

RESEARCH LIBRARY

Federal Reserve Bank  
of St. Louis

# U.S. Financial Data

NOV 18 1985

November 14, 1985

The money multiplier, the ratio of the money stock M1 to the monetary base, has increased 3.2 percent over the last year (see page 4). The increase in the multiplier can be attributed to changes in the public's allocation of its asset holdings between currency and checkable deposits (called the k-ratio) and between time deposits and checkable deposits (called the t-ratio). A decrease in the k-ratio implies a larger proportion of deposits in M1, a larger proportion of the monetary base in reserves and, in turn, a higher multiplier. A decrease in the t-ratio also implies a higher multiplier.

The table below illustrates the inverse relationships between these ratios and the M1 money multiplier. The increase in the multiplier can be attributed to decreases in both the k- and t-ratios as checkable deposits have increased relative to currency and time deposits.

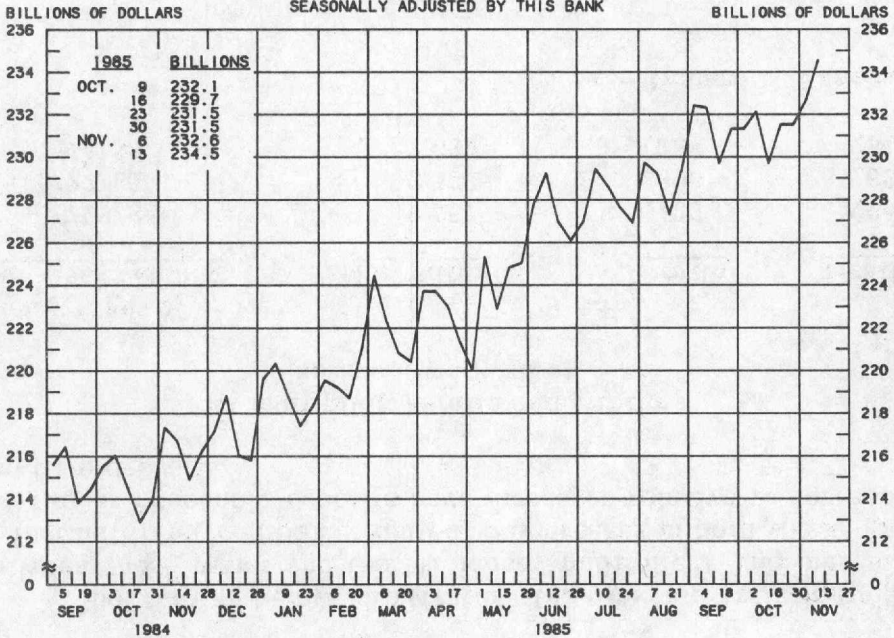
## M1 multiplier, k-ratio and t-ratio (seasonally adjusted)

<u>Averages of four weeks ending</u>	<u>M1 multiplier</u>	<u>k-ratio</u>	<u>t-ratio</u>
10/29/84	2.557	.407	2.640
5/27/85	2.587	.396	2.621
11/4/85	2.639	.388	2.546

--Richard G. Sheehan



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



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 13, 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.

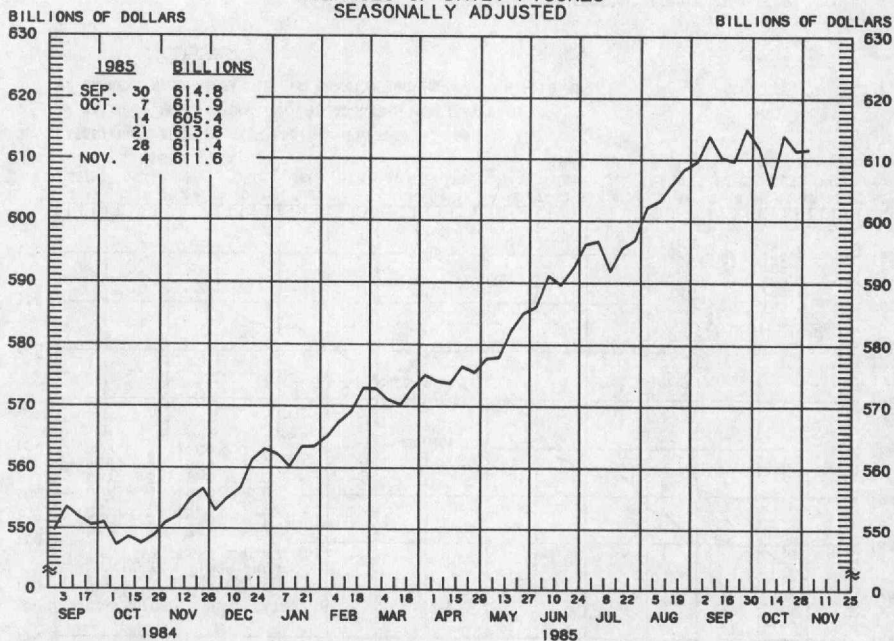
**ADJUSTED MONETARY BASE**

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	11/14/84	2/13/85	4/10/85	5/15/85	6/12/85	7/10/85	8/14/85	9/11/85
4/10/85	8.2							
5/15/85	6.8	7.1						
6/12/85	9.4	11.8	12.3					
7/10/85	8.7	10.1	9.5	15.2				
8/14/85	8.3	9.2	8.3	11.2	4.4			
9/11/85	8.6	9.5	8.9	11.4	6.7	8.1		
10/16/85	8.0	8.6	7.9	9.5	5.7	6.4	7.0	
11/13/85	8.0	8.6	7.9	9.3	6.2	6.8	7.4	5.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 4, 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.

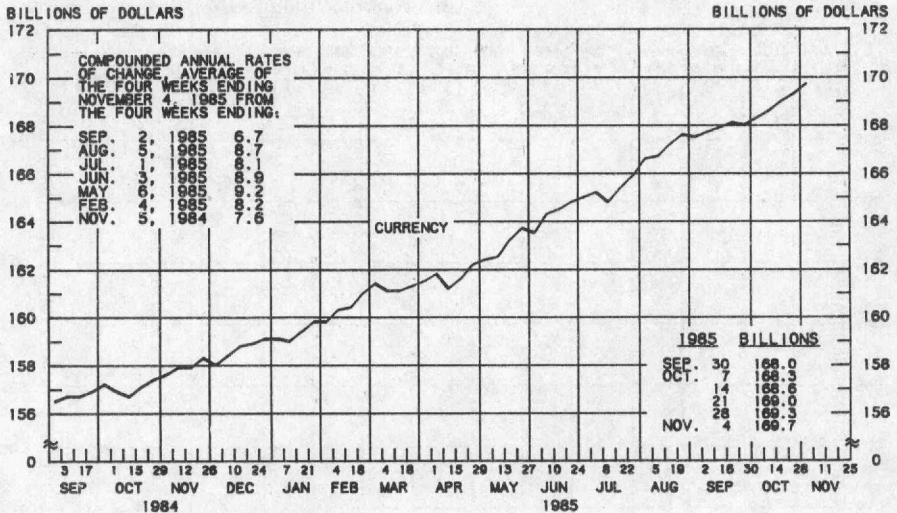
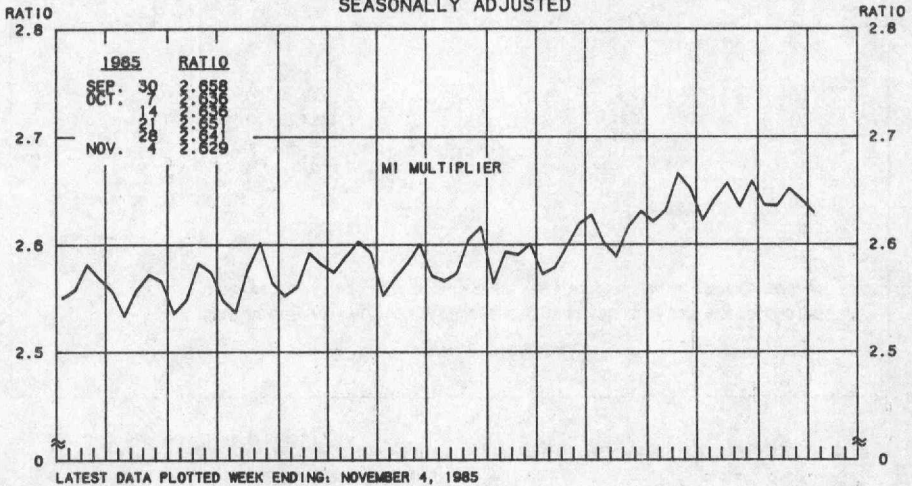
**MONEY STOCK (M1)**

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	11/5/84	2/4/85	4/1/85	5/6/85	6/3/85	7/1/85	8/5/85	9/2/85
4/ 1/85	10.8							
5/ 6/85	10.0	9.4						
6/ 3/85	10.9	11.2	11.1					
7/ 1/85	12.3	13.3	14.7	20.0				
8/ 5/85	11.7	12.3	12.8	15.3	14.5			
9/ 2/85	12.8	13.8	14.8	17.3	17.4	15.0		
10/ 7/85	12.4	13.1	13.6	15.3	15.0	12.7	15.4	
11/ 4/85	11.2	11.4	11.5	12.5	11.6	9.2	9.7	3.8

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



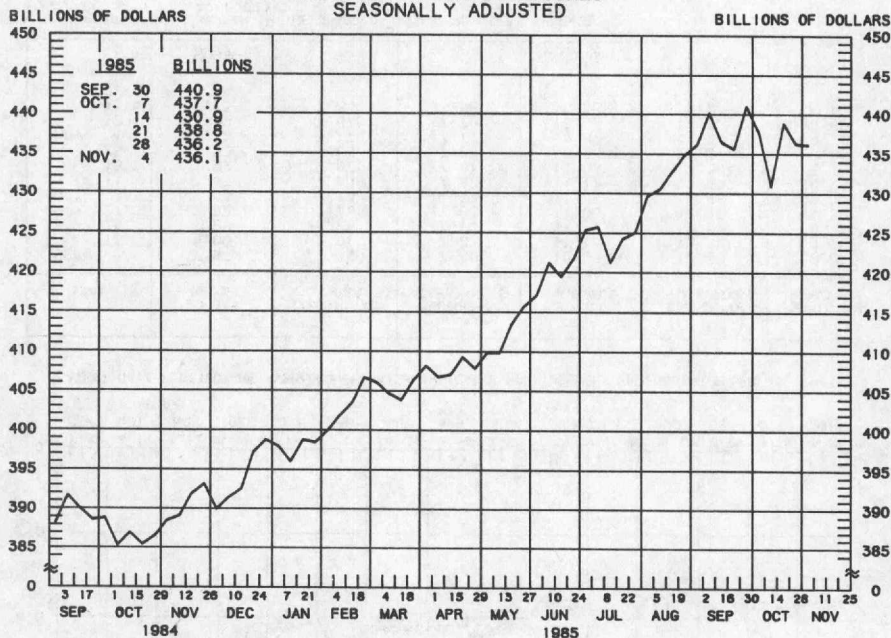
- 1/ RATIO OF MONEY STOCK (M1) TO ADJUSTED MONETARY BASE  
 2/ CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE.

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## TOTAL CHECKABLE DEPOSITS

AVERAGES OF DAILY FIGURES  
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 4, 1985

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

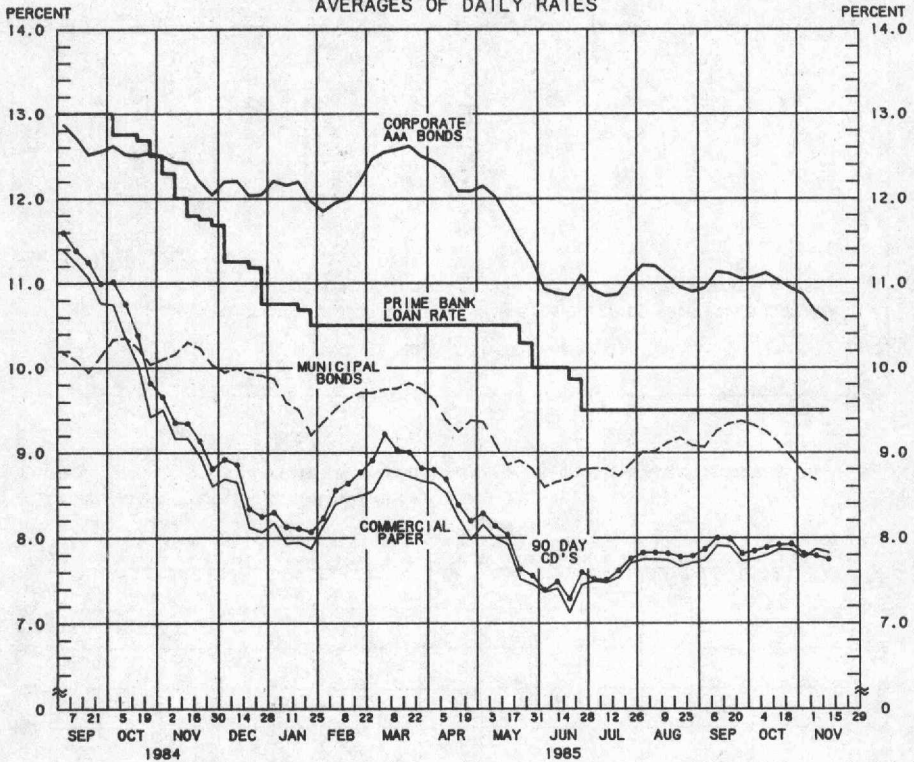
### TOTAL CHECKABLE DEPOSITS

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

TO THE AVERAGE OF FOUR WEEKS ENDING:	11/5/84	2/4/85	4/1/85	5/6/85	6/3/85	7/1/85	8/5/85	9/2/85
4/ 1/85	12.5							
5/ 6/85	11.5							
6/ 3/85	12.5	10.6	12.4					
7/ 1/85	14.2	15.3	17.0	23.3				
8/ 5/85	13.4	13.9	14.4	17.2	16.4			
9/ 2/85	14.8	15.8	17.0	19.9	20.2	17.0		
10/ 7/85	14.3	15.0	15.7	17.7	17.4	14.6	18.5	
11/ 4/85	12.6	12.6	12.6	13.7	12.7	9.6	10.3	2.7

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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	12.36	9.12
25	7.93	7.86	7.80	10.94	12.31	8.95
NOV. 1	7.82	7.77	7.71	10.87	12.24	8.76
8	7.79	7.87	7.70	10.67	12.12	8.68
15 <sup>**</sup>	7.75	7.83	7.68	10.56	12.03	N.A.
22						
29						

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

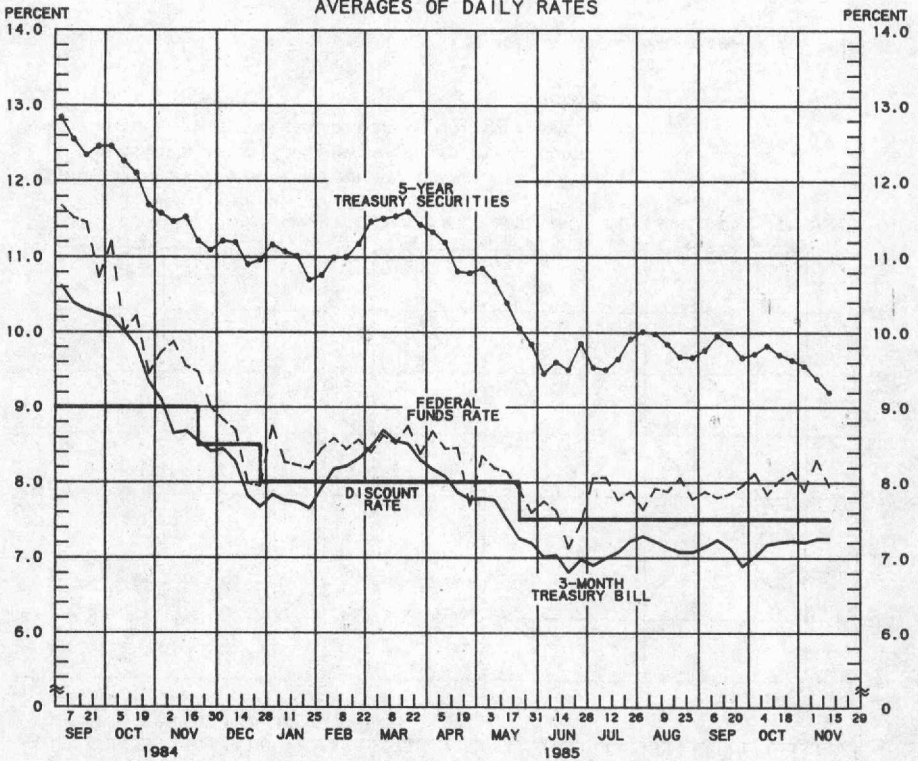
<sup>\*\*</sup> AVERAGES OF RATES AVAILABLE

<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



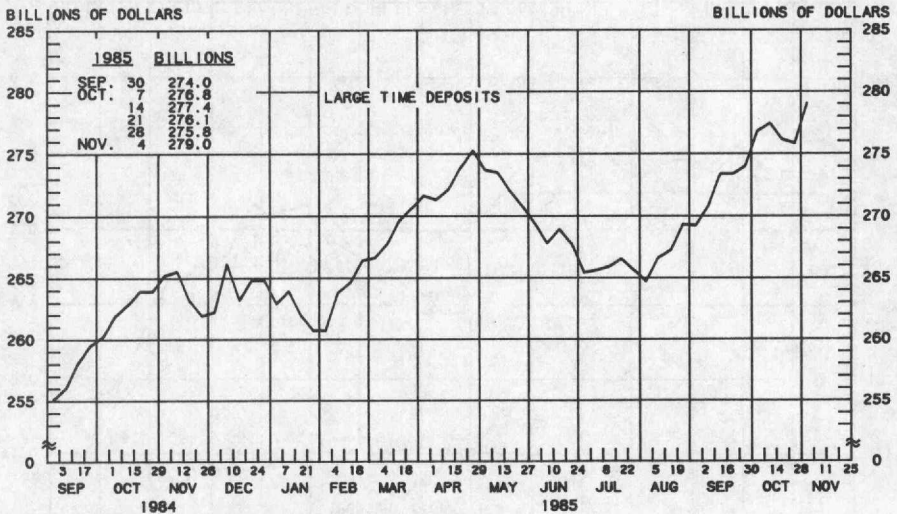
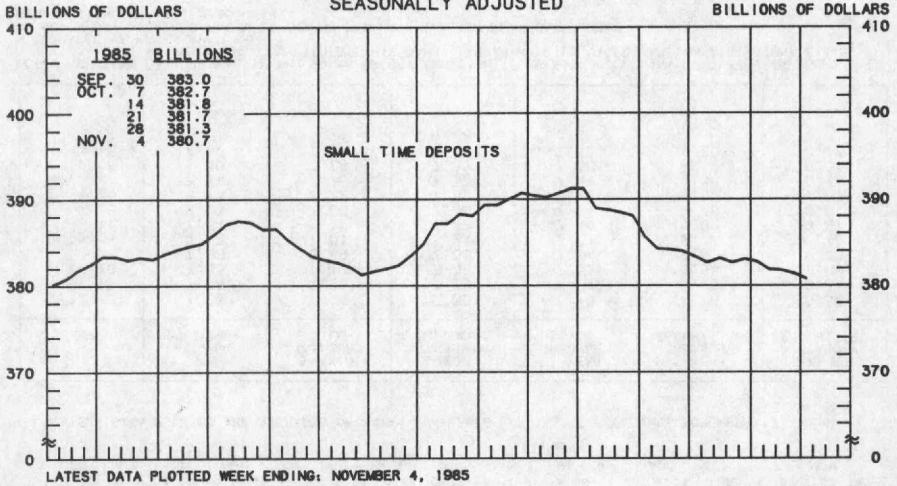
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: NOVEMBER 15, 1985.

1985	FEDERAL FUNDS <small>302K</small>	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL <small>3020K</small>	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	7.41	9.55	10.48
8	8.30	7.25	7.30	7.36	9.38	10.31
15 <small>*</small>	7.95	7.25	7.23	7.30	9.20	10.16
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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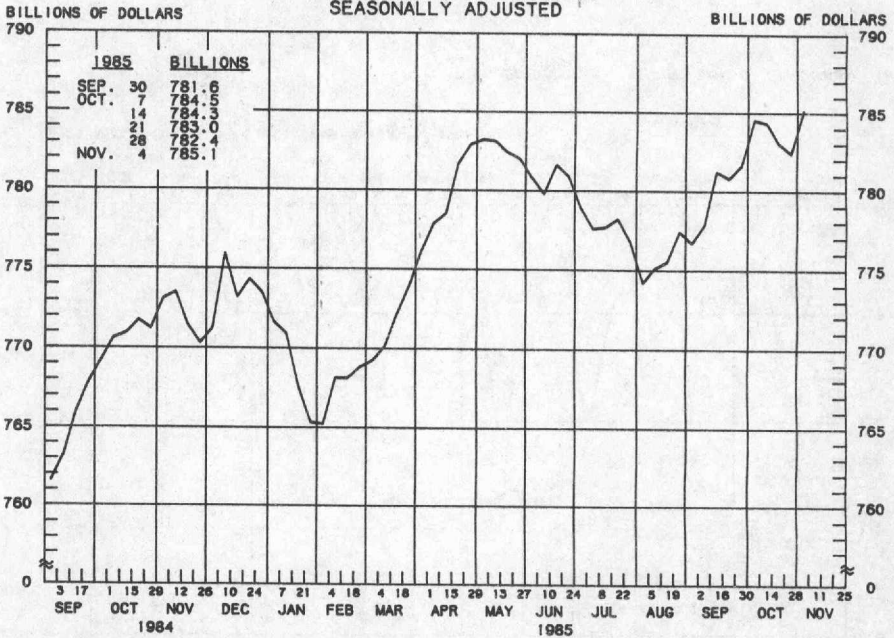
COMMERCIAL BANK  
 SMALL TIME DEPOSITS <sup>1/</sup>  
 LARGE TIME DEPOSITS <sup>2/</sup>  
 AVERAGES OF DAILY FIGURES  
 SEASONALLY ADJUSTED



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: NOVEMBER 4, 1985

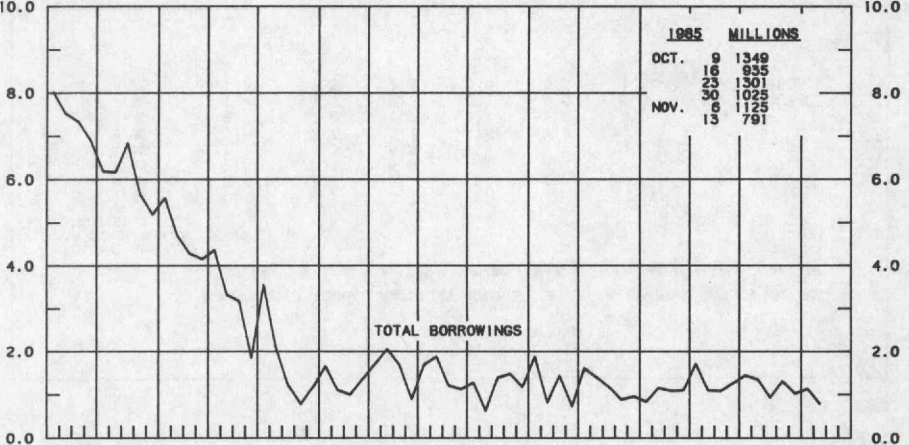
TOTAL TIME IS THE SUM OF SAVINGS DEPOSITS, SMALL TIME DEPOSITS AND LARGE TIME DEPOSITS.

TOTAL TIME DEPOSITS									
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:									
	11/5/84	2/4/85	4/1/85	5/6/85	6/3/85	7/1/85	8/5/85	9/2/85	
TO THE AVERAGE OF FOUR WEEKS ENDING:									
4/ 1/85		0.4							
5/ 6/85		2.6	7.7						
6/ 3/85		2.3	6.1	6.9					
7/ 1/85		1.7	4.3	3.8	-1.1				
8/ 5/85		0.9	2.5	1.4	-2.5	-3.9			
9/ 2/85		0.7	2.0	1.0	-2.1	-3.0	-3.0		
10/ 7/85		1.4	2.9	2.2	0.1	-0.0	0.8	4.0	
11/ 4/85		1.6	2.9	2.3	0.5	0.5	1.3	3.7	5.7

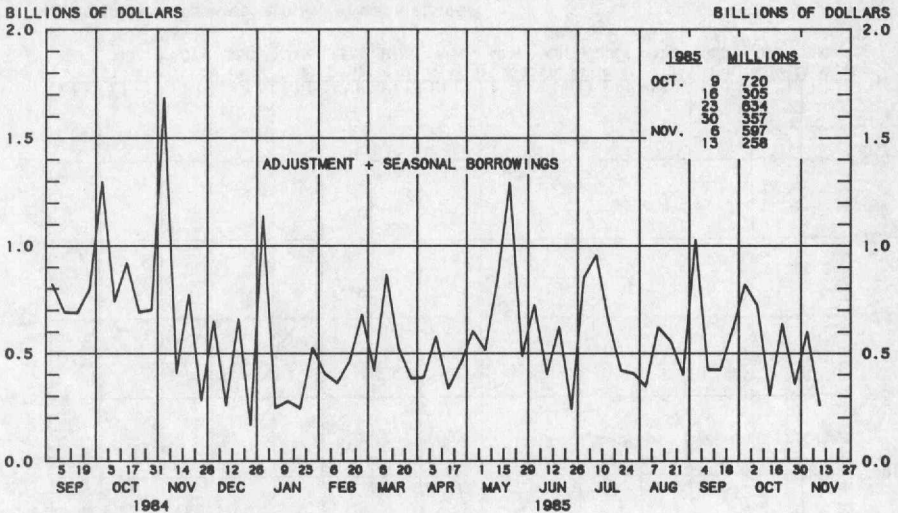
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## BORROWINGS FROM FEDERAL RESERVE BANKS

BILLIONS OF DOLLARS      AVERAGES OF DAILY FIGURES      BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 13, 1985



LATEST DATA PLOTTED WEEK ENDING: NOVEMBER 13, 1985

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

## MMDAS, MMMFS AND SUPER NOWS

(BILLIONS OF DOLLARS, NOT SEASONALLY ADJUSTED)

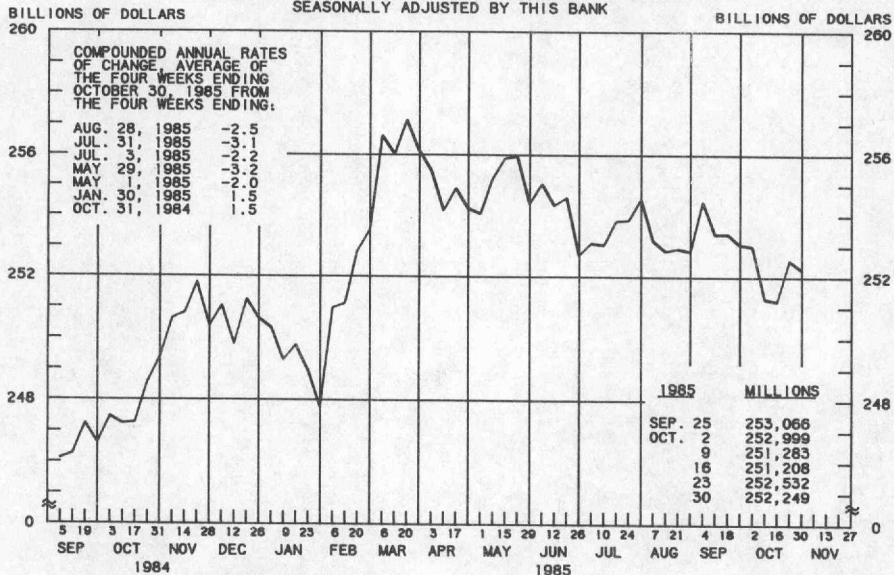
		MMDAs <sup>1/</sup>	MMMFs <sup>2/</sup>	Super NOWs <sup>3/</sup>
September	9	\$321.3	\$239.1	\$61.1
	16	321.9	239.0	60.5
	23	320.5	239.0	59.2
	30	321.1	238.4	58.7
October	7	322.7	238.5	61.1
	14	324.0	240.8	61.0
	21	324.3	240.5	61.0
	28	325.1	240.0	60.2
November	4	326.9	241.1	61.7

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 <sup>1/</sup> (COMMERCIAL AND INDUSTRIAL) WEEKLY REPORTING LARGE COMMERCIAL BANKS <sup>2/</sup> SEASONALLY ADJUSTED BY THIS BANK



LATEST DATA PLOTTED WEEK ENDING: OCTOBER 30, 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