



S. FINANCIAL DATA

Week ending: June 17, 1981

JUN 1981

Business loans at large weekly-reporting banks have increased rapidly in recent months, rising at about a 20 percent annual rate from the four weeks ending March 25, 1981 to the four weeks ending June 10. In contrast, business loans declined sharply from early February of this year through late March (see page 11). Banks increase the transactions balances of borrowers when making additional loans. Given this connection between lending and money creation, an increase in the rate of money growth tends to accompany increased lending by banks, as long as the Federal Reserve supplies the reserves necessary to support the rise in transactions deposits. This process appears to have been in effect during April. The money supply (M1B) rose at a 20.5 percent rate from the four weeks ending March 25, 1981 to the four weeks ending April 22, while business loans at large commercial banks rose at a 16 percent rate.

Since late April the continued expansion of business loans has not resulted in a matching expansion of transactions deposits. Because total reserves have not grown, banks have had to issue more large time deposits in order to continue expanding business loans. The growth in time deposits has come at the expense of transactions deposits. As the banks raised their offering rates on large CDs, the public was induced to hold more time deposits relative to transactions deposits. Consequently, the money supply has declined at about 4 percent rate since last April, even though business loans have continued to increase.

Growth Rates of the Money Supply and Business Loans
(compounded annual rates, seasonally adjusted)

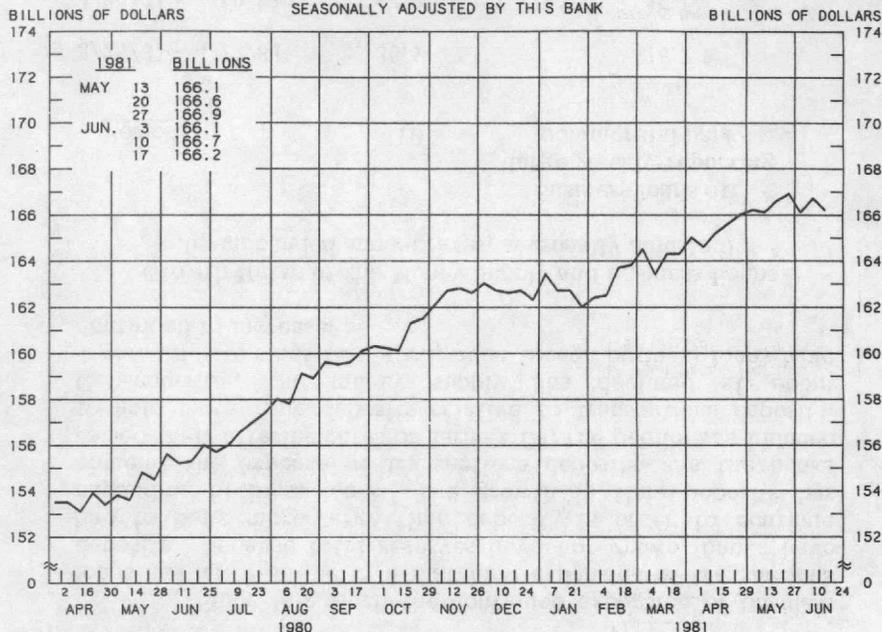
<u>Period*</u>	<u>M1B</u>	<u>Business loans at large weekly-reporting commercial banks</u>
3/25/81 - 4/22/81	20.5	16.1 %
4/22/81 - 6/10/81	-4.0	27.1

* Four-week averages ending these dates.

Prepared by Federal Reserve Bank of St. Louis

Released: June 19, 1981

ADJUSTED MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JUNE 17, 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:

6/18/80 9/17/80 11/19/80 12/17/80 1/14/81 2/18/81 3/18/81 4/15/81

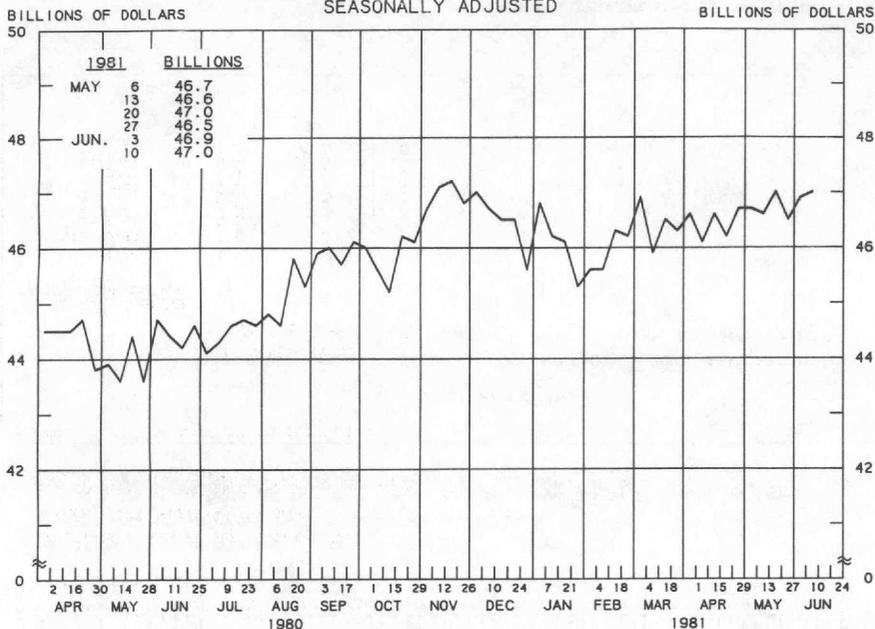
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/19/80	11.2								
12/17/80	9.9	8.5							
1/14/81	8.6	6.7	2.0						
2/18/81	7.3	5.0	1.0	0.0					
3/18/81	7.6	5.9	3.2	3.2	4.3				
4/15/81	7.5	5.9	3.9	4.0	5.0	8.7			
5/20/81	7.7	6.4	4.9	5.2	6.2	8.9	8.0		
6/17/81	7.3	6.0	4.5	4.7	5.5	7.3	6.2	6.1	

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES ^{1/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 10, 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:

6/11/80 9/10/80 11/12/80 12/10/80 1/7/81 2/11/81 3/11/81 4/8/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/12/80	12.1							
12/10/80	12.1	10.0						
1/7/81	8.4	4.1	-1.4					
2/11/81	4.7	-0.5	-6.7	-13.9				
3/11/81	6.1	2.2	-1.3	-5.0	-1.2			
4/8/81	5.8	2.3	-0.5	-3.2	0.0	10.4		
5/13/81	5.6	2.6	0.4	-1.5	1.3	8.1	3.8	
6/10/81	5.9	3.2	1.5	0.0	2.6	8.3	5.3	6.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1A)

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 10, 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:

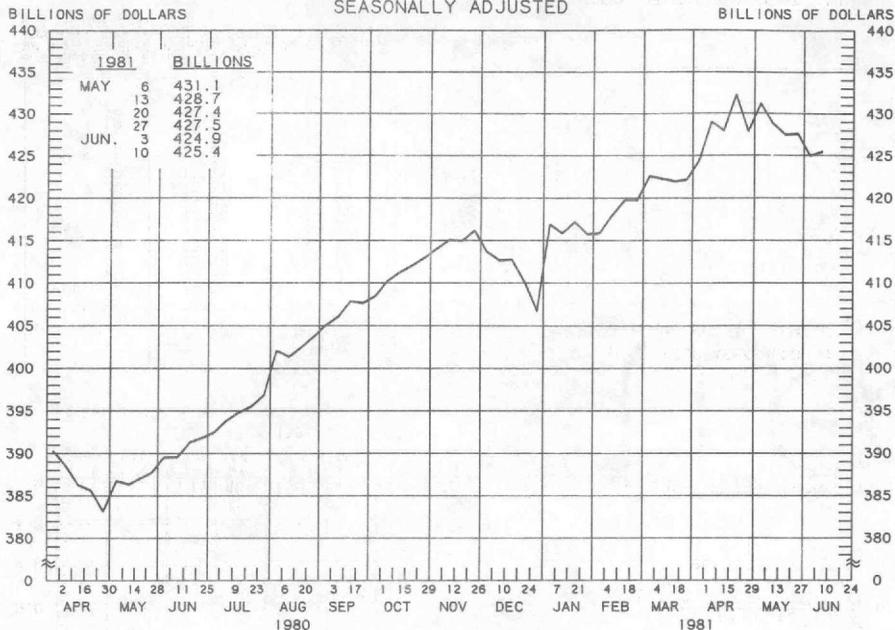
6/11/80 9/10/80 11/12/80 12/10/80 1/7/81 2/11/81 3/11/81 4/8/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

11/12/80	12.7							
12/10/80	10.6	7.2						
1/7/81	6.8	1.5	-7.8					
2/11/81	0.0	-7.5	-18.2	-25.2				
3/11/81	-0.8	-7.5	-15.9	-20.2	-22.5			
4/8/81	-1.2	-7.3	-14.0	-17.0	-17.6	-6.7		
5/13/81	-0.9	-6.0	-11.2	-13.1	-12.6	-3.5	-1.6	
6/10/81	-1.7	-6.5	-11.0	-12.6	-12.2	-5.1	-4.3	-3.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1B)
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JUNE 10, 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)

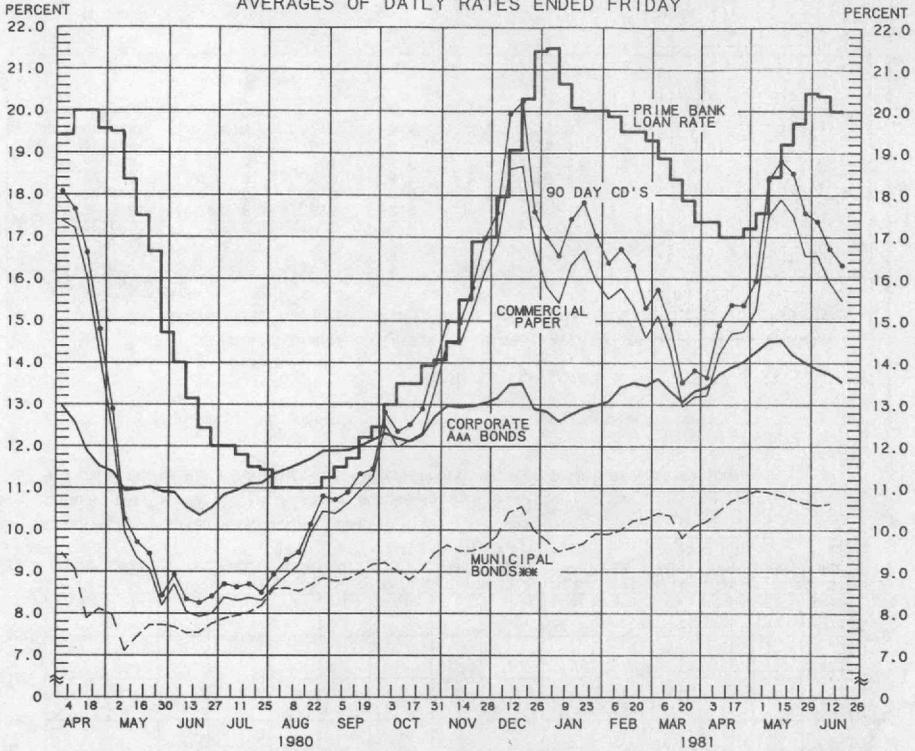
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	6/11/80	9/10/80	11/12/80	12/10/80	1/7/81	2/11/81	3/11/81	4/8/81
11/12/80	16.0							
12/10/80	13.8	10.3						
1/7/81	10.6	5.6	-2.9					
2/11/81	11.0	7.3	3.0	3.3				
3/11/81	11.3	8.4	5.7	6.6	13.9			
4/8/81	11.3	8.7	6.6	7.6	12.9	12.6		
5/13/81	11.7	9.6	8.1	9.2	13.5	13.5	13.0	
6/10/81	9.8	7.3	5.4	5.9	8.6	7.3	5.1	2.8

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: JUNE 19, 1981

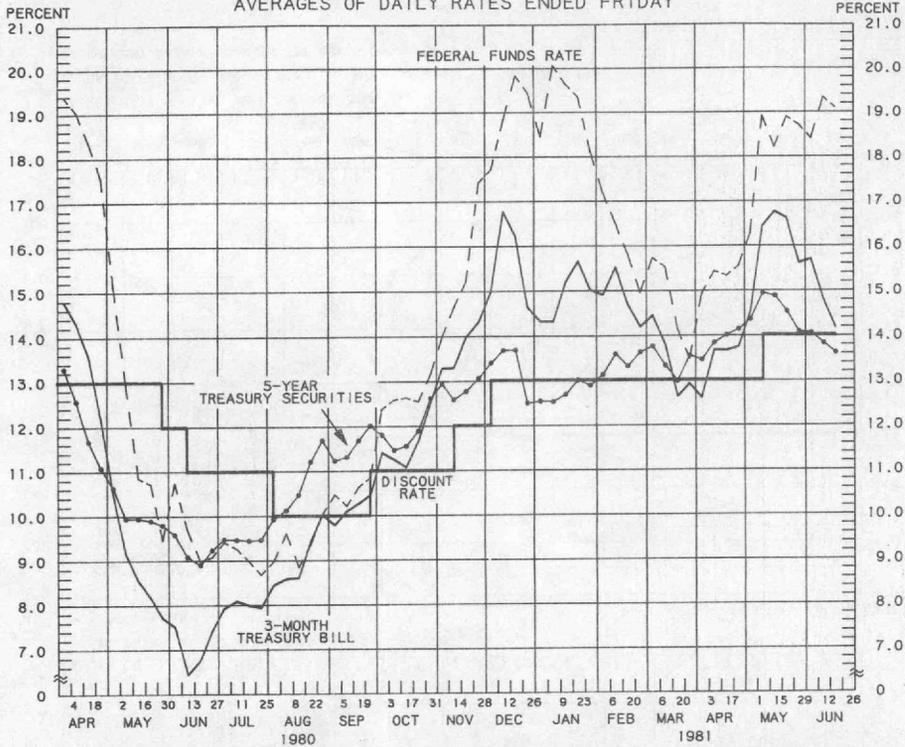
1981	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
APR. 3	13.65	13.22	13.31	13.41	15.25	10.21
10	14.89	14.22	14.59	13.72	15.42	10.45
17	15.38	14.70	14.89	13.89	15.61	10.70
24	15.37	14.75	14.92	14.02	15.71	10.80
MAY 1	15.95	15.24	15.55	14.26	15.80	10.94
8	18.36	17.52	17.85	14.50	15.94	10.90
15	18.80	17.89	18.18	14.53	15.96	10.83
22	18.51	17.51	17.89	14.18	16.01	10.73
29	17.57	16.55	16.73	14.00	15.90	10.64
JUNE 5	17.37	16.56	16.77	13.84	15.78	10.59
12	16.72	15.91	16.17	13.73	15.76	10.63
19 *	16.33	15.49	16.00	13.54	15.74	N.A.
26						

* 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: JUNE 19, 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
APR. 3	14.93	12.60	12.08	11.86	13.46	12.68
10	15.43	13.67	13.78	12.53	13.84	13.02
17	15.33	13.66	13.65	12.80	14.01	13.11
24	15.55	13.74	13.62	13.05	14.14	13.12
MAY 1	16.28	14.52	14.04	13.41	14.36	13.37
8	18.91	16.44	15.10	14.44	14.94	13.78
15	18.21	16.75	15.53	14.68	14.88	13.60
22	18.89	16.61	15.03	14.42	14.54	13.27
29	18.71	15.61	15.68	13.67	14.09	13.01
JUNE 5	18.40	15.69	14.49	13.53	14.06	12.93
12	19.33	14.79	14.00	13.15	13.83	12.73
19 *	19.10	14.17	13.36	12.97	13.62	12.47
26						

* AVERAGES OF RATES AVAILABLE.

** SEVEN-DAY AVERAGES FOR WEEK ENDING WEDNESDAY TWO DAYS EARLIER THAN DATE SHOWN.

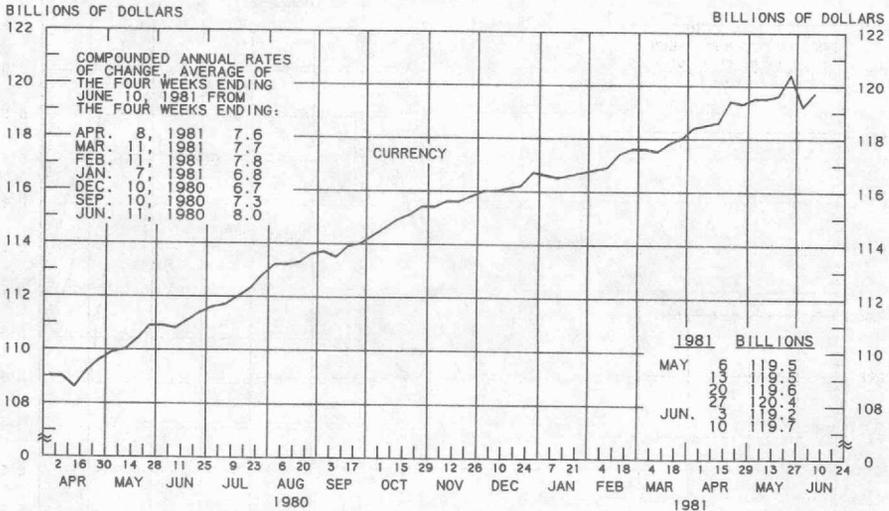
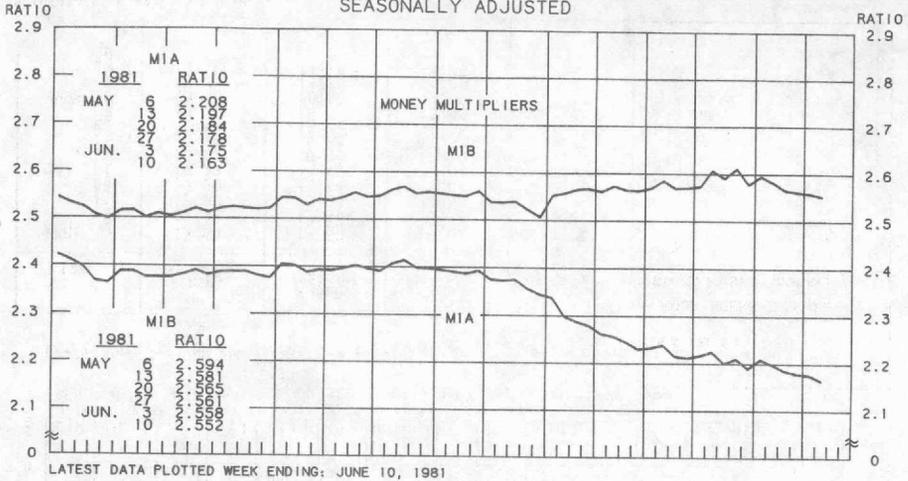
*** CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.9 RELEASE.

**** 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.

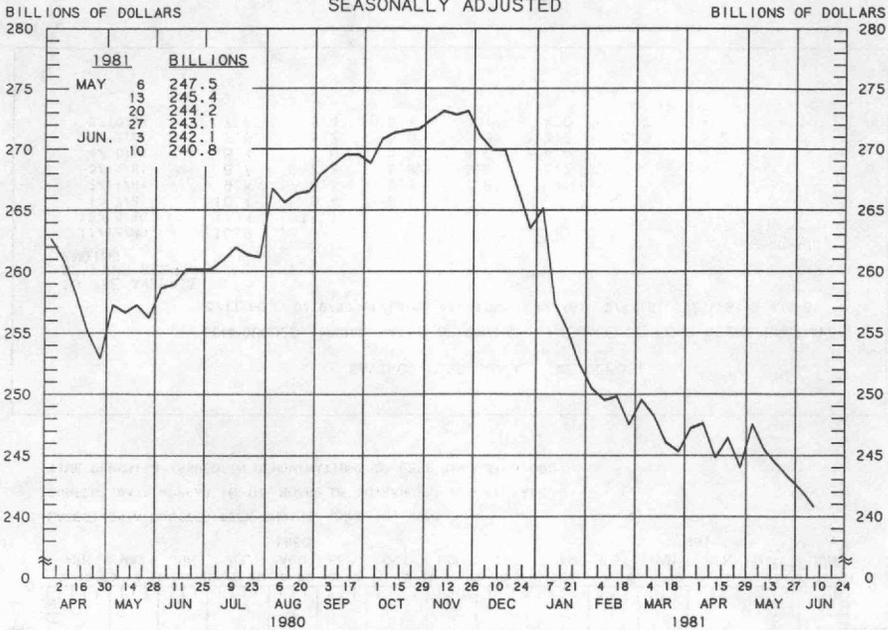
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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: JUNE 10, 1981
 CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

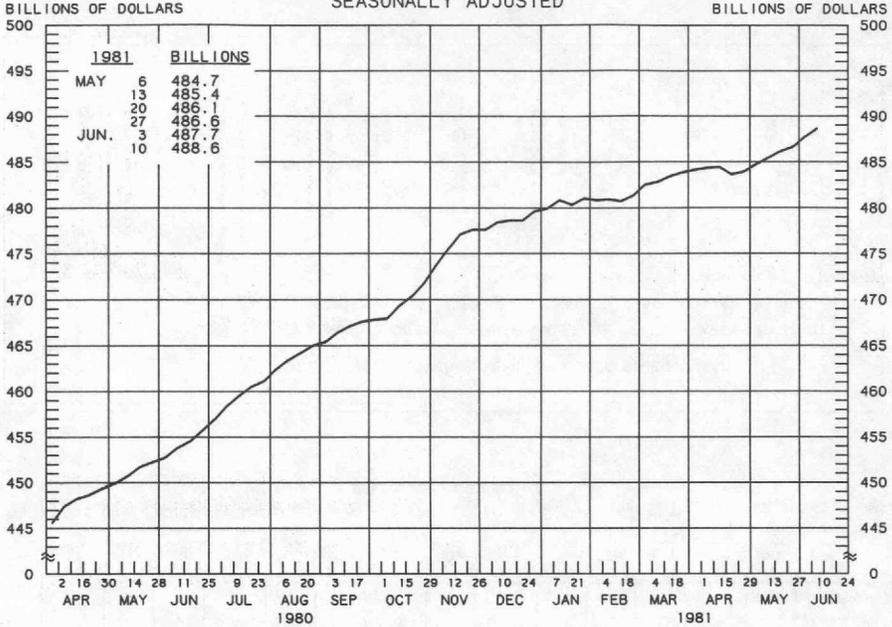
DEMAND DEPOSIT COMPONENT OF MONEY STOCK (M1A)

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	6/11/80	9/10/80	11/12/80	12/10/80	1/7/81	2/11/81	3/11/81	4/8/81
11/12/80	13.8							
12/10/80	11.2	6.6						
1/7/81	5.9	-1.3	-13.3					
2/11/81	-3.3	-13.2	-26.7	-35.4				
3/11/81	-4.6	-13.4	-24.0	-29.7	-32.5			
4/8/81	-5.2	-13.2	-21.8	-25.8	-26.6	-13.1		
5/13/81	-5.0	-11.8	-18.5	-21.1	-20.7	-9.3	-6.8	
6/10/81	-5.9	-12.2	-18.1	-20.3	-19.8	-10.9	-9.6	-8.8

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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

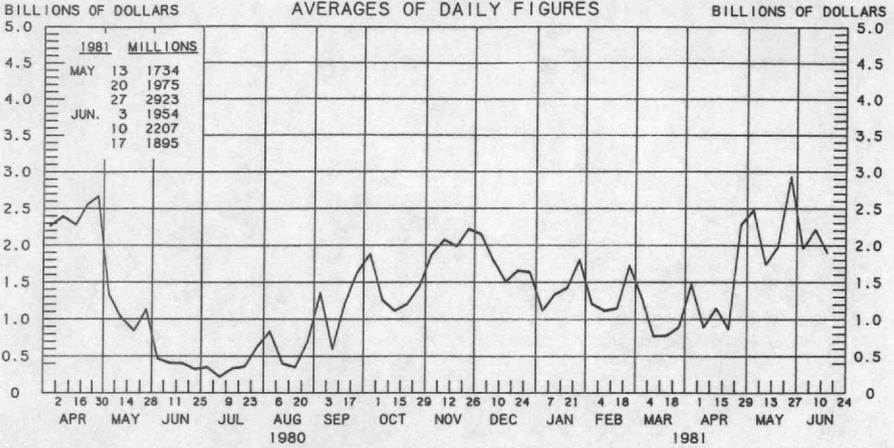


LATEST DATA PLOTTED WEEK ENDING: JUNE 10, 1981
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.
TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000.

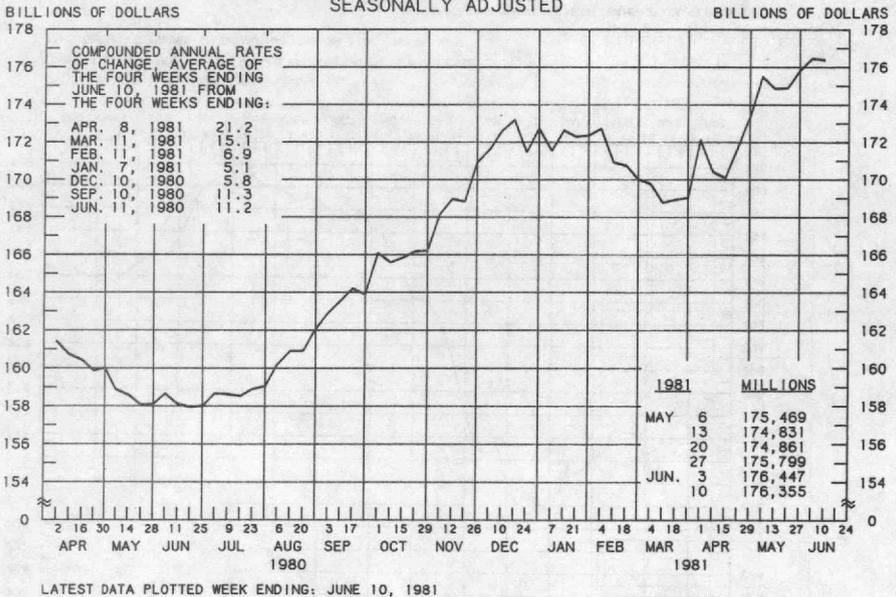
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
TO THE AVERAGE OF FOUR WEEKS ENDING:	6/11/80	9/10/80	11/12/80	12/10/80	1/7/81	2/11/81	3/11/81	4/8/81
11/12/80	10.9							
12/10/80	11.4	11.1						
1/7/81	10.4	9.4	9.1					
2/11/81	9.4	8.1	6.9	3.8				
3/11/81	8.7	7.2	5.9	3.5	3.2			
4/8/81	8.4	7.0	5.9	4.0	4.0	4.3		
5/13/81	7.6	6.2	5.0	3.3	3.2	3.0	3.2	
6/10/81	7.7	6.4	5.4	4.1	4.0	4.2	4.6	4.1

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS

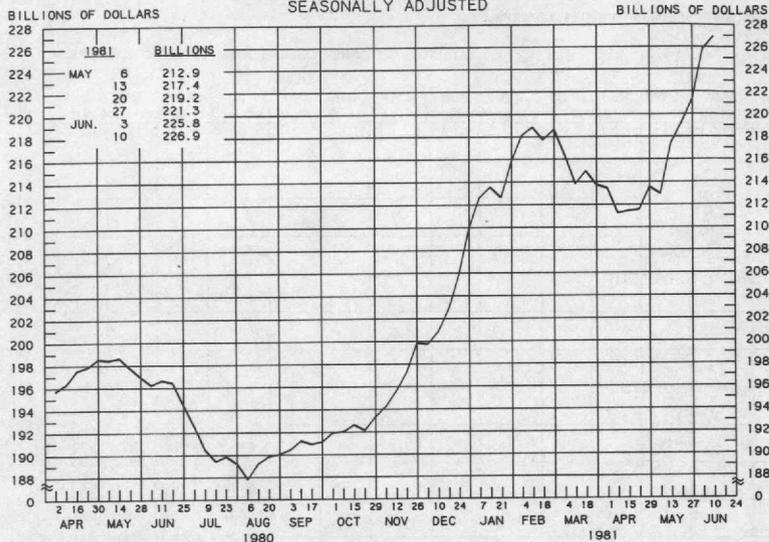


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



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: JUNE 10, 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