

U.S. Financial Data

SEP 08 1986

September 4, 1986

The money multiplier is the ratio of M1 to the adjusted monetary base. This ratio is sensitive to changes in the portfolio preferences of individuals, businesses and depository institutions because reserves must be held against both checkable deposit liabilities, which are included in M1, and nonpersonal time deposits, which are not. Because time deposits are not included in M1, an increase in these deposits tends to absorb a larger proportion of the monetary base, leaving less available as reserves against deposits in M1. Thus, changes in the M1 multiplier and nonpersonal time deposits should vary inversely.

This relationship can be exhibited with data for total time deposits (see page 9). Since early February, as the multiplier increased at an annual rate of 8.6 percent, total time deposits declined at a 2.5 percent rate. This behavior contrasts with changes during the previous six months when total time deposits increased at a rate of 8.2 percent and the multiplier was little changed (see page 4).

—Michael T. Belongia

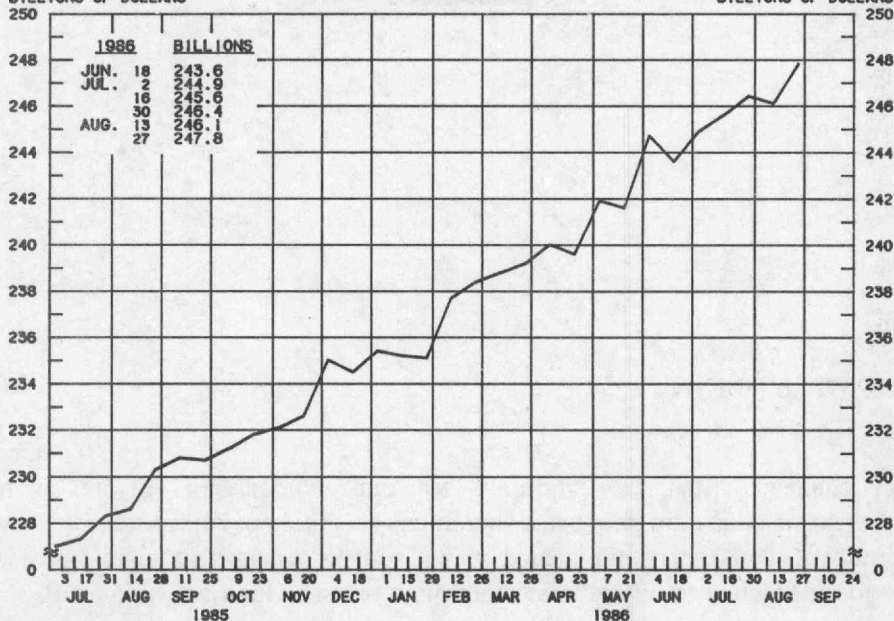


ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST PLOTTED RESERVE MAINTENANCE PERIOD ENDING: AUGUST 27, 1986

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 TWO MAINTENANCE PERIODS ENDING:

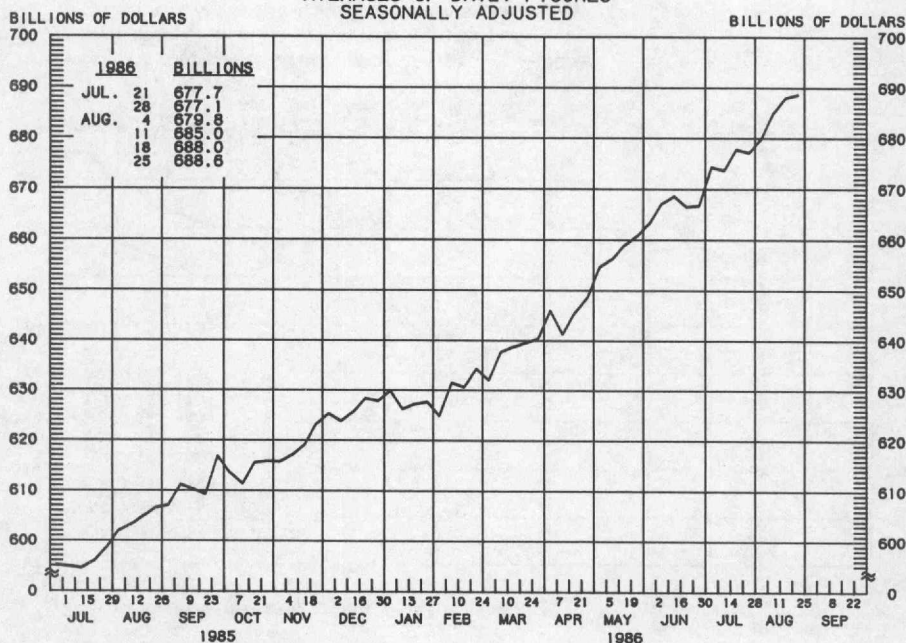
8/28/85 11/20/85 1/29/86 2/26/86 3/26/86 4/23/86 5/21/86 7/2/86

TO THE AVERAGE OF
TWO MAINTENANCE
PERIODS ENDING:

1/29/86	6.0						
2/26/86	7.6	9.4					
3/26/86	7.3	8.4	11.0				
4/23/86	6.9	7.7	8.8	4.7			
5/21/86	7.4	8.3	9.4	6.9	7.9		
7/ 2/86	7.7	8.5	9.4	7.7	8.5	10.2	
7/30/86	7.8	8.6	9.4	8.0	8.7	9.9	9.4
8/27/86	7.6	8.2	8.9	7.6	8.1	8.9	8.2 7.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 25, 1986

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.

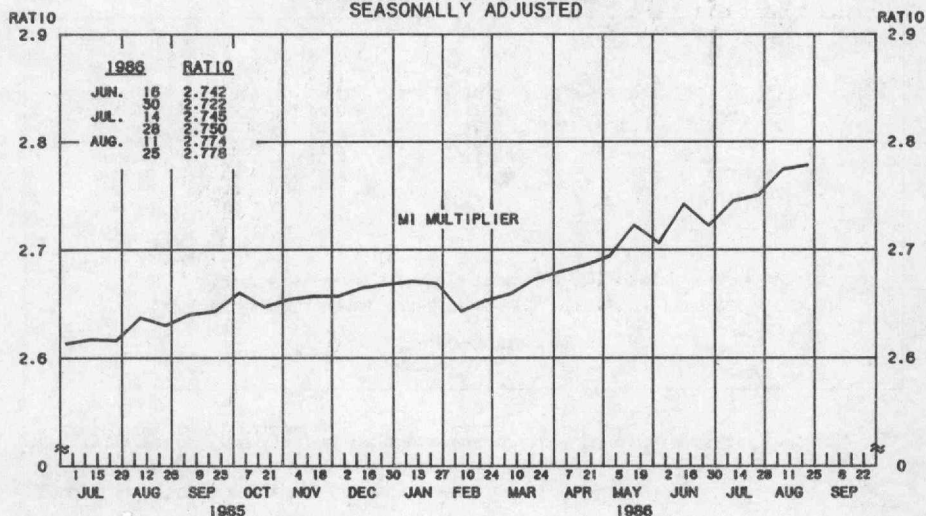
MONEY STOCK (M1)

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

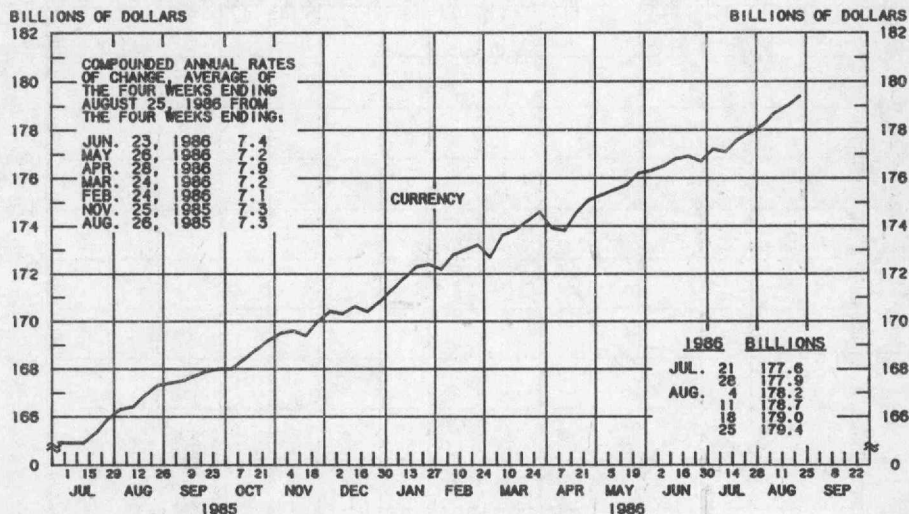
	8/26/85	11/25/85	1/27/86	2/24/86	3/24/86	4/28/86	5/26/86	6/23/86
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/27/86	9.4							
2/24/86	8.8	7.7						
3/24/86	9.6	9.3	10.0					
4/28/86	10.3	10.5	11.7	14.6				
5/26/86	12.0	13.0	15.3	18.5	20.2			
6/23/86	12.6	13.7	15.9	18.5	19.7	23.1		
7/28/86	12.9	14.0	15.9	17.9	18.6	20.2	17.0	
8/25/86	13.4	14.6	16.5	18.2	18.9	20.3	18.0	17.7

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



LATEST DATA PLOTTED TWO WEEKS ENDING: AUGUST 25, 1986



LATEST DATA PLOTTED WEEK ENDING: AUGUST 25, 1986

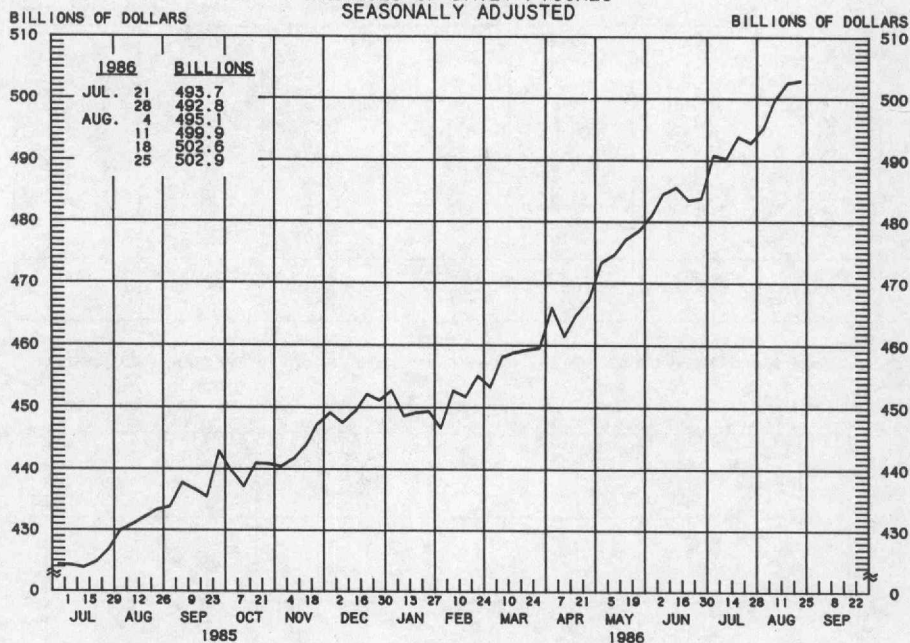
1/ RATIO OF MONEY STOCK (MI) TO ADJUSTED MONETARY BASE

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

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

TOTAL CHECKABLE DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: AUGUST 25, 1986

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

TOTAL CHECKABLE DEPOSITS

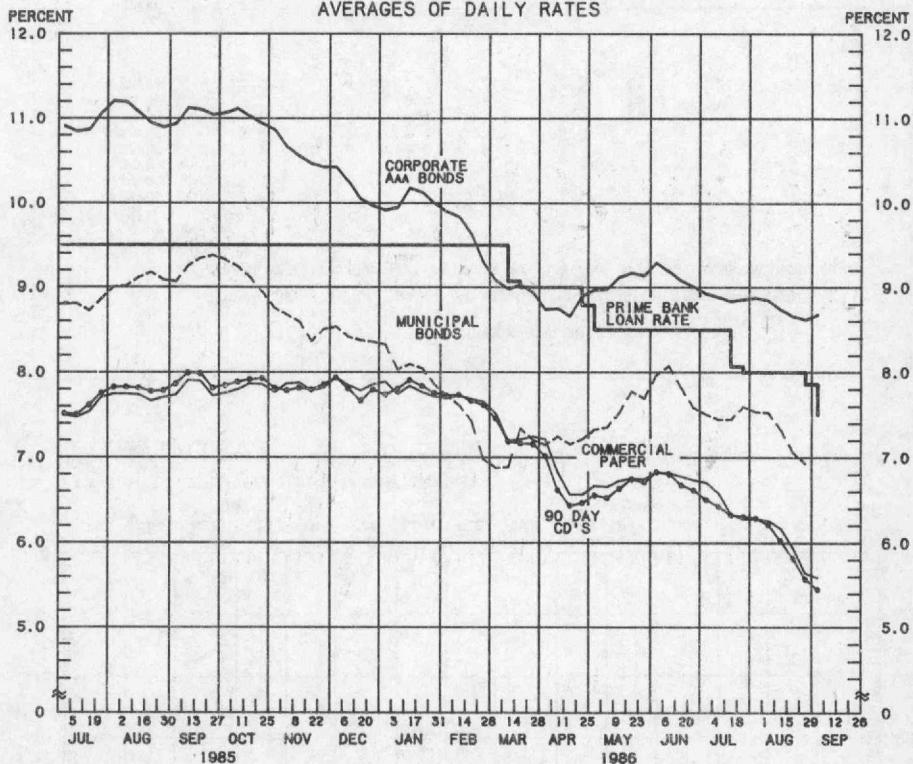
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	8/26/85	1/12/85	1/27/86	2/24/86	3/24/86	4/28/86	5/26/86	6/23/86
TO THE AVERAGE OF FOUR WEEKS ENDING:								
1/27/86	10.3							
2/24/86	9.4	7.6						
3/24/86	10.6	10.1	11.3					
4/28/86	11.7	11.9	14.0	18.4				
5/26/86	13.9	15.2	18.7	23.3	25.6			
6/23/86	14.7	16.3	19.6	23.4	25.0	29.2		
7/28/86	15.2	16.7	19.5	22.5	23.4	25.3	21.2	
8/25/86	15.9	17.4	20.1	22.7	23.5	25.0	22.0	21.4

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 5, 1986.

1986	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS* ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS
JULY 4	6.51	6.71	6.39	8.93	10.15	7.51
11	6.43	6.59	6.33	8.89	10.14	7.45
18	6.33	6.34	6.21	8.84	10.10	7.45
25	6.31	6.28	6.17	8.86	10.17	7.60
AUG. 1	6.29	6.28	6.17	8.88	10.28	7.54
8	6.21	6.26	6.08	8.85	10.29	7.53
15	6.03	6.17	5.94	8.74	10.26	7.33
22	5.82	5.95	5.72	8.66	10.12	7.06
29	5.57	5.64	5.46	8.62	10.04	6.93
SEP. 5*	5.45	5.59	5.39	8.68	10.06	N.A.
12						
19						
26						

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

* AVERAGES OF RATES AVAILABLE

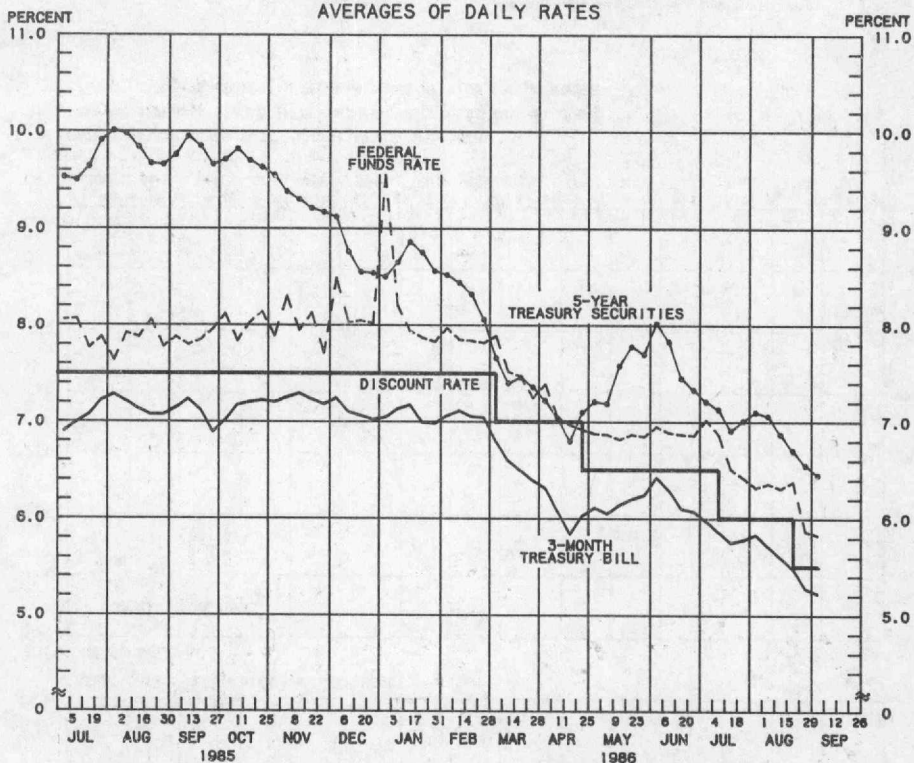
** BOND BUYER'S AVERAGE INDEX OF 20 MUNICIPAL BONDS, THURSDAY DATA

N.A. - NOT AVAILABLE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

SELECTED INTEREST RATES

AVERAGES OF DAILY RATES



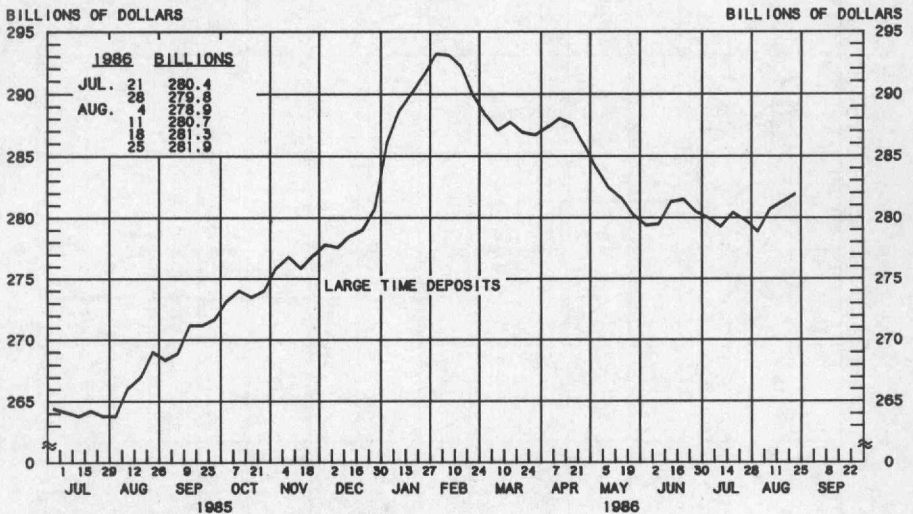
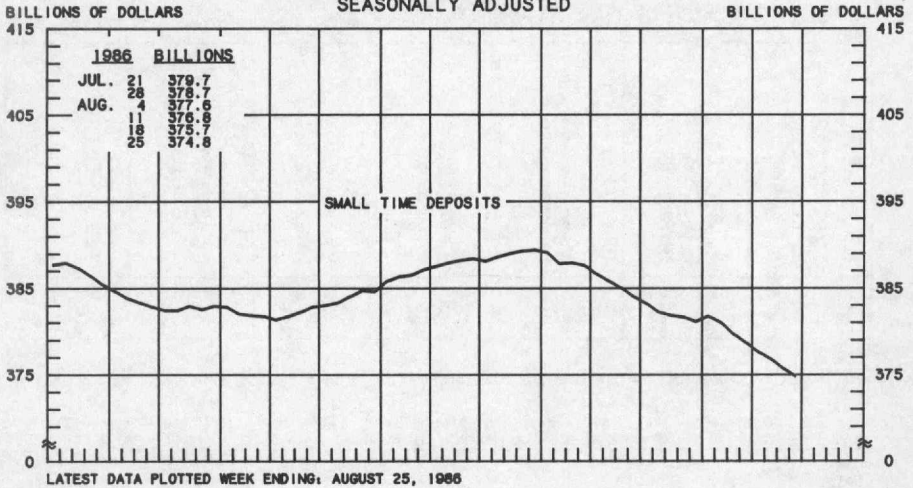
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: SEPTEMBER 5, 1986.

1986	FEDERAL FUNDS RATE	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
JULY 4	7.02	5.97	5.96	5.98	7.21	7.83
11	6.87	5.86	5.85	5.92	7.13	7.83
18	6.51	5.75	5.80	5.83	6.91	7.76
AUG. 1	6.42	5.78	5.77	5.89	7.01	7.94
8	6.32	5.83	5.89	5.91	7.10	8.09
15	6.36	5.71	5.73	5.81	7.06	8.01
22	6.31	5.60	5.60	5.67	6.87	7.73
29	6.38	5.48	5.65	5.52	6.70	7.61
SEPT. 5	5.87	5.27	5.35	5.36	6.55	7.61
12	5.83	5.22	5.17	5.33	6.45	7.70
19						
26						

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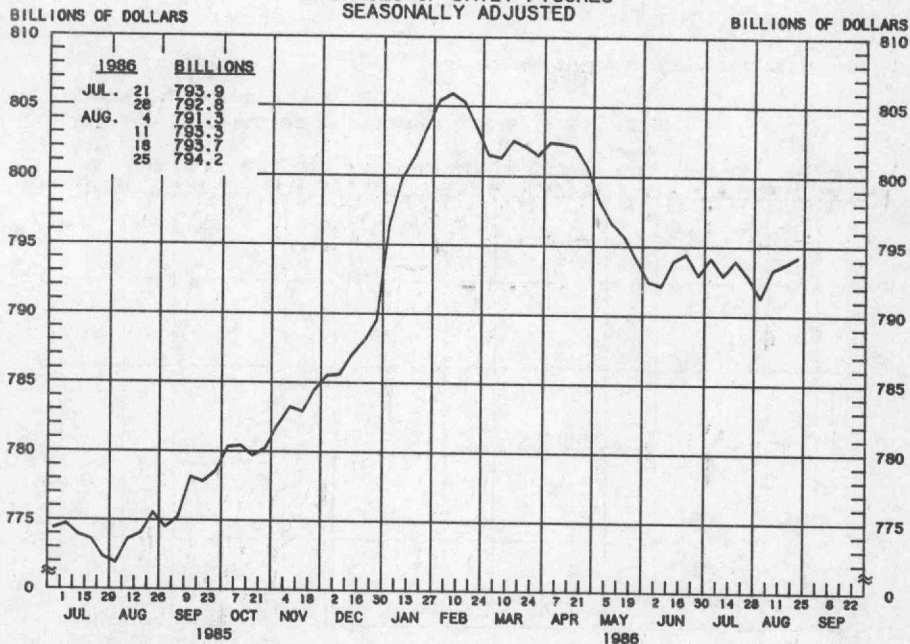
**COMMERCIAL BANK
SMALL TIME DEPOSITS ^{1/}
LARGE TIME DEPOSITS ^{2/}
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED**



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: AUGUST 25, 1986

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:

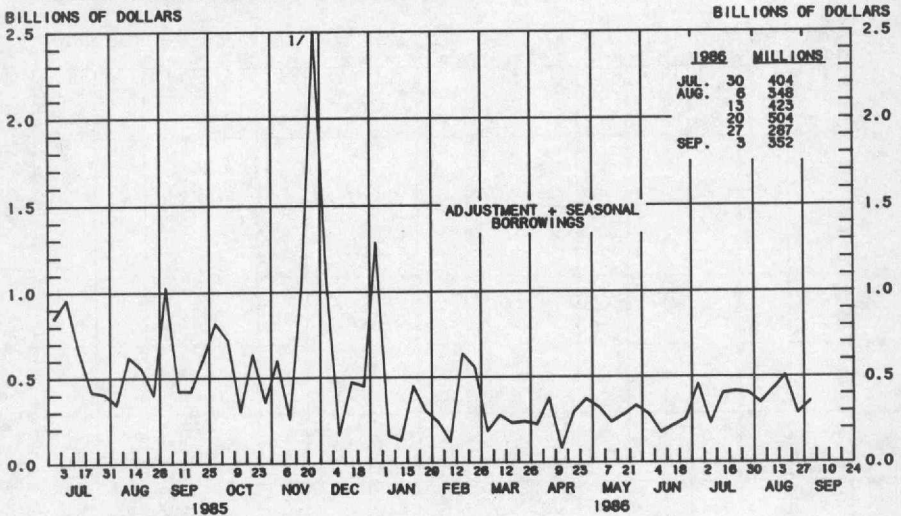
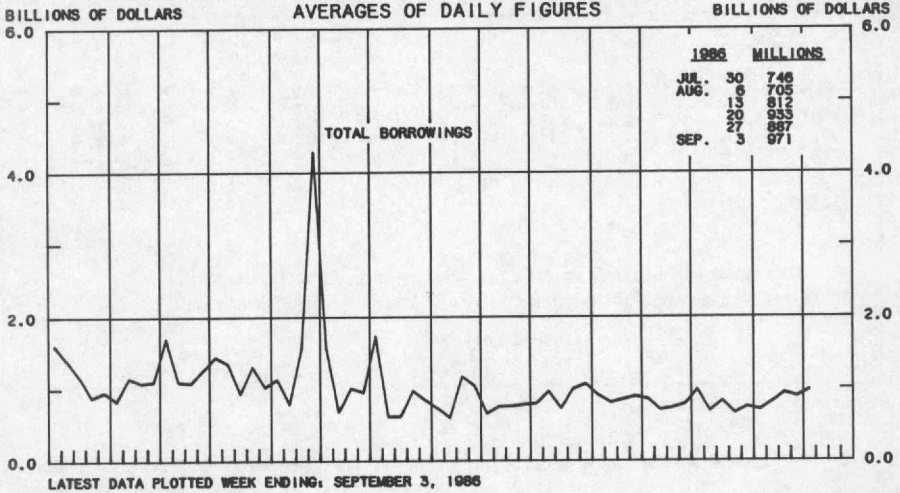
8/26/85 11/25/85 1/27/86 2/24/86 3/24/86 4/28/86 5/26/86 6/23/86

TO THE AVERAGE
OF FOUR WEEKS
ENDING:

1/27/86	8.3							
2/24/86	8.2	11.7						
3/24/86	6.4	7.5	1.3					
4/28/86	5.4	5.8	0.8	-2.2				
5/26/86	3.9	3.3	-1.6	-4.3	-4.1			
6/23/86	3.0	2.2	-2.2	-4.4	-4.3	-6.8		
7/28/86	2.7	2.0	-1.7	-3.4	-3.0	-4.2	-1.9	
8/25/86	2.5	1.7	-1.6	-2.9	-2.6	-3.3	-1.5	-0.1

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BORROWINGS FROM FEDERAL RESERVE BANKS



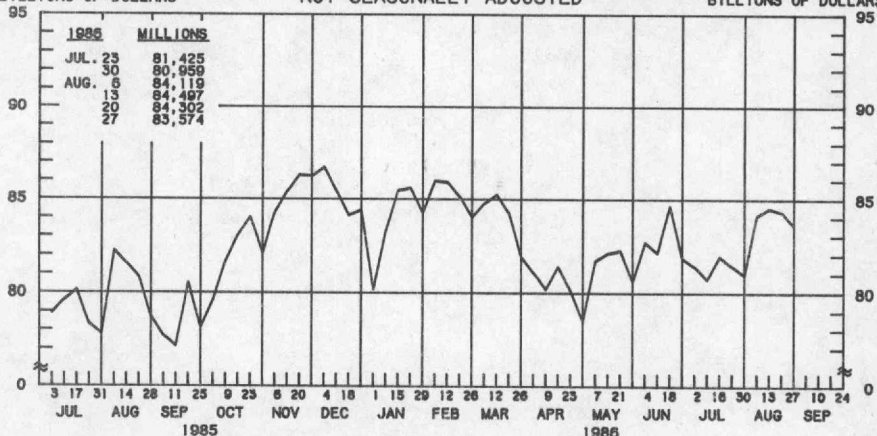
PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

COMMERCIAL PAPER OF NONFINANCIAL COMPANIES

BILLIONS OF DOLLARS

NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

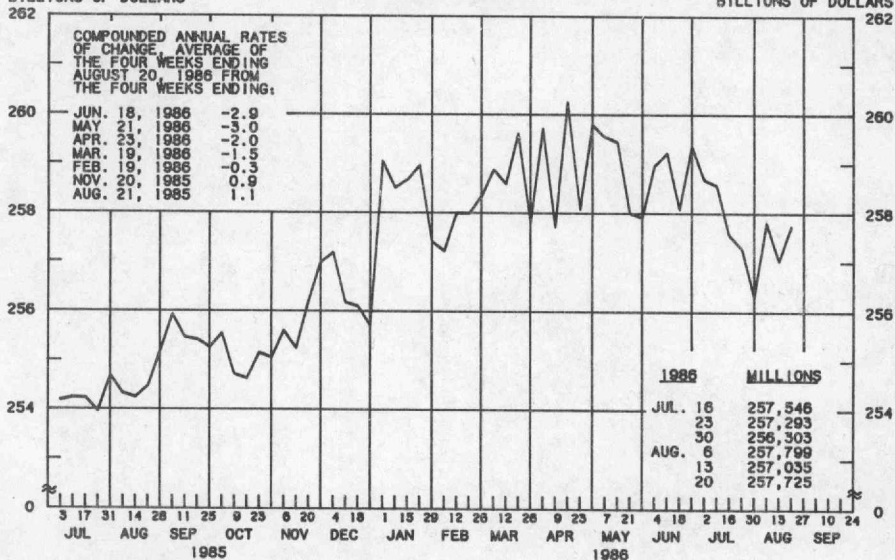


LATEST DATA PLOTTED WEEK ENDING: AUGUST 27, 1986

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

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



LATEST DATA PLOTTED WEEK ENDING: AUGUST 20, 1986

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