

MAR 26 1984

U.S. Financial Data

March 22, 1984

The prime rate at most large commercial banks was increased on March 19 from 11 percent to 11.50 percent, the first increase in this rate since August 8, 1983. The circumstances preceding the recent increase differ from those preceding the one last August.

Typically, prime rate changes reflect either past or expected changes in the cost of funds for banks (the rate on large-denomination, 90-day CDs or the federal funds rate). Banks raise their prime rate (1) when they experience an increase in the cost of funds or (2) when they anticipate such an increase due to expected higher rates of inflation or increased credit demands resulting from an expanding economy.

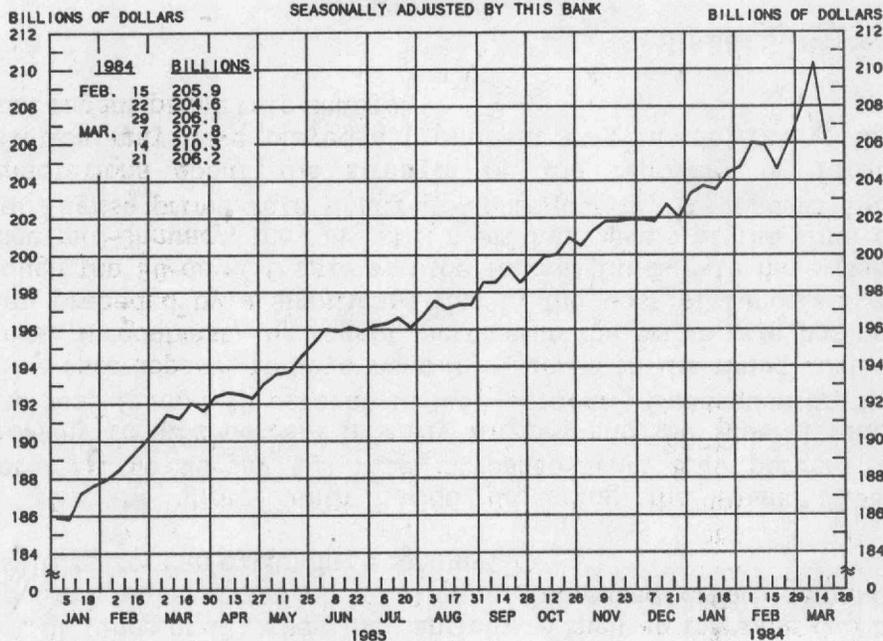
For the three-month period preceding the August 1983 increase, the 90-day CD rate increased from 8.30 percent in mid-May to 9.82 percent in early August, and the federal funds rate rose from 8.48 percent to 9.59 percent. Consequently, the prime rate appears to have risen in response to the rising cost of funds. In contrast, the recent increase in the prime rate has not been preceded by a significant rise in the cost of funds. Even though the 90-day CD rate and the federal funds rate have risen since mid-January, they are still near their levels at the time of the August prime rate change. Consequently, it appears that expectations about the strength of the recovery or future inflation may have played a prominent role in motivating this most recent prime rate change.

—Dallas S. Batten



ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: MARCH 21, 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.

RECENT DATA ARE PRELIMINARY

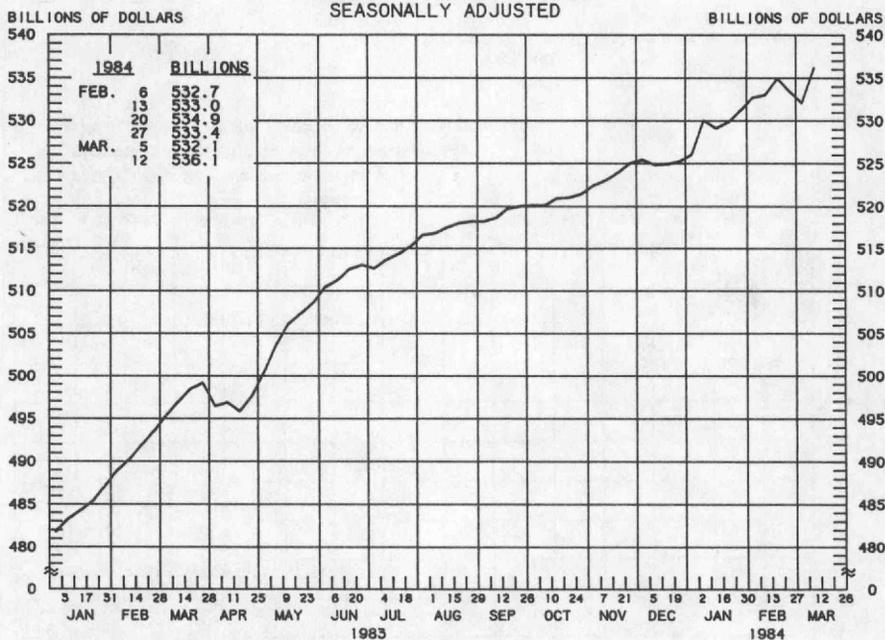
ADJUSTED MONETARY BASE

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

	3/23/83	6/22/83	8/24/83	9/21/83	10/19/83	11/23/83	12/21/83	1/18/84
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/24/83	7.4							
9/21/83	7.6	5.4						
10/19/83	7.5	5.7	7.5					
11/23/83	7.9	6.9	8.8	9.1				
12/21/83	7.6	6.5	7.8	7.7	8.1			
1/18/84	7.5	6.6	7.6	7.4	7.6	5.6		
2/22/84	8.0	7.3	8.4	8.4	8.8	8.0	9.5	
3/21/84	8.5	8.1	9.3	9.5	10.0	9.7	11.3	13.5

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 12, 1984

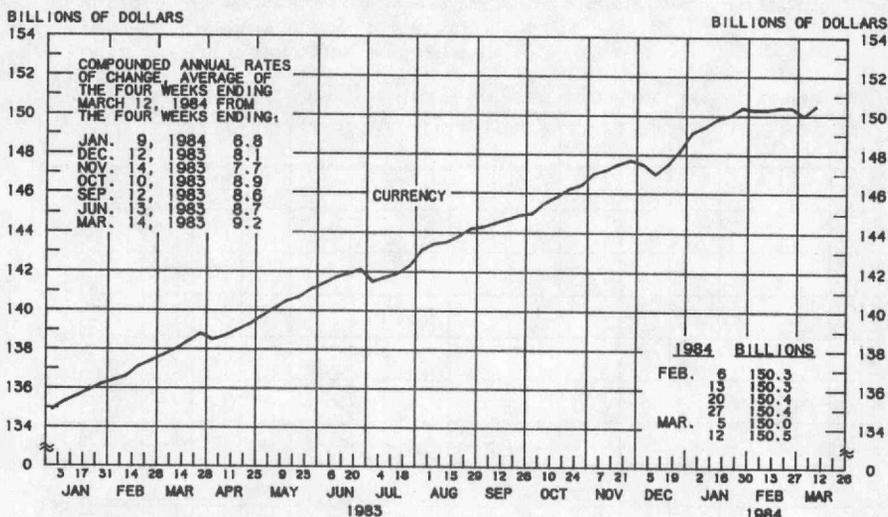
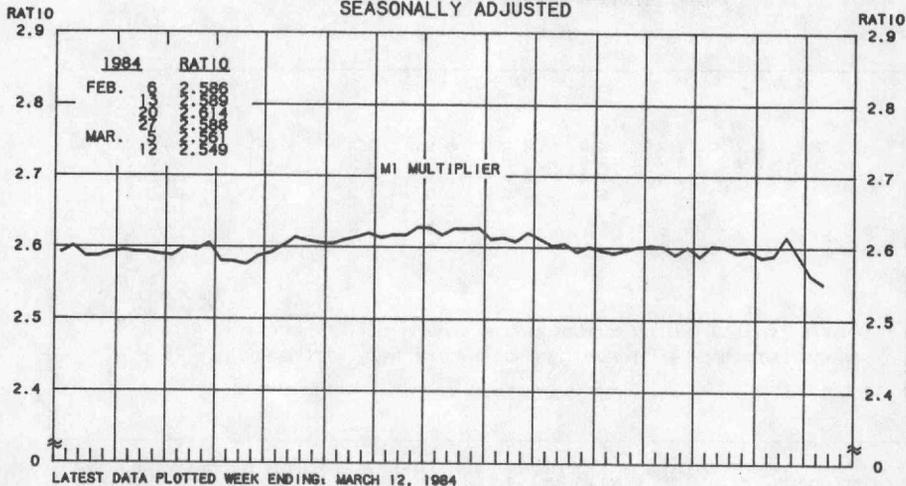
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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:	3/14/83	6/13/83	8/15/83	9/12/83	10/10/83	11/14/83	12/12/83	1/9/84
8/15/83	10.9							
9/12/83	9.9							
10/10/83	9.1	7.2	4.5					
11/14/83	8.4	5.9	4.3	4.2				
12/12/83	8.3	6.1	5.0	5.1	5.5			
1/ 9/84	7.9	5.9	4.9	4.9	5.1	5.7		
2/13/84	8.2	6.6	6.0	6.2	6.6	7.6	7.8	
3/12/84	8.0	6.5	6.0	6.2	6.5	7.3	7.3	8.6

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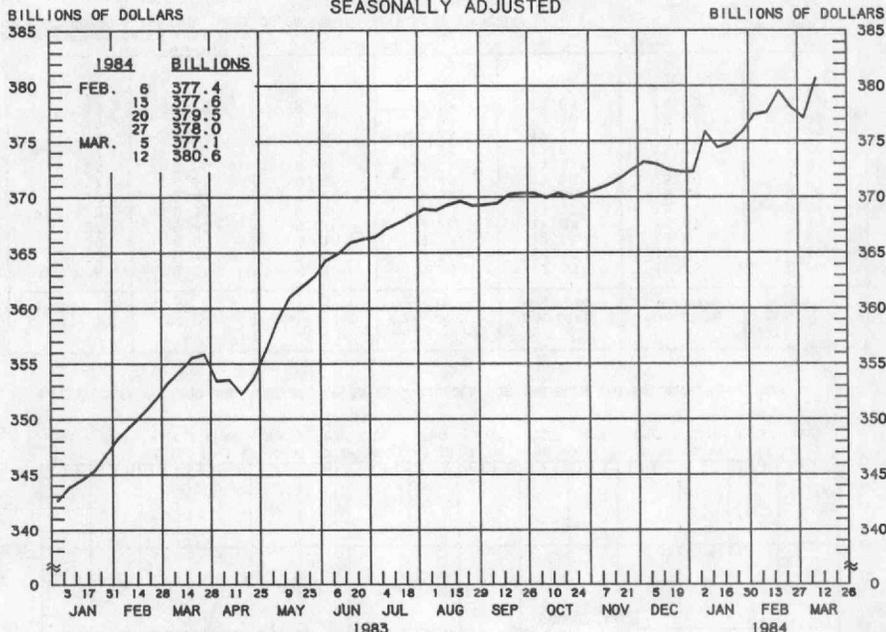
MONEY MULTIPLIER ^{1/} CURRENCY COMPONENT OF MONEY STOCK ^{2/} AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



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

TOTAL CHECKABLE DEPOSITS ^{1/}

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 12, 1984

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

TOTAL CHECKABLE DEPOSITS

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

3/14/83 6/13/83 8/15/83 9/12/83 10/10/83 11/14/83 12/12/83 1/9/84

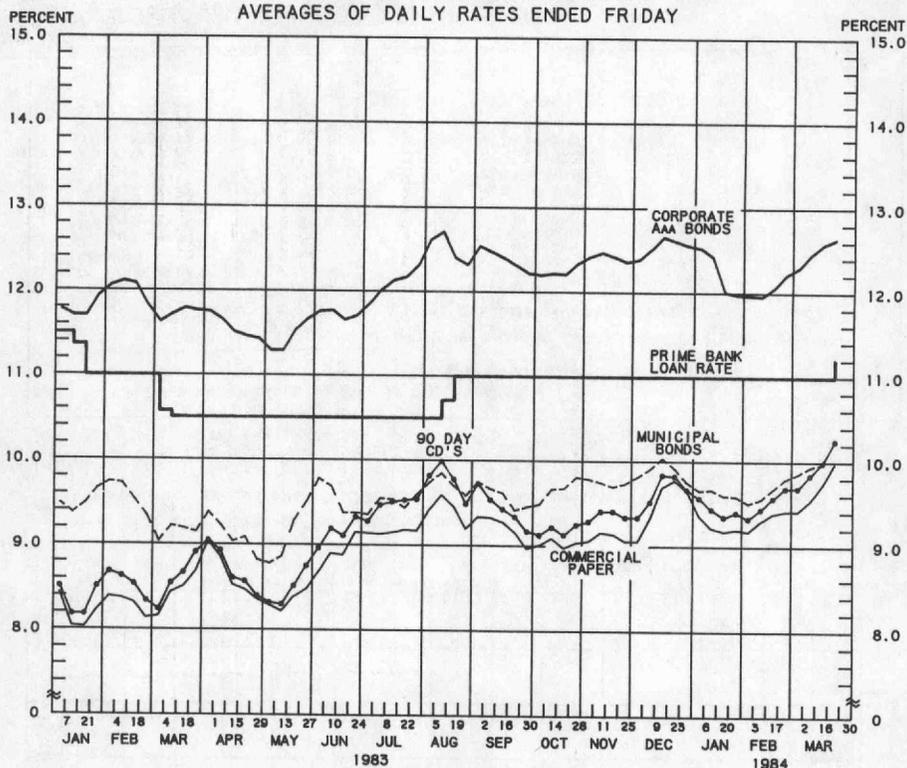
TO THE AVERAGE
OF FOUR WEEKS
ENDING:

8/15/83	11.4								
9/12/83	9.9	6.7							
10/10/83	8.9	5.7	2.5						
11/14/83	7.7	4.5	1.7	1.6					
12/12/83	7.7	5.0	3.1	3.4	3.6				
1/9/84	7.2	4.7	3.0	3.2	3.3	5.0			
2/13/84	7.4	5.3	4.2	4.5	4.9	6.6	6.2		
3/12/84	7.5	5.7	4.7	5.2	5.6	7.1	6.9	9.0	

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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 23, 1984

1984	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
JAN. 6	9.57	9.36	9.36	12.53	13.75	9.66
13	9.44	9.22	9.29	12.43	13.71	9.67
20	9.35	9.18	9.24	12.01	13.61	9.60
FEB. 27	9.40	9.20	9.26	11.98	13.57	9.59
3	9.33	9.18	9.20	11.97	13.54	9.51
10	9.44	9.30	9.34	11.96	13.48	9.56
17	9.57	9.39	9.46	12.06	13.56	9.68
24	9.69	9.42	9.53	12.22	13.70	9.80
MAR. 2	9.69	9.42	9.56	12.30	13.78	9.86
9	9.84	9.54	9.68	12.46	13.84	9.94
16	9.99	9.73	9.84	12.58	13.97	9.98
23 *	10.25	9.98	10.11	12.64	14.10	N. A.
30						

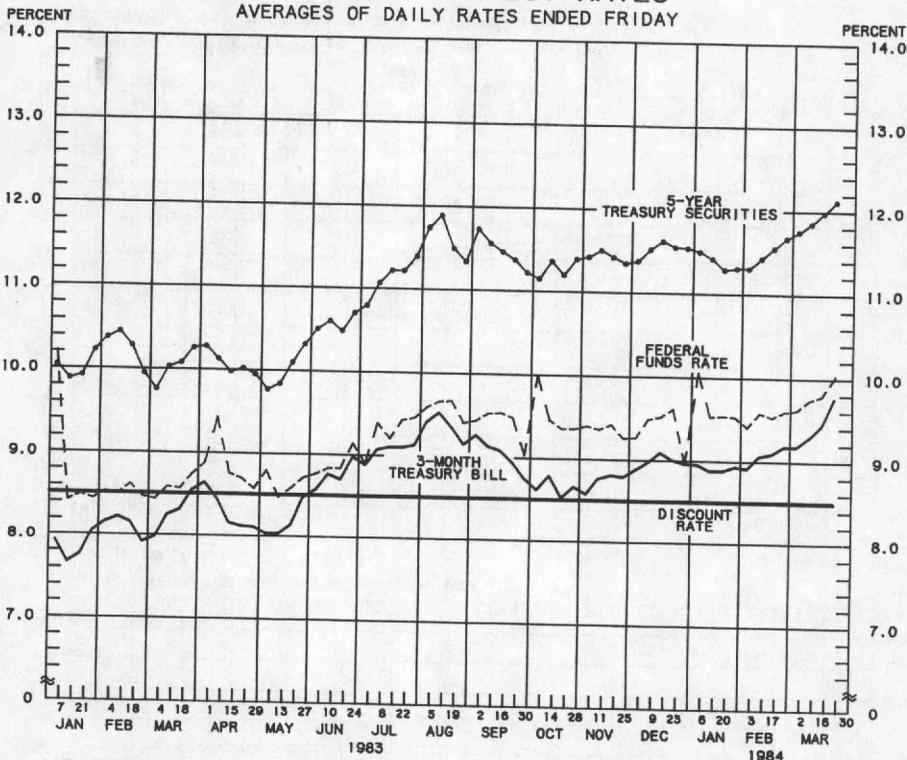
* AVERAGES OF RATES AVAILABLE.

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

N. A. - NOT AVAILABLE

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SELECTED INTEREST RATES AVERAGES OF DAILY RATES ENDED FRIDAY



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: MARCH 23, 1984

1984	FEDERAL FUNDS ^{***}	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL ^{***}	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
JAN. 6	10.06	8.95	9.19	9.19	11.50	11.78
13	9.53	8.88	9.10	9.09	11.42	11.69
20	9.54	8.88	8.92	9.02	11.29	11.56
27	9.53	8.93	9.01	9.04	11.31	11.59
FEB. 3	9.41	8.91	8.97	9.00	11.31	11.61
10	9.58	9.06	9.11	9.10	11.43	11.70
17	9.53	9.09	9.16	9.21	11.55	11.82
24	9.60	9.18	9.28	9.35	11.67	11.94
MAR. 2	9.62	9.18	9.33	9.37	11.75	12.03
9	9.74	9.29	9.37	9.45	11.85	12.17
16	9.79	9.43	9.52	9.60	11.98	12.28
23 [*]	10.04	9.75	9.79	9.86	12.12	12.42
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.

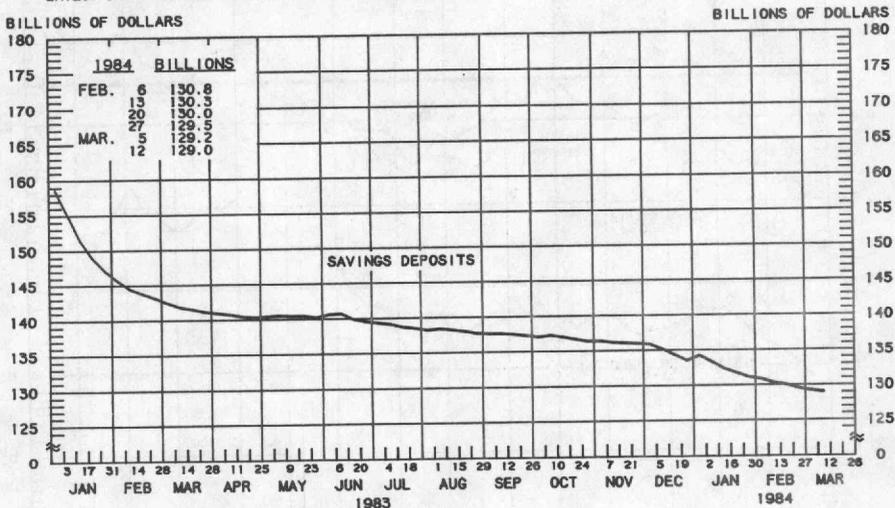
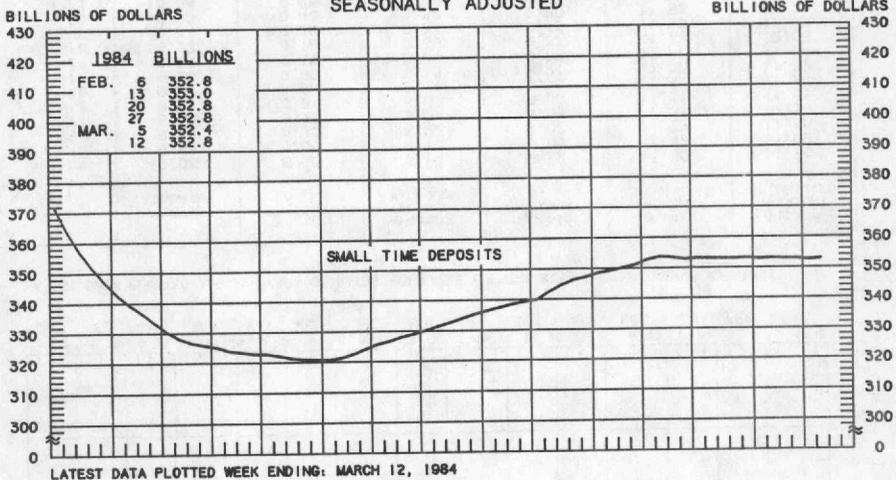
^{****} NEW ISSUE RATE

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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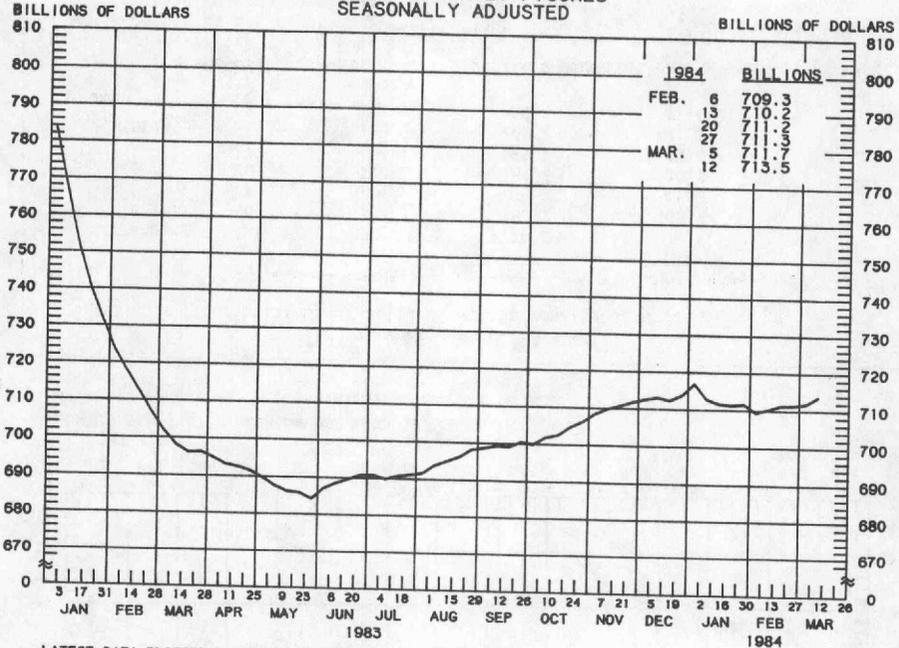
SMALL TIME DEPOSITS^{1/}
COMMERCIAL BANK SAVINGS DEPOSITS
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: MARCH 12, 1984

^{1/} COMMERCIAL BANK TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000.

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



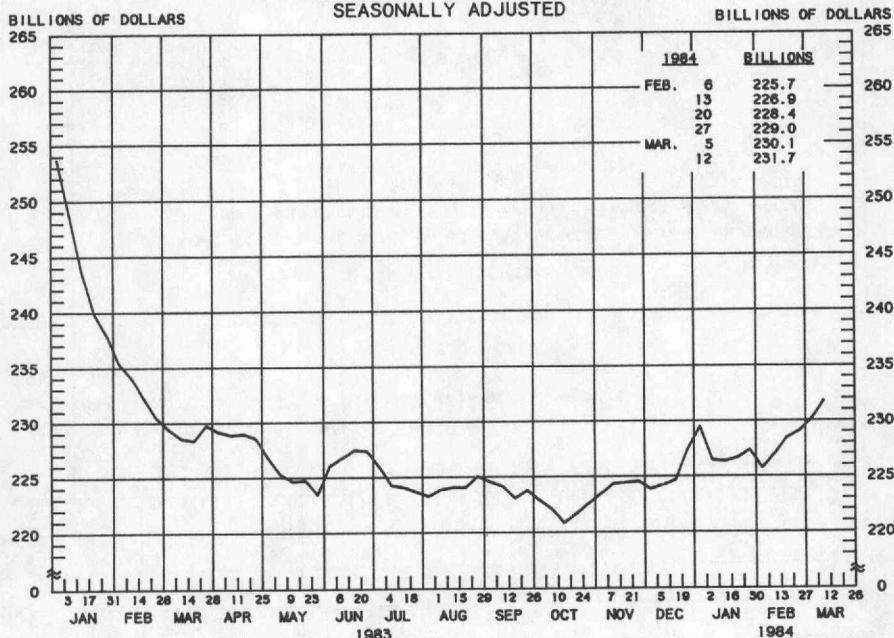
LATEST DATA PLOTTED WEEK ENDING: MARCH 12, 1984

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

TOTAL TIME DEPOSITS								
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:								
	3/14/83	6/13/83	8/15/83	9/12/83	10/10/83	11/14/83	12/12/83	1/9/84
TO THE AVERAGE OF FOUR WEEKS ENDING:								
8/15/83	-3.9							
9/12/83	-1.9	6.9						
10/10/83	-1.1	6.3	7.2					
11/14/83	0.5	7.3	8.6	7.9				
12/12/83	1.4	7.6	8.7	8.2	10.0			
1/ 9/84	1.6	7.0	7.7	7.1	8.0	6.2		
2/13/84	0.9	5.3	5.2	4.3	4.4	1.9	-1.1	
3/12/84	1.0	5.0	4.8	4.0	4.0	2.0	0.0	-1.5

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



LATEST DATA PLOTTED WEEK ENDING: MARCH 12, 1984

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

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

		MMDAs 1/	MMMFs 2/	SUPER NOWs 3/
January	30	\$381.1	\$179.4	N.A.
February	6	383.2	180.7	\$40.7
	13	385.3	183.2	41.3
	20	387.0	184.5	40.6
	27	387.9	185.7	40.4
March	5	390.2	185.5	41.5
	12	392.0	186.3	41.6

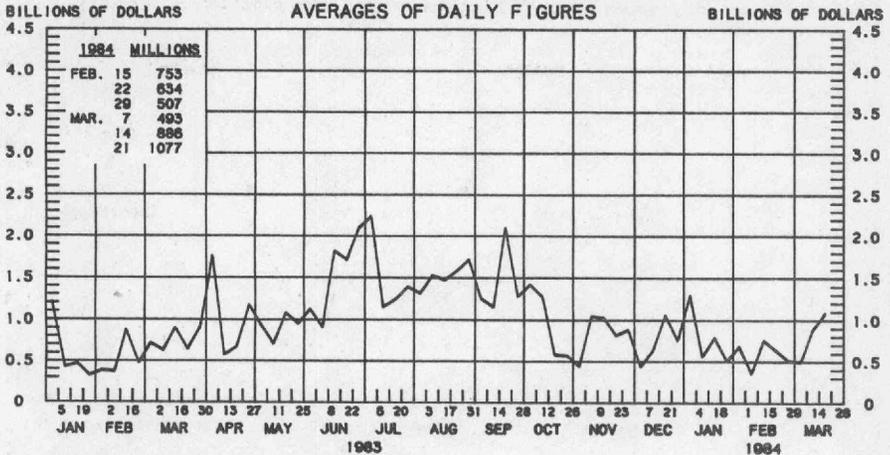
1/ Money market deposit accounts at all depository institutions, effective 12/14/82.

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.

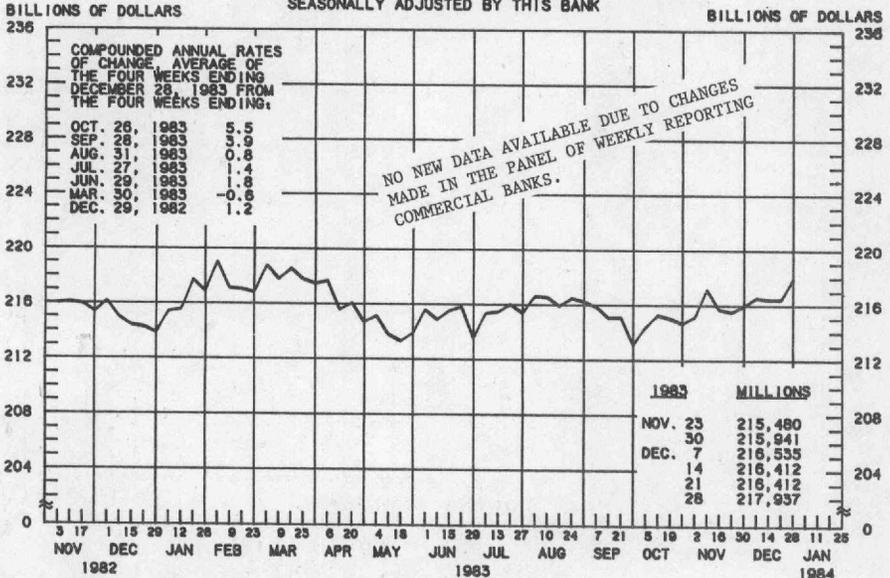
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BORROWINGS FROM FEDERAL RESERVE BANKS



LATEST DATA PLOTTED WEEK ENDING: MARCH 21, 1984

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS