

U.S. Financial Data

OCT 2 1 1985

October 17, 1985

The behavior of M1 largely reflects movements in currency and checkable deposits. Since the introduction of checkable deposits that explicitly earn interest (OCDs), it is often claimed that changes in the growth of M1 are largely dominated by this component.

The table below reports M1 growth for the period since June 1984. As shown, M1 grew at a very slow rate (0.5 percent) from June through October 1984 and, since then, has grown very rapidly (at almost a 13 percent rate). This recent increase in M1 growth is due not only to accelerated growth in OCDs, but also to a noticeable surge in demand deposit growth. In fact, during the period since October 1984, currency plus demand deposits together have increased at a 9 percent rate, accounting for more than half of the accelerated growth in M1.

Growth Rates of M1 and Its Major Components (compounded annual rates, seasonally adjusted)

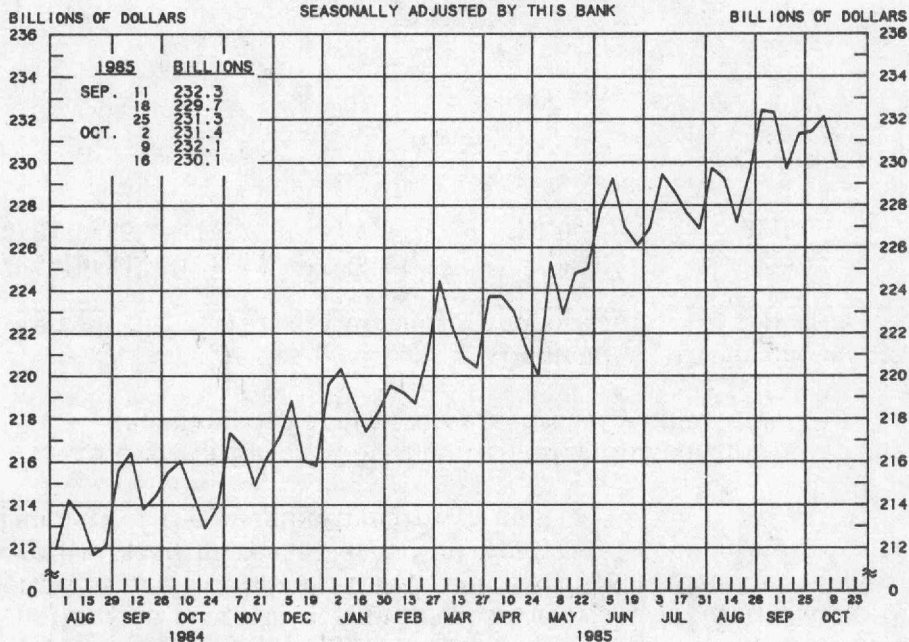
<u>Period</u>	<u>M1</u>	<u>Currency</u>	<u>Demand deposits</u>	<u>Other checkable deposits</u>
6/84-10/84	0.5 %	5.5 %	-5.2 %	6.2 %
10/84-9/85	12.7	7.5	10.0	22.8

-- Gary J. Santoni



ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 16, 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:

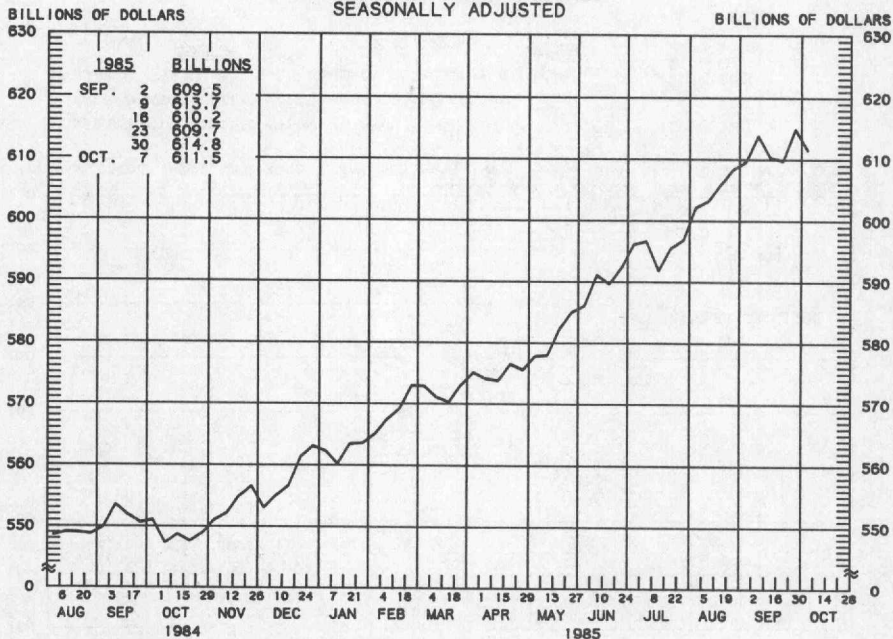
10/17/84 1/16/85 3/13/85 4/17/85 5/15/85 6/19/85 7/17/85 8/14/85

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

3/13/85	7.7						
4/17/85	7.2	7.7					
5/15/85	6.0	5.4	2.1				
6/19/85	8.5	9.5	9.7	12.3			
7/17/85	7.9	8.6	8.3	9.5	14.9		
8/14/85	7.5	7.9	7.4	8.0	11.2	3.5	
9/18/85	8.0	8.5	8.3	9.0	11.6	6.9	8.4
10/16/85	7.5	7.8	7.4	7.8	9.6	5.5	6.1
							7.3

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 7, 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.

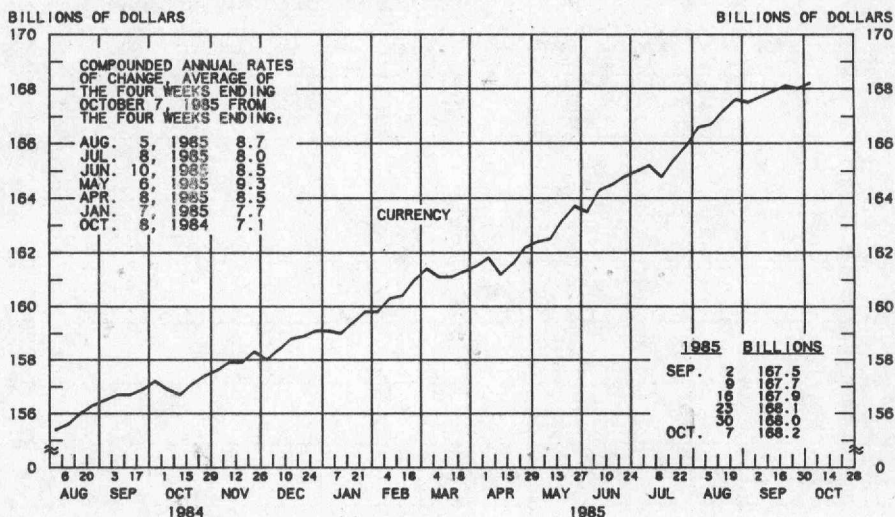
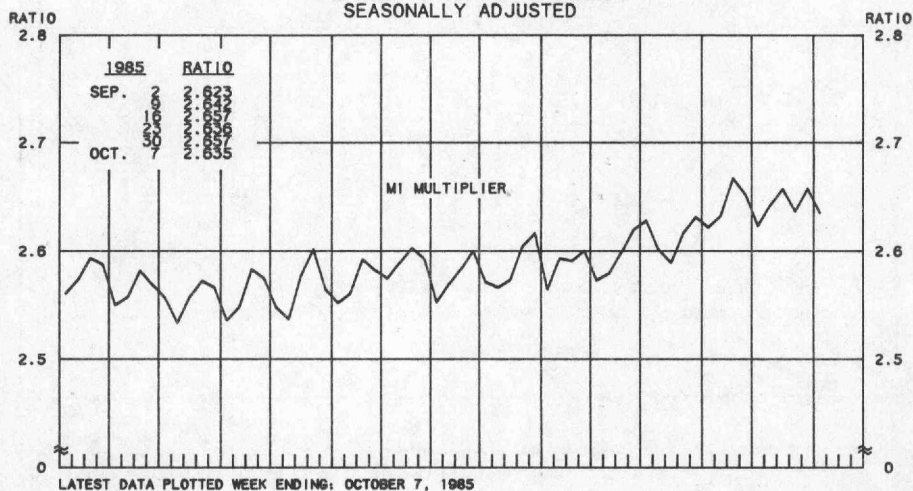
MONEY STOCK (M1)

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

	10/8/84	1/7/85	3/4/85	4/8/85	5/6/85	6/10/85	7/8/85	8/5/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/ 4/85	9.4							
4/ 8/85	8.5	9.1						
5/ 8/85	8.2	8.4	5.4					
6/10/85	9.8	11.0	10.5	13.8				
7/ 8/85	10.7	12.0	12.1	15.1	19.2			
8/ 5/85	10.3	11.3	11.1	13.1	15.3	12.2		
9/ 9/85	11.7	13.1	13.5	15.6	17.7	16.8	16.3	
10/ 7/85	11.2	12.3	12.3	13.9	15.3	13.9	12.7	15.4

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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 7, 1985

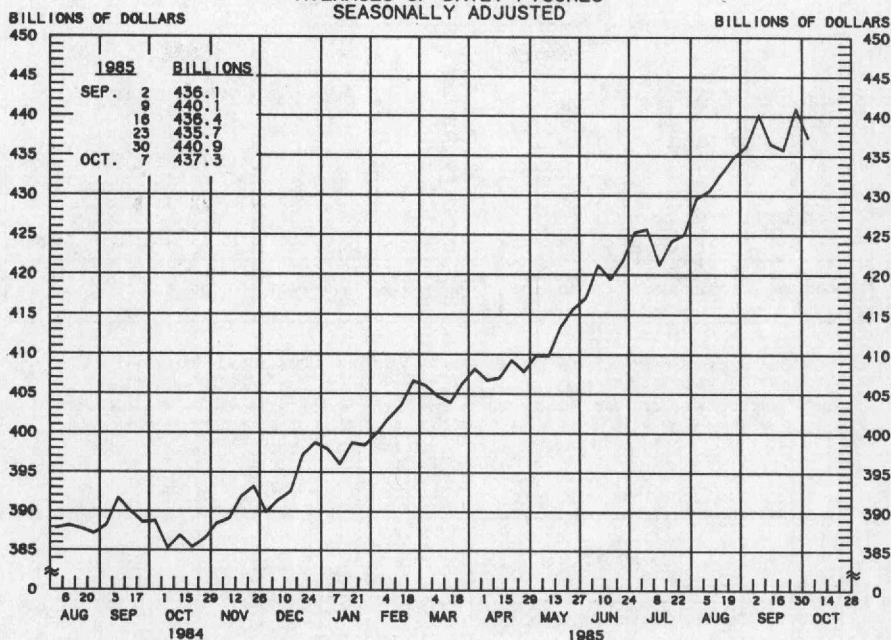
1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE

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

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TOTAL CHECKABLE DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 7, 1985

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

TOTAL CHECKABLE DEPOSITS

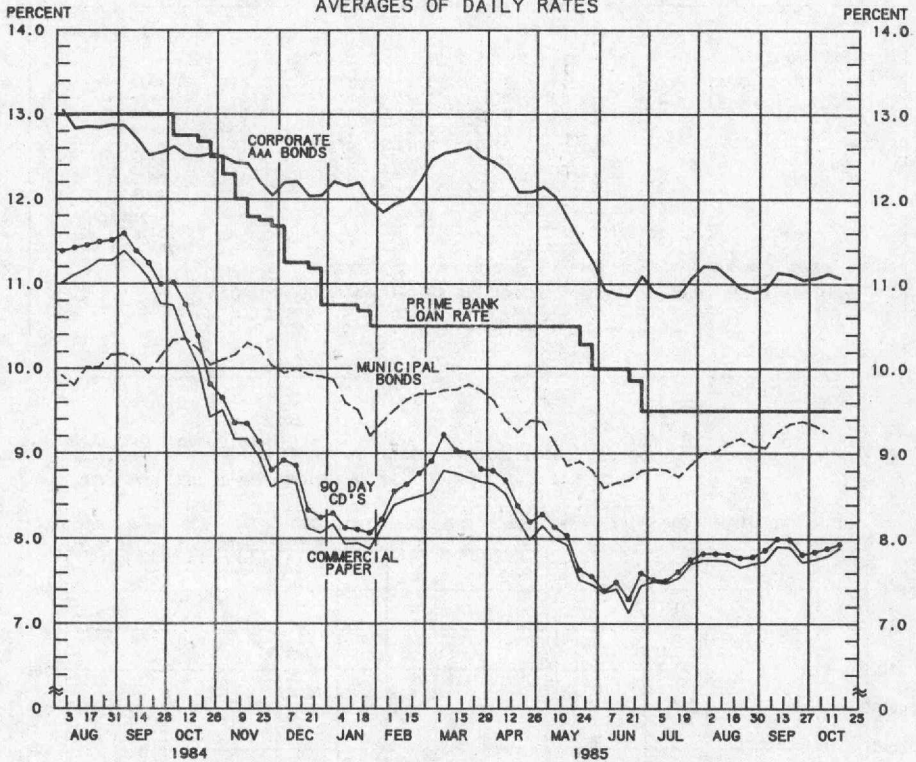
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE OF FOUR WEEKS ENDING:	10/8/84	1/7/85	3/4/85	4/8/85	5/6/85	6/10/85	7/8/85	8/5/85
3/ 4/85	10.7							
4/ 8/85	9.5	10.0						
5/ 6/85	9.2	9.5	5.9					
6/10/85	11.1	12.5	11.8	16.0				
7/ 8/85	12.1	13.8	13.8	17.6	22.3			
8/ 5/85	11.6	12.7	12.4	14.8	17.2	13.5		
9/ 9/85	13.4	15.1	15.5	18.2	20.6	19.6	19.0	
10/ 7/85	12.7	14.0	14.1	16.1	17.7	16.1	14.5	18.4

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YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: OCTOBER 16, 1985.

1985	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS' ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS ^W
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	7.99	7.90	7.90	11.11	12.51	9.35
27	7.82	7.73	7.68	11.05	12.47	9.38
OCT. 4	7.85	7.76	7.72	11.07	12.46	9.33
11	7.89	7.80	7.82	11.12	12.39	9.25
18 *	7.94	7.89	7.83	11.07	12.39	N.A.
25						

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

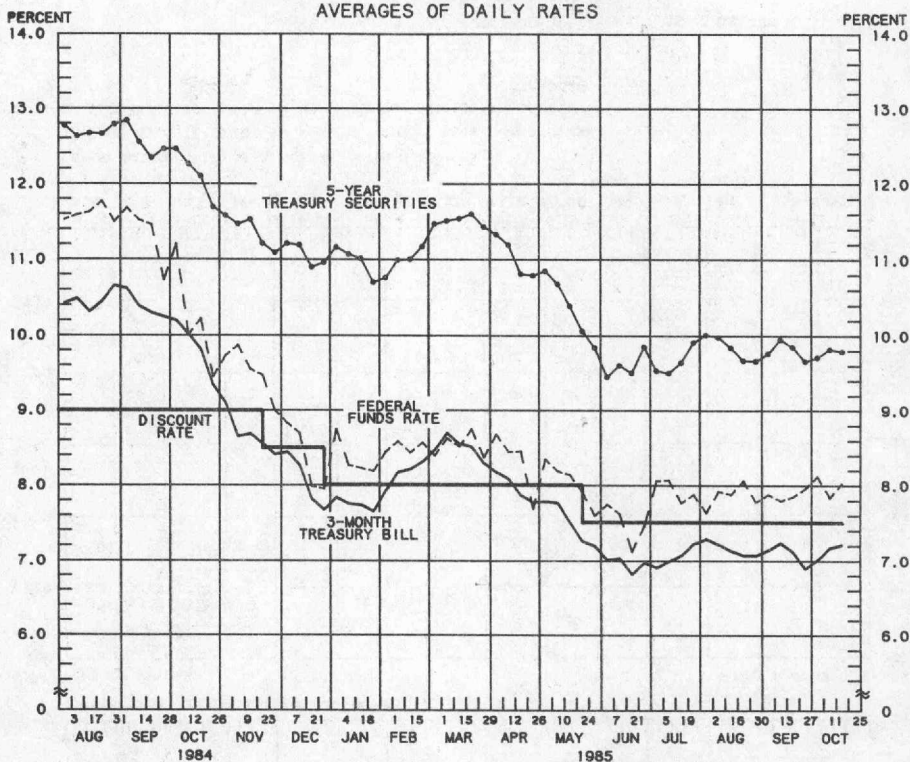
* AVERAGES OF RATES AVAILABLE

W 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



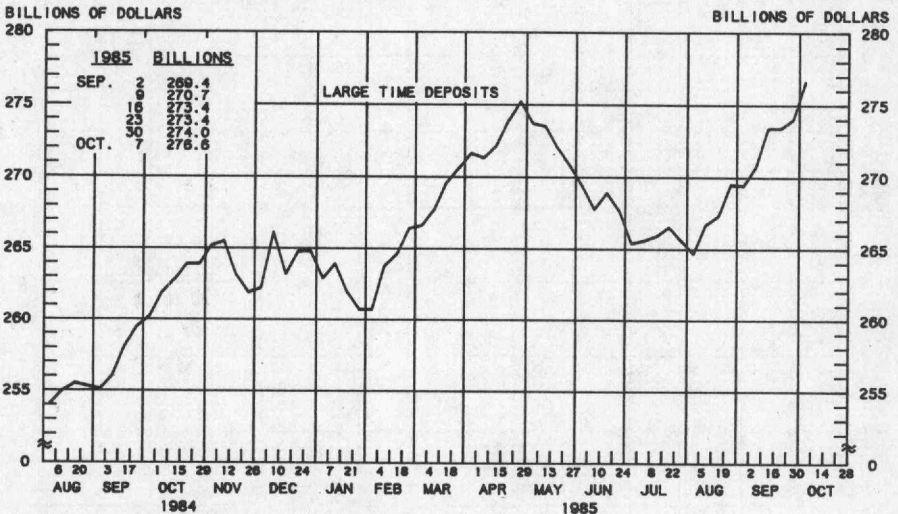
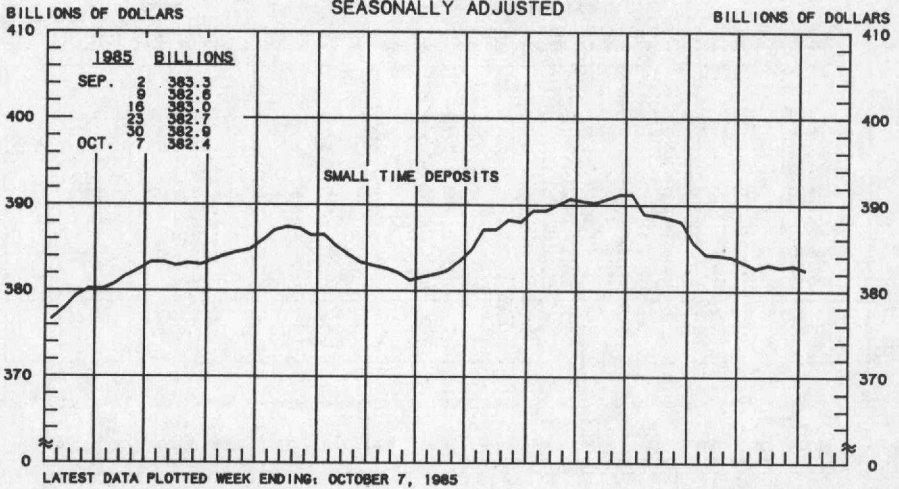
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: OCTOBER 18, 1985.

1985	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	7.85	7.12	7.32	7.55	9.85	10.80
27	7.96	6.89	7.05	7.34	9.66	10.73
OCT. 4	8.12	7.01	7.24	7.41	9.71	10.73
11	7.84	7.17	7.32	7.49	9.82	10.81
18 *	8.03	7.21	7.36	7.47	9.79	10.72
25						

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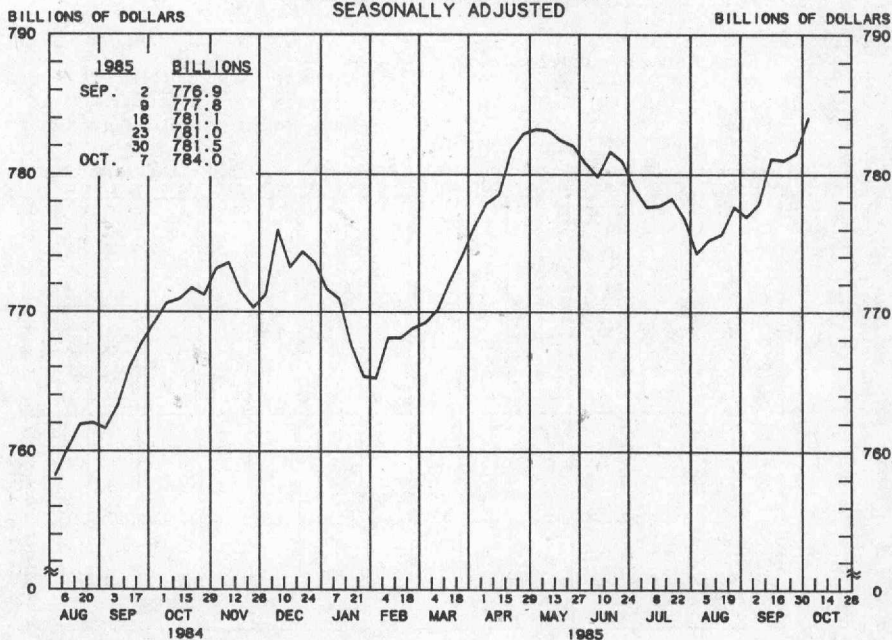
**COMMERCIAL BANK
SMALL TIME DEPOSITS ^{1/}
LARGE TIME DEPOSITS ^{2/}
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED**



1/ TIME DEPOSITS ISSUED IN DENOMINATIONS OF LESS THAN \$100,000
2/ TIME DEPOSITS ISSUED IN DENOMINATIONS OF \$100,000 OR MORE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

COMMERCIAL BANK TOTAL TIME DEPOSITS AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 7, 1985

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

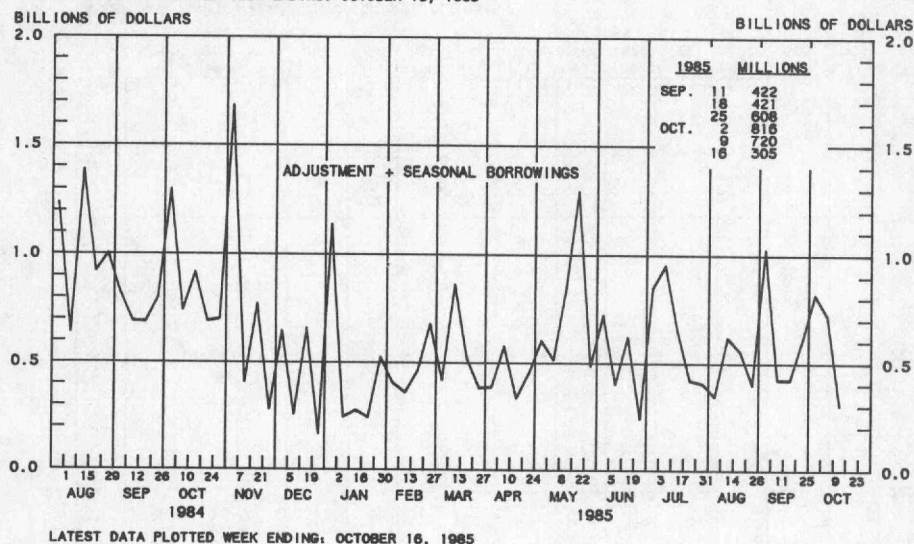
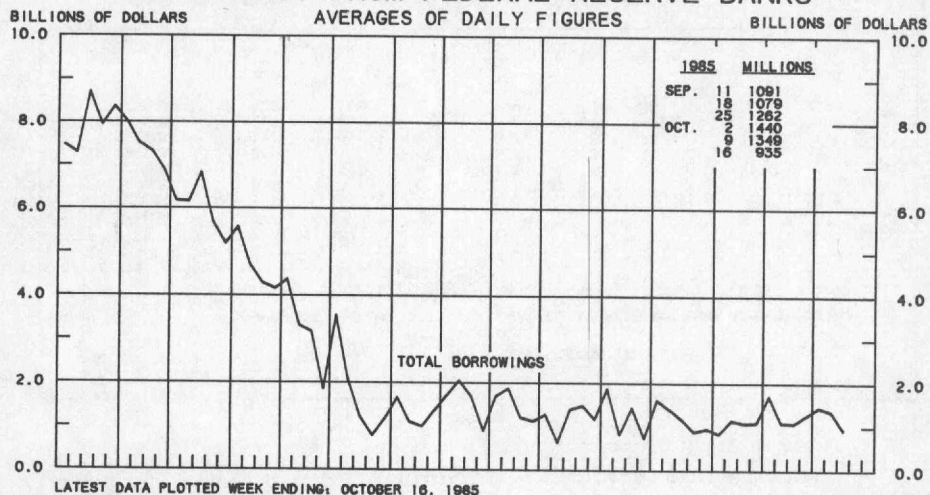
TOTAL TIME DEPOSITS

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

	10/8/84	1/7/85	3/4/85	4/8/85	5/8/85	6/10/85	7/8/85	8/5/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/ 4/85	0.1							
4/ 8/85	1.8	1.0						
5/ 8/85	3.0	3.4	10.2					
6/10/85	2.5	2.5	6.3	4.7				
7/ 8/85	2.0	1.7	4.3	2.4	-1.3			
8/ 5/85	1.3	0.8	2.5	0.6	-2.5	-3.8		
9/ 9/85	1.2	0.7	2.1	0.6	-1.7	-2.2	-2.1	
10/ 7/85	1.8	1.5	2.9	1.8	0.1	0.2	1.1	3.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BORROWINGS FROM FEDERAL RESERVE BANKS



PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MMDAS, MMMFS AND SUPER NOWS

(BILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED)

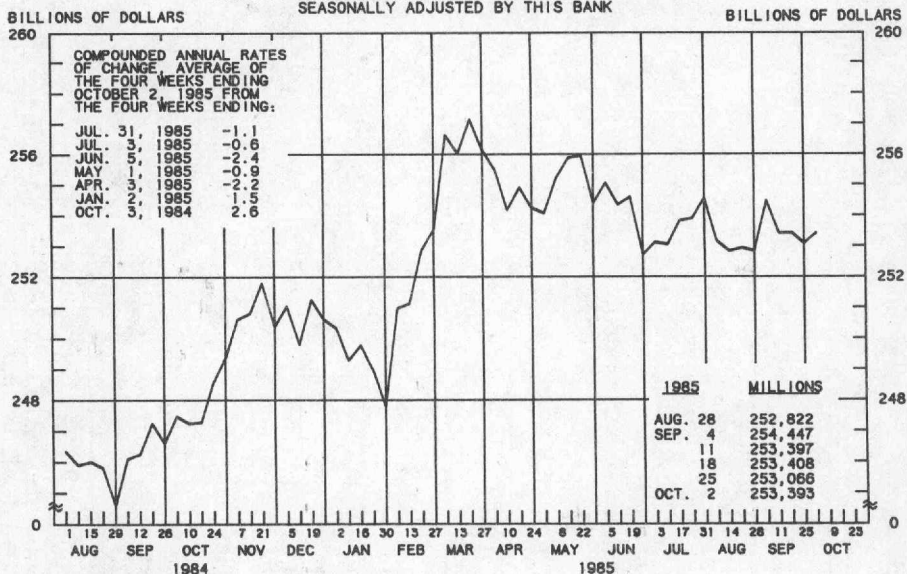
		MMDAs 1/	MMMFs 2/	Super NOWs 3/
August	12	\$316.8	\$240.5	\$59.0
	19	317.8	239.7	58.7
	26	318.6	241.8	58.5
September	2	319.6	239.7	59.1
	9	321.3	239.0	61.1
	16	321.9	238.8	60.5
	23	320.5	238.8	59.2
October	30	321.0	238.2	58.7
	7	322.7	238.3	61.0

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: OCTOBER 2, 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