

U.S. Financial Data

Federal Reserve Bank of St. Louis

January 7, 1983

JAN 11 1983

Despite increasing estimates of future federal government budget deficits and relatively wide swings in the monetary growth rate, interest rates declined substantially during 1982. The decline in short-term interest rates ranged from 450-650 basis points during the period from February through December. The federal funds rate declined from a weekly average peak of 15.61 percent in February to 8.79 percent at the end of December, while the yield on 3-month Treasury bills declined from 14.12 percent to 8.01 percent over the same period. Lagging somewhat the general decline in short-term rates, the discount rate was successively reduced from its January level of 12 percent to the current level of 8.50 percent.

The decline in longer-term interest rates was also substantial. The reduction in these rates was generally in the neighborhood of 350-450 basis points with the smaller declines being scored by securities of longer maturity. The yield on 5-year Treasury securities, for example, fell by 476 basis points from the middle of February through the end of December, while the yield on long-term Treasury bonds declined 398 basis points.

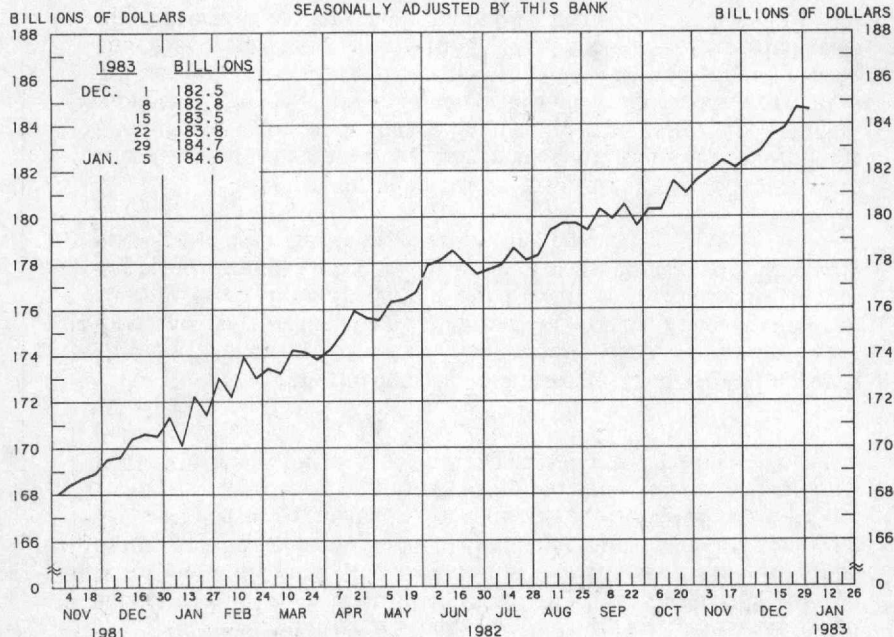
The general decline in interest rates from February through December occurred in three phases. Interest rates declined somewhat from February through June, then fell sharply from June through August. After some oscillation in September and October, interest rates continued relatively unchanged over the remainder of the year.

The most abrupt decline in interest rates occurred in the face of sharply rising estimates of federal government budget deficits and during a period of relatively modest monetary growth. From January through August, M1 grew at a 2.5 percent rate. Interest rates were roughly unchanged during the last four months of 1982 even though this period was characterized by very rapid monetary growth.

—Gary Santoni

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: JANUARY 5, 1983

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 ALL DEPOSITORY INSTITUTIONS), 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.

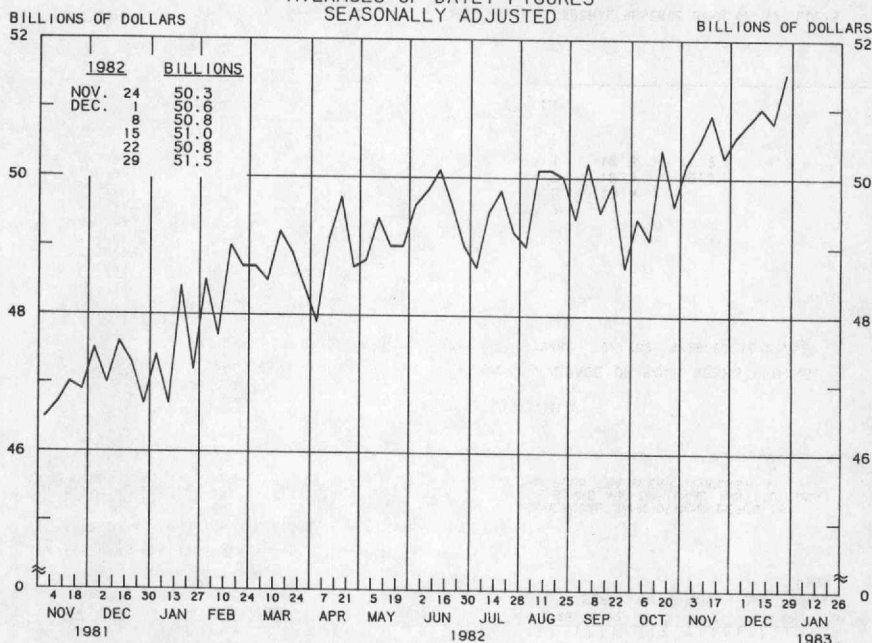
ADJUSTED MONETARY BASE

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

	1/6/82	4/7/82	6/2/82	7/7/82	8/4/82	9/8/82	10/6/82	11/3/82
TO THE AVERAGE OF FOUR WEEKS ENDING:								
6/ 2/82	9.1							
7/ 7/82	8.6							
8/ 4/82	7.7	9.0						
9/ 8/82	8.0	7.4	4.7					
10/ 6/82	7.4	7.9	6.4	6.3				
11/ 3/82	7.4	7.0	5.5	5.0	6.3			
12/ 8/82	7.5	7.1	5.8	5.6	6.7	4.8		
1/ 5/83	7.9	7.3	6.3	6.2	7.1	6.1	7.9	
		7.8	7.1	7.2	8.1	7.7	9.4	10.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED RESERVES AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 29, 1982

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

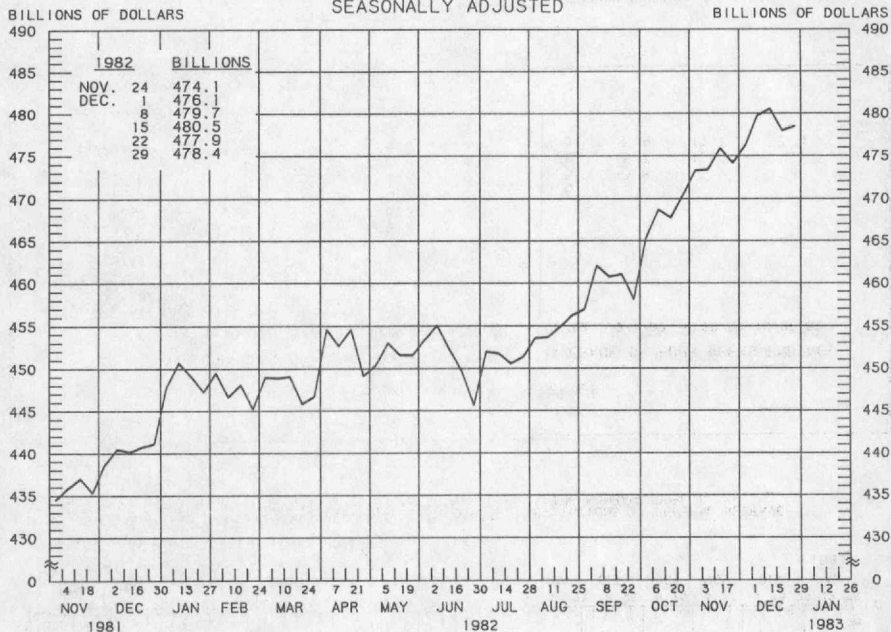
ADJUSTED RESERVES

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	12/30/81	3/31/82	5/26/82	6/30/82	7/28/82	9/1/82	9/29/82	10/27/82
5/26/82	10.3							
6/30/82	10.4	6.7						
7/28/82	7.8	3.2	2.4					
9/1/82	8.6	5.4	6.2	3.5				
9/29/82	6.8	3.3	3.0	0.0	3.6			
10/27/82	6.2	2.9	2.4	0.0	2.5	-3.8		
12/1/82	7.8	5.5	6.0	4.8	7.8	5.7	12.2	
12/29/82	8.1	6.1	6.6	5.7	8.3	6.9	11.8	17.4

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MONEY STOCK (M1) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 29, 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.

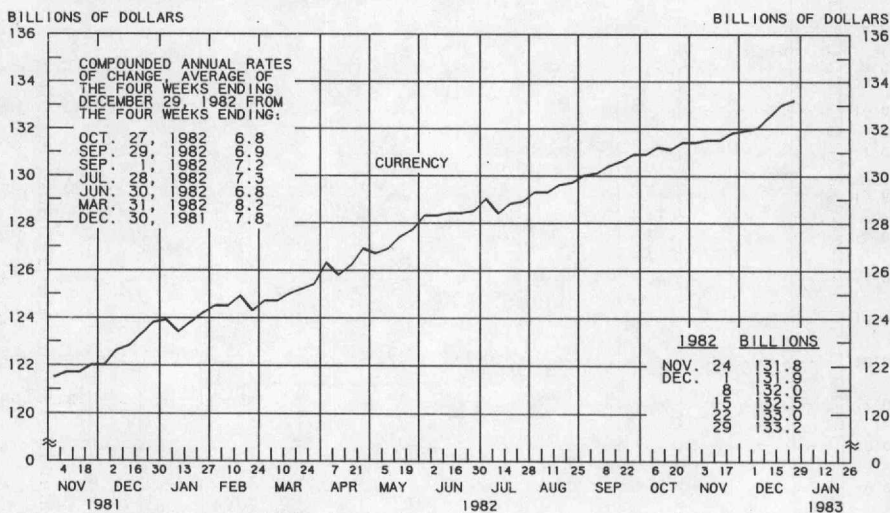
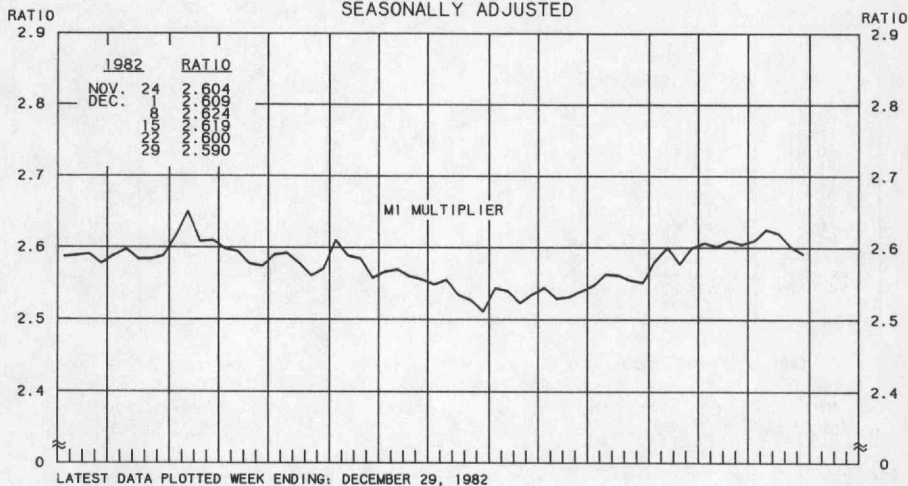
MONEY STOCK (M1)

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

	12/30/81	3/31/82	5/26/82	6/30/82	7/28/82	9/1/82	9/29/82	10/27/82
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/26/82	6.3							
6/30/82	4.6	2.7						
7/28/82	4.3	2.6	-0.3					
9/1/82	5.0	4.2	3.2	6.3				
9/29/82	6.1	5.8	5.8	9.1	12.2			
10/27/82	7.6	8.0	8.8	12.3	15.5	19.4		
12/1/82	8.4	9.2	10.1	13.2	15.7	18.2	19.3	
12/29/82	8.7	9.5	10.4	13.0	15.1	16.8	17.2	14.5

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MONEY MULTIPLIER ^{1/} CURRENCY COMPONENT OF MONEY STOCK ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



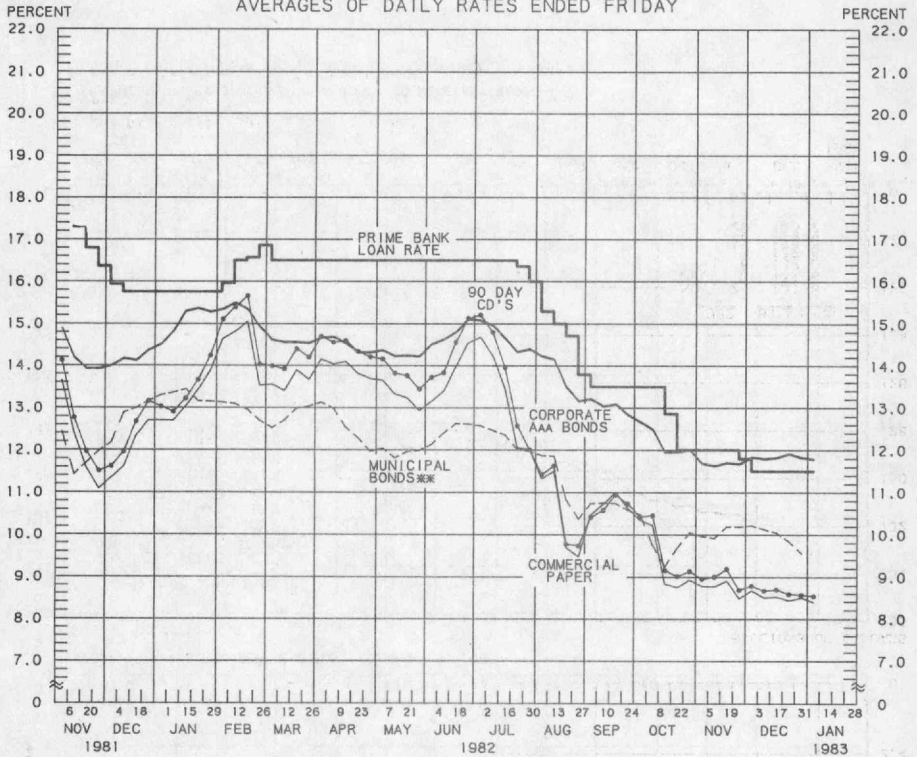
1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE

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

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: JANUARY 7, 1983

1983	90 DAY CD'S	PRIME COMMERCIAL PAPER	PRIME BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
NOV. 5	8.96	8.78	8.78	11.68	14.44	9.96
12	9.01	8.77	8.85	11.62	14.39	9.92
19	9.19	8.91	8.96	11.70	14.23	10.20
26	8.69	8.48	8.61	11.67	14.17	10.20
DEC. 3	8.79	8.67	8.68	11.83	14.16	10.23
10	8.67	8.50	8.58	11.79	14.11	10.13
17	8.70	8.52	8.59	11.82	14.15	10.05
24	8.59	8.43	8.54	11.91	14.20	9.84
31	8.57	8.50	8.58	11.82	14.11	9.56
JAN. 7 *	8.54	8.39	8.43	11.78	14.04	N.A.
14						
21						
28						

* AVERAGES OF RATES AVAILABLE.

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

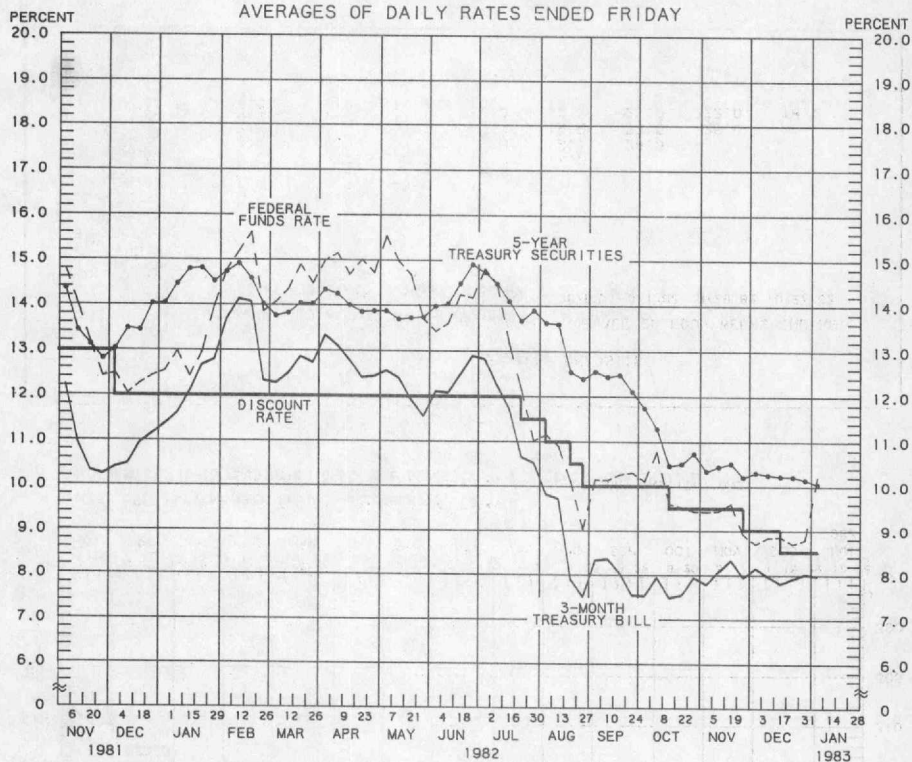
*** DATA ARE 4-MONTH COMMERCIAL PAPER RATES.

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES

AVERAGES OF DAILY RATES ENDED FRIDAY



1983	FEDERAL FUNDS **	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL ***	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
NOV. 5	9.43	7.78	8.23	8.36	10.34	10.31
12	9.45	8.07	8.40	8.47	10.44	10.39
19	9.61	8.31	8.54	8.49	10.51	10.49
26	8.91	7.94	8.11	8.35	10.21	10.50
DEC. 3	8.69	8.14	8.51	8.53	10.31	10.69
10	8.84	7.96	8.25	8.36	10.26	10.59
17	8.86	7.80	8.21	8.15	10.23	10.64
24	8.69	7.91	8.10	8.14	10.22	10.62
31	8.79	8.01	8.05	8.11	10.15	10.52
JAN. 7 *	10.21	7.97	7.95	8.05	10.05	10.48
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.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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TOTAL CHECKABLE DEPOSITS ✓ AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 29, 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:

	12/30/81	3/31/82	5/26/82	6/30/82	7/28/82	9/1/82	9/29/82	10/27/82
TO THE AVERAGE OF FOUR WEEKS ENDING:								
5/26/82	5.5							
6/30/82	3.0	-0.5						
7/28/82	2.8	0.1	-3.0					
9/1/82	4.0	2.5	1.8	6.9				
9/29/82	5.3	4.7	5.1	10.2	14.0			
10/27/82	7.5	7.9	9.5	14.8	19.1	24.5		
12/1/82	8.9	9.8	11.7	16.4	19.9	23.5	26.0	
12/29/82	9.3	10.2	11.9	16.0	18.7	21.0	22.0	18.1

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



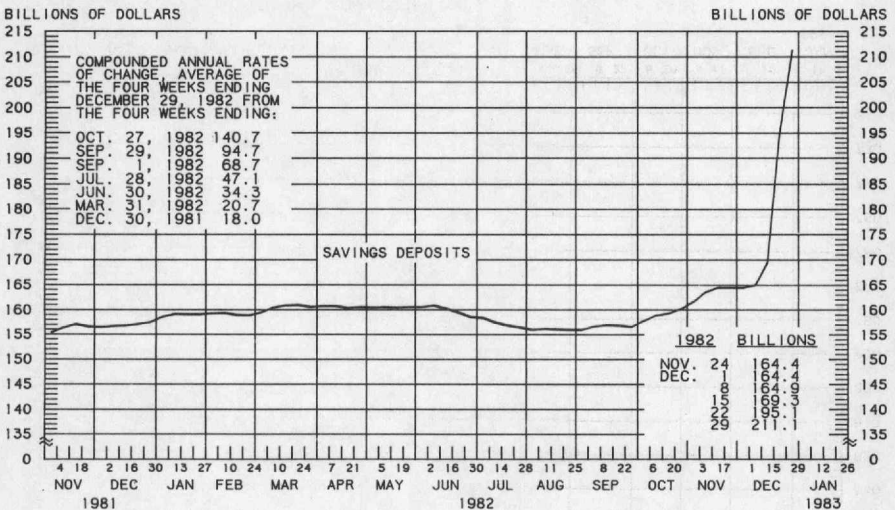
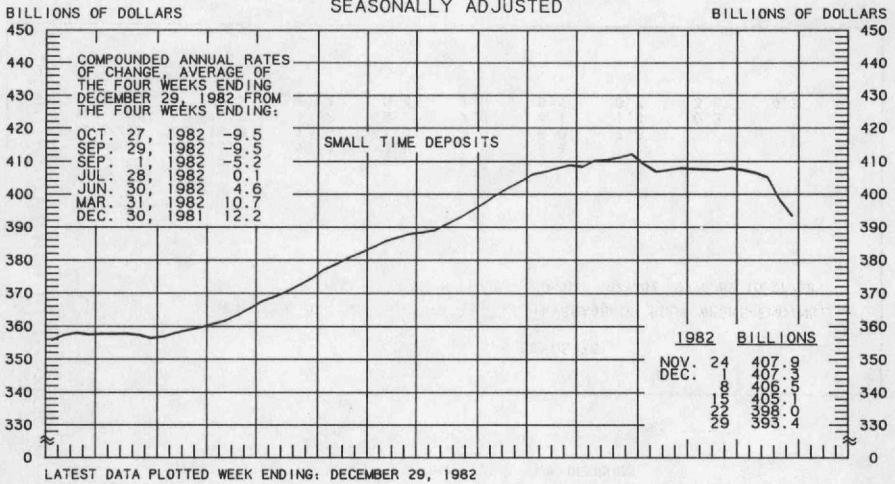
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 29, 1982

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

TOTAL TIME DEPOSITS									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	12/30/81	3/31/82	5/26/82	6/30/82	7/28/82	9/1/82	9/29/82	10/27/82	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
5/26/82	16.5								
6/30/82	16.7	18.3							
7/28/82	17.4	19.2	19.6						
9/1/82	16.6	17.5	16.7	16.3					
9/29/82	15.2	15.3	13.8	12.4	8.2				
10/27/82	13.8	13.3	11.3	9.6	6.0	2.6			
12/1/82	12.2	11.2	9.1	7.2	4.1	1.4	0.2		
12/29/82	12.2	11.3	9.4	7.9	5.5	3.7	3.6	4.7	

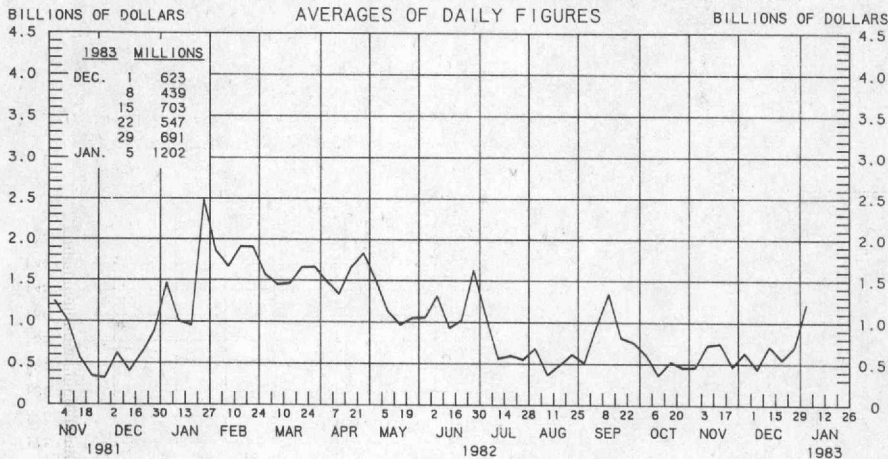
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SMALL TIME DEPOSITS COMMERCIAL BANK SAVINGS DEPOSITS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



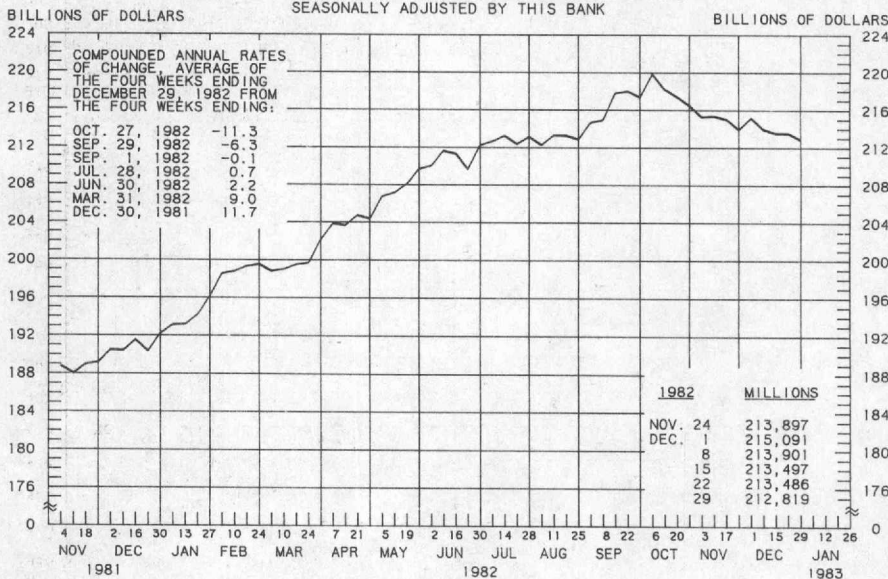
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS



LATEST DATA PLOTTED WEEK ENDING: JANUARY 5, 1983

BUSINESS LOANS ✓ (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS 2/ SEASONALLY ADJUSTED BY THIS BANK



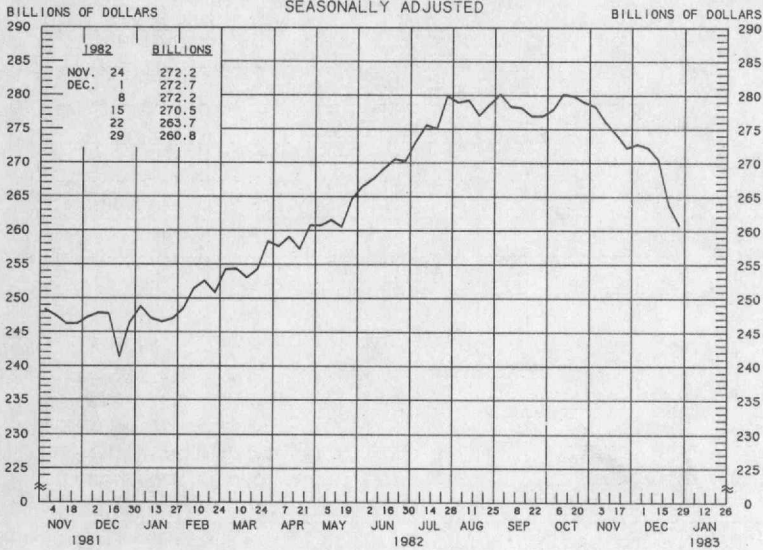
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 29, 1982

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: DECEMBER 29, 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