

RESEARCH LIBRARY

Federal Reserve Bank

of St. Louis

U.S. Financial Data

SEP 23 1985

September 19, 1985

The adjusted monetary base measures the effect of Federal Reserve actions on the money stock (M1), while the effect of portfolio decisions made by the public (including financial institutions) is summarized in the multiplier. Over time intervals as long as six months, changes in the growth rates of M1 and the adjusted monetary base tend to be in the same direction.

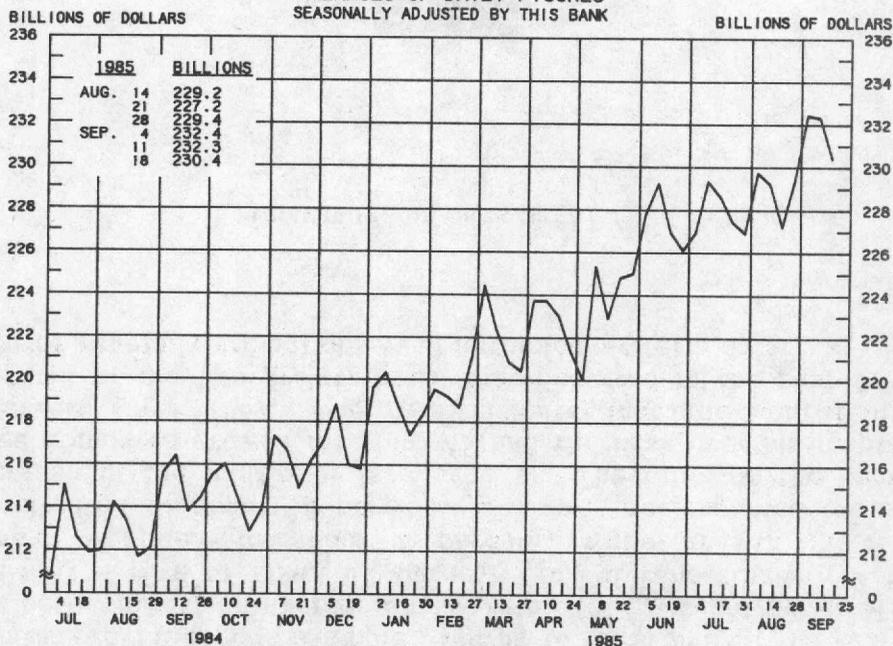
Over shorter periods of time, however, the relationship between changes in money growth and base growth can break down due to short-run swings in the multiplier. The past few months provide a good example. During the first half of the year, the base grew at an average annual rate of 9.4 percent, while M1 grew at a rate of about 12 percent. In July and August, base growth declined to about 5 percent, while growth in M1 accelerated to about 16 percent. This was accompanied by an increase in the multiplier (see page 4). The table on the back page compares growth rates in M1 and the base over six-month intervals since 1982. The data indicate that the conflicting changes in the two growth rates that occurred in the past few months generally are not observed in the longer-term data.

--G. J. Santoni

(continued on back page)



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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 18, 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.

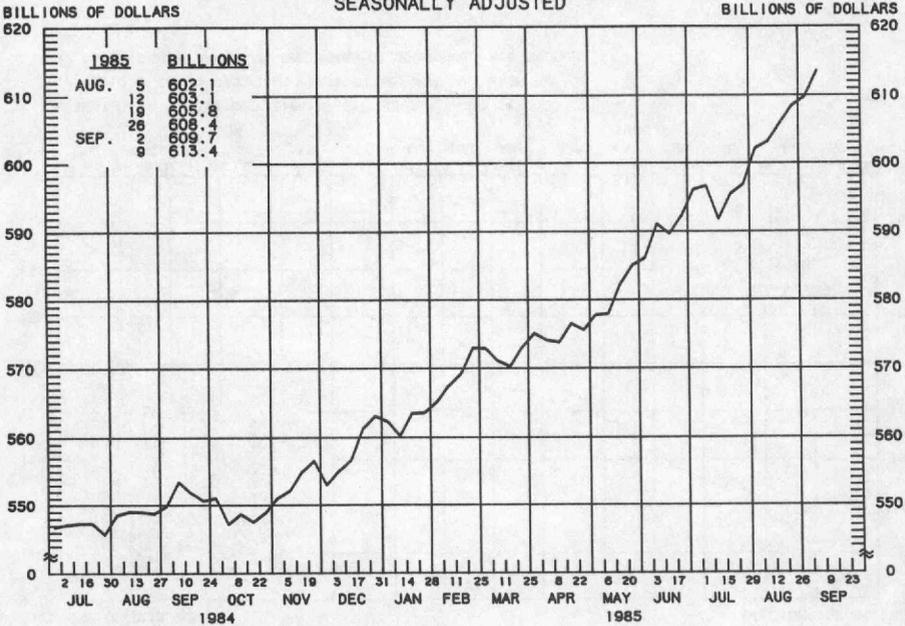
ADJUSTED MONETARY BASE

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	9/19/84	12/19/84	2/20/85	3/20/85	4/17/85	5/15/85	6/19/85	7/17/85
2/20/85	4.9							
3/20/85	7.2	9.7						
4/17/85	6.7	8.3	11.8					
5/15/85	5.7	6.3	7.1	0.9				
6/19/85	8.0	9.6	12.1	9.5	12.3			
7/17/85	7.5	8.7	10.3	7.9	9.3	14.6		
8/21/85	7.0	7.8	8.8	6.7	7.4	10.2	2.8	
9/18/85	7.7	8.8	9.9	8.3	9.1	11.7	7.0	8.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 9, 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:

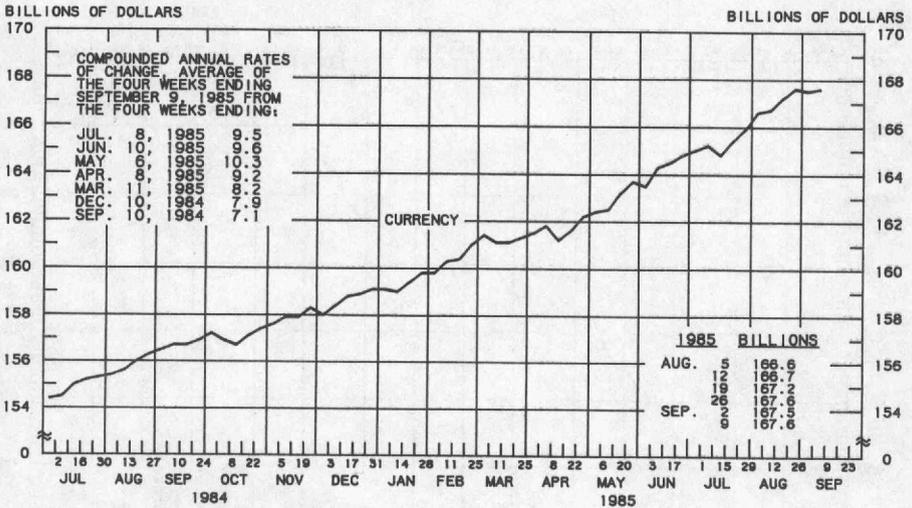
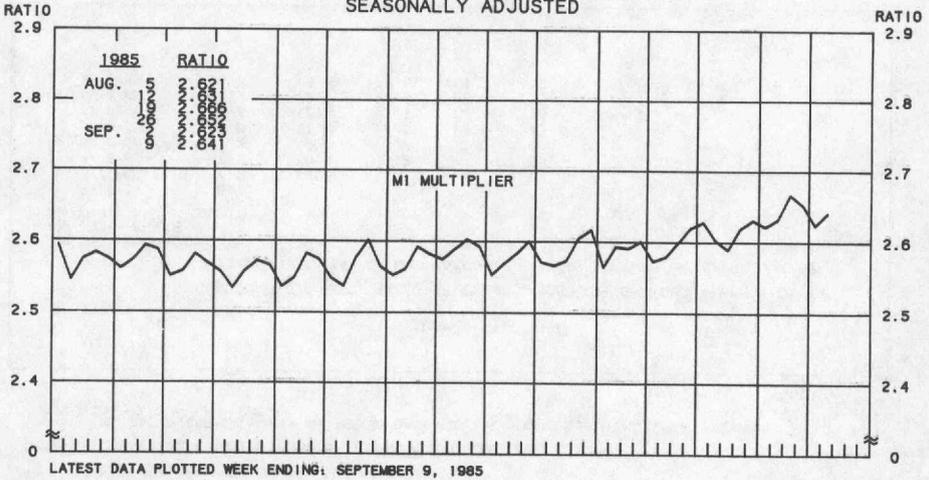
9/10/84 12/10/84 2/11/85 3/11/85 4/8/85 5/6/85 6/10/85 7/8/85

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

2/11/85	6.4							
3/11/85	7.9	12.5						
4/ 8/85	7.3	10.4	9.9					
5/ 6/85	7.2	9.6	8.7	5.0				
6/10/85	8.8	11.6	12.0	10.6	13.8			
7/ 8/85	9.6	12.4	13.1	12.3	15.1	19.2		
8/12/85	9.7	12.1	12.6	11.9	13.8	16.1	13.8	
9/ 9/85	10.7	13.3	14.0	13.7	15.6	17.7	16.8	16.3

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



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 9, 1985

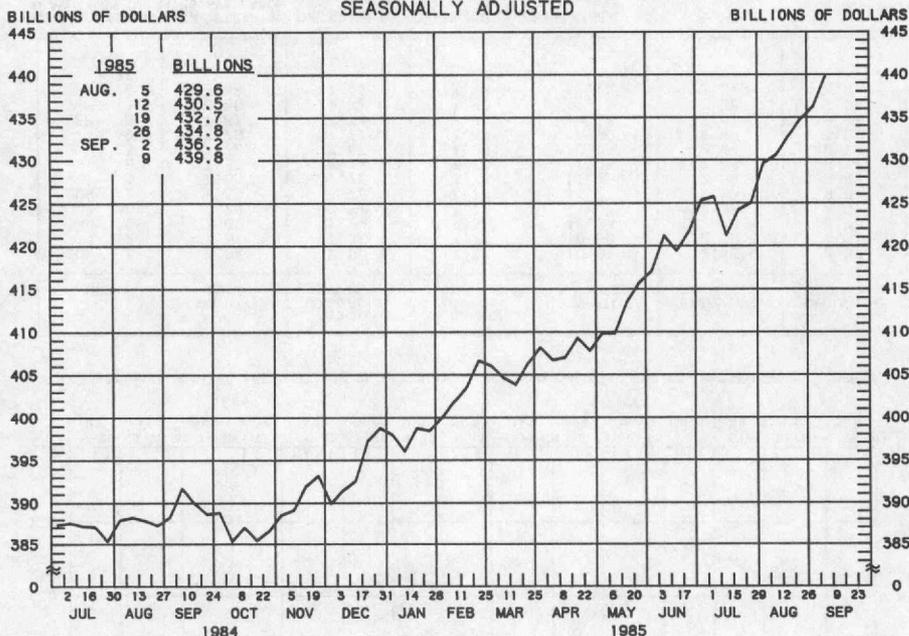
1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE

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: SEPTEMBER 9, 1985

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

TOTAL CHECKABLE DEPOSITS

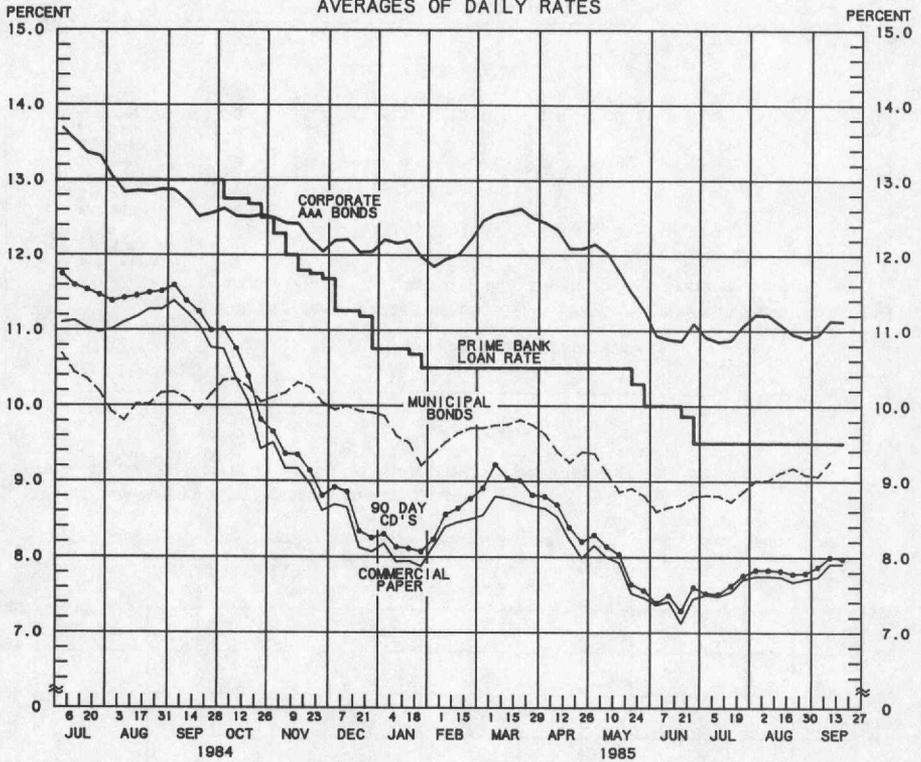
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	9/10/84	12/10/84	2/11/85	3/11/85	4/8/85	5/6/85	6/10/85	7/8/85
2/11/85		6.8						
3/11/85		8.7	14.6					
4/8/85		7.9	11.8	11.1				
5/6/85		7.9	11.0	9.9	5.4			
6/10/85		9.8	13.3	13.7	12.0	16.0		
7/8/85		10.8	14.3	15.1	14.1	17.6	22.3	
8/12/85		10.8	13.8	14.3	13.4	15.8	18.2	15.5
9/9/85		12.1	15.4	16.2	15.7	18.2	20.6	19.6
								19.0

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YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES



1985	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
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	11.20	12.59	9.02
16	7.82	7.74	7.70	11.08	12.54	9.12
23	7.78	7.67	7.66	10.95	12.44	9.18
30	7.79	7.71	7.68	10.90	12.40	9.09
SEP. 6	7.87	7.74	7.80	10.94	12.41	9.07
13	8.00	7.91	7.92	11.13	12.52	9.26
20 *	7.98	7.91	7.92	11.12	12.51	N.A.
27						

NOTE: CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.15 RELEASE.

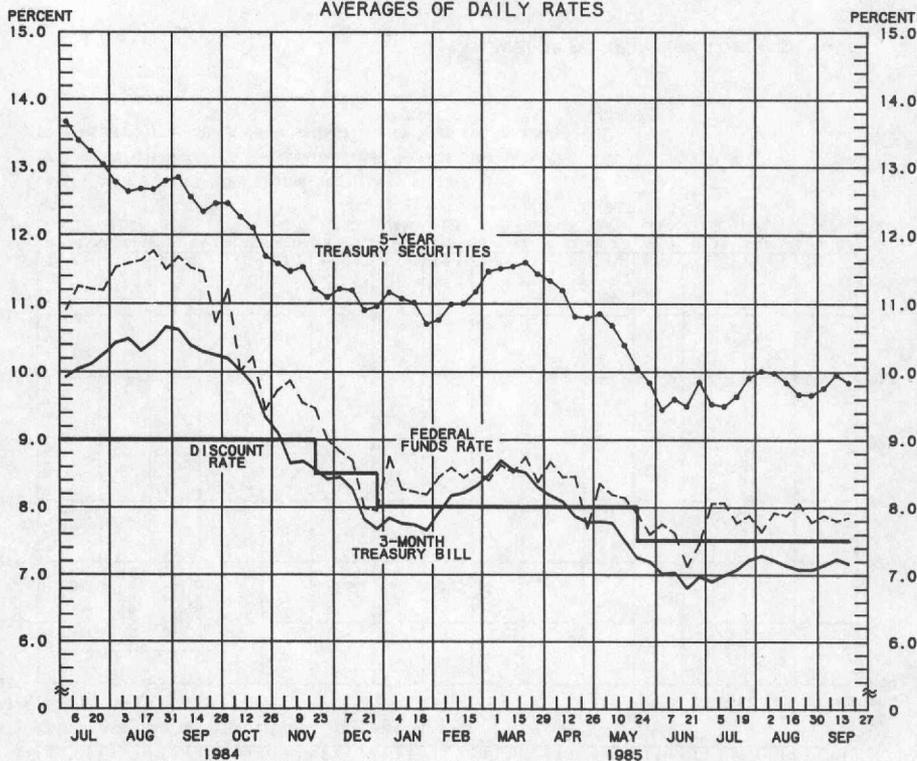
* AVERAGES OF RATES AVAILABLE

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

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES AVERAGES OF DAILY RATES

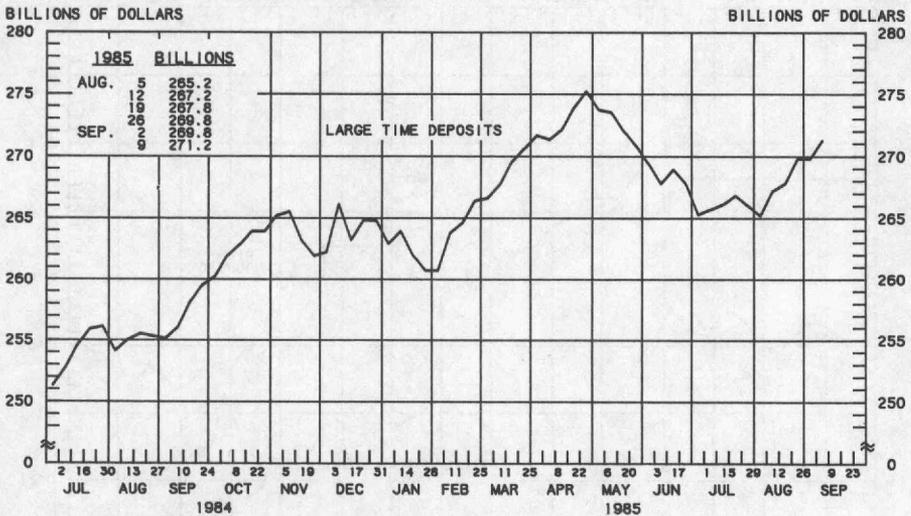
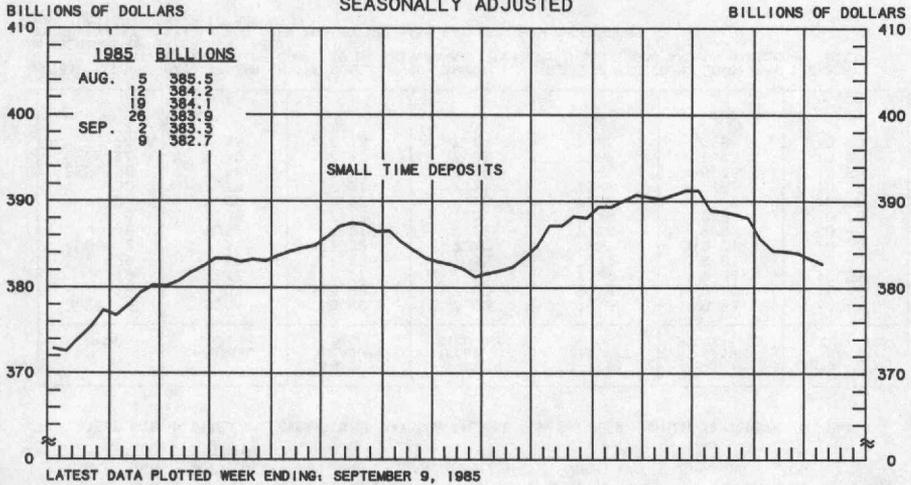


1985	FEDERAL FUNDS <small>%%</small>	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL <small>%%</small>	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
JULY 5	8.06	6.90	7.08	7.13	9.53	10.47
12	8.07	6.99	7.00	7.19	9.50	10.46
19	7.77	7.07	7.20	7.29	9.64	10.55
26	7.88	7.22	7.35	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	7.07	7.28	7.39	9.67	10.59
30	7.78	7.07	7.21	7.42	9.66	10.57
SEP. 6	7.88	7.14	7.30	7.49	9.76	10.68
13	7.80	7.23	7.39	7.62	9.95	10.87
20 <small>*</small>	7.85	7.16	7.32	7.55	9.84	10.80
27						

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)

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



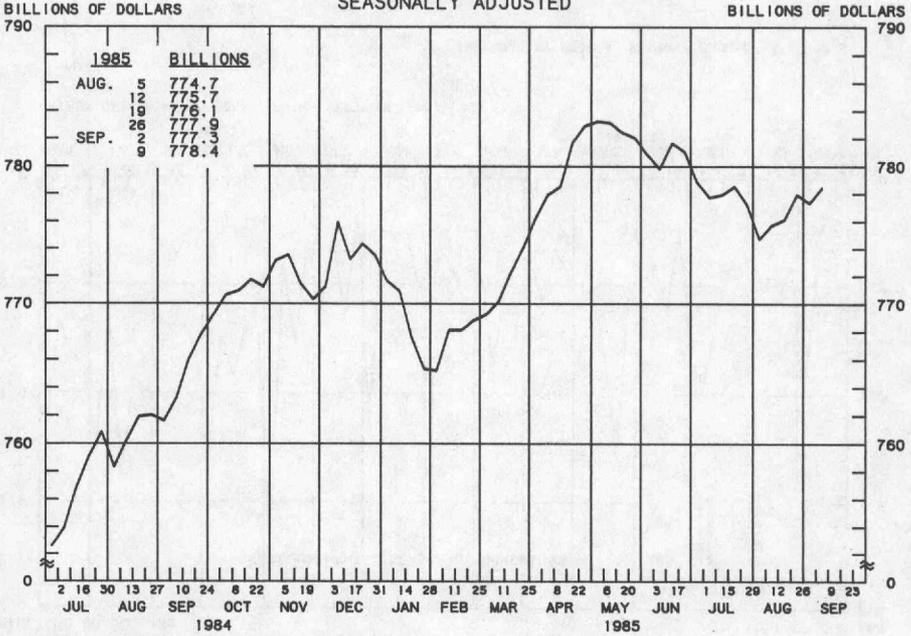
LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 9, 1985

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

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**COMMERCIAL BANK
TOTAL TIME DEPOSITS**
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: SEPTEMBER 9, 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:

	9/10/84	12/10/84	2/11/85	3/11/85	4/8/85	5/6/85	6/10/85	7/8/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
2/11/85	1.3							
3/11/85	1.8	-1.6						
4/ 8/85	3.0	1.2	7.5					
5/ 6/85	3.9	3.0	8.8	11.0				
6/10/85	3.4	2.4	6.0	6.5	4.7			
7/ 8/85	2.8	1.7	4.4	4.3	2.4	-1.3		
8/12/85	2.0	0.8	2.6	2.3	0.5	-2.4	-3.5	
9/ 9/85	2.0	0.9	2.5	2.2	0.7	-1.5	-2.0	-1.8

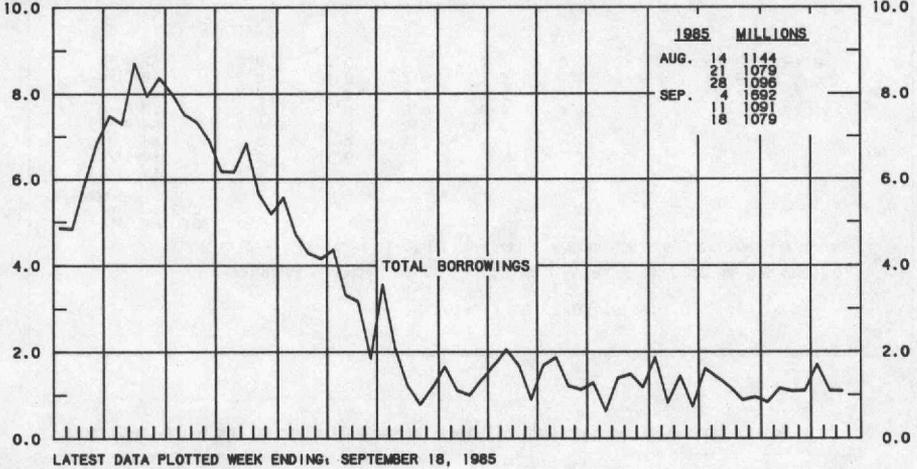
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS

BILLIONS OF DOLLARS

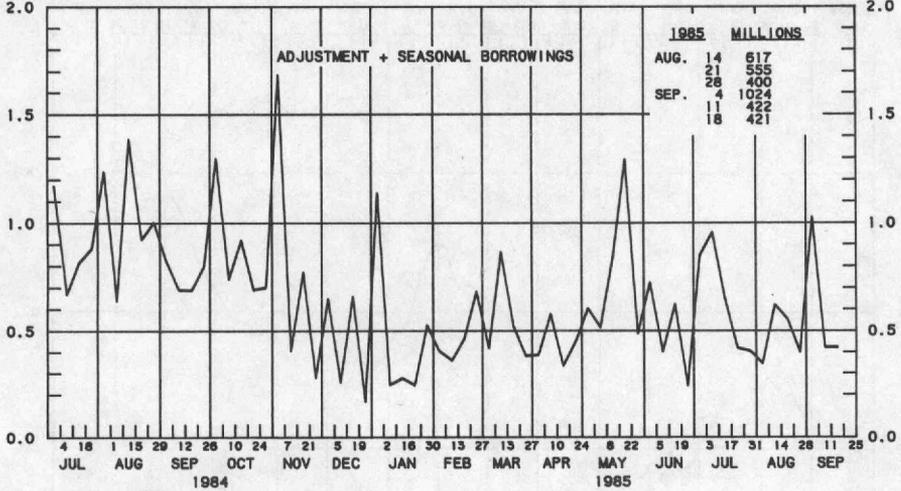
AVERAGES OF DAILY FIGURES

BILLIONS OF DOLLARS



BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MMDAS, MMMFS AND SUPER NOWS

(BILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED)

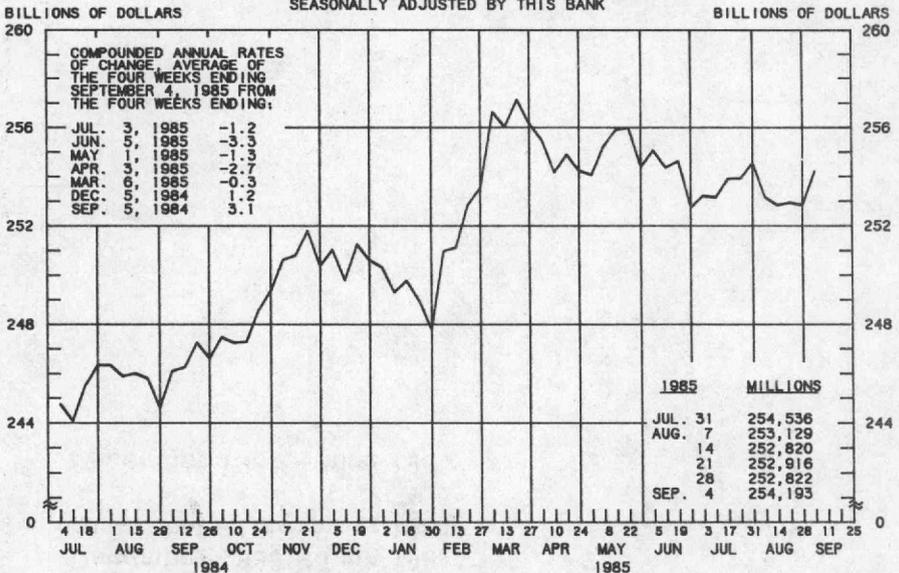
		MMDAs 1/	MMMFs 2/	Super NOWs 3/
July	15	\$312.7	\$241.7	\$57.9
	22	313.3	241.7	57.5
	29	314.3	239.0	57.0
August	5	315.7	238.5	58.7
	12	316.8	239.7	59.0
	19	317.8	238.9	58.7
	26	318.6	241.3	58.5
September	2	319.5	239.2	59.1
	9	321.3	238.5	61.0

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: SEPTEMBER 4, 1985

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

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

Growth Rates of M1 and the Adjusted Monetary Base
(compounded annual rates, seasonally adjusted)

<u>Period</u>	<u>M1</u>	<u>Base</u>
December 1982 - June 1983	12.5%	12.0%
June 1983 - December 1983	7.2	6.6
December 1983 - June 1984	7.4	10.3
June 1984 - December 1984	4.1	4.8
December 1984 - June 1985	12.1	9.4