

# U.S. Financial Data

NOV 04 1985

October 31, 1985

The growth rate of M2 has fluctuated substantially over the last year. As the table on the back page indicates, all the major nontransaction components of M2 have contributed to its variability.

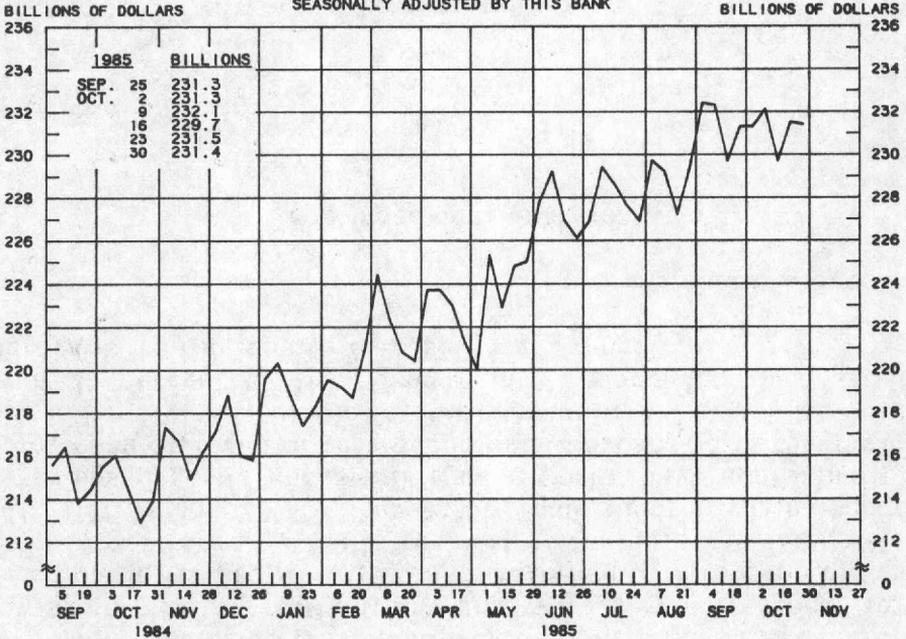
Rapid expansions in money market deposit accounts (MMDAs) and money market mutual funds (MMMFs) were largely responsible for the growth in M2 from September 1984 to January 1985. During this period, M2 rose above its annual target range of between 6 and 9 percent growth for the fourth quarter of 1984 to the fourth quarter of 1985. The lack of growth in MMMFs and the slowing in MMDA growth from January to May corresponds to a period of slower growth in M2, as it returned to within the top end of its target range by the latter part of this interval. Since May both MMDAs and MMMFs have grown only slightly, while changes in savings deposits and small time deposits have approximately offset each other. The resurgence of M2 expansion in this period then is largely attributable to an expansion in M1, which makes up about 25 percent of M2. Growth in M2 since June has kept it slightly above the top of its annual target range.

--Richard G. Sheehan

(continued on back page)



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



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 30, 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.

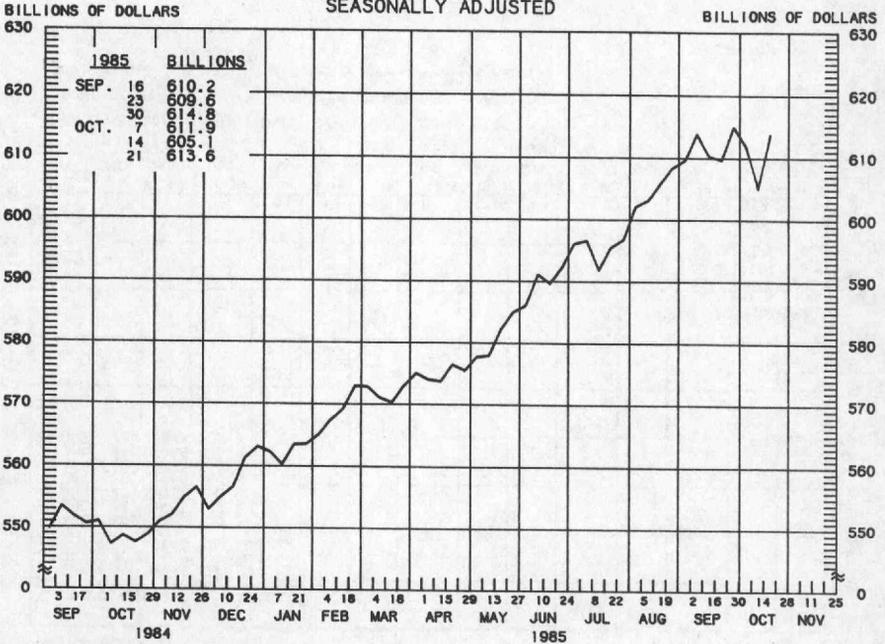
**ADJUSTED MONETARY BASE**

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

	10/31/84	1/30/85	3/27/85	5/1/85	5/29/85	7/3/85	7/31/85	8/28/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/27/85	9.1							
5/1/85	7.3	6.2						
5/29/85	8.4	8.3	6.7					
7/3/85	9.1	9.5	9.2	14.6				
7/31/85	8.7	8.8	8.1	11.5	9.6			
8/28/85	8.3	8.2	7.5	9.8	8.1	4.7		
10/2/85	8.6	8.6	8.1	10.1	8.9	7.0	8.1	
10/30/85	7.9	7.7	7.0	8.5	7.2	5.3	5.5	5.9

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

**MONEY STOCK (M1)  
AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED**



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 21, 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.

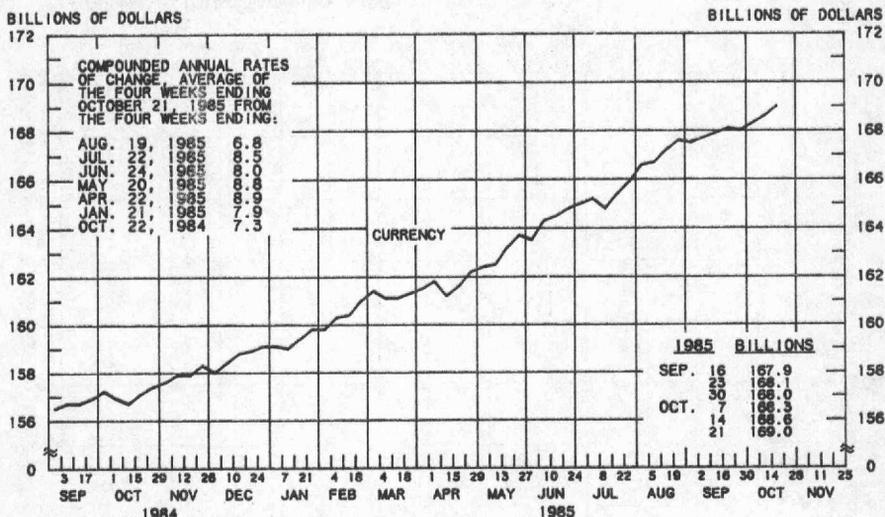
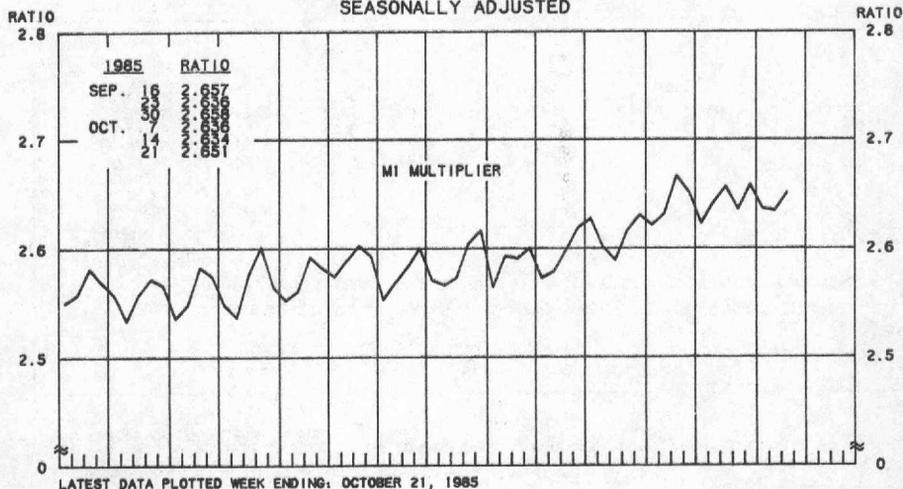
**MONEY STOCK (M1)**

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

	10/22/84	1/21/85	3/18/85	4/22/85	5/20/85	6/24/85	7/22/85	8/19/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/18/85	10.8							
4/22/85	9.8	9.3						
5/20/85	9.6	9.1	7.0					
6/24/85	11.3	11.9	12.2	15.9				
7/22/85	11.4	12.0	12.2	14.8	17.8			
8/19/85	11.9	12.6	13.0	15.2	17.3	14.4		
9/23/85	12.3	13.1	13.6	15.4	17.1	15.1	16.3	
10/21/85	11.4	11.8	11.9	13.1	14.0	11.7	11.5	9.4

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**MONEY MULTIPLIER <sup>1/</sup>**  
**CURRENCY COMPONENT OF MONEY STOCK <sup>2/</sup>**  
 AVERAGES OF DAILY FIGURES  
 SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 21, 1985

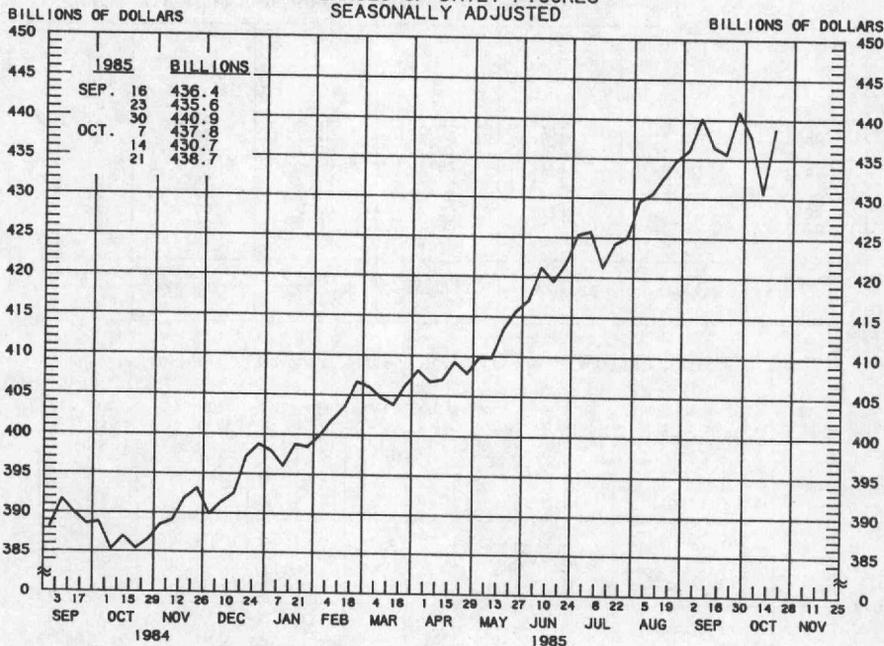
1/ RATIO OF MONEY STOCK (MI) TO ADJUSTED MONETARY BASE

2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.8 RELEASE.

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# TOTAL CHECKABLE DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 21, 1985

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

## TOTAL CHECKABLE DEPOSITS

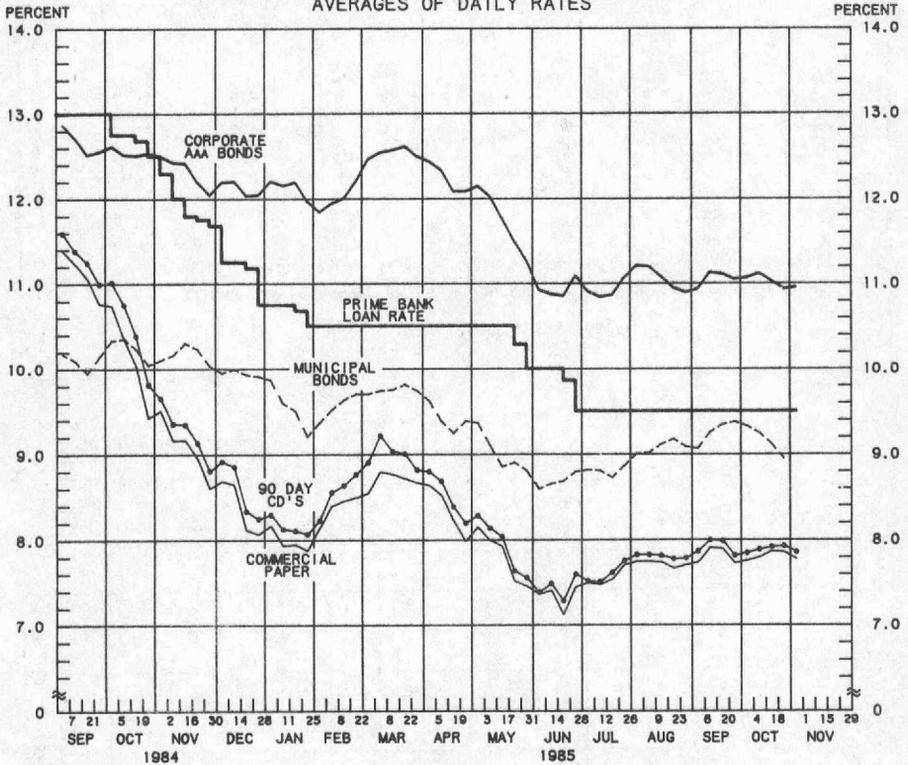
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	10/22/84	1/21/85	3/18/85	4/22/85	5/20/85	6/24/85	7/22/85	8/19/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/18/85	12.4							
4/22/85	11.3	10.4						
5/20/85	10.8	9.8	7.2					
6/24/85	13.0	13.6	13.9	18.2				
7/22/85	13.1	13.7	14.0	17.0	21.2			
8/19/85	13.6	14.2	14.7	17.2	20.2	16.0		
9/23/85	14.2	15.0	15.7	17.8	20.1	17.5	19.1	
10/21/85	13.0	13.4	13.5	14.8	16.1	13.1	12.7	10.5

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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 <sup>***</sup>
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	7.92	7.87	7.81	11.03	12.38	9.12
25	7.93	7.86	7.80	10.94	12.31	8.95
NOV. 1 <sup>*</sup>	7.85	7.78	7.74	10.96	12.32	N.A.
8						
15						
22						
29						

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

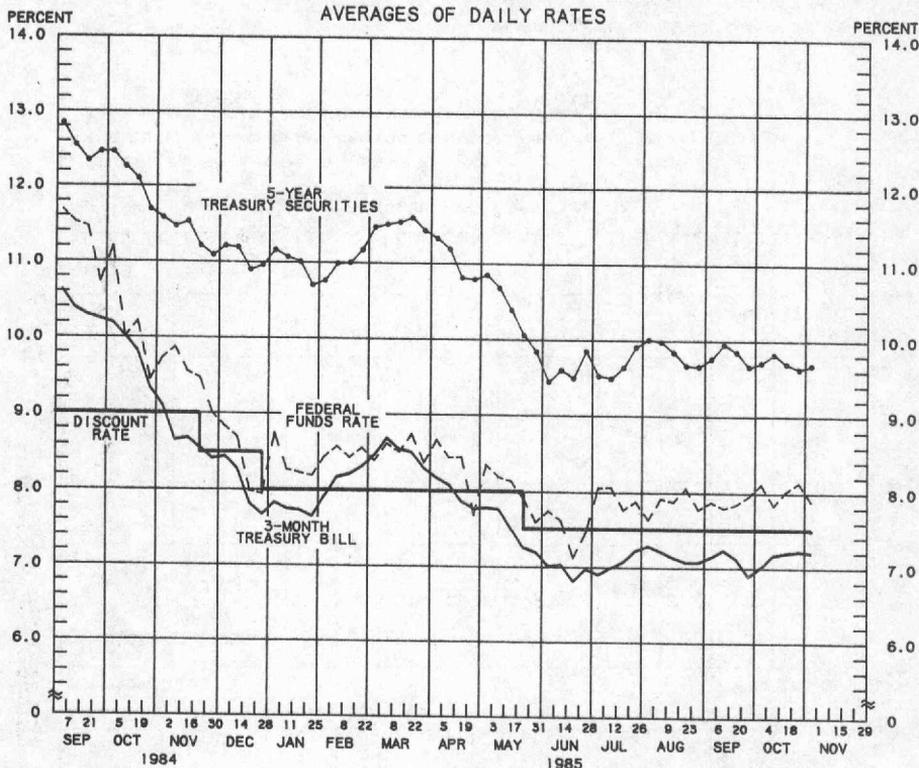
<sup>\*</sup> AVERAGES OF RATES AVAILABLE

<sup>\*\*</sup> 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



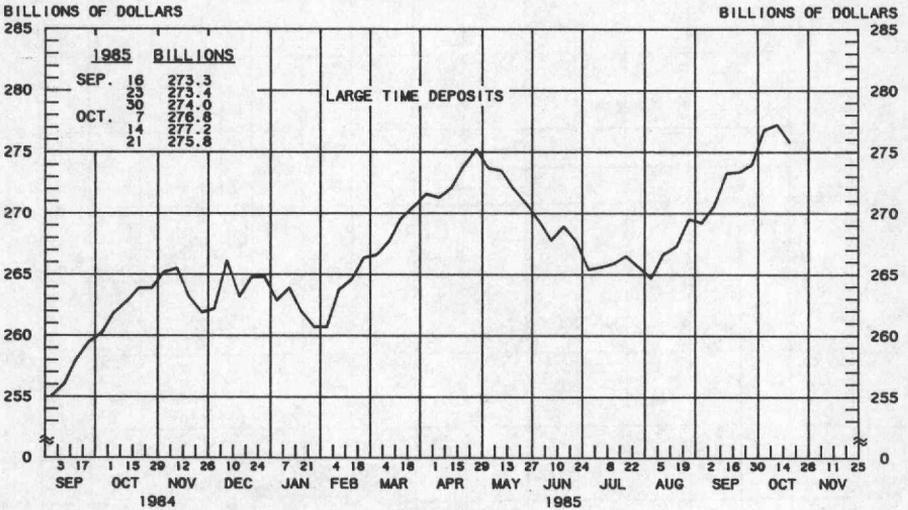
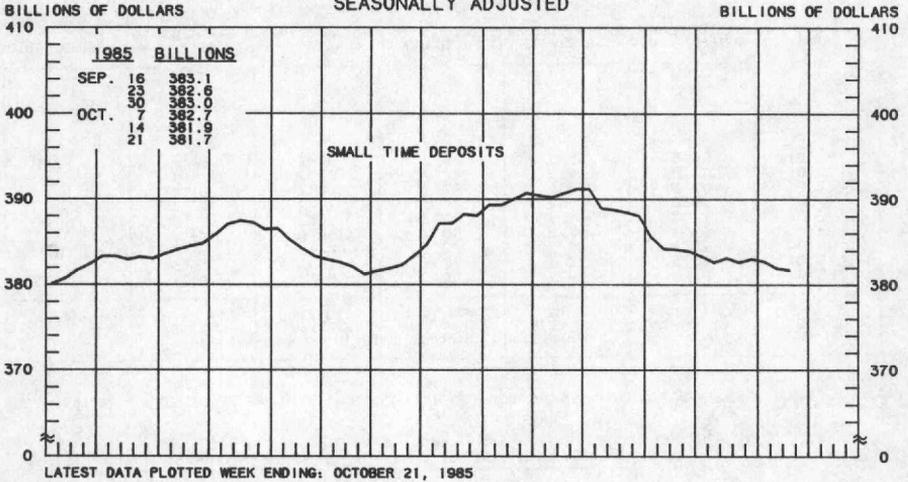
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 1, 1985.

1985	FEDERAL FUNDS %*	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL %**	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
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	7.20	7.36	7.44	9.70	10.67
25	8.14	7.22	7.32	7.47	9.63	10.57
NOV. 1 *	7.89	7.20	7.37	7.44	9.68	10.54
8						
15						
22						
29						

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)

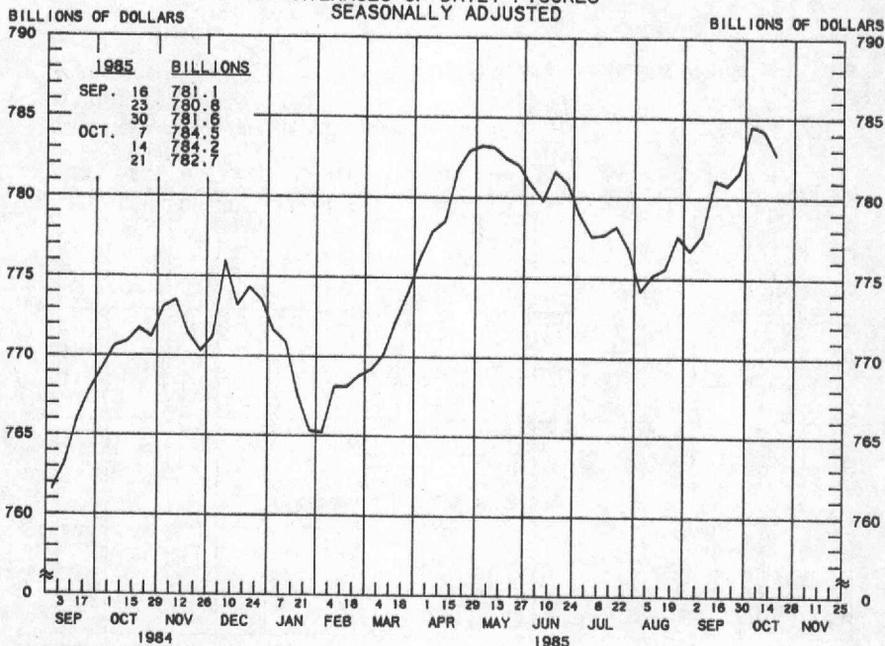
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COMMERCIAL BANK  
 SMALL TIME DEPOSITS 1/  
 LARGE TIME DEPOSITS 2/  
 AVERAGES OF DAILY FIGURES  
 SEASONALLY ADJUSTED



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

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



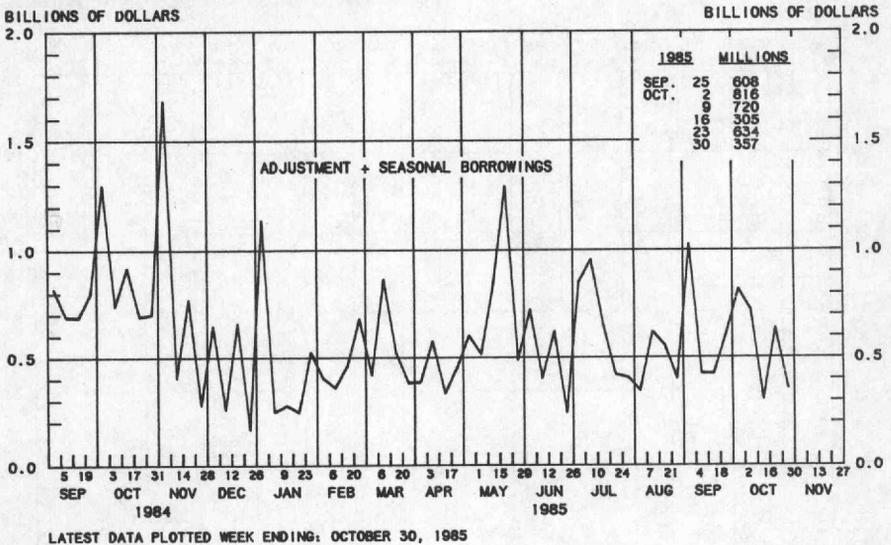
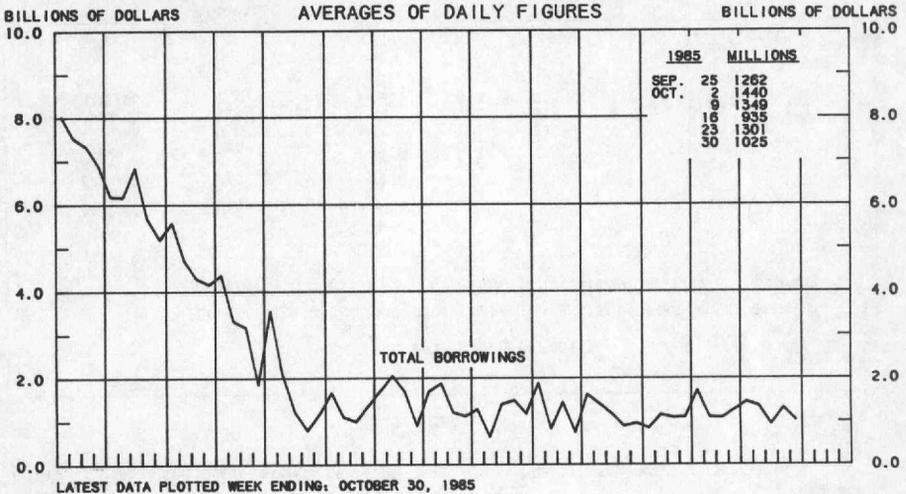
LATEST DATA PLOTTED WEEK ENDING: OCTOBER 21, 1985

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:								
	10/22/84	1/21/85	3/18/85	4/22/85	5/20/85	6/24/85	7/22/85	8/19/85
TO THE AVERAGE OF FOUR WEEKS ENDING:								
3/18/85	-0.2							
4/22/85	2.1	4.1						
5/20/85	2.8	4.8	10.0					
6/24/85	2.0	3.1	5.3	1.6				
7/22/85	1.3	1.9	3.0	-0.3	-3.5			
8/19/85	0.8	1.0	1.7	-1.2	-3.7	-4.3		
9/23/85	1.2	1.6	2.3	0.2	-1.4	-0.9	0.7	
10/21/85	1.6	2.2	2.9	1.2	0.1	1.0	2.7	6.0

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## BORROWINGS FROM FEDERAL RESERVE BANKS



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# MMDAS, MMMFS AND SUPER NOWS

(BILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED)

		MMDAs 1/	MMMFs 2/	Super NOWs 3/
August	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
	30	321.1	238.2	58.7
October	7	322.7	238.4	61.1
	14	324.1	240.7	61.0
	21	324.3	240.4	61.0

1/ Money market deposit accounts at commercial banks

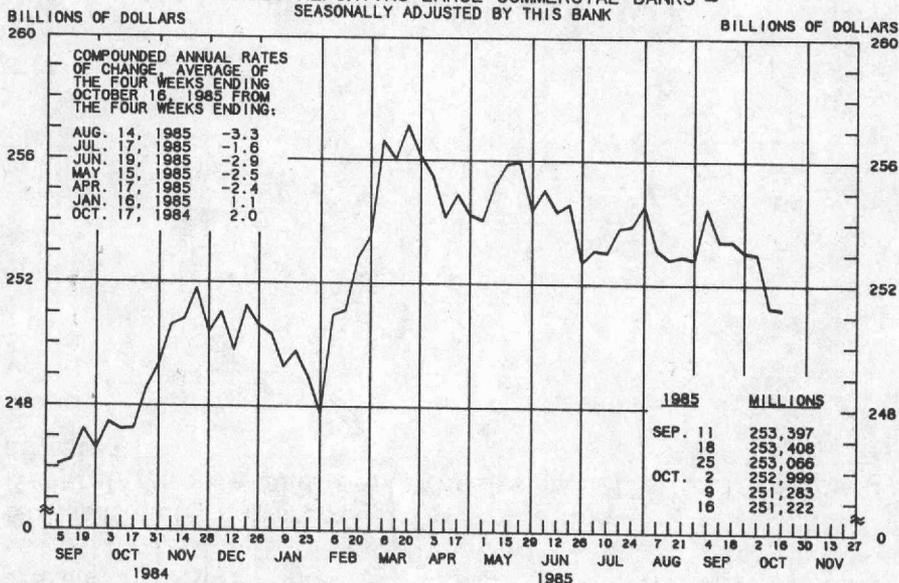
2/ Total money market mutual fund balances

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 16, 1985

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

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

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Changes in M2 and Selected Components  
(billions of dollars, seasonally adjusted)

<u>Period</u>	<u>M2</u>	<u>Total MMDA</u> <u>1/</u>	<u>MMMF</u> <u>2/</u>	<u>Small time deposits</u>	<u>Savings deposits</u>
9/84-1/85	\$90.5	\$45.1	\$19.8	\$17.4	-\$6.0
1/85-5/85	46.0	30.1	.3	10.1	.7
5/85-9/85	83.5	32.4	4.2	-17.1	12.3

1/ Not seasonally adjusted

2/ General purpose and broker/dealer MMMFs, not seasonally adjusted