



U.S. FINANCIAL DATA

Week ending: August 5, 1981

LIBRARY
AUG 10 1981

Borrowings from Federal Reserve Banks have averaged close to \$2.0 billion over the last three months, compared with about \$1.2 billion in the previous three months. This increase occurred despite two developments that individually would suggest a reduction in borrowings. First, the increase in borrowings has occurred during a period in which there has been little net change in required reserves. In fact, total transaction deposits (demand deposits plus other checkable deposits) — deposits with the largest reserve requirement ratios — have fallen. The most recent level of transaction deposits is about \$5 billion below the average for April. Second, borrowings have increased recently despite increases in the first part of May in both the discount rate and the additional surcharge for frequent borrowers. Everything else equal, a higher discount and surcharge rate would suggest a decline in borrowings.

Everything was not equal over this period, however. Credit demands, as evidenced by the commercial and industrial loan series on page 11, have risen sharply. From April to July, business loans at large weekly-reporting banks increased at about a 23 percent annual rate. This acceleration represents a sharp turnaround from the prior three-month period when business loans declined at a 1.4 percent rate.

This increase in credit demand has put upward pressure on all market interest rates, including the federal funds rate. The increase in the federal funds rate has been larger than that of the discount rate. Consequently, the spread between the federal funds rate and the discount rate has widened. For the months of May, June and July, the federal funds rate has averaged almost 500 basis points above the discount rate, while in the three month period from February to April, the spread averaged only 250 basis points. Even when the surcharge is considered, the spread between the federal funds rate and the discount rate plus surcharge widened by almost 150 basis points during the past three months. Thus, while the discount and surcharge rate has been raised in the last three months, the relative cost of borrowing over the most recent period has declined.

Prepared by Federal Reserve Bank of St. Louis
Released: August 7, 1981

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



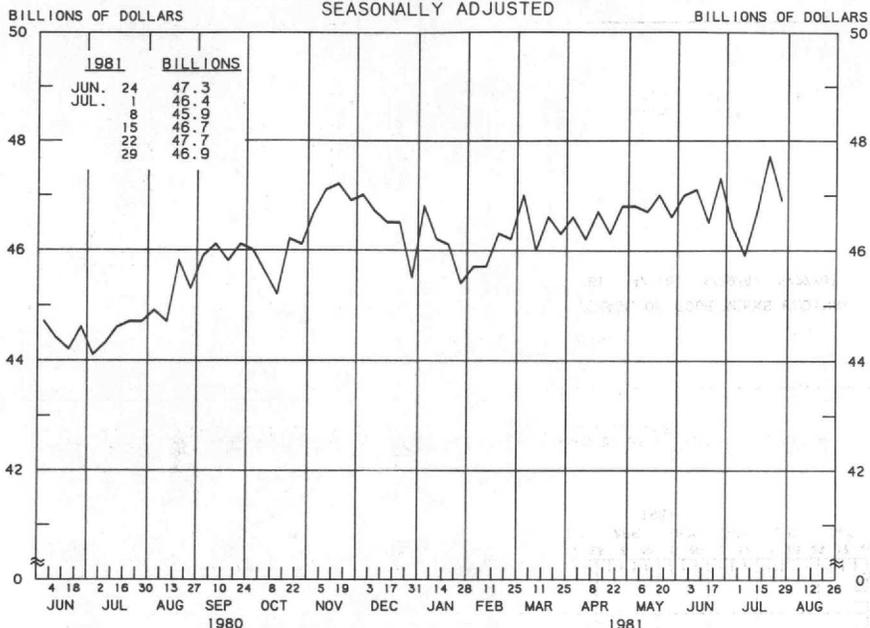
LATEST DATA PLOTTED WEEK ENDING: AUGUST 5, 1981

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:								
	8/6/80	11/5/80	1/7/81	2/4/81	3/4/81	4/8/81	5/6/81	6/3/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/ 7/81	8.5							
2/ 4/81	6.7	3.0						
3/ 4/81	7.0	4.4	3.2					
4/ 8/81	7.0	4.9	4.5	7.7				
5/ 6/81	7.3	5.7	5.7	8.4	8.0			
6/ 3/81	7.0	5.5	5.6	7.5	7.0	7.3		
7/ 8/81	6.5	5.0	4.8	6.2	5.6	5.2	3.2	
8/ 5/81	6.8	5.6	5.6	6.9	6.5	6.5	5.4	5.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 29, 1981

1/ ADJUSTED MONETARY BASE LESS CURRENCY HELD BY THE NONBANK PUBLIC (MEMBER BANK RESERVES AT FEDERAL RESERVE BANKS (+) CURRENCY HELD BY COMMERCIAL BANKS).

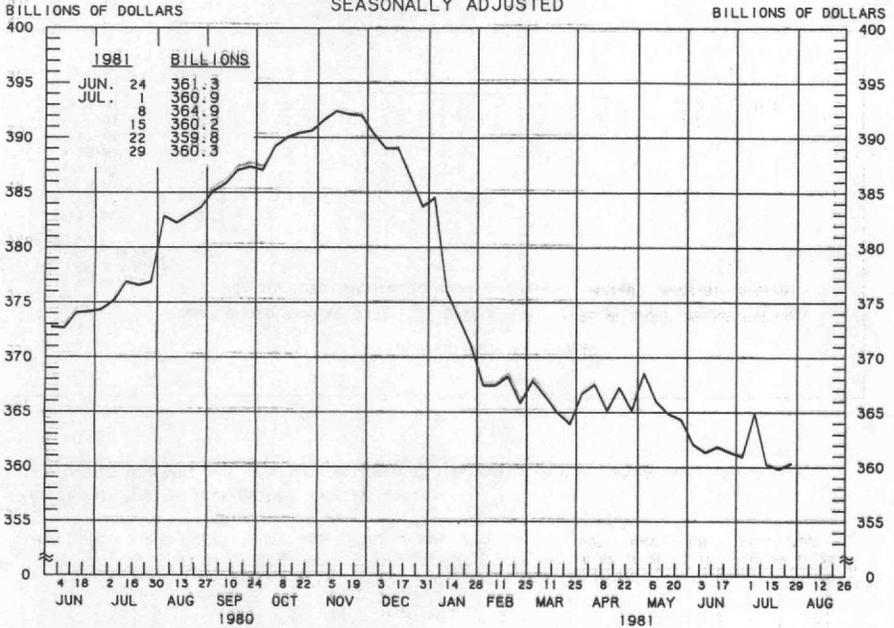
ADJUSTED BANK RESERVES

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	7/30/80	10/29/80	12/31/80	1/28/81	3/4/81	4/1/81	4/29/81	5/27/81
12/31/80	9.2							
1/28/81	6.8	2.6						
3/ 4/81	6.5	3.2	0.0					
4/ 1/81	6.1	3.1	0.9	3.8				
4/29/81	5.7	3.1	1.3	3.5	2.8			
5/27/81	6.0	3.8	2.7	4.7	4.8	5.7		
7/ 1/81	5.4	3.3	2.2	3.6	3.3	3.5	3.8	
7/29/81	4.9	2.9	1.9	3.1	2.7	2.7	2.6	0.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1A)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 29, 1981

CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 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:

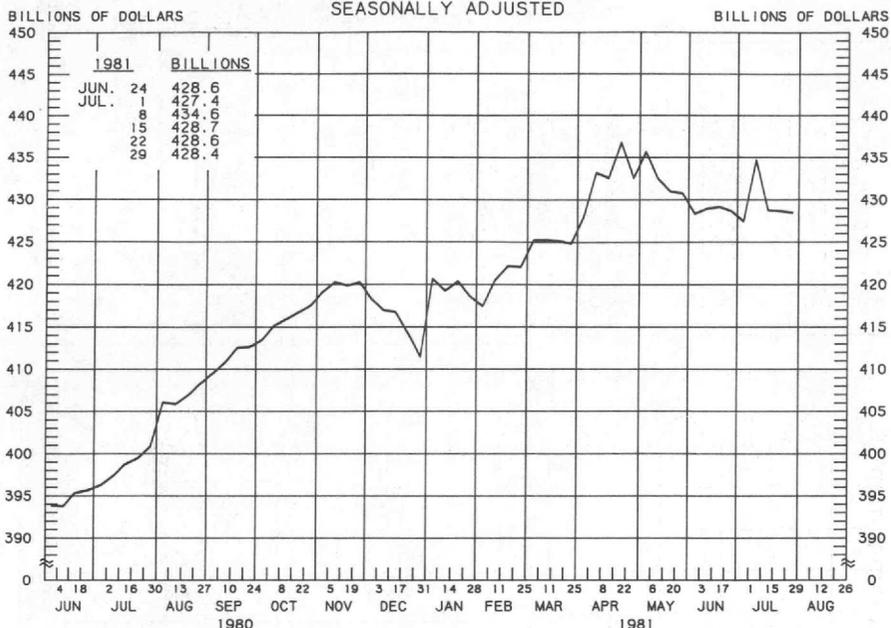
7/30/80 10/29/80 12/31/80 1/28/81 3/4/81 4/1/81 4/29/81 5/27/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/31/80	6.9							
1/28/81	0.0	-13.4						
3/ 4/81	-4.0	-16.0	-26.1					
4/ 1/81	-4.2	-14.3	-20.4	-15.5				
4/29/81	-3.6	-11.9	-15.5	-10.3	-1.9			
5/27/81	-3.3	-10.5	-13.0	-8.2	-1.6	0.7		
7/ 1/81	-4.3	-10.8	-12.8	-9.2	-4.9	-4.5	-7.5	
7/29/81	-4.0	-9.7	-11.2	-7.8	-4.0	-3.5	-5.2	-7.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1B)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JULY 29, 1981

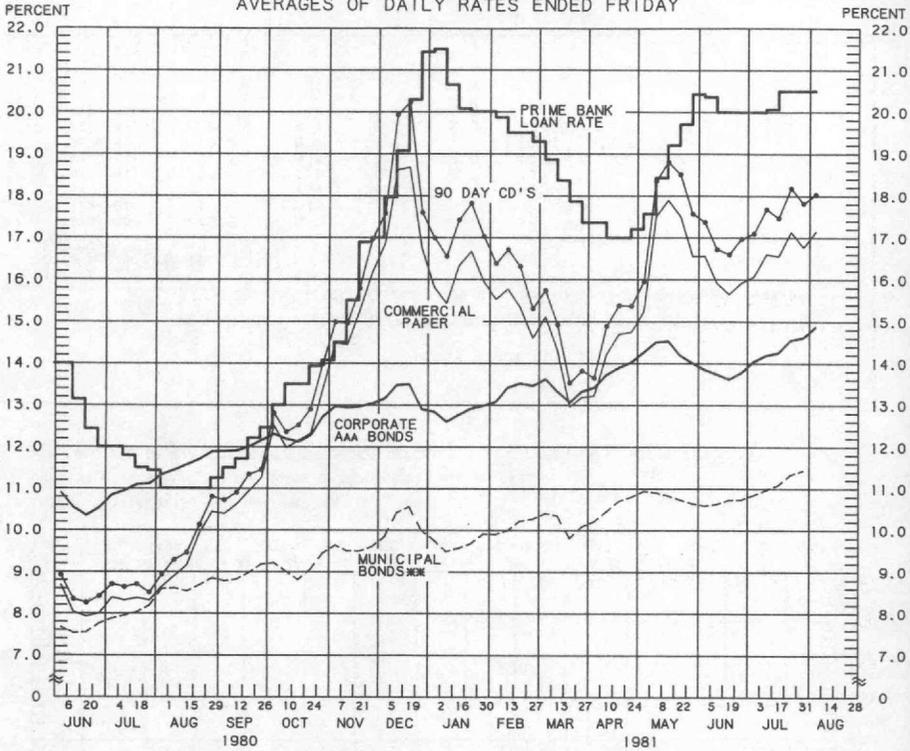
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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:	7/30/80	10/29/80	12/31/80	1/28/81	3/4/81	4/1/81	4/29/81	5/27/81
12/31/80	9.5							
1/28/81	10.6	3.3						
3/ 4/81	10.0	4.4	11.2					
4/ 1/81	10.1	5.5	11.0	8.7				
4/29/81	11.7	8.5	14.6	14.0	18.5			
5/27/81	10.2	6.8	10.8	9.5	10.6	10.5		
7/ 1/81	8.0	4.4	6.7	5.0	4.4	2.6	-6.7	
7/29/81	7.8	4.4	6.5	5.0	4.5	3.1	-3.3	-3.0

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES AVERAGES OF DAILY RATES ENDED FRIDAY



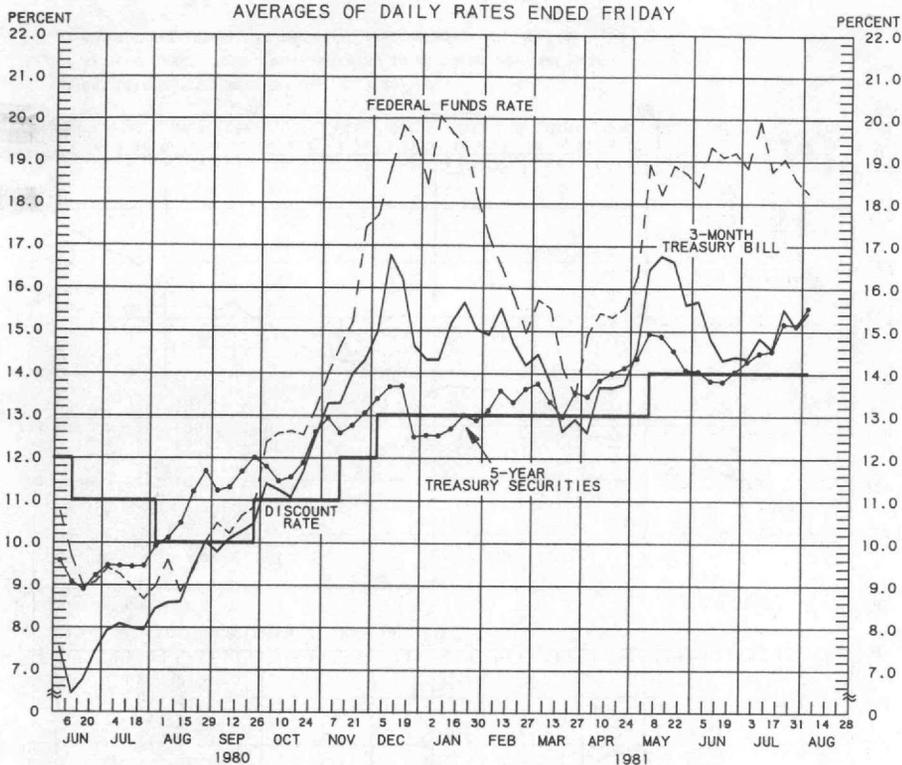
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: AUGUST 7, 1981

1981		90 DAY CD'S	PRIME COMMERCIAL PAPER **	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
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	16.60	15.65	16.15	13.61	15.75	10.73
	26	16.97	15.92	16.26	13.77	15.82	10.74
	3	17.10	16.07	16.58	14.04	15.97	10.85
JULY	10	17.68	16.60	17.03	14.19	16.05	10.97
	17	17.47	16.55	16.86	14.25	16.15	11.09
	24	18.18	17.13	17.55	14.55	16.30	11.34
	31	17.82	16.77	17.26	14.61	16.25	11.44
	AUG. 7 *	18.03	17.14	17.41	14.86	16.33	N.A.
AUG.	14						
	21						
	28						

* 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 7, 1981

1981	FEDERAL FUNDS <small>***</small>	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL <small>***</small>	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	14.31	13.36	13.03	13.81	12.62
26	19.20	14.39	13.94	13.20	14.05	12.92
JULY 3	18.84	14.34	13.62	13.30	14.28	13.22
10	19.93	14.82	14.05	13.58	14.48	13.28
17	18.76	14.56	14.23	13.56	14.53	13.29
24	19.05	15.50	15.32	14.40	15.17	13.74
31	18.54	15.07	14.79	14.25	15.13	13.76
AUG. 7 <small>*</small>	18.25	15.42	15.57	14.60	15.54	14.06
14						
21						
28						

* 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.

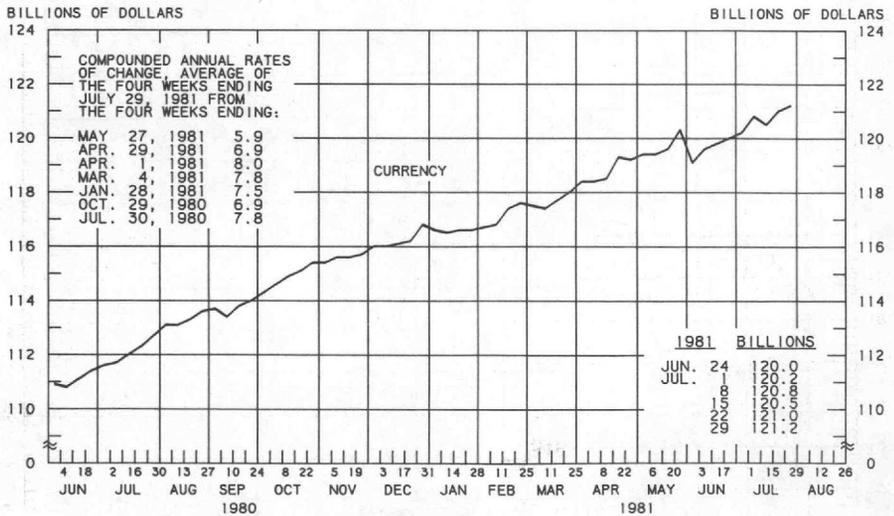
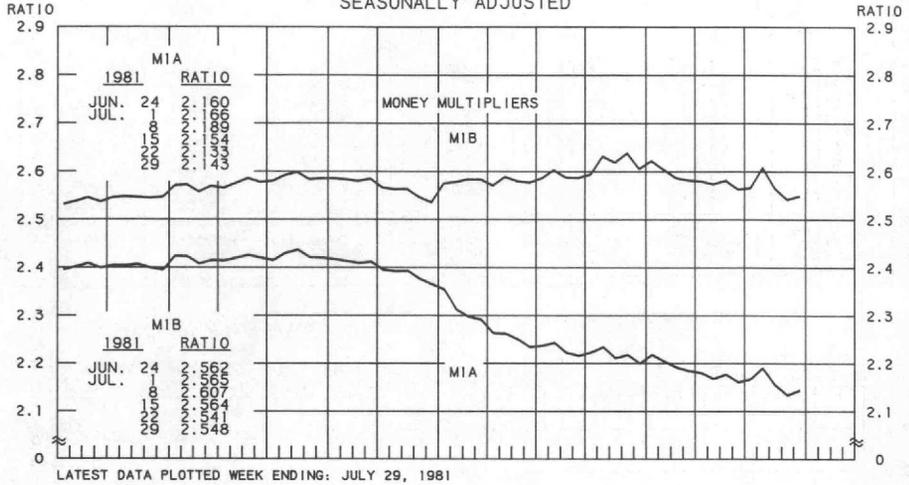
**** NEW ISSUE RATE

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

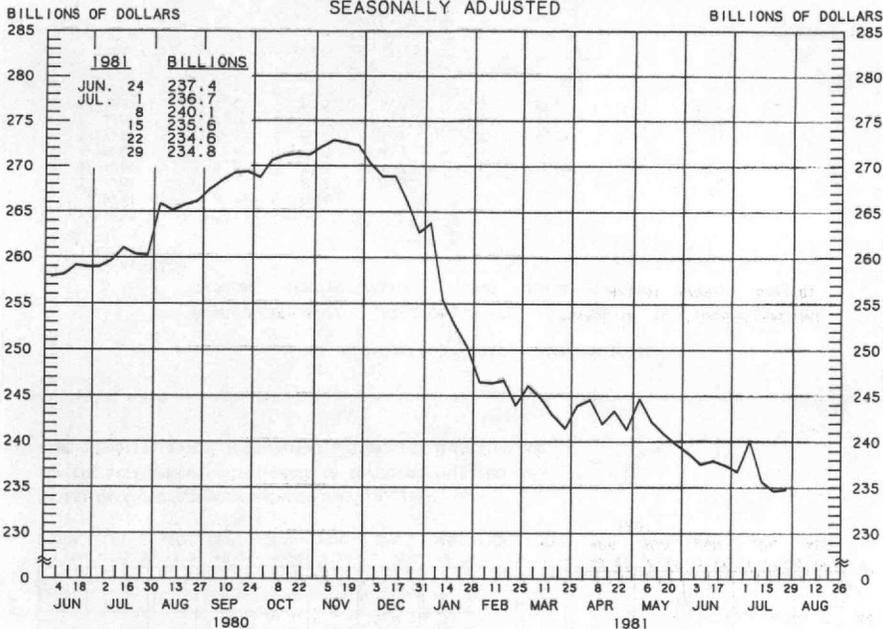
MULTIPLIERS ^{1/}
 CURRENCY OF MONEY STOCK MEASURES ^{2/}
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



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 29, 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:

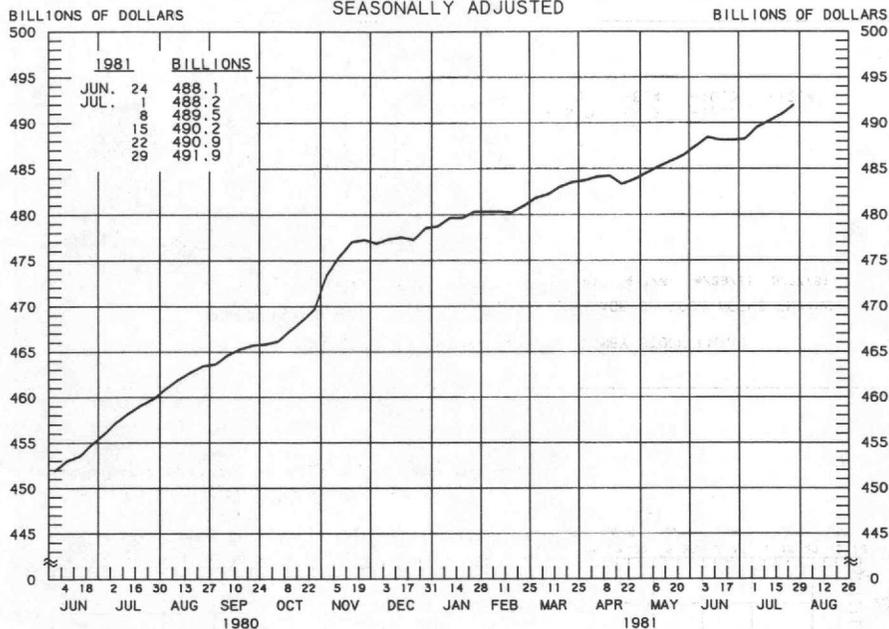
7/30/80 10/29/80 12/31/80 1/28/81 3/4/81 4/1/81 4/29/81 5/27/81

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

12/31/80	5.8							
1/28/81	-3.7	-21.1						
3/ 4/81	-9.2	-24.7	-37.6					
4/ 1/81	-9.6	-22.6	-30.8	-24.8				
4/29/81	-8.9	-19.8	-24.9	-18.4	-7.4			
5/27/81	-8.5	-18.0	-21.5	-15.5	-6.7	-3.7		
7/ 1/81	-9.5	-17.9	-20.7	-15.9	-10.0	-9.2	-12.2	
7/29/81	-9.2	-16.7	-18.9	-14.5	-9.2	-8.4	-10.3	-12.4

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 29, 1981

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

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

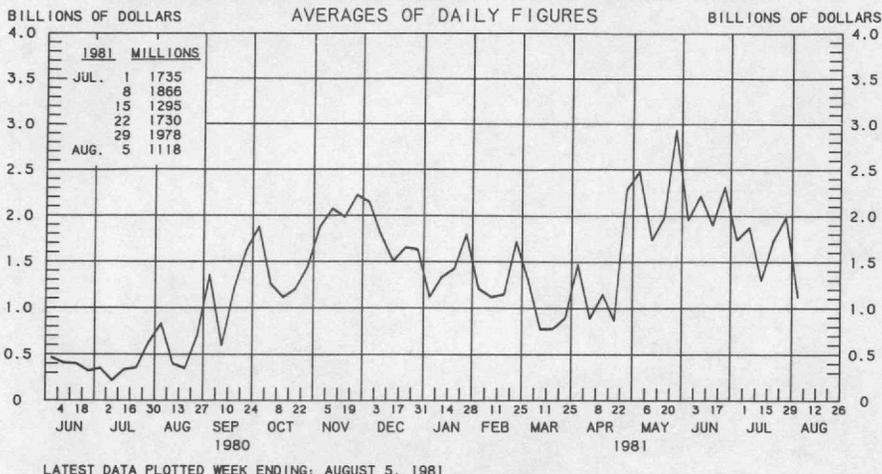
SAVINGS PLUS SMALL TIME DEPOSITS

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

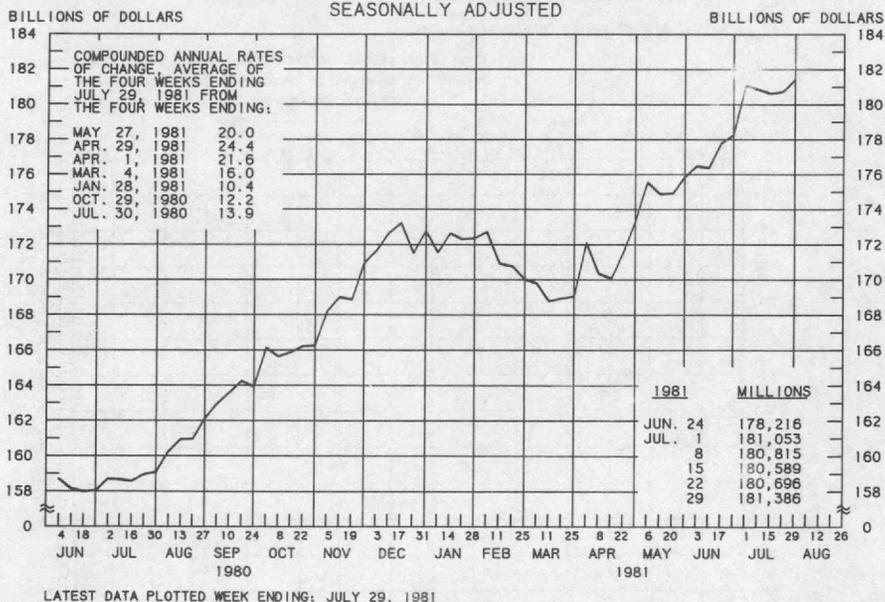
TO THE AVERAGE OF FOUR WEEKS ENDING:	7/30/80	10/29/80	12/31/80	1/28/81	3/4/81	4/1/81	4/29/81	5/27/81
12/31/80	10.1							
1/28/81	9.4	10.4						
3/ 4/81	8.3	8.2	3.9					
4/ 1/81	8.0	7.8	4.7	4.3				
4/29/81	7.4	7.0	4.1	3.6	4.3			
5/27/81	7.1	6.6	4.1	3.8	4.3	3.3		
7/ 1/81	7.0	6.5	4.5	4.3	4.8	4.3	5.2	
7/29/81	7.0	6.5	4.8	4.6	5.1	4.8	5.7	6.2

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS

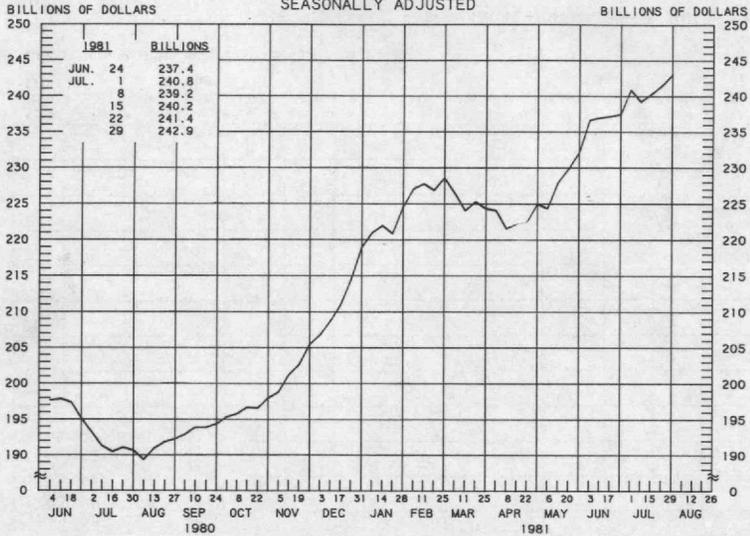


BUSINESS LOANS (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS SEASONALLY ADJUSTED



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: JULY 29, 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