

U.S. Financial Data

~~AUG 27 1985~~
AUG 27 1985

August 22, 1985

Savings deposits at commercial banks have been growing since mid-April of this year. From the four weeks ending April 15 through the four weeks ending August 5, savings deposits have grown at almost a 10.5 percent annual rate. This recent experience is in stark contrast to that of the preceding 28 months when passbook savings deposits at commercial banks declined at an annual rate of 13.3 percent.

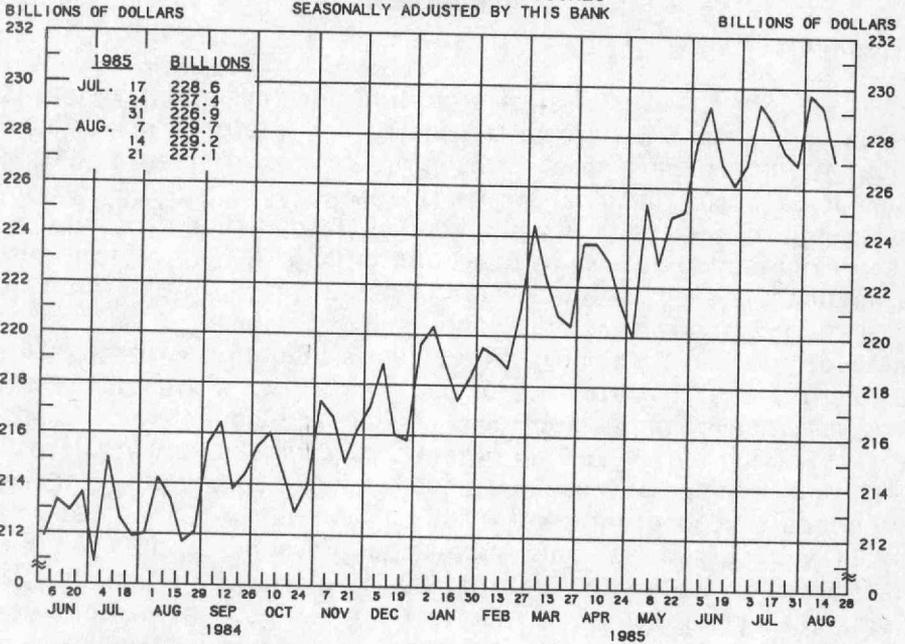
Much of this earlier decline may be attributed to innovations and deregulations occurring since December 1982. These changes have allowed depository institutions to compete for savers' deposits with accounts offering interest rates much closer to those on money market instruments than on passbook savings accounts. For example, money market deposit accounts (MMDAs), and super NOW accounts were introduced, and the interest rate ceilings were eliminated on small time deposits with maturities exceeding 31 days. The only change in passbook savings accounts was the increase in the interest rate ceiling on savings deposits at commercial banks from 5.25 percent to 5.50 percent. As a result, the passbook yield was about 250 to 450 basis points below yields on short-term money market instruments during most of 1983. By the middle of 1984, the opportunity cost of holding a savings deposit had widened to about 450 to 600 basis points; since mid-1984, however, it has been narrowed to around 150 to 200 basis points as short-term rates have fallen to their lowest levels of the 1980s. Relative to MMDAs, the opportunity cost is now about 140 basis points.

—Mack Ott



ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: AUGUST 21, 1985

THE ADJUSTED MONETARY BASE IS THE SUM OF RESERVE ACCOUNTS OF FINANCIAL INSTITUTIONS AT FEDERAL RESERVE BANKS, CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF ALL DEPOSITORY INSTITUTIONS) AND 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:

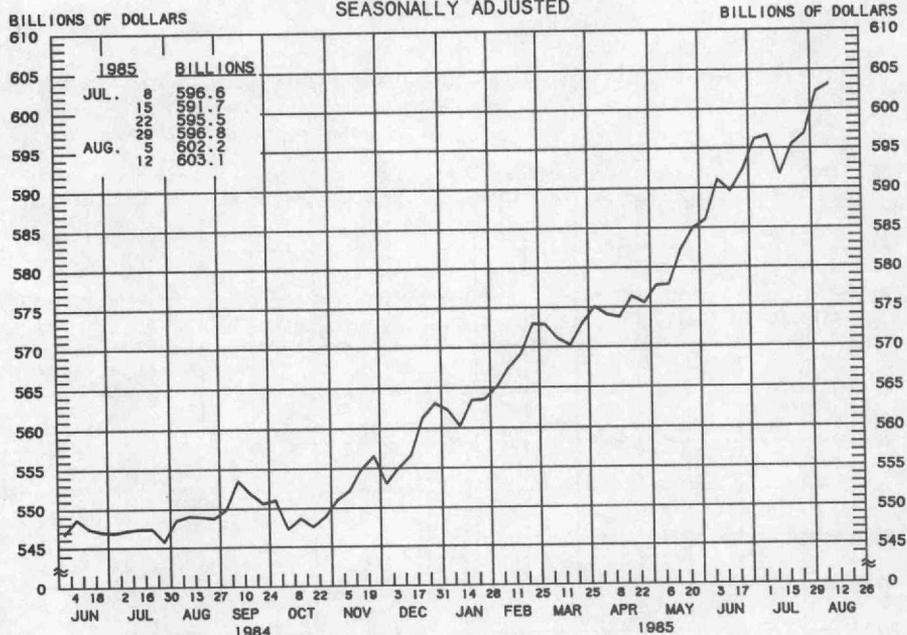
8/22/84 11/21/84 1/23/85 2/20/85 3/20/85 4/24/85 5/22/85 6/19/85

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

1/23/85	7.0							
2/20/85	5.8	6.1						
3/20/85	7.7	9.4	9.6					
4/24/85	7.1	8.1	7.3	11.0				
5/22/85	6.6	7.2	6.1	8.3	3.2			
6/19/85	8.2	9.4	9.5	12.1	9.5	13.2		
7/24/85	7.8	8.7	8.5	10.2	8.0	9.7	13.1	
8/21/85	7.2	7.8	7.4	8.7	6.6	7.5	9.1	2.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 12, 1985

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

M1 IS THE SUM OF CURRENCY HELD BY THE NONBANK PUBLIC, DEMAND DEPOSITS, OTHER CHECKABLE DEPOSITS AND TRAVELERS CHECKS.

MONEY STOCK (M1)

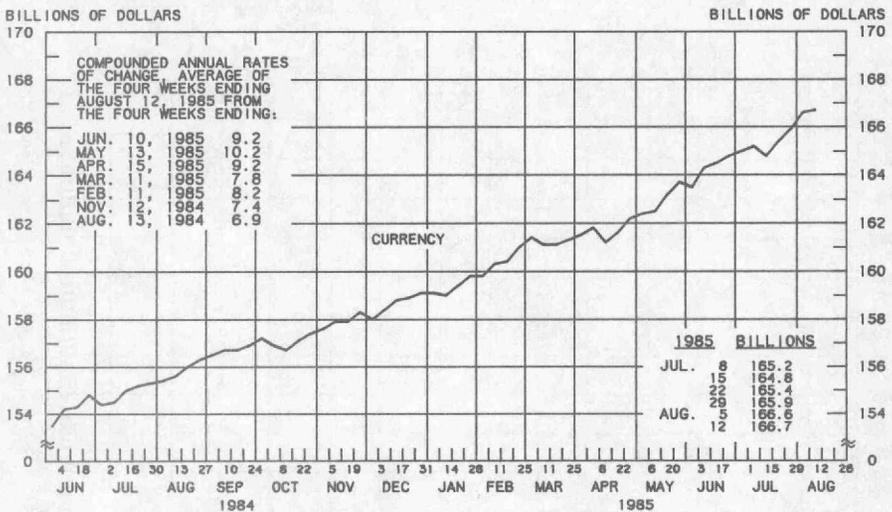
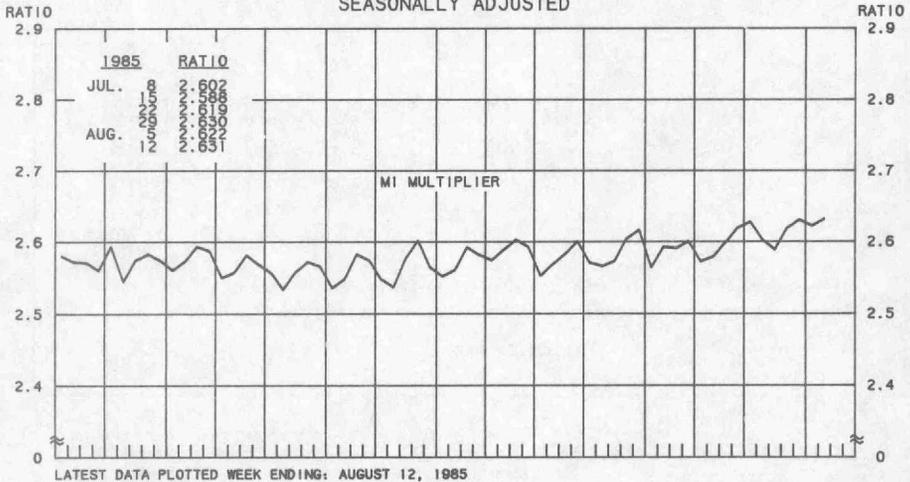
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:
 8/13/84 11/12/84 1/14/85 2/11/85 3/11/85 4/15/85 5/13/85 6/10/85

TO THE AVERAGE
 OF FOUR WEEKS
 ENDING:

1/14/85	6.2							
2/11/85	6.4	11.3						
3/11/85	7.7	12.5	11.9					
4/15/85	7.2	10.6	9.0	9.7				
5/13/85	7.2	10.0	8.5	8.8	5.5			
6/10/85	8.6	11.7	11.1	12.0	10.6	14.7		
7/15/85	9.3	12.2	11.9	12.7	11.9	14.9	18.7	
8/12/85	9.5	12.2	11.9	12.6	11.9	14.2	16.6	13.8

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



LATEST DATA PLOTTED WEEK ENDING: AUGUST 12, 1985

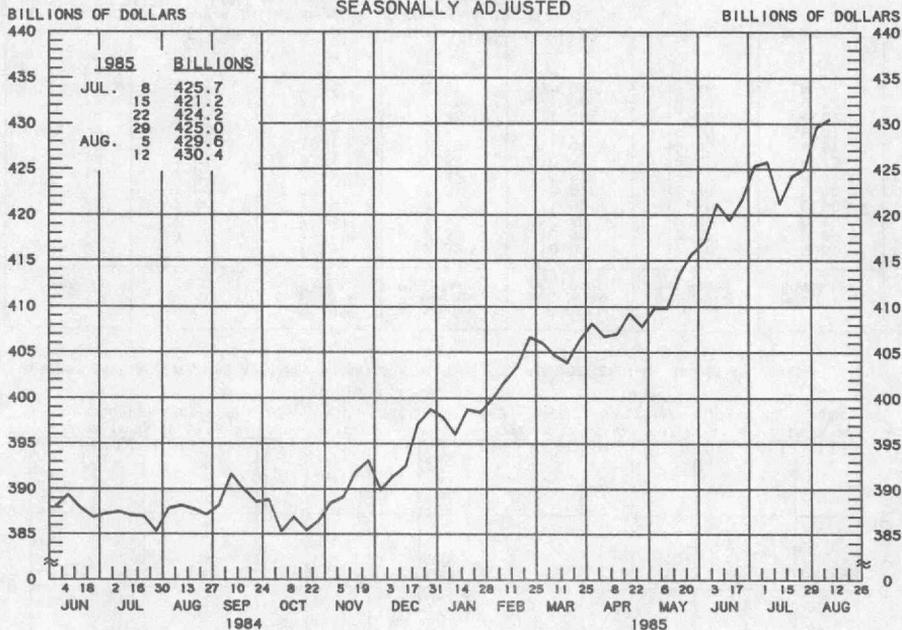
1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TOTAL CHECKABLE DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 12, 1985

TOTAL CHECKABLE DEPOSITS IS THE SUM OF DEMAND DEPOSITS AND OTHER CHECKABLE DEPOSITS AT ALL DEPOSITORY INSTITUTIONS.

TOTAL CHECKABLE DEPOSITS

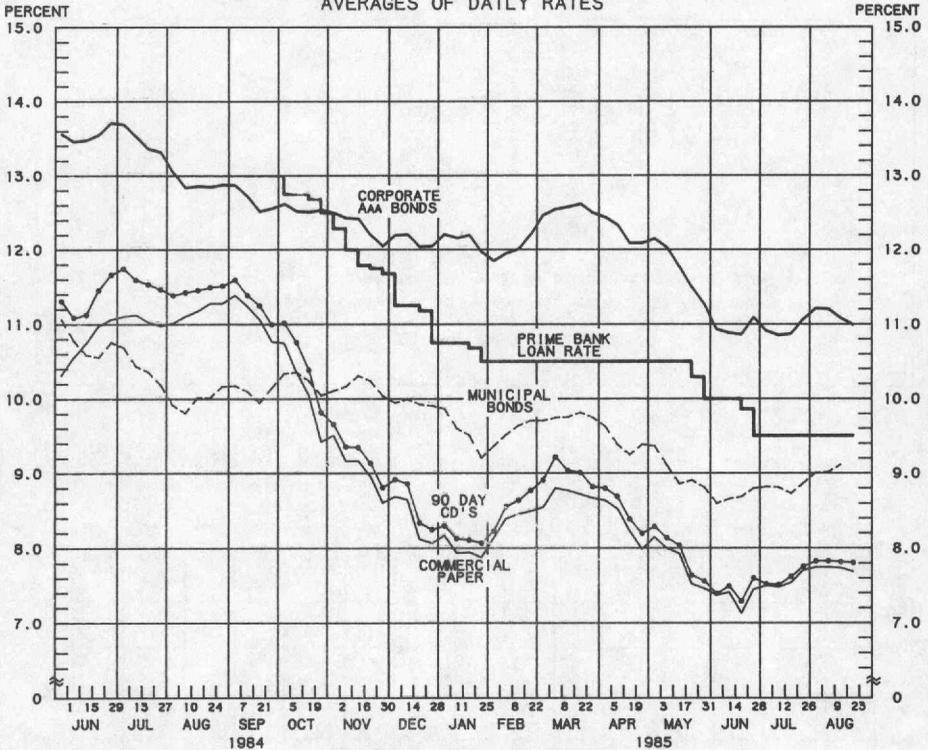
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

	8/13/84	11/12/84	1/14/85	2/11/85	3/11/85	4/15/85	5/13/85	6/10/85
1/14/85	6.5							
2/11/85	6.6	13.3						
3/11/85	8.2	14.7	13.3					
4/15/85	7.7	12.4	9.9	11.0				
5/13/85	7.7	11.6	9.3	9.9	5.8			
6/10/85	9.4	13.5	12.5	13.7	12.0	16.7		
7/15/85	10.2	14.2	13.5	14.6	13.6	17.2	22.0	
8/12/85	10.4	14.0	13.3	14.3	13.4	16.1	18.9	15.5

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YIELDS ON SELECTED SECURITIES AVERAGES OF DAILY RATES



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: AUGUST 23, 1985.

1985	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
JUNE 7	7.39	7.37	7.32	10.93	12.36	8.60
14	7.49	7.41	7.39	10.88	12.32	8.66
21	7.29	7.13	7.21	10.86	12.37	8.69
28	7.60	7.45	7.45	11.09	12.56	8.80
JULY 5	7.52	7.50	7.37	10.91	12.46	8.82
12	7.51	7.48	7.42	10.85	12.38	8.81
19	7.62	7.54	7.55	10.87	12.35	8.73
26	7.76	7.71	7.73	11.07	12.45	8.87
AUG. 2	7.83	7.75	7.74	11.21	12.58	9.01
9	7.83	7.75	7.73	11.21	12.59	9.02
16	7.82	7.74	7.70	11.08	12.54	9.12
23 *	7.81	7.69	7.67	10.99	12.48	N.A.
30						

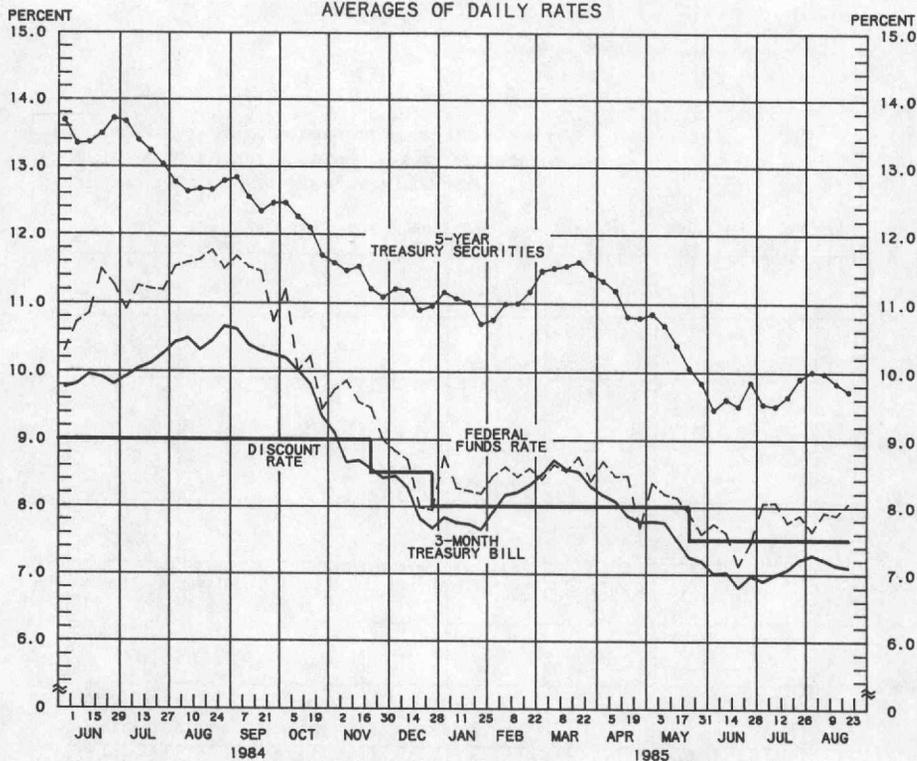
NOTE: CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.15 RELEASE.
* AVERAGES OF RATES AVAILABLE
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA

N.A. - NOT AVAILABLE

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SELECTED INTEREST RATES

AVERAGES OF DAILY RATES



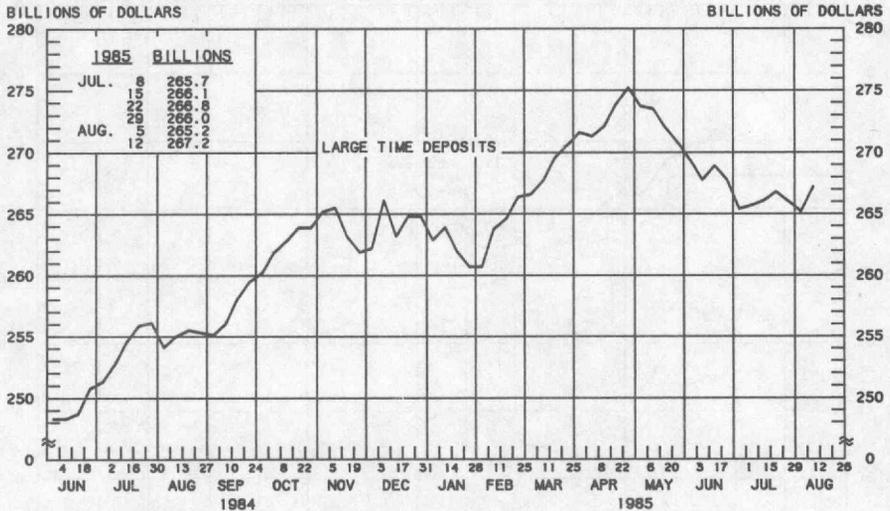
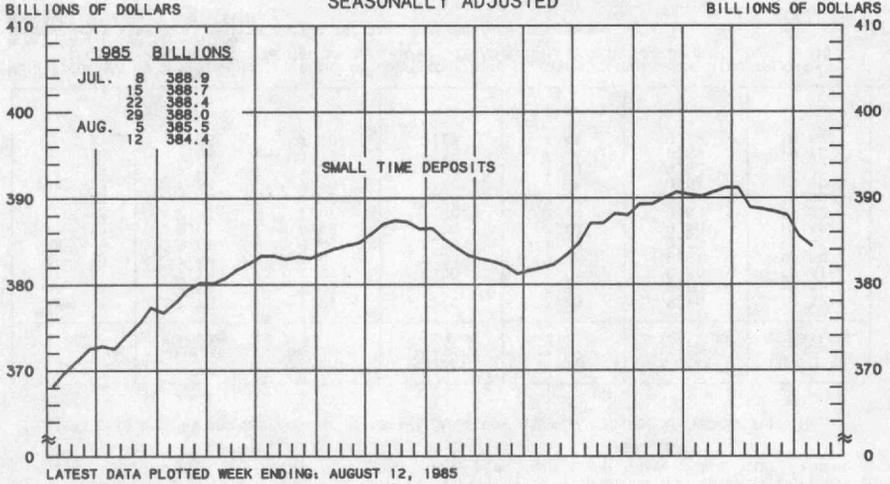
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: AUGUST 23, 1985.

1985	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
JUNE 7	7.75	7.01	7.16	7.25	9.45	10.38
14	7.62	7.03	7.35	7.31	9.60	10.45
21	7.13	6.81	6.90	7.14	9.50	10.41
28	7.46	6.97	7.24	7.37	9.85	10.69
JULY 5	8.06	6.90	7.08	7.13	9.53	10.47
12	8.07	6.99	7.00	7.00	9.50	10.46
19	7.77	7.07	7.20	7.29	9.64	10.55
26	7.88	7.22	7.35	7.47	9.91	10.80
AUG. 2	7.64	7.28	7.40	7.57	10.01	10.90
9	7.92	7.21	7.52	7.58	9.98	10.85
16	7.88	7.13	7.36	7.49	9.84	10.76
23 *	8.06	7.10	7.28	7.41	9.72	10.62
30						

NOTE: CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.15 RELEASE EXCLUDING LONG-TERM TREASURY SECURITIES WHICH ARE COMPUTED BY THIS BANK. TREASURY BILL YIELDS ARE ON A DISCOUNT BASIS.
 * AVERAGES OF RATES AVAILABLE
 ** SEVEN-DAY AVERAGES FOR WEEK ENDING TWO DAYS EARLIER THAN DATE SHOWN
 *** AUCTION AVERAGE (DISCOUNT)

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COMMERCIAL BANK
 SMALL TIME DEPOSITS ^{1/}
 LARGE TIME DEPOSITS ^{2/}
 AVERAGES OF DAILY FIGURES
 SEASONALLY ADJUSTED



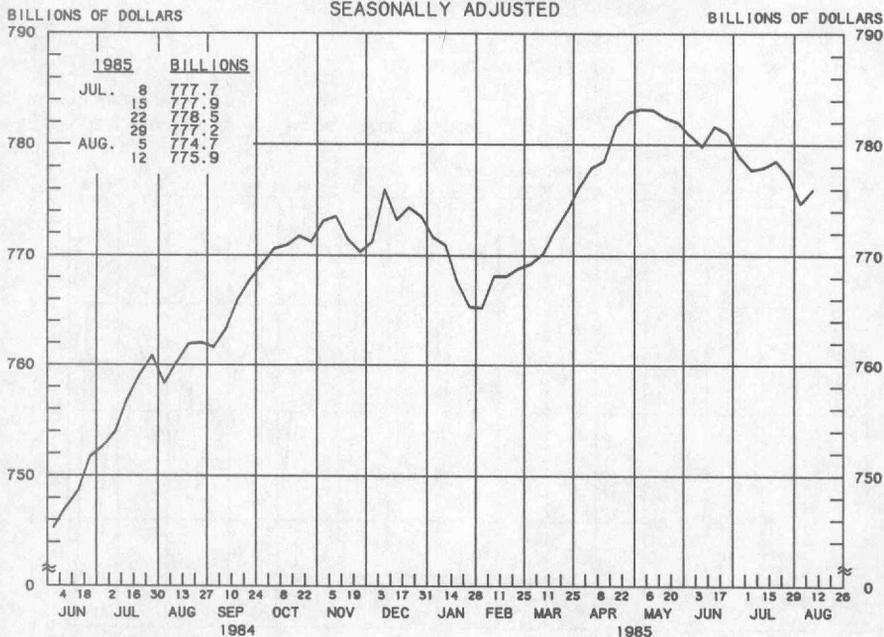
^{1/} TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000

^{2/} TIME DEPOSITS ISSUED IN DENOMINATIONS OF \$100,000 OR MORE

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COMMERCIAL BANK TOTAL TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 12, 1985

TOTAL TIME IS THE SUM OF SAVINGS DEPOSITS, SMALL TIME DEPOSITS AND LARGE TIME DEPOSITS.

TOTAL TIME DEPOSITS

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

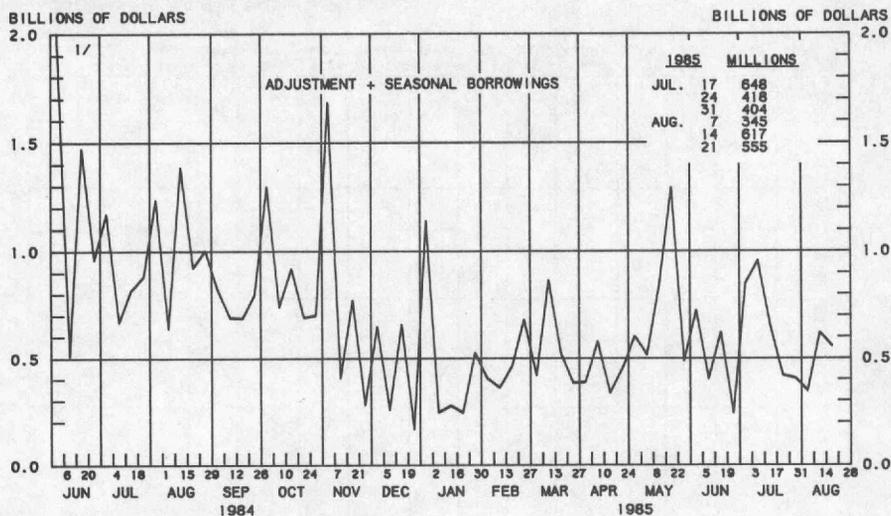
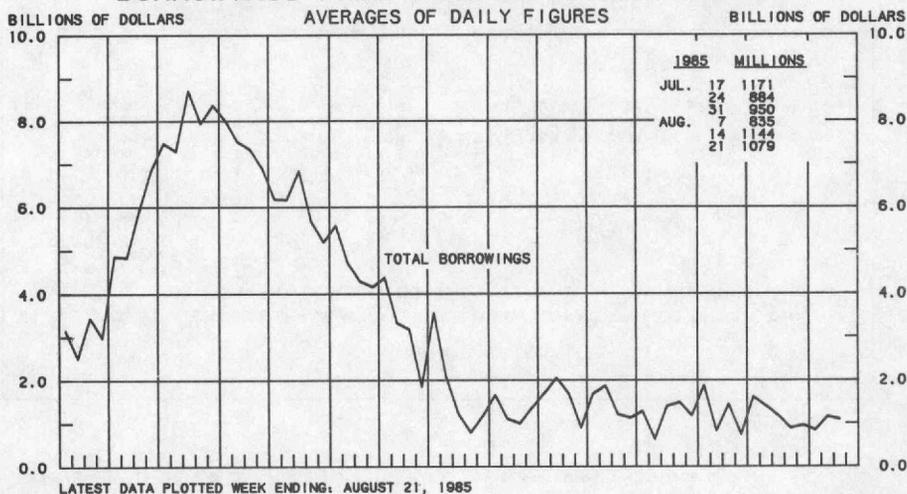
8/13/84 11/12/84 1/14/85 2/11/85 3/11/85 4/15/85 5/13/85 6/10/85

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

1/14/85	4.1							
2/11/85	1.8	-3.0						
3/11/85	2.2	-1.3	-2.9					
4/15/85	3.4	1.3	2.1	7.9				
5/13/85	4.1	2.7	4.1	8.7	10.7			
6/10/85	3.5	2.0	2.8	6.0	6.5	3.9		
7/15/85	2.8	1.3	1.6	3.9	3.7	1.1	-2.8	
8/12/85	2.2	0.7	0.9	2.7	2.3	-0.0	-3.1	-3.4

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BORROWINGS FROM FEDERAL RESERVE BANKS



1/ \$3.120 FOR 6/8/84

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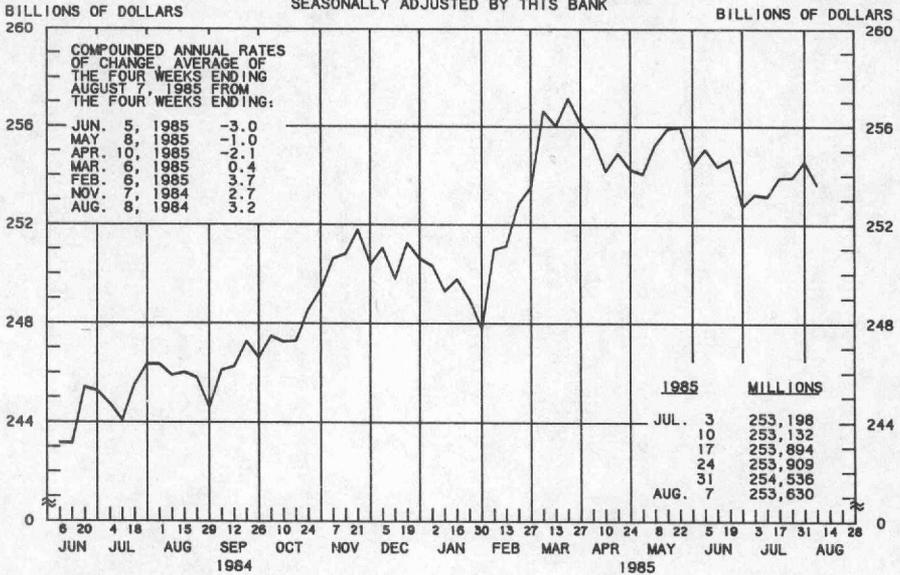
MMDAS, MMMFS AND SUPER NOWS

(BILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED)

		MMDAs 1/	MMMFs 2/	Super NOWs 3/	
June	17	\$307.8	\$242.5	\$57.0	
	24	308.0	246.4	56.1	
	July	1	309.3	243.4	56.6
		8	311.2	239.4	58.4
		15	312.7	241.7	57.9
August	22	313.3	241.7	57.5	
	29	314.3	239.0	57.0	
	5	315.7	238.3	58.8	
	12	316.8	239.5	59.1	

1/ Money market deposit accounts at commercial banks
 2/ Total money market mutual fund balances
 3/ NOW accounts at all depository institutions, requiring a \$1,000 minimum balance and eligible to earn more than 5.25 percent, effective 1/5/85

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



LATEST DATA PLOTTED WEEK ENDING: AUGUST 7, 1985

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

2/ BANKS WITH DOMESTIC ASSETS GREATER THAN \$1.4 BILLION

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