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U.S. Financial Data

JAN 17 1984

January 13, 1984

While most interest rates have risen by about 100 basis points since the trough of the 1981-82 recession in November 1982, the interest rate on corporate Baa bonds has fallen by about 50 basis points. As a result, the spread between corporate Baa and Aaa bonds has narrowed by about 150 basis points. This is not unusual during business recoveries, because investors tend to view corporate Baa bonds as substantially less risky as business activity turns upward. The riskiness of corporate Aaa bonds—bonds issued by corporations with the highest credit rating—is not as sensitive to business conditions, so yields are not influenced as much by cyclical factors.

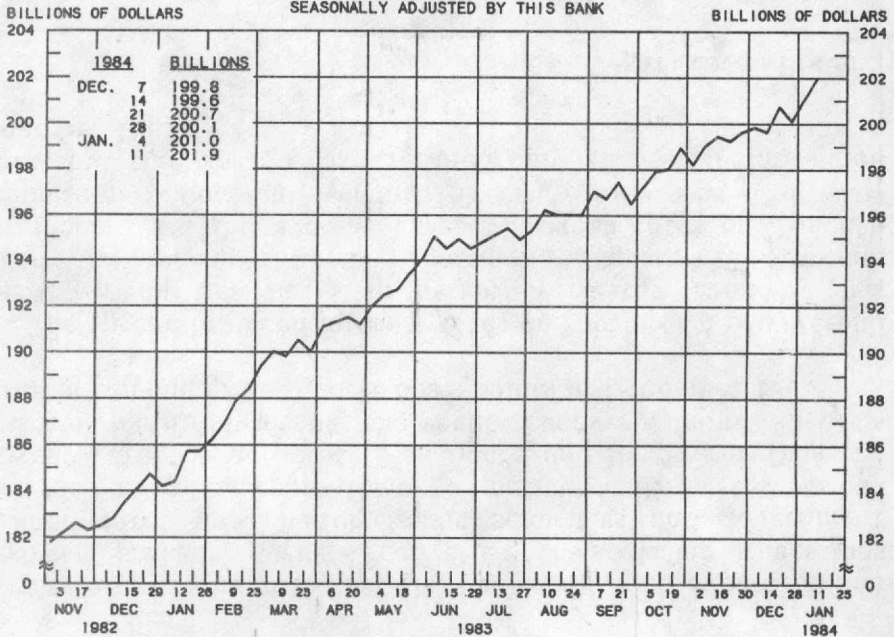
Because of risk differentials, one would also expect to see narrower spreads during recoveries than during recessions between rates on privately-issued securities and government securities of comparable term to maturity. Even the spread between rates on corporate Aaa bonds and long-term Treasury securities has fallen during the recent recovery, from 122 basis points in November 1982 to 76 basis points in December 1983.

The spread between interest rates on short-term private and Treasury securities has also narrowed as the economy has recovered. During the past recession, August 1981 through November 1982, the average spread between rates on 3-month commercial paper and 3-month Treasury bills was 136 basis points, but that spread has averaged only 27 basis points since December 1982.

—A. Steven Holland



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



LATEST DATA PLOTTED WEEK ENDING: JANUARY 11, 1984

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.

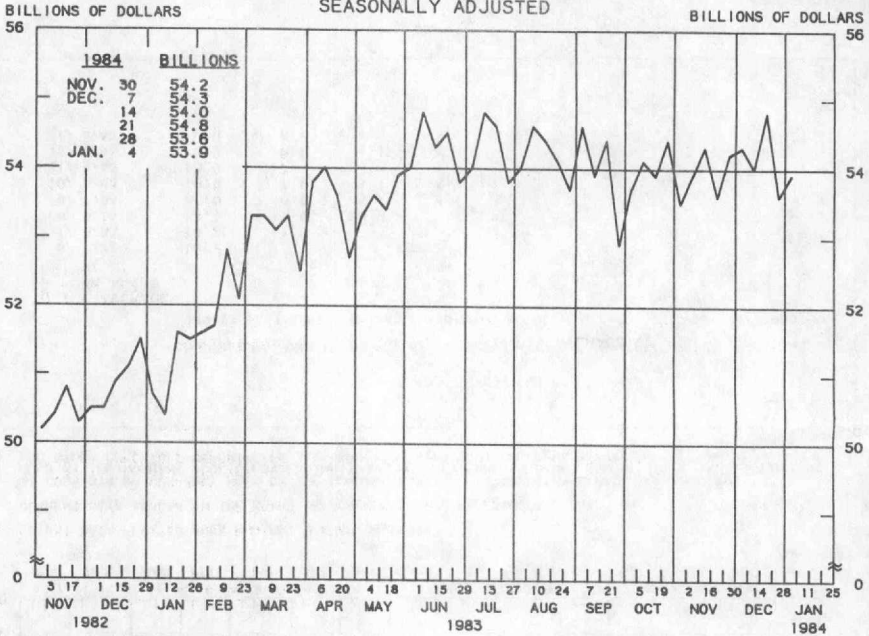
ADJUSTED MONETARY BASE

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	1/12/83	4/13/83	6/8/83	7/13/83	8/10/83	9/14/83	10/12/83	11/9/83
6/ 8/83	13.1							
7/13/83	11.6	8.9						
8/10/83	10.7	7.9	5.2					
9/14/83	9.8	7.2	5.1	4.8				
10/12/83	9.4	7.0	5.3	5.2	5.4			
11/ 9/83	9.3	7.2	5.8	5.9	6.3	7.2		
12/14/83	9.0	7.0	5.8	5.9	6.2	6.7	6.9	
1/11/84	8.9	7.2	6.2	6.4	6.7	7.2	7.5	7.2

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

ADJUSTED RESERVES
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JANUARY 4, 1984

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

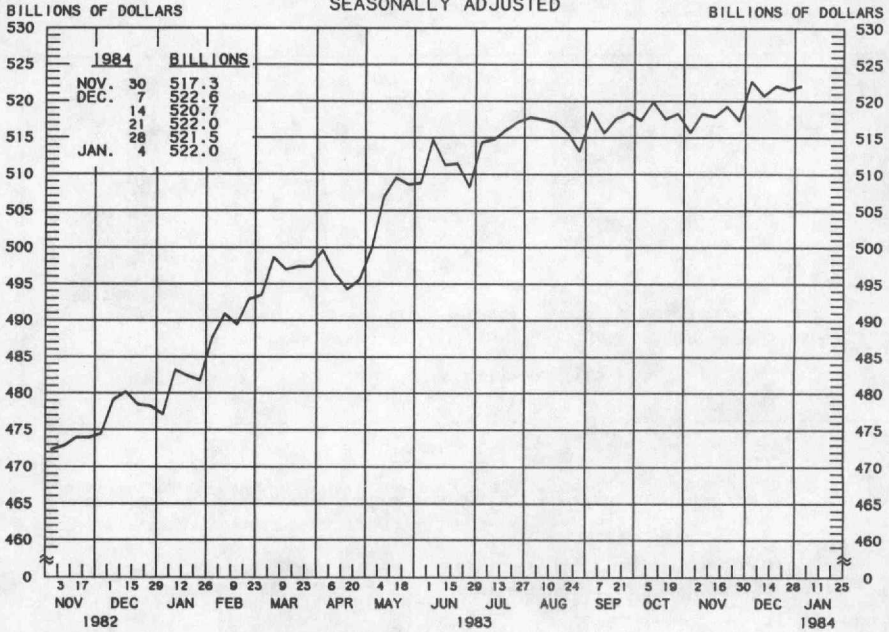
ADJUSTED RESERVES

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

	1/5/83	4/6/83	6/1/83	7/6/83	8/3/83	9/7/83	10/5/83	11/2/83
TO THE AVERAGE OF FOUR WEEKS ENDING:								
6/ 1/83	13.1							
7/ 6/83	12.5	7.7						
8/ 3/83	11.1	6.5	6.6					
9/ 7/83	9.1	4.5	3.5	0.0				
10/ 5/83	6.8	1.9	0.0	-3.6	-6.2			
11/ 2/83	6.9	2.6	1.3	-1.1	-2.2	-2.4		
12/ 7/83	6.4	2.5	1.4	-0.4	-1.1	-0.7	4.4	
1/ 4/84	5.9	2.3	1.3	-0.4	-0.9	-0.6	3.0	1.1

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MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JANUARY 4, 1984

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)

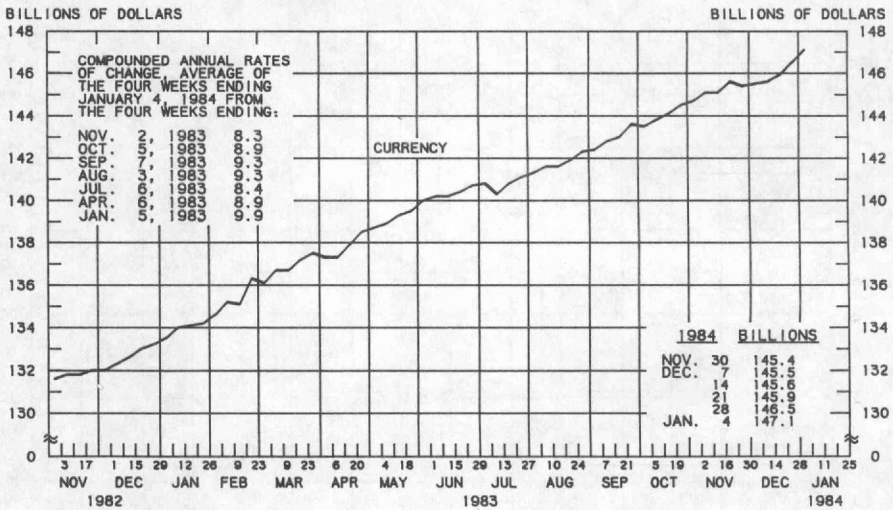
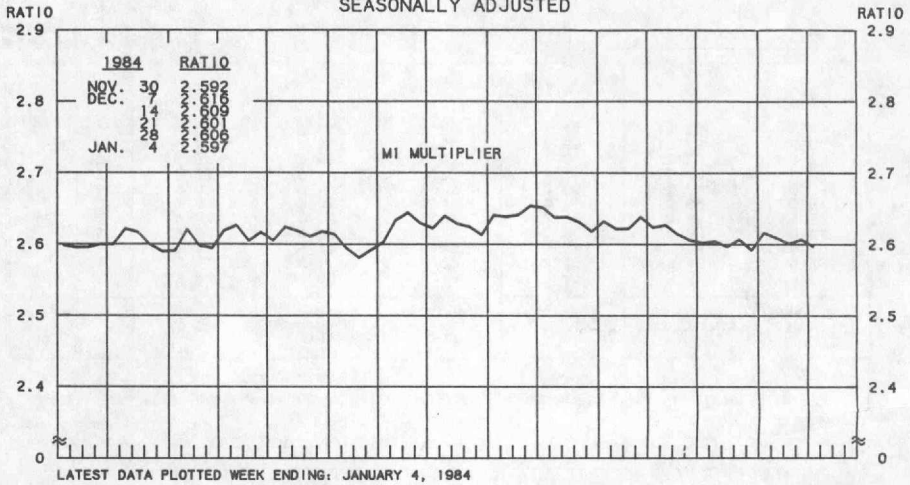
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	1/5/83	4/6/83	6/1/83	7/6/83	8/3/83	9/7/83	10/5/83	11/2/83
6/ 1/83	16.2							
7/ 6/83	14.2	11.3						
8/ 3/83	14.1	11.9	9.4					
9/ 7/83	11.9	8.9	5.7	5.4				
10/ 5/83	10.9	7.9	5.1	4.7	0.9			
11/ 2/83	10.0	7.1	4.4	3.9	1.1	2.3		
12/ 7/83	9.2	6.5	4.1	3.7	1.6	2.5	2.3	
1/ 4/84	9.0	6.4	4.4	4.1	2.4	3.4	3.4	4.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY MULTIPLIER ^{1/} CURRENCY COMPONENT OF MONEY STOCK ^{2/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

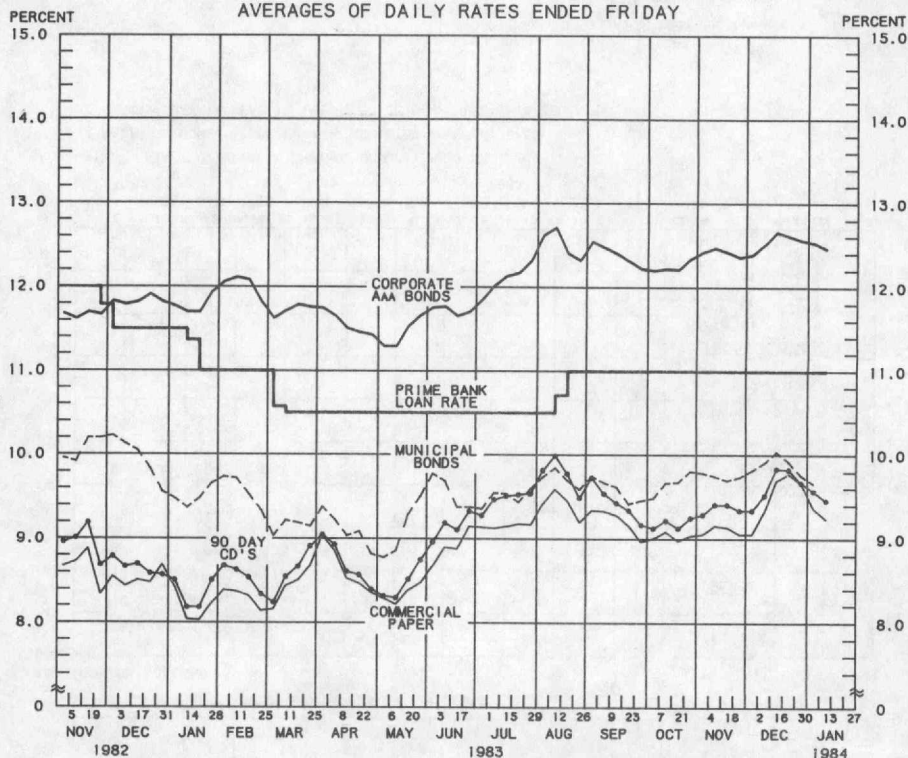


1/ RATIO OF MONEY STOCK (MI) TO ADJUSTED MONETARY BASE
2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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 13, 1984

1984	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
NOV. 4	9.29	9.06	9.13	12.42	13.58	9.79
11	9.41	9.16	9.22	12.47	13.63	9.75
18	9.41	9.14	9.25	12.42	13.64	9.70
25	9.34	9.06	9.19	12.36	13.59	9.74
DEC. 2	9.34	9.06	9.21	12.39	13.63	9.82
9	9.52	9.33	9.41	12.51	13.69	9.91
16	9.84	9.70	9.74	12.66	13.79	10.04
23	9.83	9.78	9.70	12.61	13.79	9.92
30	9.67	9.66	9.54	12.56	13.79	9.76
JAN. 6	9.57	9.36	9.36	12.53	13.75	9.66
13 *	9.46	9.24	9.30	12.46	13.73	N.A.
20						
27						

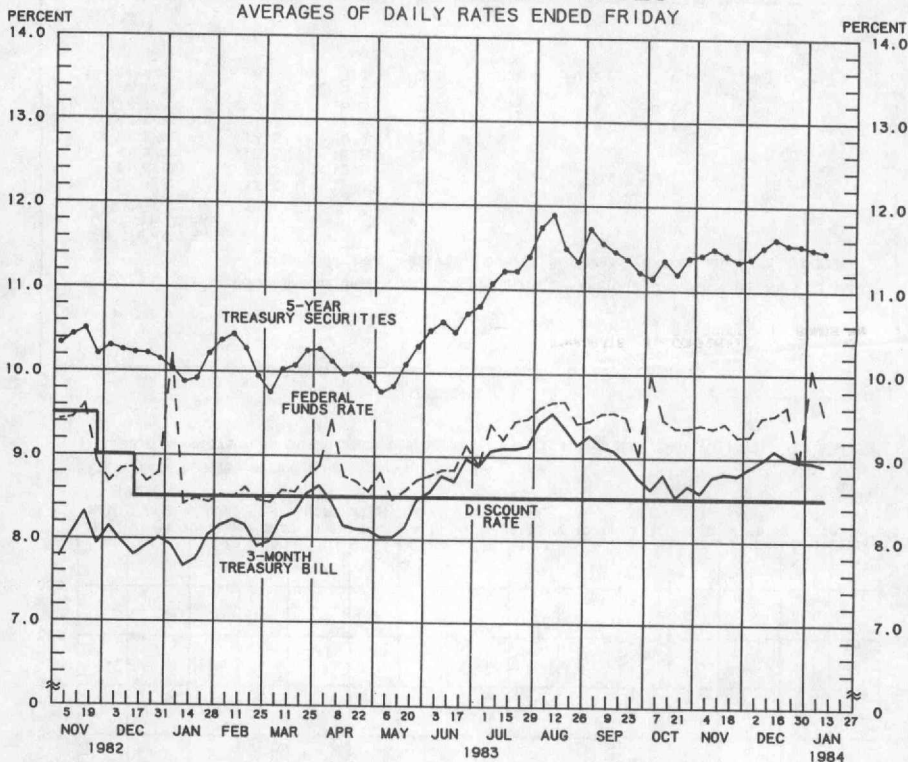
* AVERAGES OF RATES AVAILABLE.

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

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: JANUARY 13, 1984

1984	FEDERAL FUNDS ^{***}	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL ^{***}	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
NOV. 4	9.40	8.58	8.68	9.05	11.42	11.74
11	9.36	8.77	9.02	9.09	11.50	11.79
18	9.42	8.81	8.91	9.08	11.42	11.69
25	9.26	8.79	8.96	9.07	11.35	11.59
DEC. 2	9.27	8.88	9.05	9.15	11.38	11.61
9	9.49	8.97	9.16	9.23	11.52	11.78
16	9.52	9.09	9.12	9.28	11.62	11.90
23	9.62	9.00	9.24	9.25	11.55	11.82
30	8.96	8.96	9.14	9.22	11.54	11.78
JAN. 6	10.06	8.95	9.19	9.19	11.50	11.78
13 *	9.53	8.91	9.10	9.13	11.46	11.74
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.15 RELEASE.

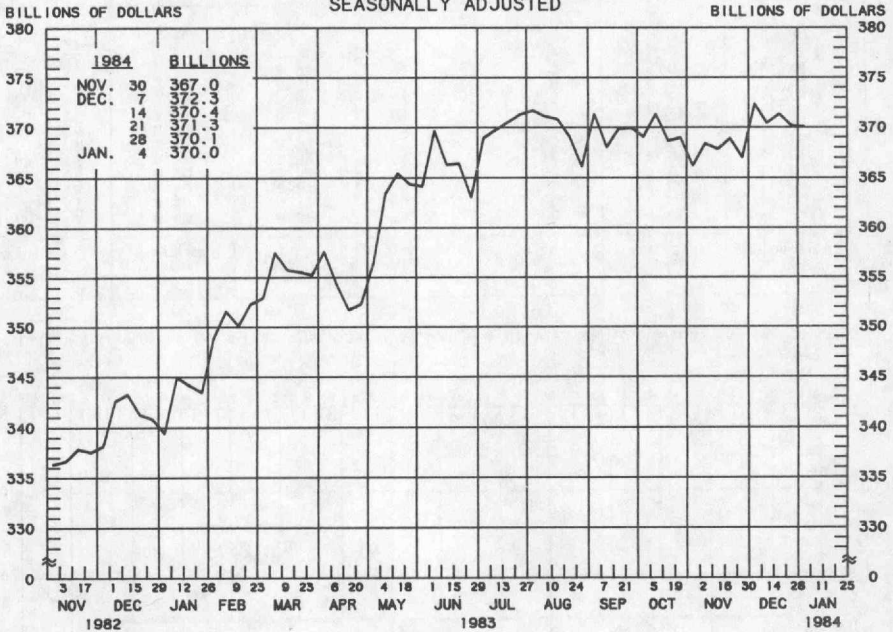
**** NEW ISSUE RATE

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



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

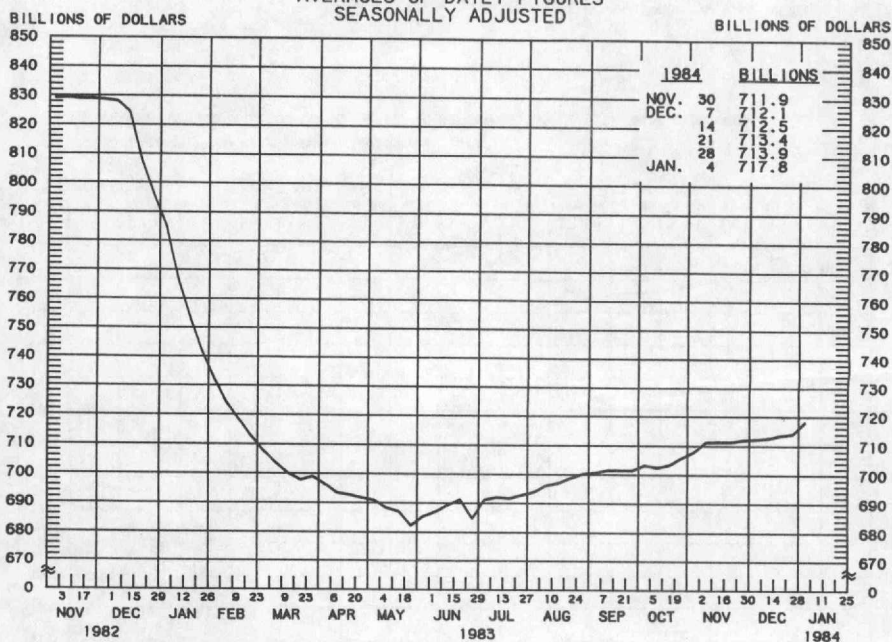
TOTAL CHECKABLE DEPOSITS

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	1/5/83	4/6/83	6/1/83	7/6/83	8/3/83	9/7/83	10/5/83	11/2/83
6/ 1/83	17.6							
7/ 6/83	15.2	12.0						
8/ 3/83	15.5	13.3	10.8					
9/ 7/83	12.5	9.1	5.2	5.0				
10/ 5/83	11.1	7.6	3.9	3.3	-2.5			
11/ 2/83	9.9	6.3	2.9	2.2	-2.1	-0.9		
12/ 7/83	8.9	5.5	2.5	1.8	-1.4	-0.3	-0.3	
1/ 4/84	8.6	5.5	2.9	2.4	-0.2	1.0	1.4	2.7

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TOTAL TIME DEPOSITS ^{1/}
ALL COMMERCIAL BANKS
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: JANUARY 4, 1984

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

MMDAs, MMMFs and SUPER NOWs
 (billions of dollars, not seasonally adjusted)

		MMDAs ^{1/}	MMMFs ^{2/}	SUPER NOWs ^{3/}
November	23	\$369.5	\$179.2	\$36.4
	30	370.1	178.6	36.4
December	7	372.3	178.6	37.7
	14	372.8	178.7	37.4
	21	372.0	178.1	37.4
	28	372.2	177.3	37.3
January	4	374.4	176.2	38.4

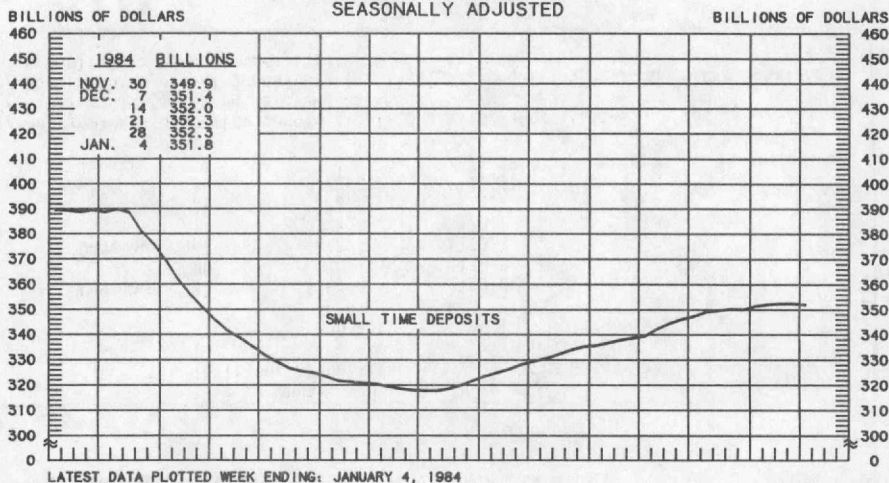
^{1/} Money market deposit accounts at all depository institutions, effective 12/14/82.

^{2/} Total money market mutual fund balances.

^{3/} NOW accounts at all depository institutions, requiring a \$2,500 minimum balance and eligible to earn more than 5.25 percent, effective 1/5/83.

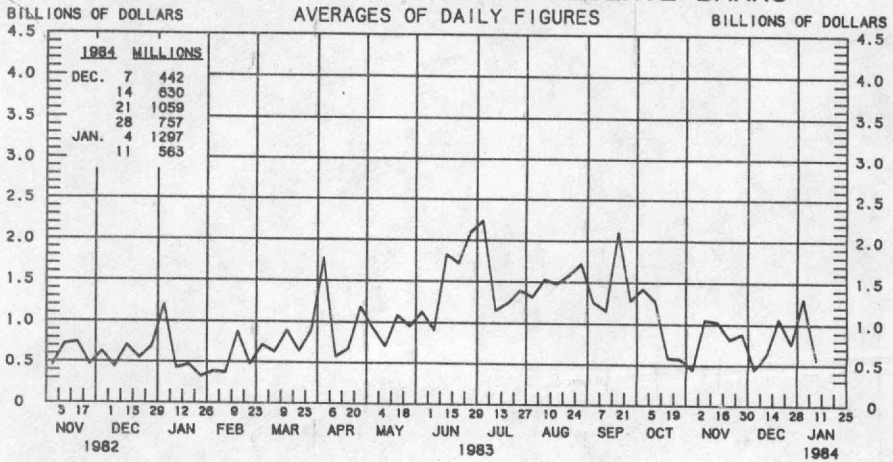
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SMALL TIME DEPOSITS $\frac{1}{2}$
 COMMERCIAL BANK SAVINGS DEPOSITS
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED

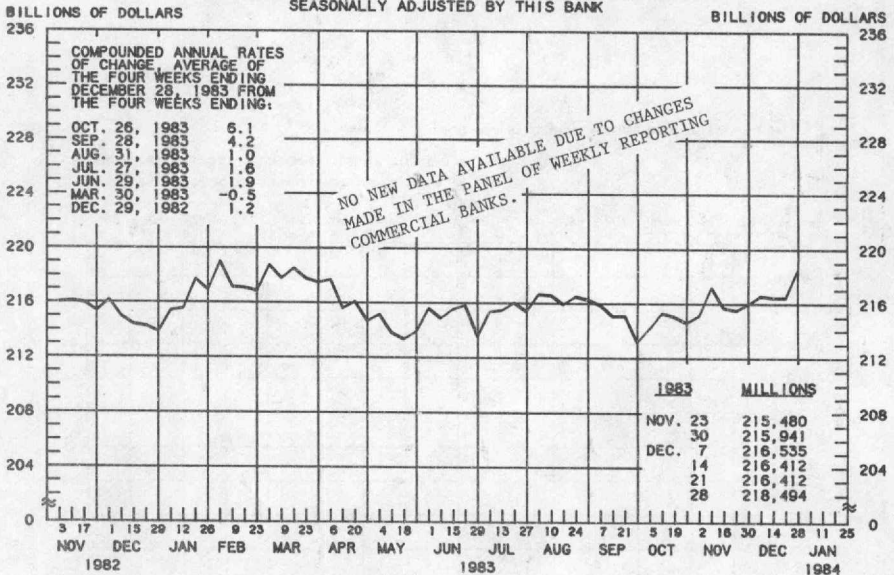


PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS



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



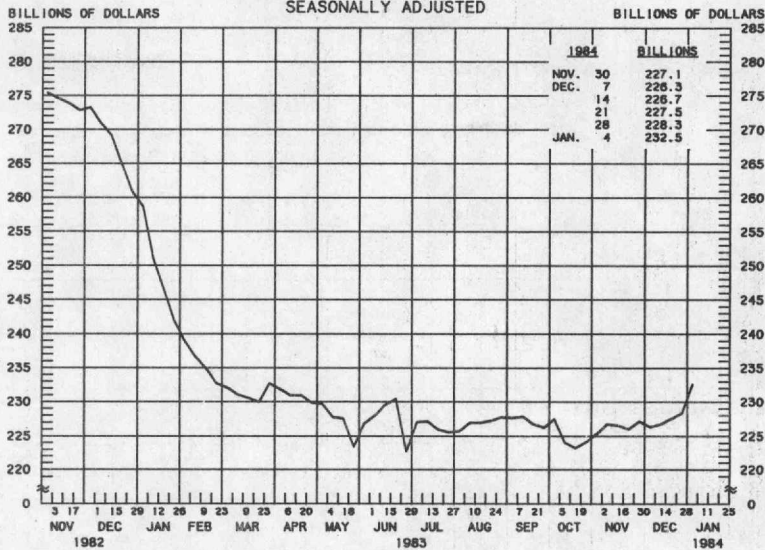
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 28, 1983

1/ BUSINESS LOANS INCLUDE BANKERS' ACCEPTANCES AND COMMERCIAL PAPER.

2/ BANKS WITH DOMESTIC ASSETS OF \$750 MILLION OR MORE

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



LATEST DATA PLOTTED WEEK ENDING: JANUARY 4, 1984

TIME DEPOSITS ISSUED IN DENOMINATIONS OF \$100,000 OR MORE.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS