large enough to induce firms to seek funds in the commercial paper market rather than borrow directly from commercial banks. Although data on seasonally adjusted commercial paper is not yet available for February, non-seasonally adjusted commercial paper outstanding increased by \$1.2 billion from the last week in January to the last week in February. Non-seasonally adjusted business loans fell \$1.9 billion during this same period.

Spread Between the Prime Loan Rate at Commercial Banks and the Prime Commercial Paper Rate, Levels of Business Loans and Commercial Paper Outstanding

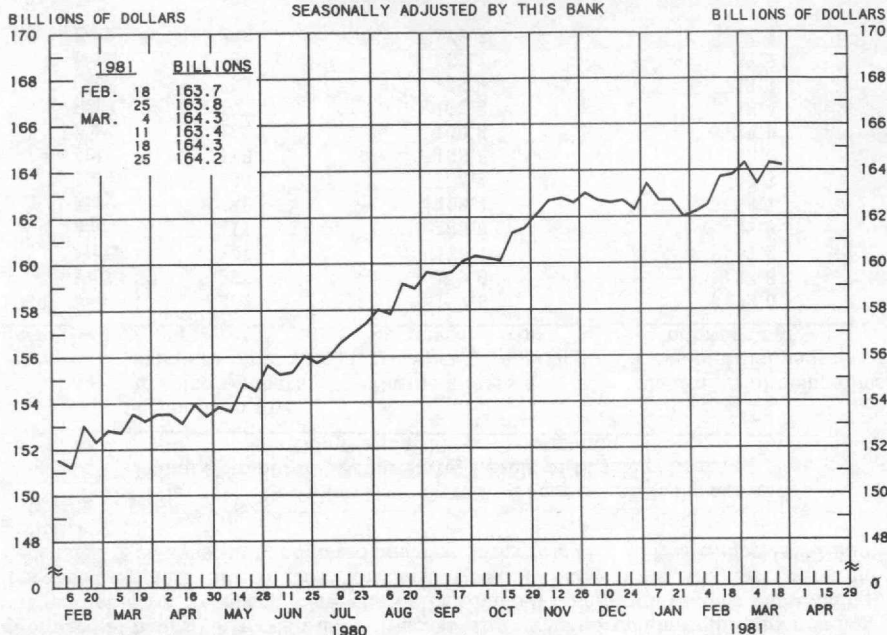
Period	Prime loan rate less the 4-month prime commercial paper rate*	Business loans at large weekly-reporting commercial banks**	Nonfinancial companies commercial paper outstanding**
1980 Jan.	232	\$ 157.5	\$ 32.6
Feb.	232	159.8	33.8
Mar.	147	160.7	37.2
Apr.	417	160.6	35.9
May	742	158.4	38.7
June	446	158.2	42.2
July	309	158.8	40.3
Aug.	152	160.8	39.0
Sept.	123	163.8	38.4
Oct.	133	165.8	36.8
Nov.	97	169.1	37.9
Dec.	285	172.8	37.1
1981 Jan.	409	172.4	39.5
Feb.	415	171.3	N.A.

* Differential in basis points
 ** Seasonally adjusted, in billions of dollars
 N.A. Not available

Prepared by Federal Reserve Bank of St. Louis
 Released: March 27, 1981

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: MARCH 25, 1981

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.

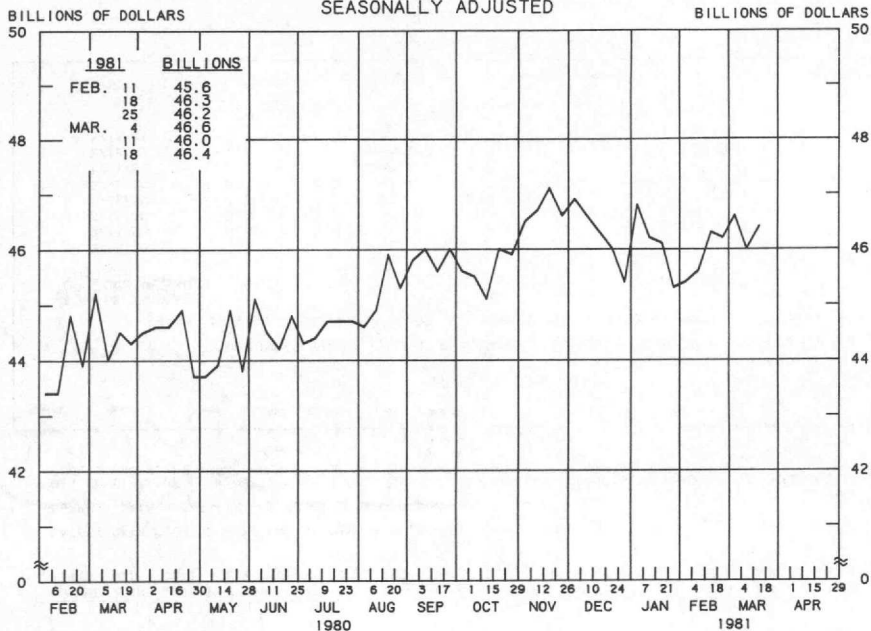
ADJUSTED MONETARY BASE

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

	2/26/80	6/25/80	8/27/80	9/24/80	10/22/80	11/26/80	12/24/80	1/28/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/27/80	8.5							
9/24/80	8.8	11.2						
10/22/80	8.5	10.2	8.5					
11/26/80	9.4		11.1	10.8				
12/24/80	8.5	9.6	8.5	8.0	8.6			
1/28/81	7.5	7.9	6.4	5.5	5.2	0.4		
2/25/81	7.1	7.3	5.9	5.1	4.8	1.2	1.1	
3/25/81	7.2	7.4	6.2	5.6	5.4	2.8	3.2	5.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES ↓
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 18, 1981

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:

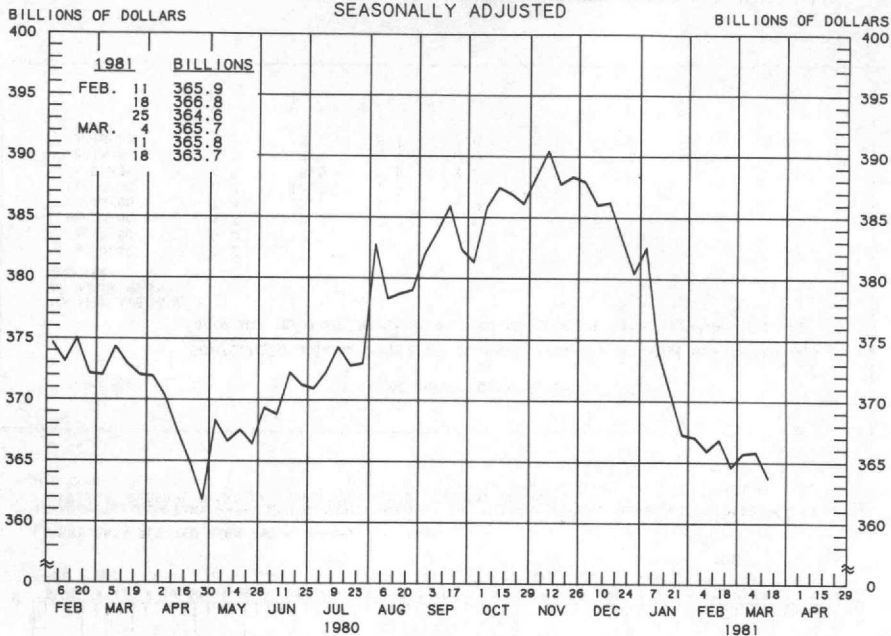
3/19/80 6/18/80 8/20/80 9/17/80 10/15/80 11/19/80 12/17/80 1/21/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/20/80	3.2							
9/17/80	5.9	12.2						
10/15/80	4.7	8.5	9.0					
11/19/80	7.4	12.1	15.0	11.9				
12/17/80	6.7	10.2	11.3	8.1	13.4			
1/21/81	4.5	6.5	5.9	2.5	4.1	-6.0		
2/18/81	3.2	4.4	3.1	0.0	0.6	-7.5	-10.7	
3/18/81	4.3	5.7	5.1	2.6	3.7	-2.0	-2.6	2.9

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MONEY STOCK (M1A)
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 18, 1981

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.

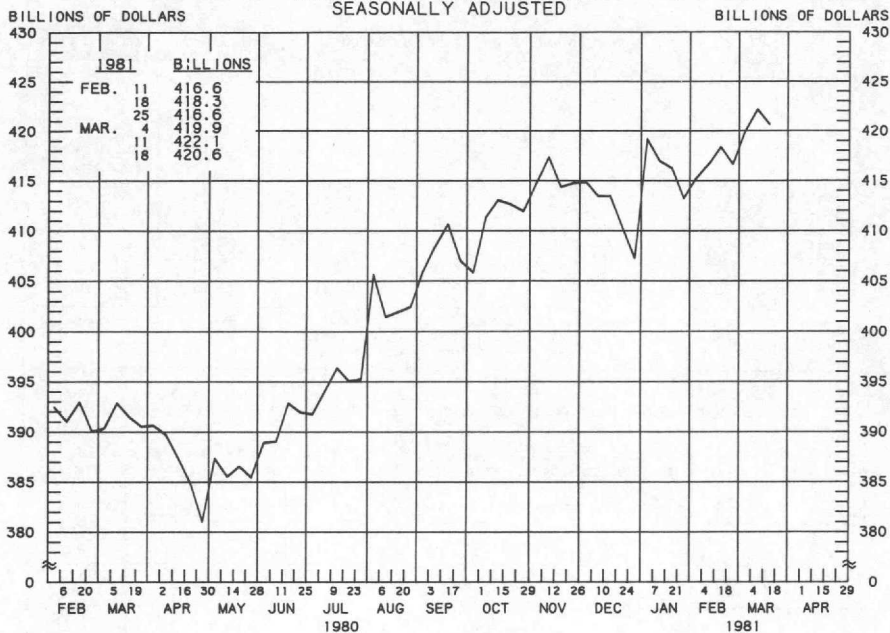
MONEY STOCK (M1A)

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

	3/19/80	6/18/80	8/20/80	9/17/80	10/15/80	11/19/80	12/17/80	1/21/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/20/80	3.5							
9/17/80	5.4	15.4						
10/15/80	5.4	13.0	10.8					
11/19/80	6.2	12.5	10.9	8.4				
12/17/80	5.1	9.9	7.4	4.7	4.4			
1/21/81	1.3	3.5	-0.8	-4.3	-6.9	-15.6		
2/18/81	-1.8	-1.0	-6.0	-9.6	-12.6	-20.3	-26.9	
3/18/81	-2.1	-1.5	-6.0	-9.0	-11.4	-17.1	-21.0	-18.8

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MONEY STOCK (M1B)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 18, 1981

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)

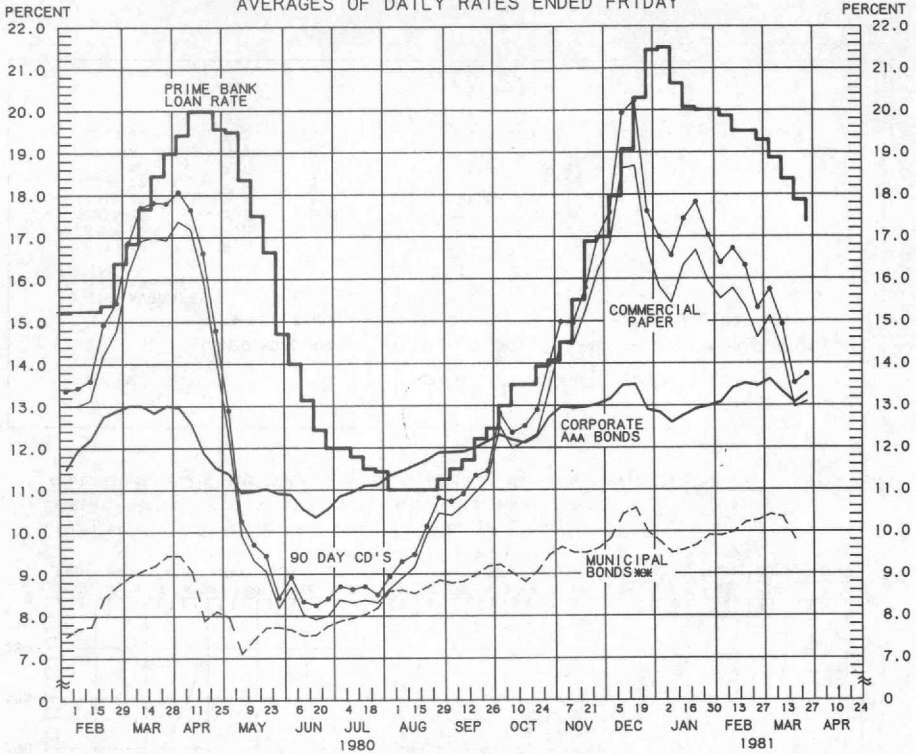
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	3/19/80	6/18/80	8/20/80	9/17/80	10/15/80	11/19/80	12/17/80	1/21/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/20/80	6.1							
9/17/80	8.2	19.6						
10/15/80	8.2	16.8	14.2					
11/19/80	9.1	16.3	14.3	11.6				
12/17/80	7.9	13.3	10.3	7.4	7.0			
1/21/81	7.2	11.4	8.4	5.9	5.2	0.4		
2/18/81	6.9	10.4	7.5	5.3	4.7	1.2	2.4	
3/18/81	7.3	10.7	8.3	6.5	6.2	3.9	5.6	7.9

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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: MARCH 27, 1981

1981	90 DAY CD'S	PRIME COMMERCIAL PAPER %%%	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS %%%
FEB. 6	16.38	15.53	15.92	13.07	15.32	9.90
13	16.71	15.77	16.23	13.41	15.41	9.99
20	16.31	15.34	15.48	13.51	15.36	10.22
27	15.31	14.60	14.90	13.45	15.39	10.27
MAR. 6	15.74	15.11	15.22	13.61	15.49	10.40
13	14.92	14.30	14.31	13.31	15.40	10.34
20	13.53	12.96	13.09	13.06	15.20	9.81
27 *	13.74	13.09	13.38	13.27	15.26	N.A.
APR. 3						
10						
17						
24						

* AVERAGES OF RATES AVAILABLE.

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

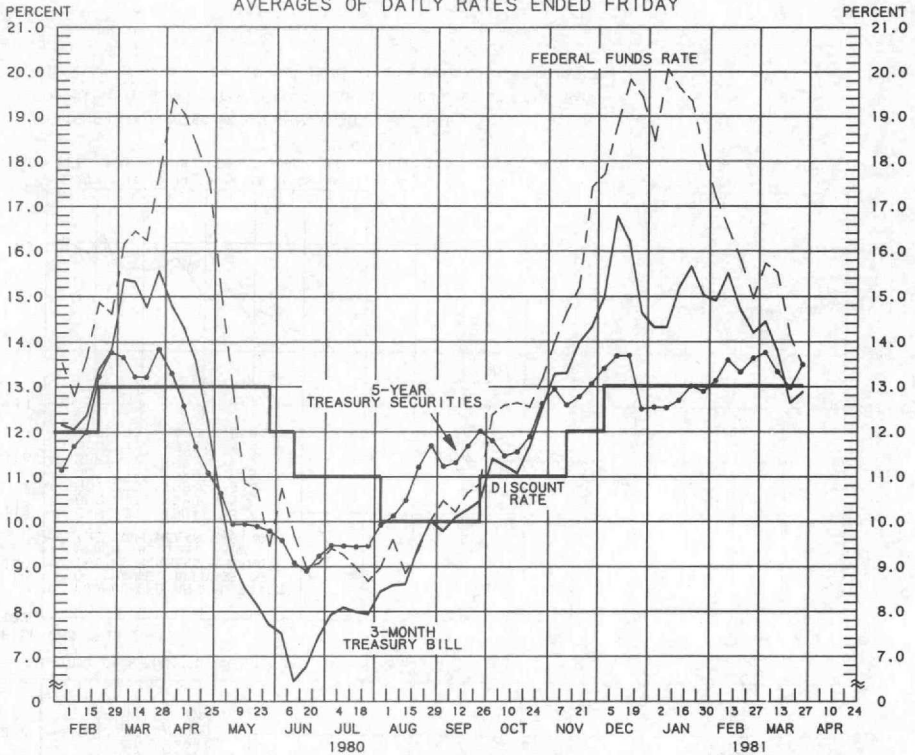
%%% DATA ARE 4-MONTH COMMERCIAL PAPER RATES.

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



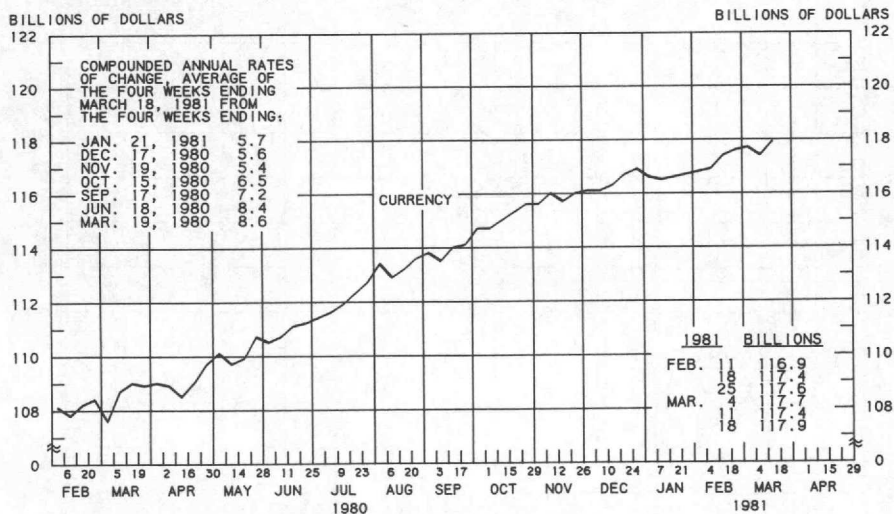
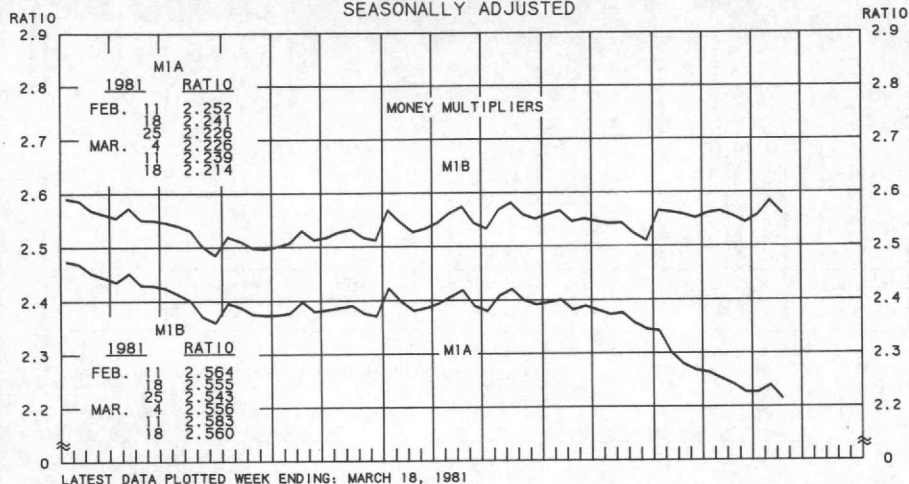
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 27, 1981

1981	FEDERAL FUNDS %	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL %	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
FEB. 6	17.19	14.90	13.74	12.84	13.13	12.45
13	16.51	15.51	14.43	13.31	13.59	12.88
20	15.81	14.68	14.76	12.98	13.32	12.64
27	14.96	14.19	13.61	12.89	13.63	12.78
MAR. 6	15.73	14.44	14.13	13.07	13.76	12.88
13	15.53	13.79	13.43	12.46	13.33	12.51
20	14.13	12.63	12.10	11.69	12.98	12.20
27 *	13.48	12.87	12.27	12.07	13.49	12.69
APR. 3						
10						
17						
24						

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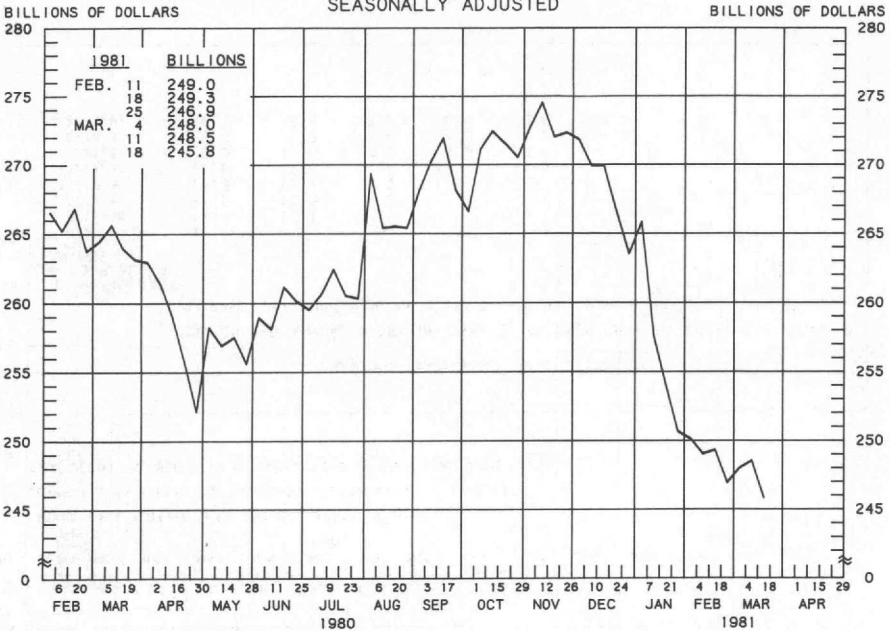
MULTIPLIERS ^{1/}
CURRENCY OF MONEY STOCK MEASURES ^{2/}
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



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



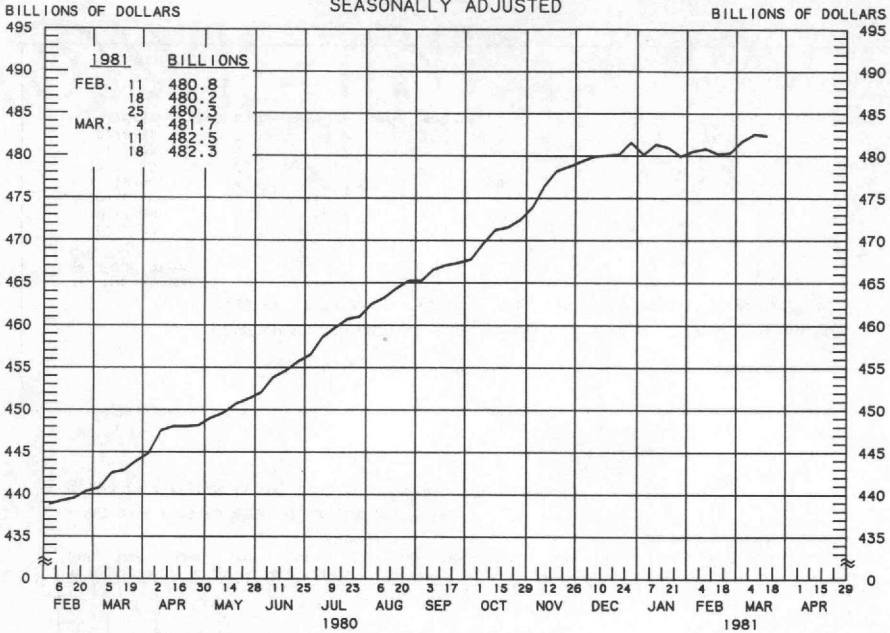
DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/19/80	6/18/80	8/20/80	9/17/80	10/15/80	11/19/80	12/17/80	1/21/81
8/20/80	0.6							
9/17/80	3.5	17.4						
10/15/80	3.4	13.9	11.6					
11/19/80	4.5	13.3	11.5	7.5				
12/17/80	3.3	10.0	7.0	3.0	3.0			
1/21/81	-1.9	1.2	-4.3	-9.2	-12.3	-23.3		
2/18/81	-6.0	-4.9	-11.2	-16.1	-19.8	-29.3	-37.5	
3/18/81	-6.5	-5.7	-11.4	-15.5	-18.5	-25.6	-30.7	-28.1

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 18, 1981
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

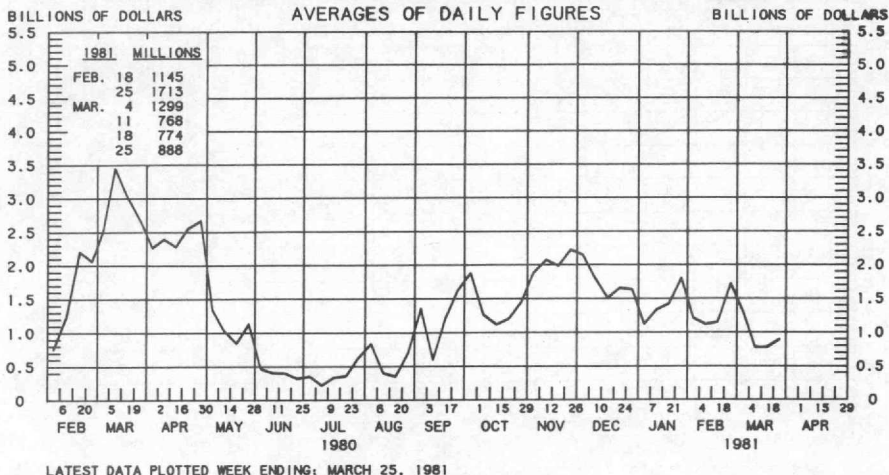
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
3/19/80 6/18/80 8/20/80 9/17/80 10/15/80 11/19/80 12/17/80 1/21/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

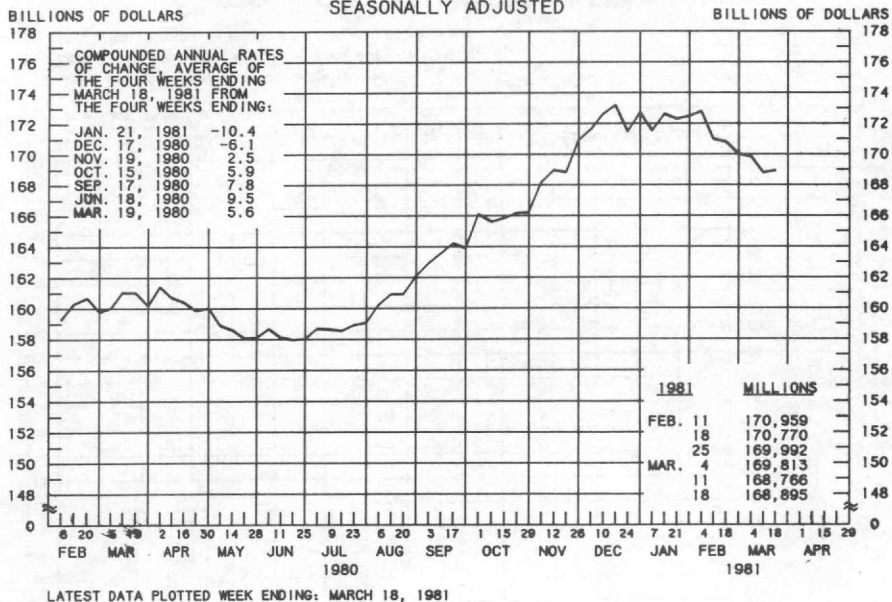
8/20/80	11.7								
9/17/80	11.4	12.1							
10/15/80	11.0	11.3	9.0						
11/19/80	11.5	12.1	11.2	12.1					
12/17/80	11.6	12.1	11.5	12.1	13.6				
1/21/81	10.6	10.6	9.5	9.6	9.8	7.1			
2/18/81	9.6	9.2	7.8	7.5	7.2	4.4	1.1		
3/18/81	9.1	8.6	7.2	6.9	6.5	4.2	1.8	0.9	

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS

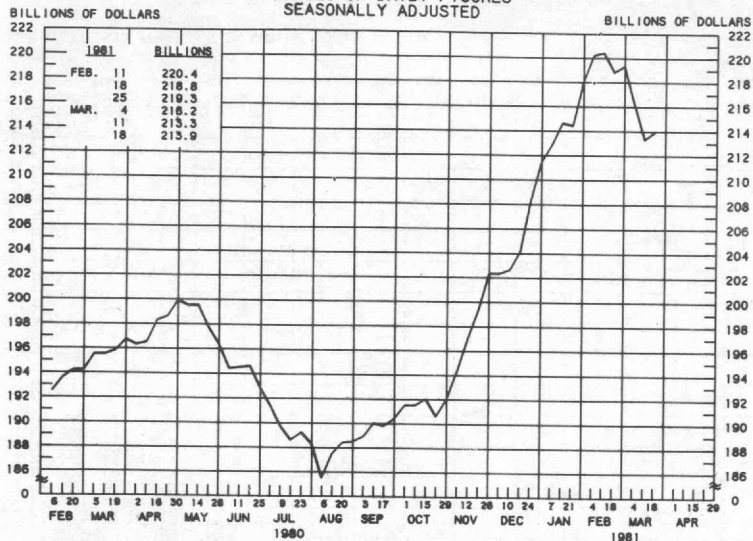


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



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: MARCH 18, 1981

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