



U.S. FINANCIAL DATA

Week ending: March 24, 1982

LIBRARY A close long-run relationship exists between the growth of M1 and the growth of the adjusted monetary base. The long-run stability of the ratio of M1 to the base is illustrated in the multiplier chart on page 5 of this release. During most of the period since January 1981, the ratio of M1 to the adjusted monetary base has been in a narrow range between 2.56 and 2.59.

MAR 29 1982

In the shorter run, movements in these aggregates may diverge due to changes in the public's preference for certain assets. This familiar short-run/long-run pattern in the growth of M1 and the base is reflected in data since December 1981. From the four weeks ending December 16, 1981, to the four weeks ending March 17, 1982, M1 and the adjusted monetary base grew at 8.7 percent and 9.3 percent rates, respectively. However, from early December 1981 to early January 1982, M1 grew faster than the adjusted monetary base. Then, from early January to the middle of March of this year, M1 grew slower than the adjusted monetary base (see pages 2 and 4).

The short-run divergence in the growth of these aggregates is reflected in movements of the M1 multiplier, which summarizes the effects of both the public's and banks' behavior on the relationship between adjusted monetary base and money growth. The multiplier is inversely related to the public's desire to hold currency relative to checkable deposits (k-ratio) and time deposits relative to checkable deposits (t-ratio). If the public desires to hold a smaller proportion of money in currency, then the proportion of the base held in the form of reserves increases, and, other things held constant, checkable deposits and money expand more rapidly. If the public desires to hold a smaller proportion of deposits in the form of time deposits, then reserves are freed to support more checkable deposits. Thus, if both these ratios decrease, more money can be supported by a given level of the monetary base.

The M1 multiplier increased sharply in January, then declined to about its December 1981 level. This movement indicates a change in the public's desire to hold currency and time deposits relative to checkable deposits. Both the k- and t-ratios decreased in January from their December 1981 levels, then returned to near the December level by March.

M1 multiplier, k-ratio and t-ratio
(seasonally adjusted)

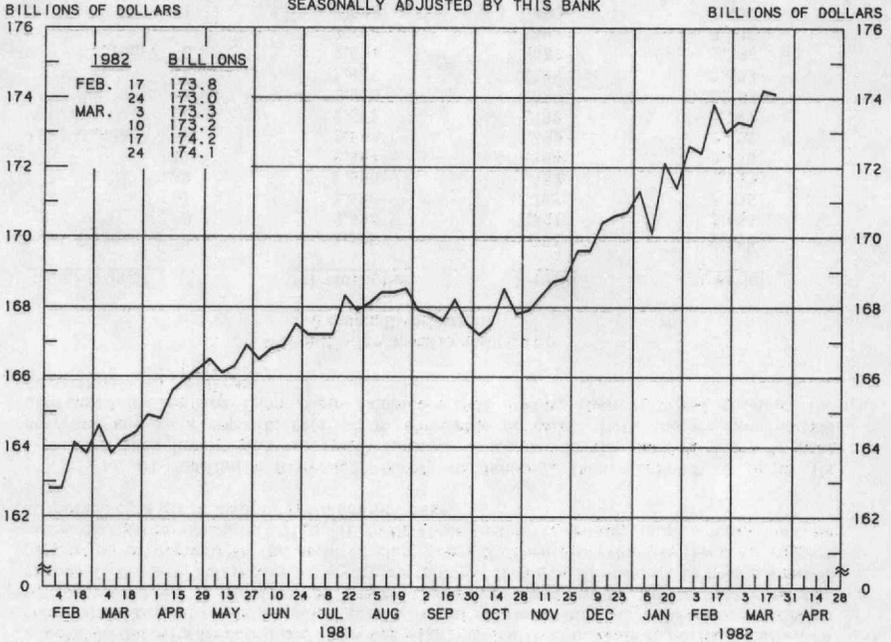
Week ending	M1 multiplier	k-ratio	t-ratio
1981 December 2	2.586	.391	2.437
9	2.596	.391	2.431
16	2.598	.392	2.435
23	2.583	.394	2.412
30	2.584	.396	2.430
1982 January 6	2.620	.388	2.392
13	2.651	.382	2.367
20	2.610	.386	2.382
27	2.609	.390	2.403
February 3	2.604	.388	2.396
10	2.590	.392	2.430
17	2.578	.392	2.430
24	2.573	.393	2.448
March 3	2.589	.390	2.443
10	2.589	.390	2.451
17	2.577	.391	2.451

Prepared by Federal Reserve Bank of St. Louis

Released: March 26, 1982

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: MARCH 24, 1982

THE ADJUSTED MONETARY BASE CONSISTS OF: (1) RESERVE ACCOUNTS OF FINANCIAL INSTITUTIONS AT 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

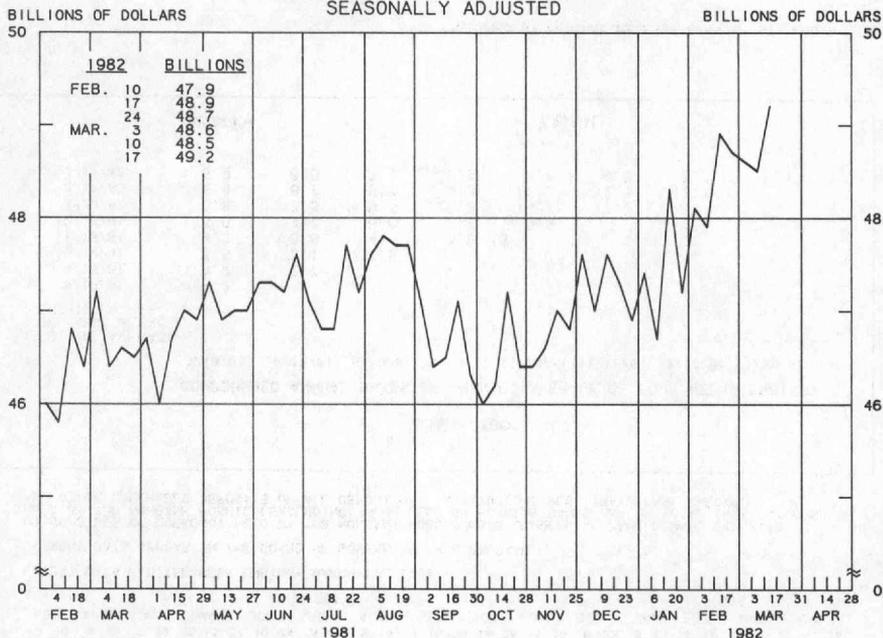
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	3/25/81	6/24/81	8/26/81	9/23/81	10/21/81	11/25/81	12/23/81	1/27/82
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/26/81	6.0							
9/23/81	4.4	2.4						
10/21/81	3.6	1.5	-2.7					
11/25/81	3.7	2.1	0.0	1.7				
12/23/81	4.7	3.9	3.1	5.3	8.6			
1/27/82	5.0	4.4	4.0	5.8	8.0	10.0		
2/24/82	5.7	5.5	5.5	7.3	9.4	11.4	10.3	
3/24/82	5.7	5.5	5.5	7.0	8.7	9.9	8.7	9.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED RESERVES

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 17, 1982

ADJUSTED MONETARY BASE (RESERVE ACCOUNTS OF FINANCIAL INSTITUTIONS AT FEDERAL RESERVE BANKS PLUS CURRENCY IN CIRCULATION) LESS CURRENCY HELD BY THE NONBANK PUBLIC.

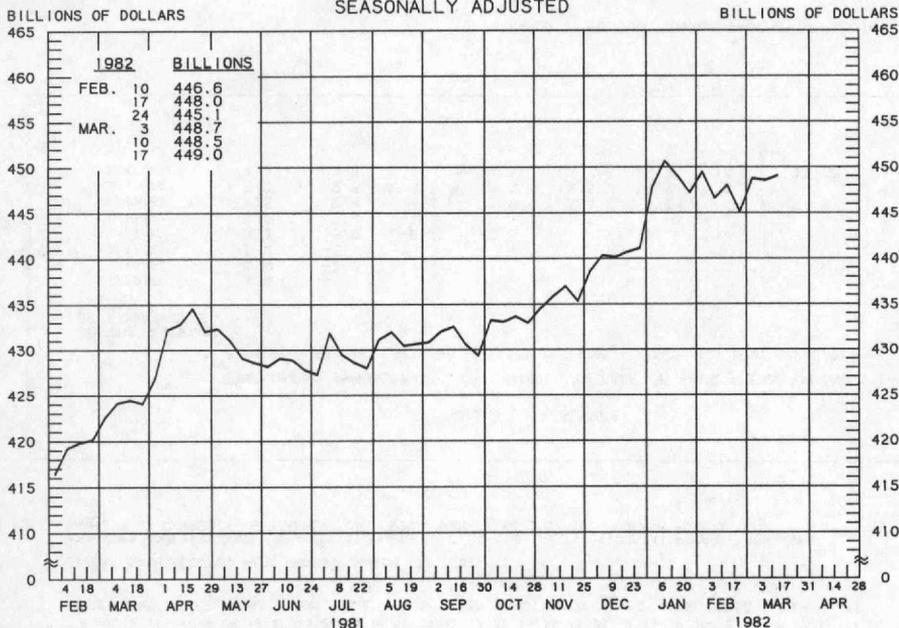
ADJUSTED RESERVES

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	3/18/81	6/17/81	8/19/81	9/16/81	10/14/81	11/18/81	12/16/81	1/20/82
8/19/81	4.6							
9/16/81	0.9	-2.5						
10/14/81	-1.1	-5.1	-15.3					
11/18/81	-0.3	-3.0	-8.1	-3.6				
12/16/81	1.7	0.4	-1.9	3.5	11.7			
1/20/82	1.5	0.4	-1.5	2.5	7.4	9.0		
2/17/82	3.0	2.5	1.7	5.6	10.3	12.6	8.9	
3/17/82	4.5	4.5	4.4	8.3	12.7	15.2	13.3	22.5

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MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 17, 1982

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

M1 CONSISTS OF CURRENCY HELD BY THE NONBANK PUBLIC PLUS COMMERCIAL BANK DEMAND DEPOSITS HELD BY THE NONBANK PUBLIC (EXCLUDING THOSE HELD BY FOREIGN BANKS AND OFFICIAL INSTITUTIONS) AND OTHER CHECKABLE DEPOSITS OF ALL DEPOSITORY INSTITUTIONS PLUS TRAVELERS' CHECKS.

MONEY STOCK (M1)

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

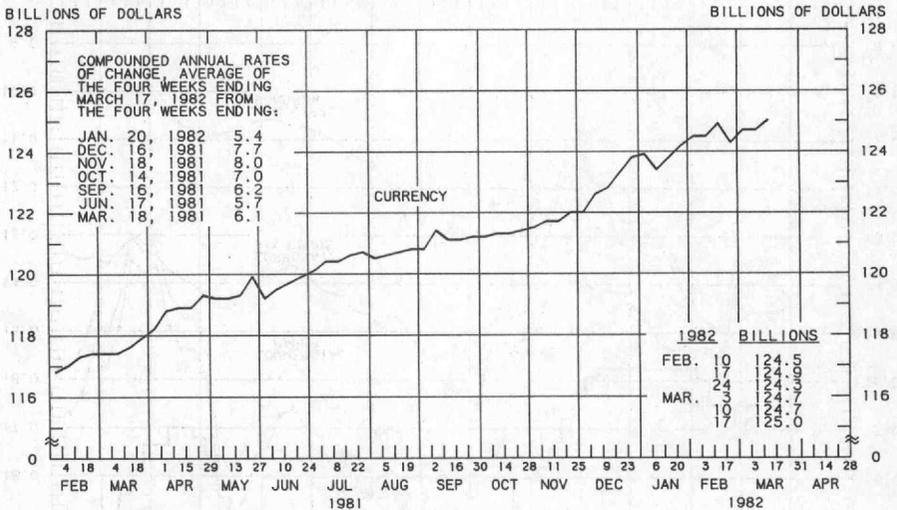
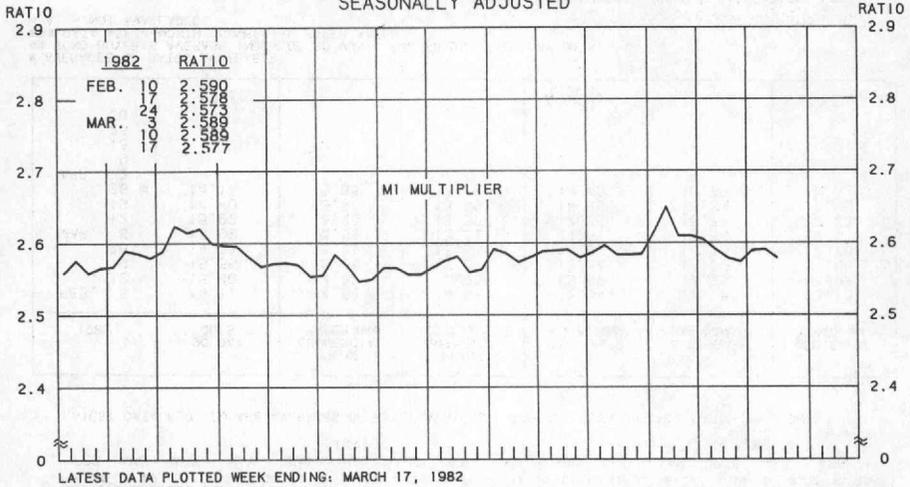
3/18/81 6/17/81 8/19/81 9/16/81 10/14/81 11/18/81 12/16/81 1/20/82

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/19/81	4.2							
9/16/81	4.2	2.7						
10/14/81	3.6	2.1	1.8					
11/18/81	4.3	3.6	4.4	4.8				
12/16/81	5.0	4.7	6.0	6.7	9.9			
1/20/82	6.8	7.3	9.5	10.8	14.1	17.2		
2/17/82	6.4	6.7	8.3	9.2	11.3	12.3	12.7	
3/17/82	5.9	6.0	7.2	7.7	9.2	9.3	8.7	1.0

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**MONEY MULTIPLIER 1/
CURRENCY COMPONENT OF MONEY STOCK 2/
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED**

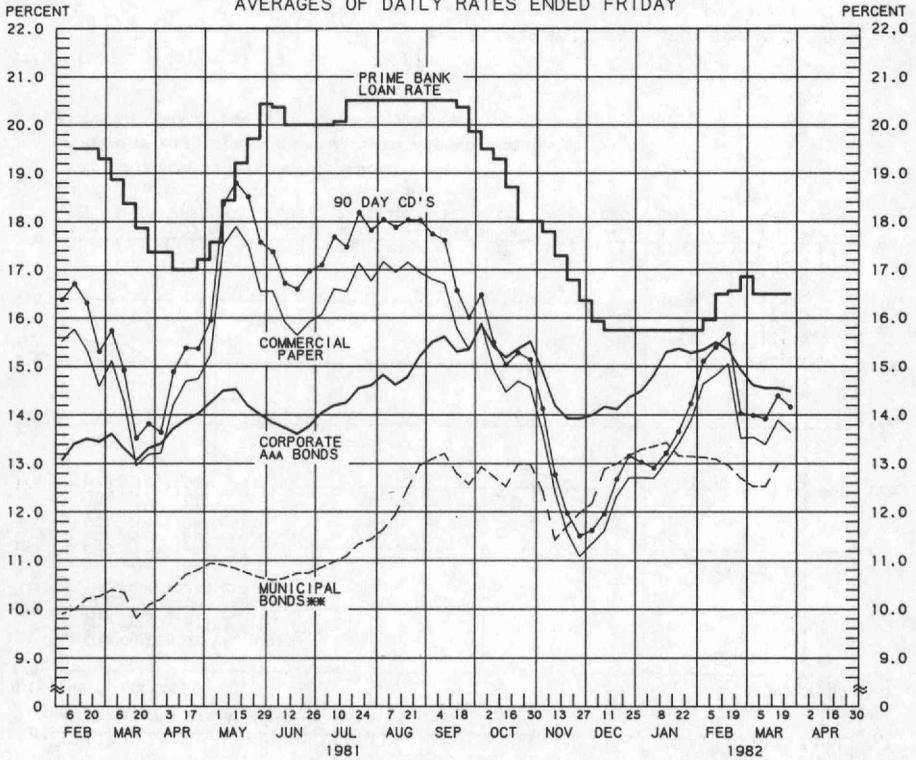


1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE
2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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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 26, 1982

1982	90 DAY CD'S	PRIME COMMERCIAL PAPER ***	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
FEB. 5	15.11	14.65	14.68	15.34	17.18	13.13
12	15.40	14.82	14.93	15.49	17.28	13.09
19	15.66	15.05	15.01	15.34	17.29	12.96
26	14.03	13.53	13.63	14.92	16.98	12.70
MAR. 5	13.99	13.55	13.53	14.61	16.84	12.53
12	13.92	13.40	13.57	14.55	16.74	12.53
19	14.40	13.89	13.95	14.55	16.84	12.99
26 *	14.17	13.65	13.76	14.49	16.79	N.A.
APR. 2						
9						
16						
23						
30						

* AVERAGES OF RATES AVAILABLE.

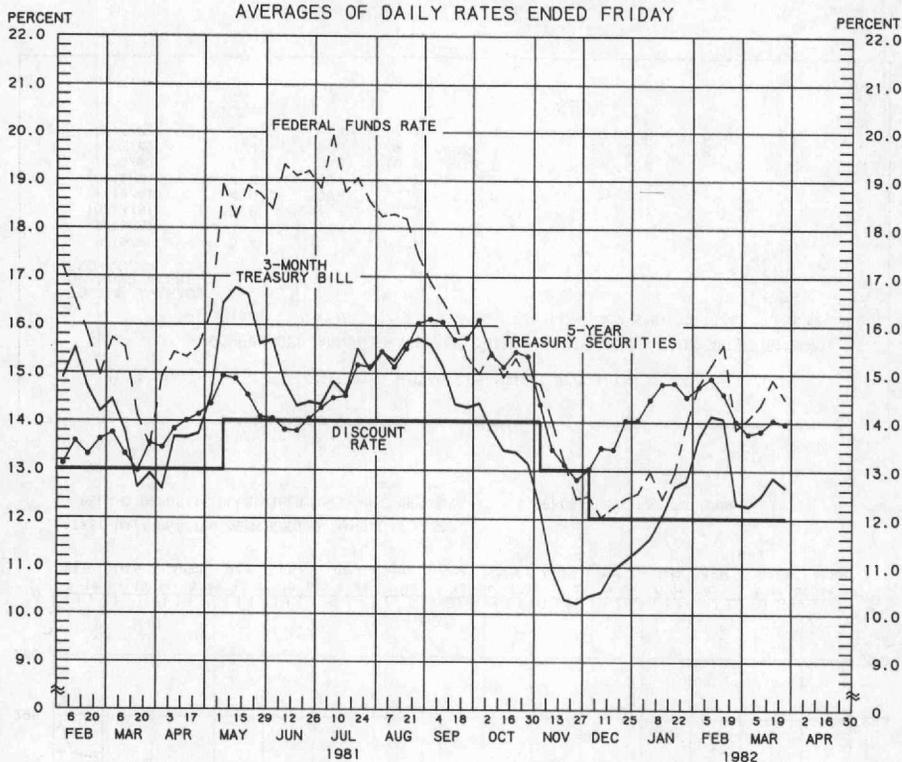
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA.

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

N.A. - NOT AVAILABLE

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 26, 1982

1982	FEDERAL FUNDS %	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL %	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
FEB. 5	14.77	13.68	13.85	13.19	14.73	14.28
12	15.19	14.12	13.93	13.43	14.91	14.50
19	15.61	14.06	14.36	13.37	14.58	14.01
26	13.86	12.31	12.70	12.56	14.02	13.54
MAR. 5	14.07	12.26	12.79	12.27	13.76	13.29
12	14.35	12.47	12.06	12.30	13.82	13.37
19	14.89	12.85	12.96	12.58	14.04	13.39
26 *	14.48	12.65	12.67	12.46	13.97	13.24
APR. 2						
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.15 RELEASE.

NEW ISSUE RATE

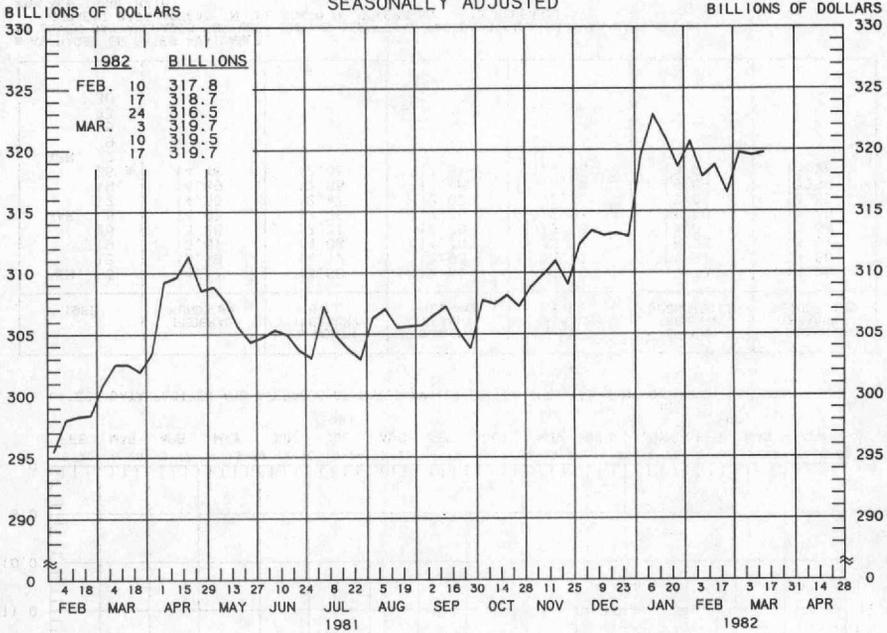
RATES ON LONG-TERM TREASURY SECURITIES ARE COMPUTED BY THE FEDERAL RESERVE BANK OF ST. LOUIS.

TREASURY BILL YIELDS ON DISCOUNT BASIS.

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TOTAL CHECKABLE DEPOSITS \downarrow

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



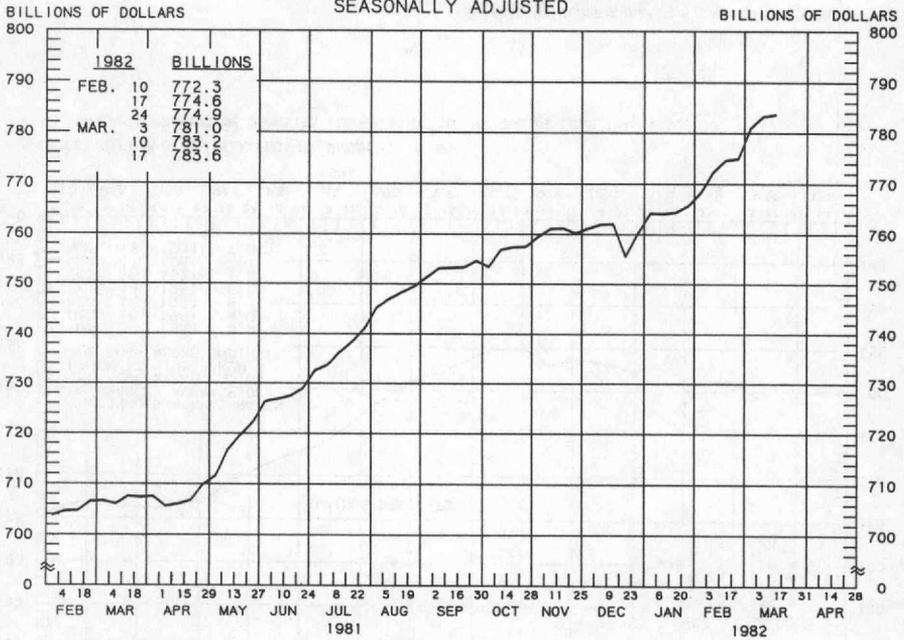
LATEST DATA PLOTTED WEEK ENDING: MARCH 17, 1982

1/ DEMAND DEPOSITS PLUS OTHER CHECKABLE DEPOSITS AT ALL DEPOSITORY INSTITUTIONS

TOTAL CHECKABLE DEPOSITS									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	3/18/81	6/17/81	8/19/81	9/16/81	10/14/81	11/18/81	12/16/81	1/20/82	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
8/19/81	3.4								
9/16/81	3.5	2.0							
10/14/81	2.8	1.2	1.3						
11/18/81	4.0	3.4	5.1	5.6					
12/16/81	4.8	4.7	6.7	7.5	11.7				
1/20/82	7.1	7.9	10.8	12.5	16.7	19.8			
2/17/82	6.4	6.9	9.0	10.0	12.7	13.2	13.7		
3/17/82	5.9	6.2	7.8	8.4	10.3	9.9	9.3	-0.2	

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TOTAL TIME DEPOSITS ✓
 ALL COMMERCIAL BANKS
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 17, 1982.

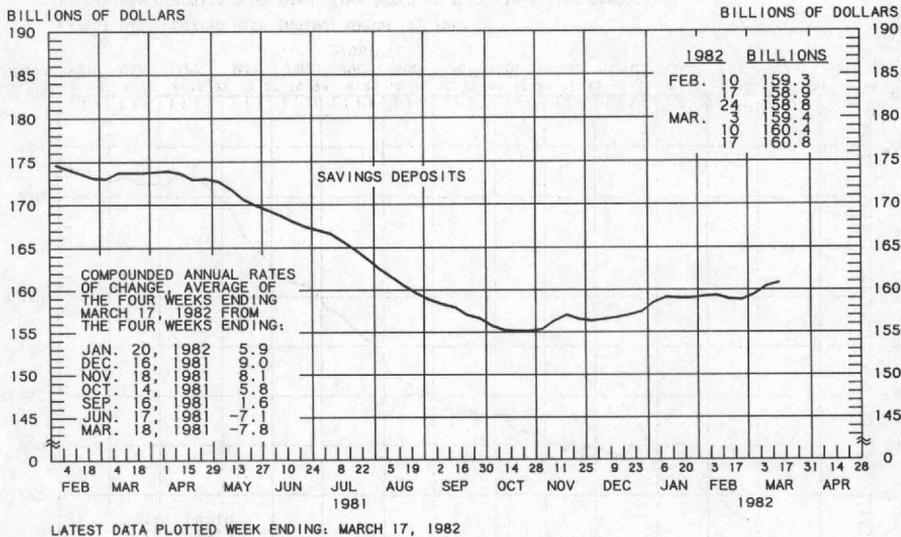
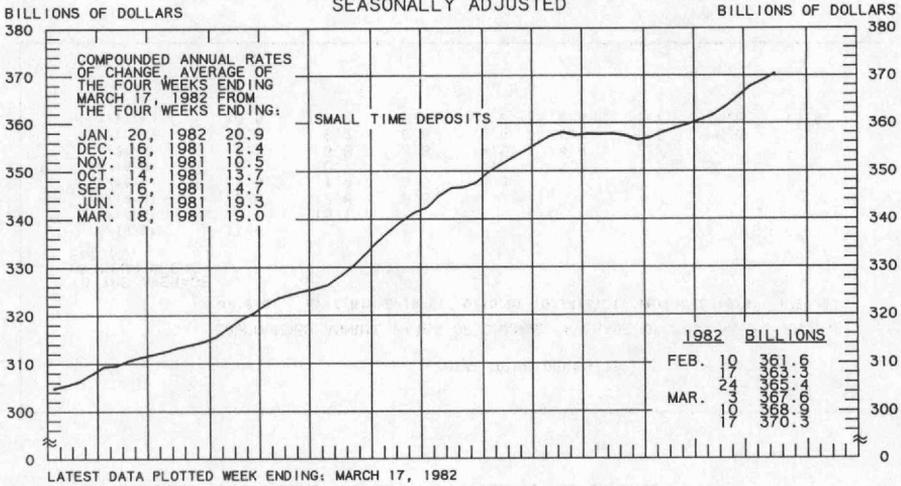
1/ SAVINGS DEPOSITS PLUS SMALL TIME DEPOSITS PLUS LARGE TIME DEPOSITS

TOTAL TIME DEPOSITS									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	3/18/81	6/17/81	8/19/81	9/16/81	10/14/81	11/18/81	12/16/81	1/20/82	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
8/19/81	13.4								
9/16/81	13.1	15.1							
10/14/81	12.0	12.6	8.3						
11/18/81	11.3	11.4	8.0	6.3					
12/16/81	10.4	10.1	6.7	5.2	5.3				
1/20/82	9.5	8.8	5.8	4.5	4.4	2.7			
2/17/82	9.8	9.2	6.8	5.9	6.1	5.6	6.9		
3/17/82	10.5	10.2	8.4	7.9	8.4	8.7	10.6	15.9	

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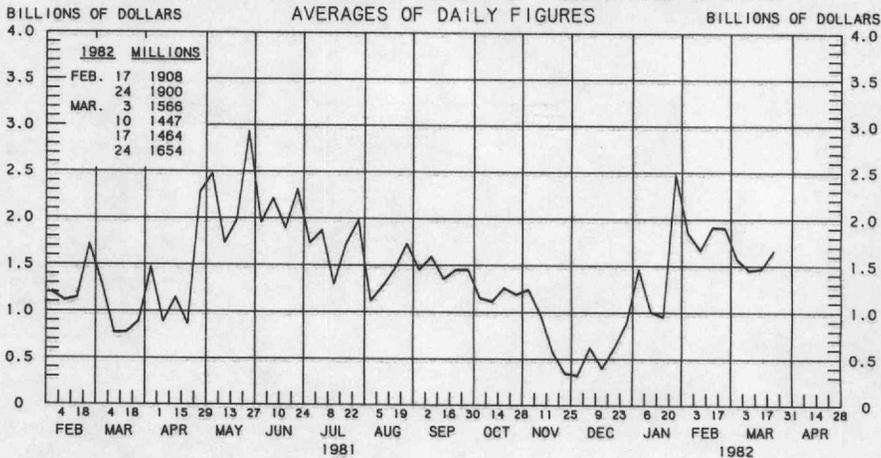
SMALL TIME DEPOSITS ^{1/} COMMERCIAL BANK SAVINGS DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

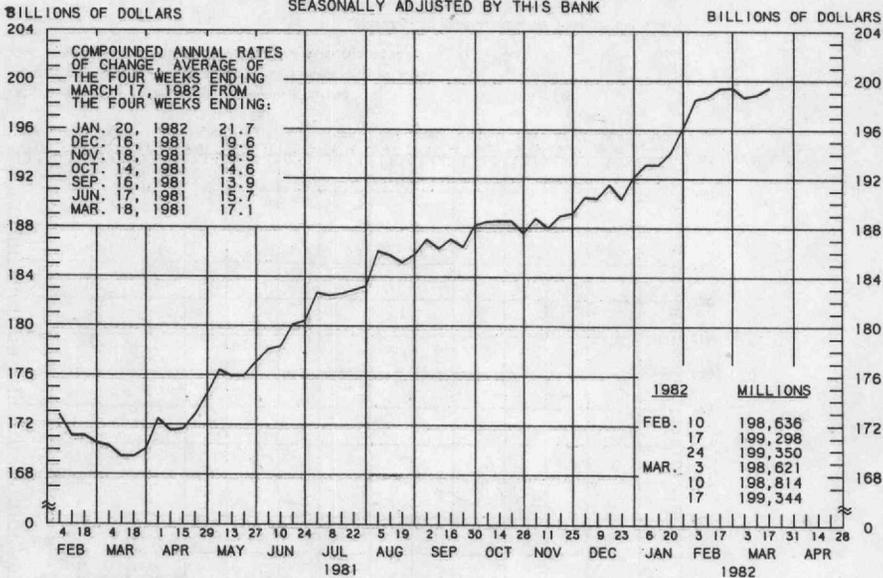


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BORROWINGS FROM FEDERAL RESERVE BANKS



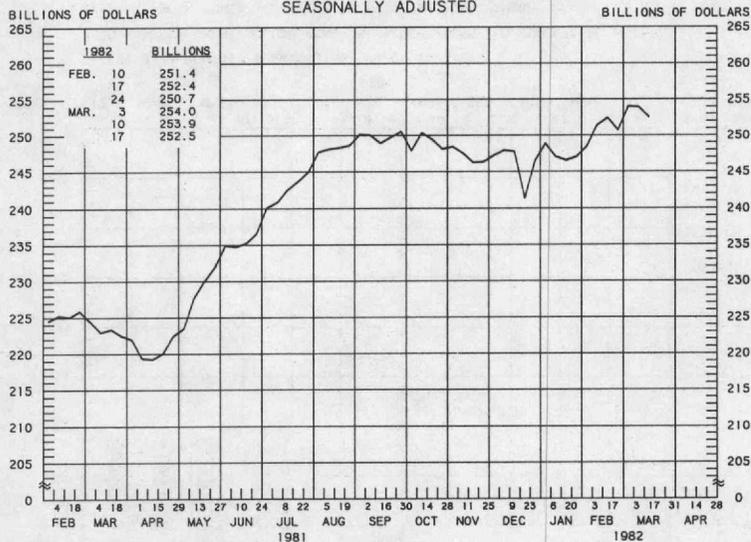
BUSINESS LOANS^{1/} (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS^{2/} SEASONALLY ADJUSTED BY THIS BANK



1/ BUSINESS LOANS INCLUDE BANKERS' ACCEPTANCES AND COMMERCIAL PAPER.
2/ BANKS WITH DOMESTIC ASSETS OF \$750 MILLION OR MORE

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 17, 1982

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