



U.S. FINANCIAL DATA

Week ending: November 4, 1981

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Both the discount rate and the prime rate were reduced in the past week. The basic discount rate — the interest rate that Federal Reserve Banks charge for borrowing at the discount window — was reduced to 13 percent. This matches the rate that prevailed from early last December to early May of this year. The current surcharge applicable to large, frequent borrowers remains unchanged at 2 percent.

Short-term interest rates continued to decline, following the change in the discount rate (pages 6 and 7). For example, the interest rate on large 90-day certificates of deposit — an important source of loanable funds to commercial banks — dropped from 15.14 percent in the week ending October 30 to 14.27 percent in the week ending November 6. Other short-term rates, such as 4-month commercial paper and 3-month Treasury bills, also declined substantially last week.

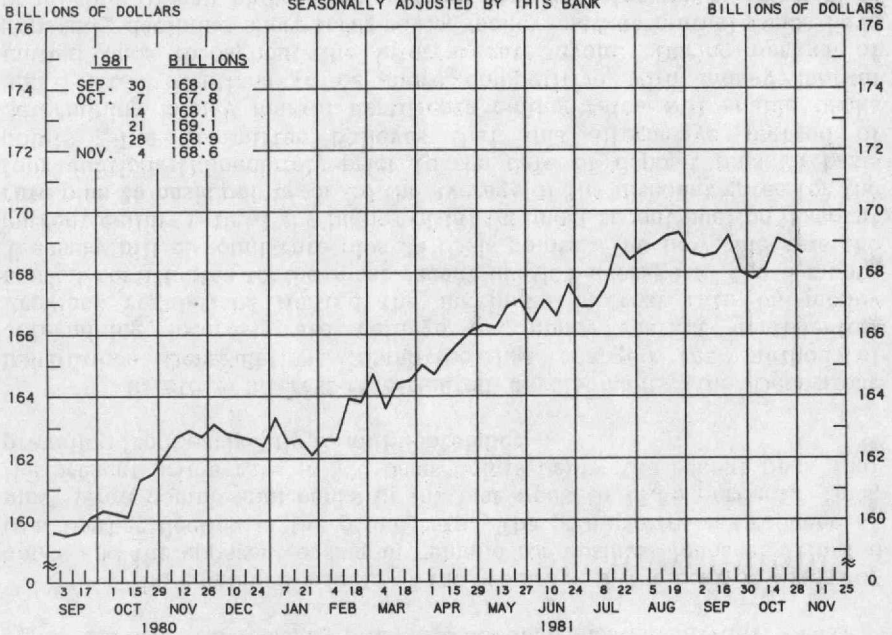
The combined effects of the reduction in the cost of funds for banks and the apparent easing in demand for business loans contributed to a further decline in the prime rate. The prime rate was reduced at most large commercial banks in the last week to 17.50 percent. Thus, the present prime rate is 300 basis points below the recent peak that prevailed from early July to mid-September.

In other interest-rate-related developments, the Depository Institutions Deregulation Committee has changed the method of determining interest rate ceilings on money market certificates. Previous regulations limited the maximum interest rate on money market certificates to the most recent auction average of the 6-month Treasury bill discount rate plus 25 basis points. The new rule sets the current ceiling rate at the higher of (a) the most recent auction discount rate plus 25 basis points, or (b) the average of the discount rates for the four auctions immediately prior to the date of deposit plus 25 basis points. The committee believes that this alternative method of determining money market certificate ceiling rates will enable banks and thrift institutions to be more competitive with money market mutual funds throughout the interest rate cycle. During periods of generally declining short-term rates, money market mutual funds have been able to pay higher than current market rates, since in such an environment their portfolios contain assets yielding higher than current market rates.

Prepared by Federal Reserve Bank of St. Louis
Released: November 6, 1981

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

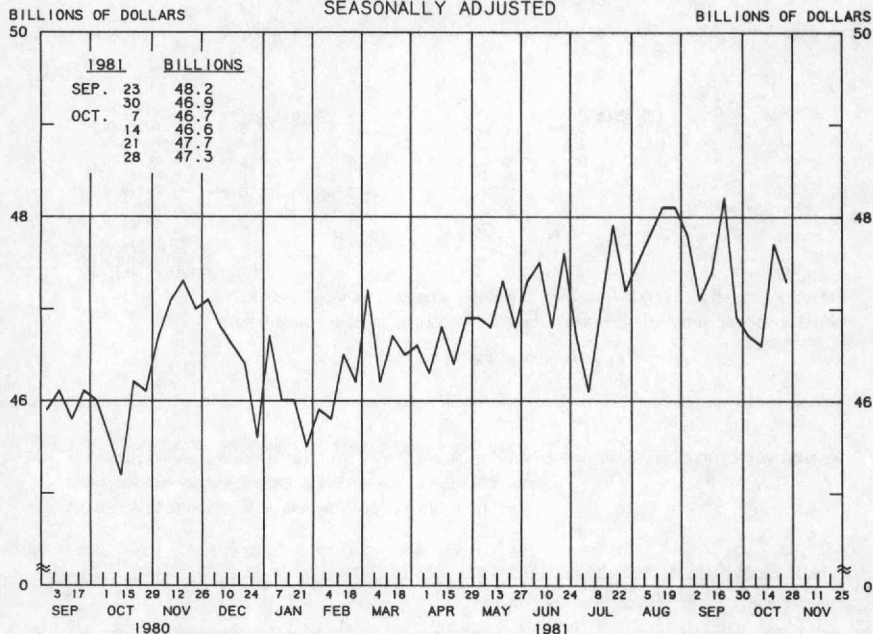


THE ADJUSTED MONETARY BASE CONSISTS OF: (1) MEMBER BANK RESERVES AT THE FEDERAL RESERVE BANKS; (2) CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF COMMERCIAL BANKS), AND (3) AN ADJUSTMENT FOR RESERVE REQUIREMENT RATIO CHANGES. THE MAJOR SOURCE OF THE ADJUSTED MONETARY BASE IS 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:									
	11/5/80	2/4/81	4/1/81	5/6/81	6/3/81	7/1/81	8/5/81	9/2/81	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
4/ 1/81	4.8								
5/ 6/81	5.8	8.6							
6/ 3/81	5.9	8.1	8.4						
7/ 1/81	5.6	7.2	6.7	4.8					
8/ 5/81	5.9	7.4	7.2	6.2	6.0				
9/ 2/81	5.8	7.0	6.7	5.8	5.6	6.8			
10/ 7/81	4.8	5.4	4.7	3.6	3.0	2.9	0.0		
11/ 4/81	4.6	5.1	4.4	3.4	2.9	2.8	0.7	-1.0	

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED BANK RESERVES
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 28, 1981.

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

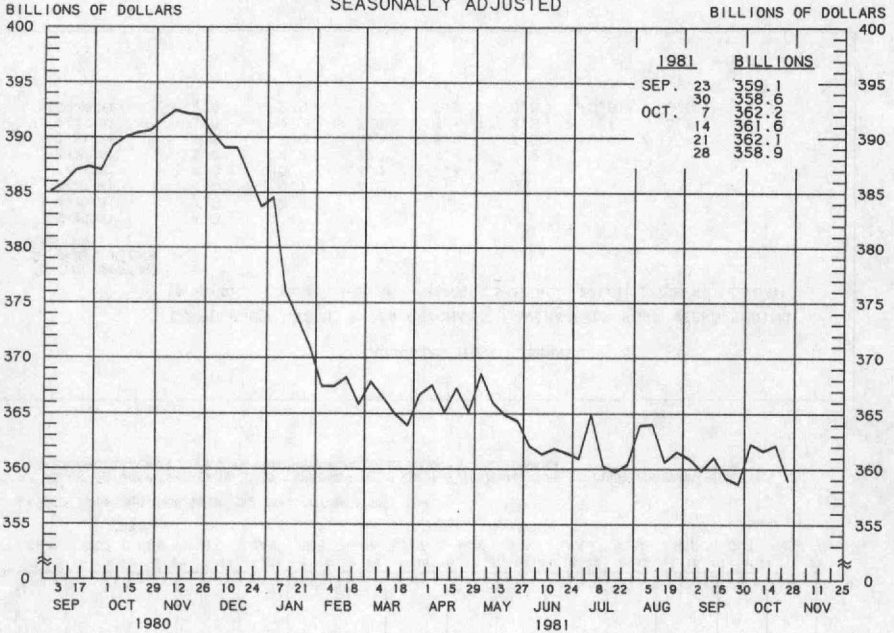
ADJUSTED BANK RESERVES

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

	10/29/80	1/28/81	3/25/81	4/29/81	5/27/81	7/1/81	7/29/81	8/26/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/25/81	4.9							
4/29/81	3.5	4.4						
5/27/81	4.6	6.1	3.8					
7/1/81	4.6	5.7	4.0	7.7				
7/29/81	3.8	4.4	2.5	4.4	1.2			
8/26/81	5.6	6.9	6.2	8.8	7.9	10.0		
9/30/81	3.8	4.2	2.9	4.1	2.5	1.7	3.7	
10/28/81	2.8	2.9	1.4	2.2	0.5	-0.6	0.0	-9.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1A)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 28, 1981

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

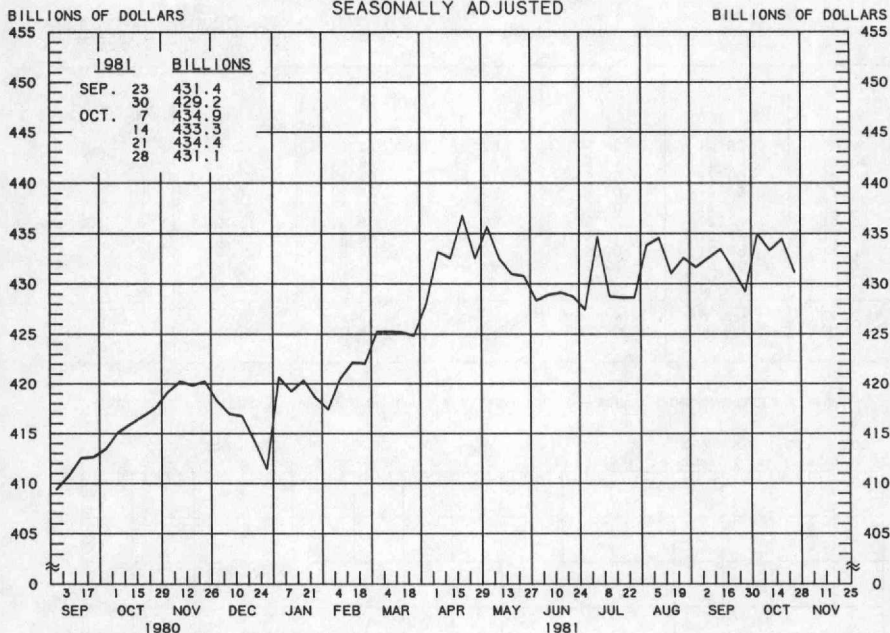
M1A CONSISTS OF CURRENCY AND COIN PLUS COMMERCIAL BANK DEMAND DEPOSITS HELD BY THE NONBANK PUBLIC EXCLUDING THOSE HELD BY FOREIGN BANKS AND OFFICIAL INSTITUTIONS.

MONEY STOCK (M1A)

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	10/29/80	1/28/81	3/25/81	4/29/81	5/27/81	7/1/81	7/29/81	8/26/81
3/25/81	-14.7							
4/29/81	-11.9	-10.3						
5/27/81	-10.5	-8.2	0.2					
7/1/81	-10.7	-9.1	-4.4	-7.3				
7/29/81	-9.7	-7.8	-3.5	-5.2	-7.0			
8/26/81	-8.5	-6.3	-2.1	-3.1	-3.7	2.0		
9/30/81	-8.4	-6.5	-3.2	-4.2	-4.9	-2.0	-2.7	
10/28/81	-7.4	-5.3	-2.1	-2.7	-3.0	-0.2	-0.1	-2.1

MONEY STOCK (M1B)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 28, 1981

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

M1B CONSISTS OF M1A PLUS OTHER CHECKABLE DEPOSITS AT ALL DEPOSITARY INSTITUTIONS.

MONEY STOCK (M1B)

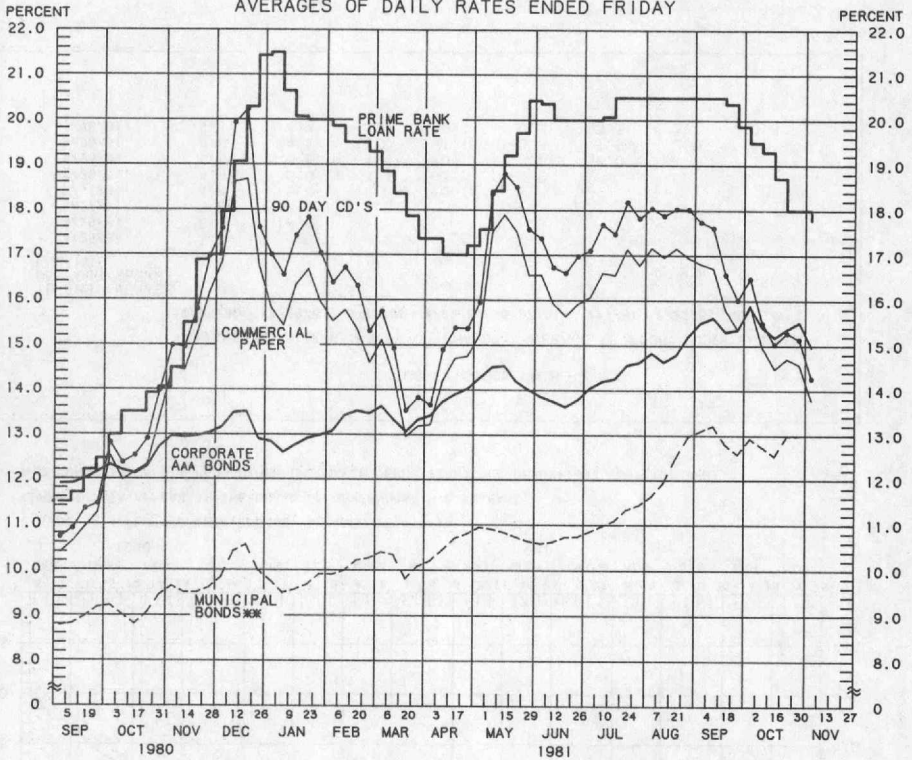
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	10/29/80	1/28/81	3/25/81	4/29/81	5/27/81	7/1/81	7/29/81	8/26/81
3/25/81		5.3						
4/29/81		8.5	14.0					
5/27/81		6.8	9.5	10.3				
7/1/81		4.4	5.0	3.0	-6.7			
7/29/81		4.4	5.0	3.4	-3.3	-3.0		
8/26/81		4.9	5.6	4.4	-0.5	0.6	7.0	
9/30/81		4.0	4.2	3.0	-1.1	-0.5	2.9	2.0
10/28/81		4.1	4.4	3.3	-0.1	0.5	3.5	3.1
								0.5

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: NOVEMBER 6, 1981

1981	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
SEP. 4	17.74	16.80	17.07	15.50	16.77	13.10
11	17.61	16.71	16.78	15.61	16.96	13.21
18	16.57	15.78	15.89	15.30	16.88	12.79
25	16.01	15.36	15.44	15.35	16.87	12.57
OCT. 2	16.48	15.89	15.83	15.85	17.24	12.93
9	15.50	14.95	14.91	15.40	17.09	12.73
16	15.03	14.48	14.53	15.18	16.99	12.53
23	15.28	14.70	14.81	15.36	17.09	12.99
30	15.14	14.57	14.57	15.51	17.19	12.99
NOV. 6 *	14.27	13.77	13.73	14.96	16.95	N.A.
13						
20						
27						

* AVERAGES OF RATES AVAILABLE.

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

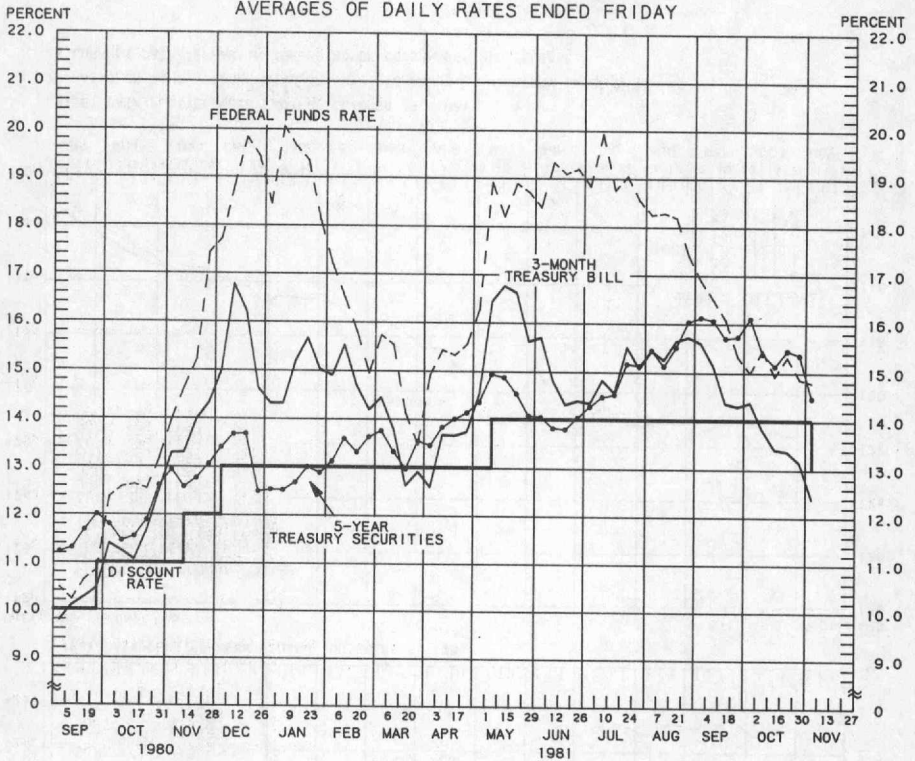
*** DATA ARE 4-MONTH COMMERCIAL PAPER RATES.

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: NOVEMBER 6, 1981

1981	FEDERAL FUNDS **	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL ***	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
SEP. 4	16.89	15.59	15.65	15.05	16.13	14.64
11	16.50	15.14	15.80	14.80	16.07	14.63
18	16.09	14.35	14.66	14.21	15.70	14.29
25	15.33	14.29	14.13	14.16	15.73	14.49
OCT. 2	15.00	14.37	14.93	14.54	16.11	15.05
9	15.46	13.81	14.22	13.71	15.39	14.42
16	14.93	13.41	13.50	13.42	15.14	14.34
23	15.32	13.37	13.80	13.60	15.45	14.61
30	14.87	13.14	13.62	13.36	15.36	14.72
NOV. 6 *	14.79	12.39	12.72	12.47	14.47	13.87
13						
20						
27						

* 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.

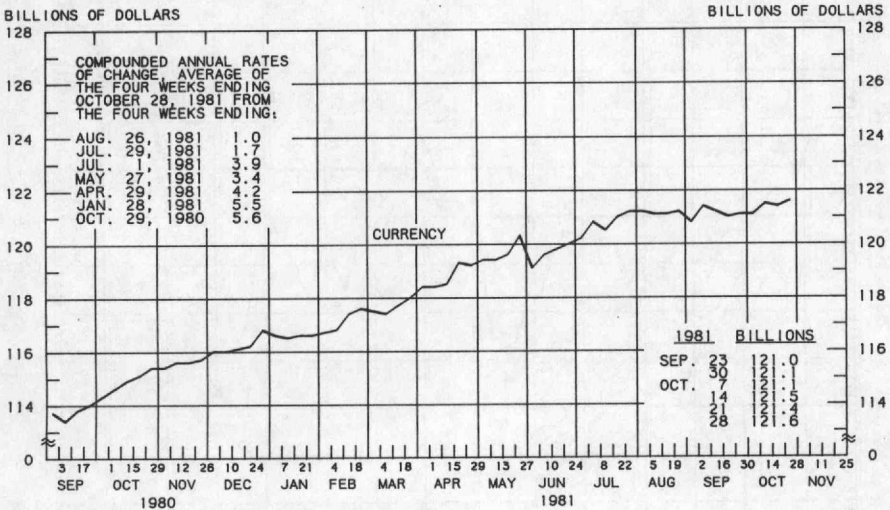
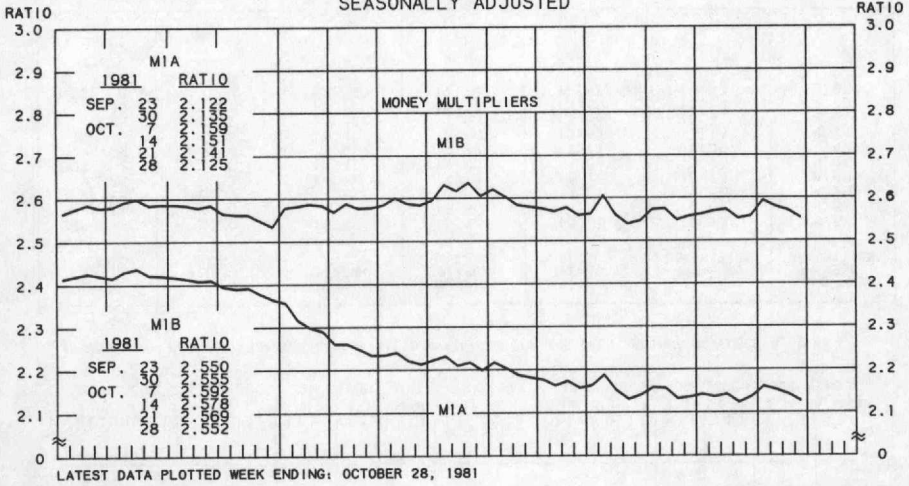
**** NEW ISSUE RATE

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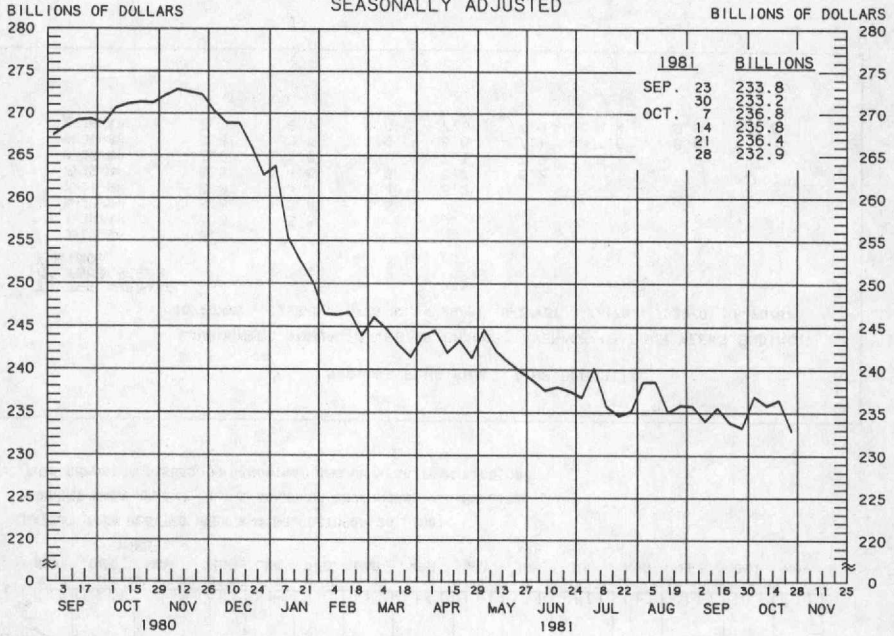
MULTIPLIERS \downarrow CURRENCY OF MONEY STOCK MEASURES \downarrow AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



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



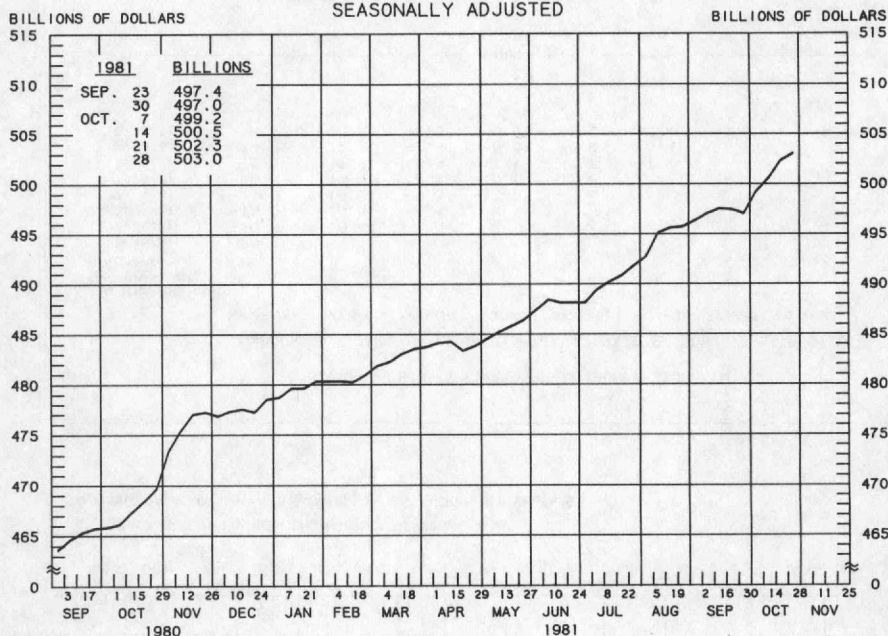
LATEST DATA PLOTTED WEEK ENDING: OCTOBER 28, 1981

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:									
	10/29/80	1/28/81	3/25/81	4/29/81	5/27/81	7/1/81	7/29/81	8/26/81	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
3/25/81	-23.2								
4/29/81	-19.8	-18.4							
5/27/81	-18.0	-15.5	-4.4						
7/1/81	-17.9	-15.9	-9.3	-12.2					
7/29/81	-16.7	-14.4	-8.4	-10.1	-12.2				
8/26/81	-15.0	-12.2	-6.4	-7.1	-7.7	-1.1			
9/30/81	-14.7	-12.2	-7.4	-8.3	-8.9	-5.4	-5.5		
10/28/81	-13.1	-10.3	-5.6	-5.9	-6.0	-2.4	-1.5	-3.6	

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: OCTOBER 28, 1981

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

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

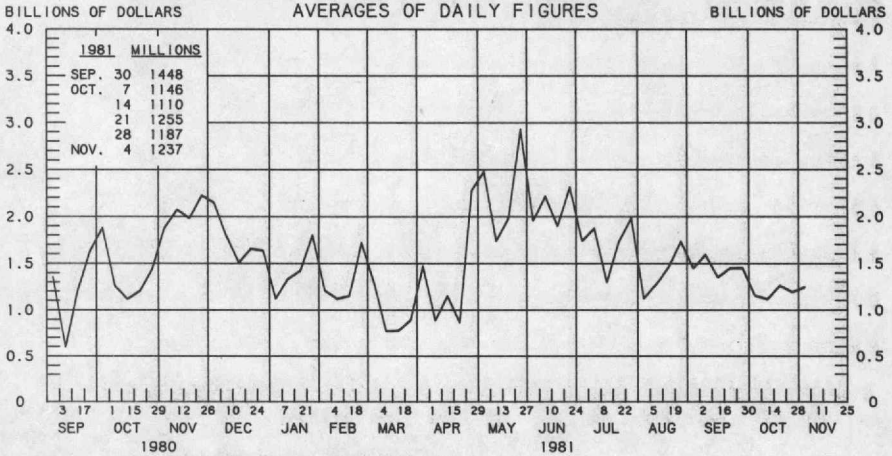
SAVINGS PLUS SMALL TIME DEPOSITS

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

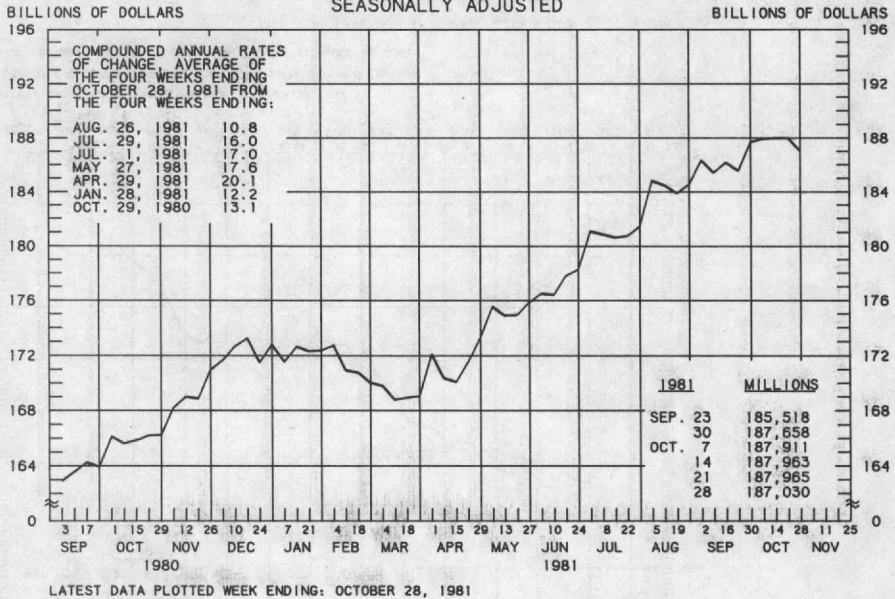
	10/29/80	1/28/81	3/25/81	4/29/81	5/27/81	7/1/81	7/29/81	8/26/81
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/25/81	8.0							
4/29/81	7.0	3.6						
5/27/81	6.6	3.8	3.5					
7/1/81	6.5	4.3	4.4	5.2				
7/29/81	6.5	4.6	4.9	5.7	6.2			
8/26/81	7.0	5.6	6.1	7.1	7.9	9.1		
9/30/81	6.8	5.5	5.9	6.6	7.1	7.6	8.0	
10/28/81	7.1	6.1	6.6	7.3	7.9	8.4	9.0	7.8

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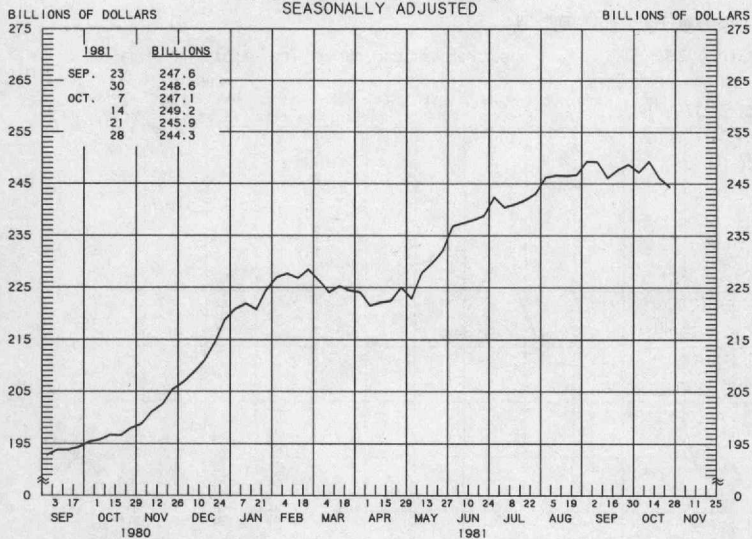
BORROWINGS FROM FEDERAL RESERVE BANKS



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



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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 28, 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