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Federal Reserve

of St. Louis

U.S. Financial Data

DEC 15 1986

December 11, 1986

The growth rate of the money stock (M1) has been quite rapid but variable during the past 12 months, as the table on the back page indicates. From early December 1985 through the end of March 1986, M1 grew at an annual rate of about 9 percent; over the next five months, its growth rate more than doubled and then eased somewhat during the most recent three months.

To an increasing extent, changes in M1 growth rates reflect changes in the growth rate of other checkable deposits (OCDs). Since the nationwide authorization of NOW accounts on December 31, 1980, OCDs have grown at an annual rate of about 33 percent. Due to this persistent rapid expansion, OCDs now constitute almost one-third of M1. Moreover, while they were only two-thirds as large as the demand deposit component at the end of 1985, OCDs currently are three-quarters as large. Consequently, when demand deposit growth slowed in September 1986, the growth rate of M1 was substantially sustained by the continued rapid growth of other checkable deposits.

—Mack Ott

(continued on back page)



Views expressed do not necessarily reflect official positions of the Federal Reserve System.

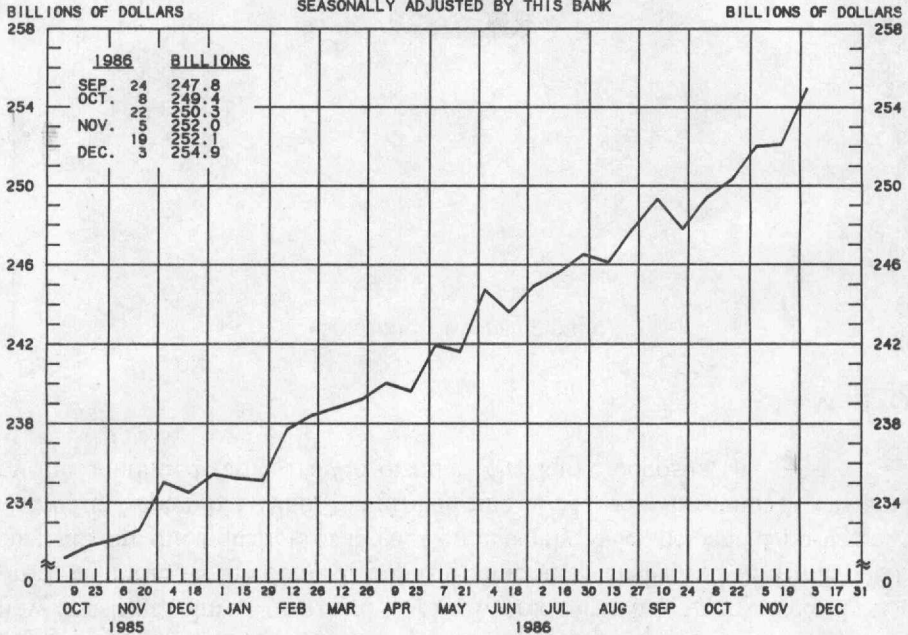
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Federal Reserve Bank of St. Louis

ADJUSTED MONETARY BASE

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK



LATEST PLOTTED RESERVE MAINTENANCE PERIOD ENDING: DECEMBER 3, 1986

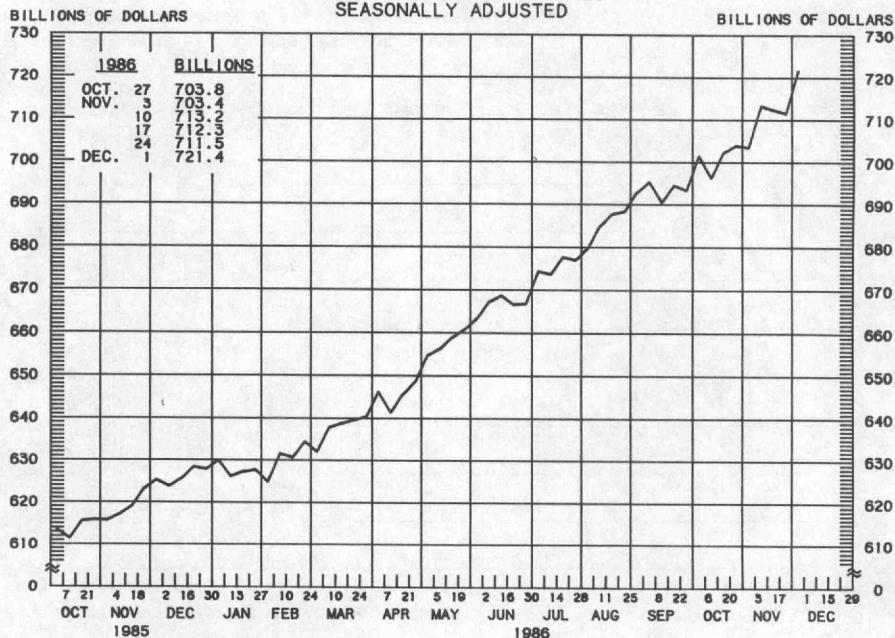
THE ADJUSTED MONETARY BASE IS THE SUM OF RESERVE ACCOUNTS OF FINANCIAL INSTITUTIONS AT FEDERAL RESERVE BANKS, CURRENCY IN CIRCULATION (CURRENCY HELD BY THE PUBLIC AND IN THE VAULTS OF ALL DEPOSITORY INSTITUTIONS) AND AN ADJUSTMENT FOR RESERVE REQUIREMENT RATIO CHANGES. THE MAJOR SOURCE OF THE ADJUSTED 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:								
TO THE AVERAGE OF TWO MAINTENANCE PERIODS ENDING:	12/4/85	2/26/86	5/7/86	6/4/86	7/2/86	7/30/86	8/27/86	10/8/86
5/ 7/86	7.2							
6/ 4/86	8.2	8.2						
7/ 2/86	7.9	7.7	9.8					
7/30/86	8.2	8.1	9.9	8.0				
8/27/86	7.8	7.6	8.6	6.9	7.4			
10/ 8/86	7.5	7.3	7.8	6.5	6.7	5.4		
11/ 5/86	8.1	8.0	8.8	8.0	8.4	7.9	9.2	
12/ 3/86	8.4	8.5	9.3	8.6	9.1	8.9	10.1	13.5

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONEY STOCK (M1) AVERAGES OF DAILY FIGURES SEASONALLY ADJUSTED



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 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.

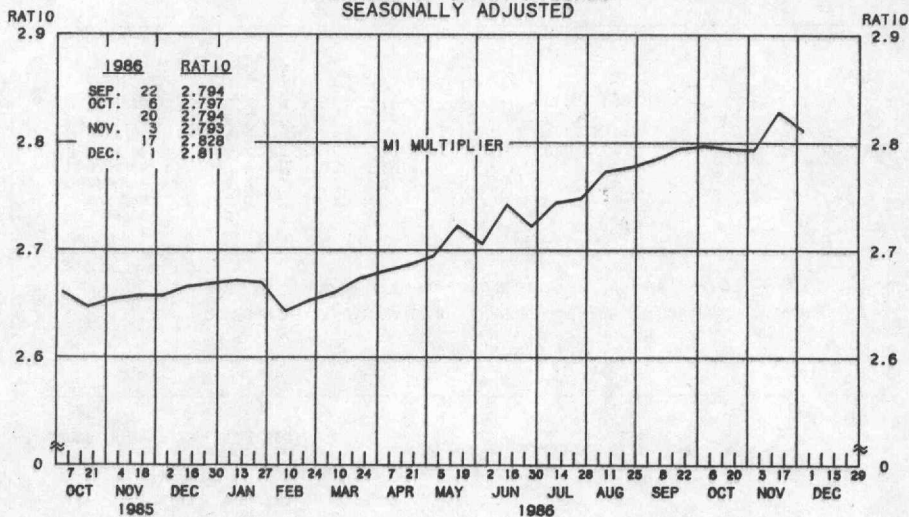
MONEY STOCK (M1)

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

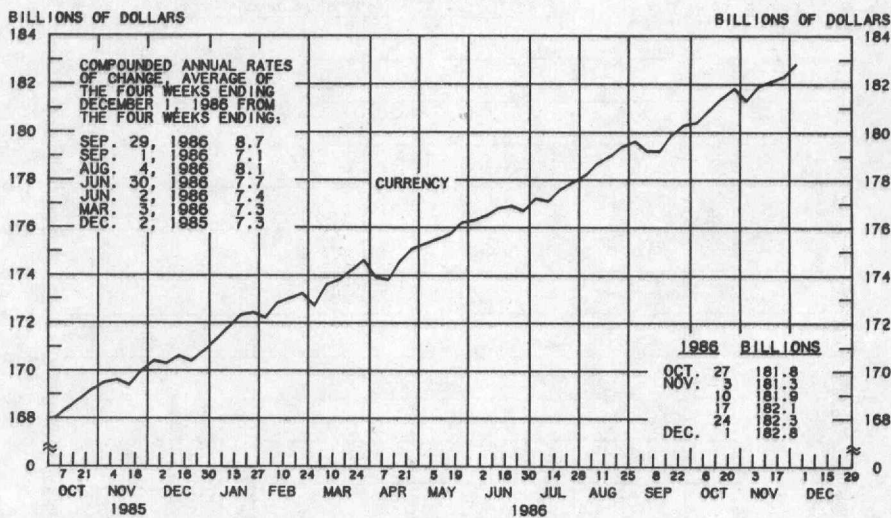
	12/2/85	3/3/86	4/28/86	6/2/86	6/30/86	8/4/86	9/1/86	9/29/86
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/28/86	10.0							
6/2/86	12.8	18.7						
6/30/86	13.2	18.0	21.2					
8/4/86	13.6	17.6	19.4	15.9				
9/1/86	14.7	18.6	20.5	18.5	19.8			
9/29/86	14.2	17.4	18.5	16.4	16.7	16.9		
11/3/86	14.1	16.7	17.4	15.5	15.5	15.3	11.4	
12/1/86	15.1	17.8	18.6	17.3	17.6	18.0	16.1	19.0

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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: DECEMBER 1, 1986



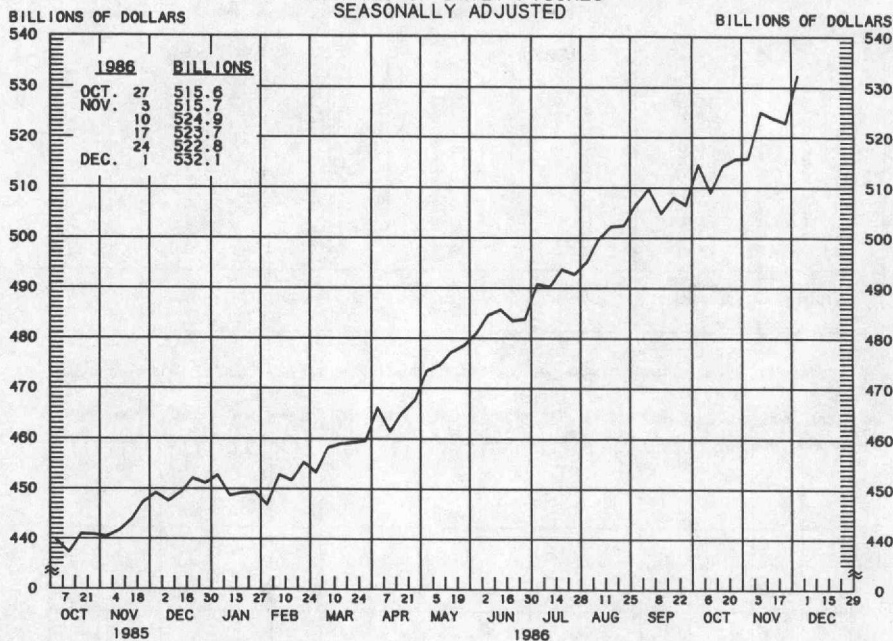
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 1986

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: DECEMBER 1, 1986

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

TOTAL CHECKABLE DEPOSITS

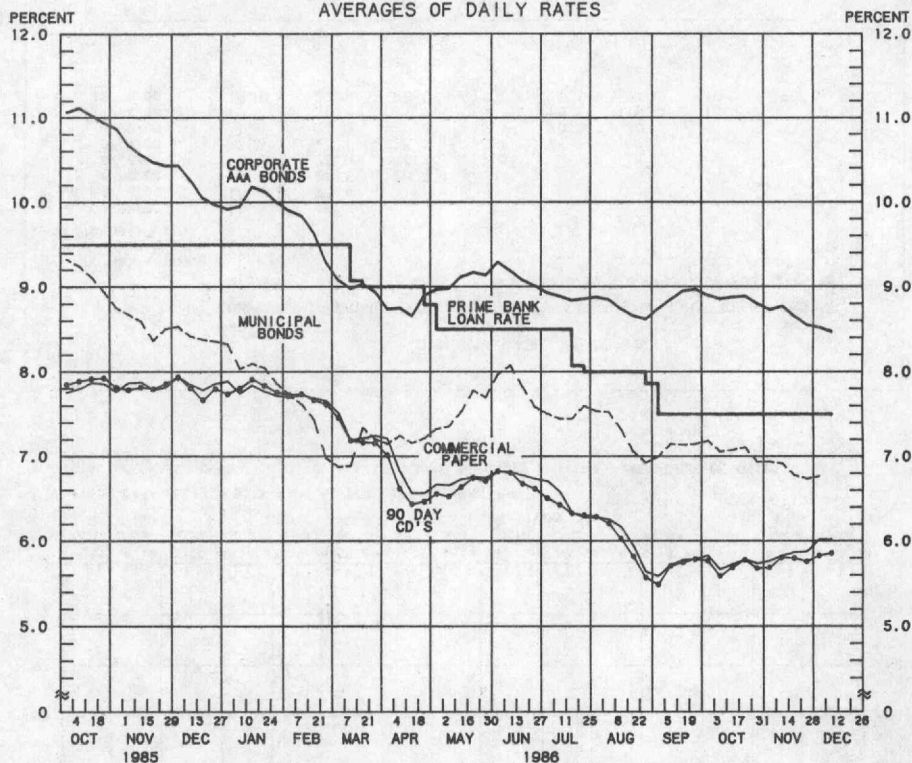
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

	12/2/85	3/3/86	4/28/86	6/2/86	6/30/86	8/4/86	9/1/86	9/29/86
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/28/86	11.3							
6/ 2/86	15.0	23.4						
6/30/86	15.6	22.5	26.5					
8/ 4/86	16.2	22.0	24.2	19.8				
9/ 1/86	17.5	23.1	25.3	22.7	24.2			
9/29/86	17.0	21.5	22.8	20.1	20.3	20.4		
11/ 3/86	16.7	20.5	21.1	18.7	18.6	18.0	13.2	
12/ 1/86	18.1	21.9	22.9	21.2	21.5	21.9	19.7	23.3

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YIELDS ON SELECTED SECURITIES

AVERAGES OF DAILY RATES



LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 12, 1986.

1986	90 DAY CD'S	30-DAY COMMERCIAL PAPER	90-DAY BANKERS* ACCEPTANCES	CORPORATE AAA BONDS	CORPORATE BAA BONDS	MUNICIPAL BONDS **
OCT. 3	5.77	5.83	5.66	8.90	10.23	7.19
10	5.59	5.67	5.45	8.86	10.24	7.06
17	5.69	5.73	5.62	8.88	10.25	7.08
24	5.78	5.78	5.69	8.89	10.26	7.11
31	5.68	5.74	5.60	8.80	10.19	6.94
NOV. 7	5.69	5.77	5.61	8.73	10.09	6.94
14	5.81	5.83	5.73	8.77	10.12	6.92
21	5.80	5.87	5.71	8.65	10.04	6.78
28	5.76	5.88	5.72	8.55	9.99	6.74
DEC. 5	5.83	6.02	5.75	8.52	9.99	6.77
12 *	5.86	6.02	5.80	8.47	9.98	N.A.
19						
26						

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

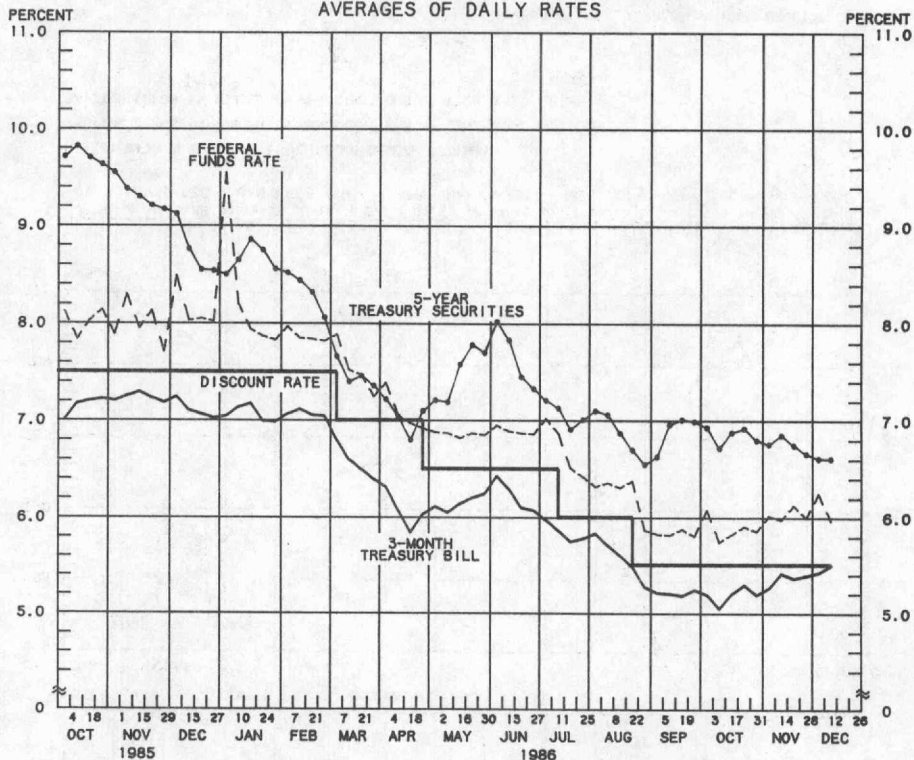
* AVERAGES OF RATES AVAILABLE

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

N.A. - NOT AVAILABLE

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SELECTED INTEREST RATES AVERAGES OF DAILY RATES



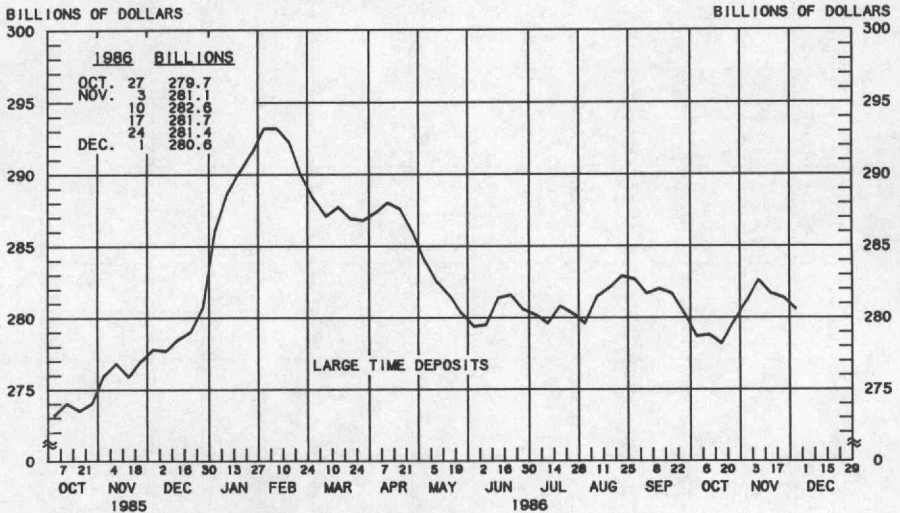
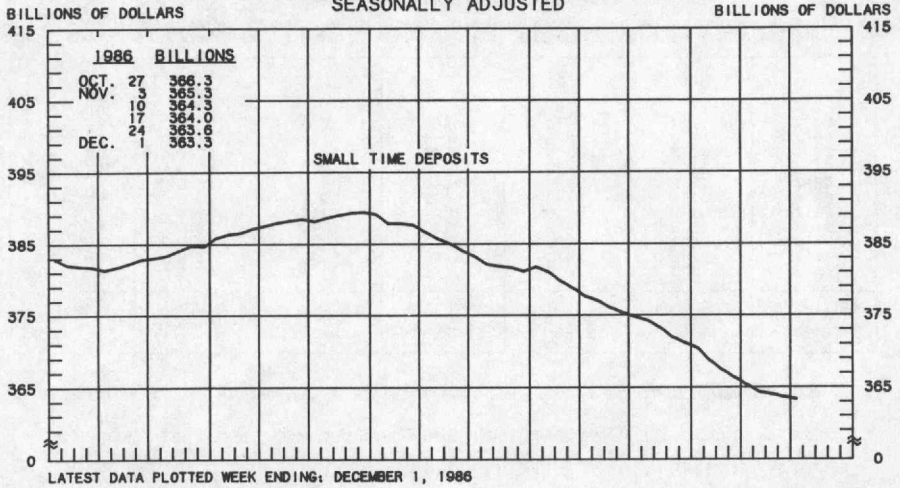
LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING: DECEMBER 12, 1986.

1986	FEDERAL FUNDS %	3-MONTH TREASURY BILL	6-MONTH TREASURY BILL %	1-YEAR TREASURY BILL	5-YEAR TREASURY SECURITIES	LONG-TERM TREASURY SECURITIES
OCT. 3	6.08	5.19	5.37	5.47	6.93	8.05
10	5.75	5.05	5.13	5.27	6.72	7.99
17	5.83	5.20	5.22	5.41	6.88	8.18
24	5.91	5.29	5.39	5.49	6.92	8.16
31	5.86	5.19	5.21	5.43	6.80	7.98
NOV. 7	6.02	5.26	5.30	5.45	6.76	7.98
14	5.98	5.41	5.54	5.56	6.85	7.95
21	6.13	5.36	5.44	5.47	6.75	7.75
28	6.00	5.39	5.39	5.45	6.66	7.72
DEC. 5	6.25	5.42	5.46	5.47	6.61	7.65
12 *	5.97	5.49	5.50	5.50	6.61	7.66
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



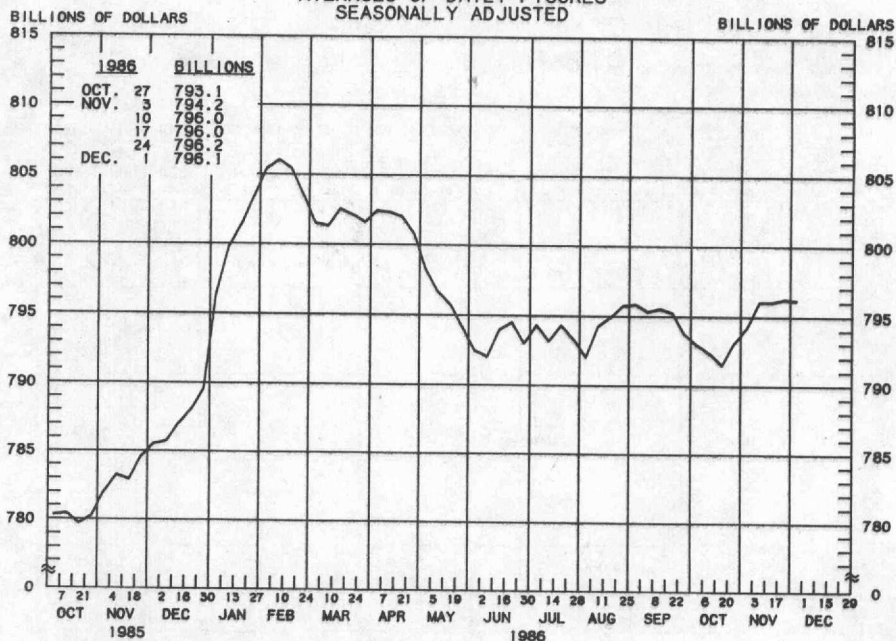
LATEST DATA PLOTTED WEEK ENDING: DECEMBER 1, 1986

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: DECEMBER 1, 1986

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

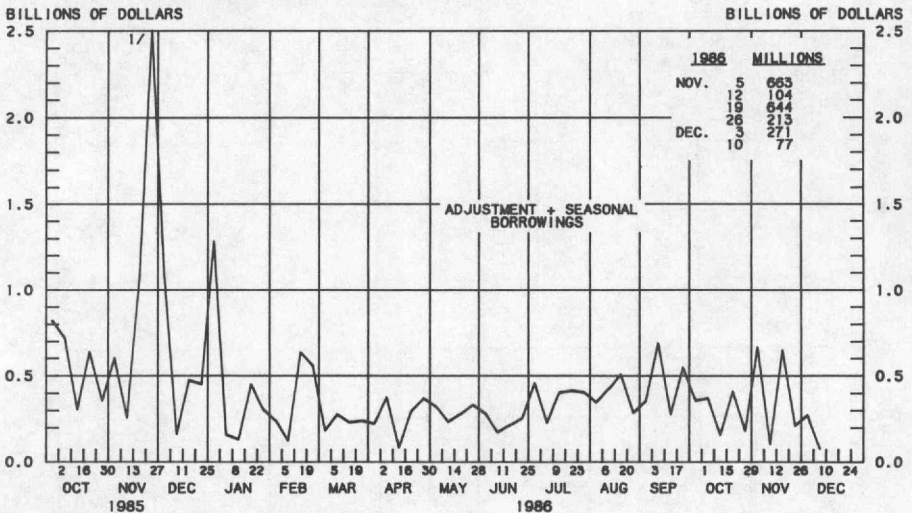
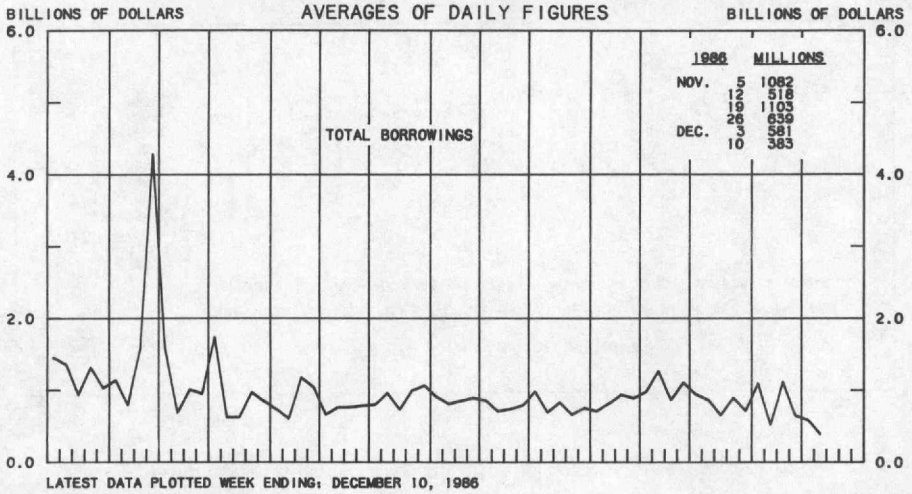
TOTAL TIME DEPOSITS

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

	12/2/85	3/3/86	4/28/86	6/2/86	6/30/86	8/4/86	9/1/86	9/29/86
TO THE AVERAGE OF FOUR WEEKS ENDING:								
4/28/86	5.7							
6/2/86	2.7	-4.6						
6/30/86	2.1	-4.0	-6.0					
8/4/86	1.7	-3.2	-4.0	-1.1				
9/1/86	1.9	-2.2	-2.4	0.3	1.3			
9/29/86	1.7	-2.0	-2.1	0.1	0.8	1.4		
11/3/86	1.2	-2.1	-2.2	-0.6	-0.2	-0.2	-1.7	
12/1/86	1.5	-1.3	-1.2	0.4	0.8	1.1	0.5	0.9

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BORROWINGS FROM FEDERAL RESERVE BANKS



LATEST DATA PLOTTED WEEK ENDING: DECEMBER 10, 1986
 1/ 83.767 FOR 11/27/85

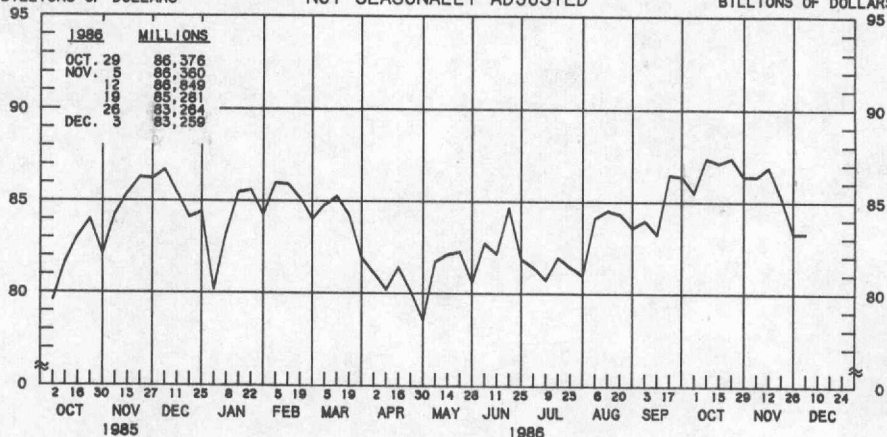
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COMMERCIAL PAPER OF NONFINANCIAL COMPANIES

BILLIONS OF DOLLARS

NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

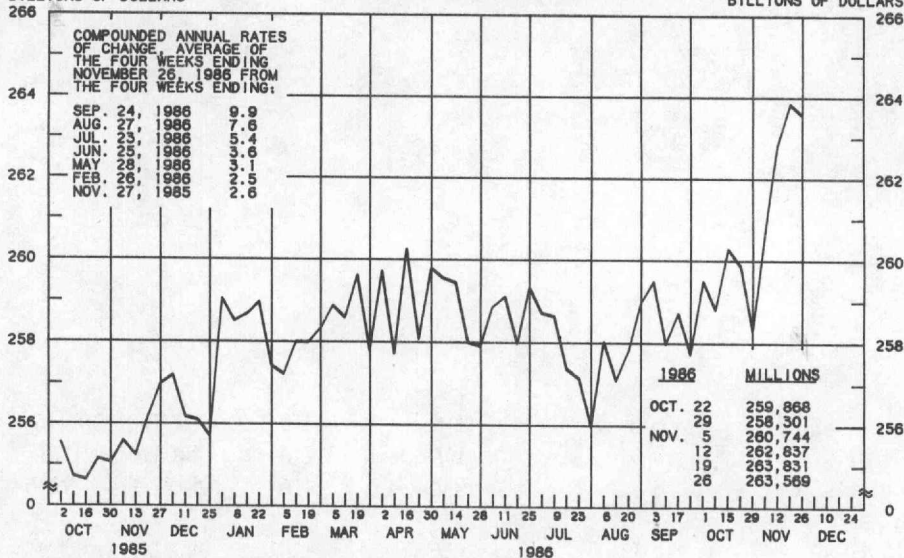


LATEST DATA PLOTTED WEEK ENDING: DECEMBER 3, 1986

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: NOVEMBER 26, 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

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

Averages of four weeks ending	M1	Currency	Demand deposits	Other checkable deposits
12/2/85-12/1/86	15.1%	7.3%	11.4%	28.1%
12/2/85-3/31/86	9.1	7.8	5.9	15.4
3/31/86-9/1/86	19.2	7.1	16.8	35.1
9/1/86-12/1/86	16.1	7.1	9.9	34.2