The M1 money stock grew at a 7.4 percent annual rate from the four weeks ending March 21 to the four weeks ending August 22. This is about double the 3.6 percent increase over the previous year.

Business loans at weekly reporting large commercial banks rose at a strong 12.2 percent rate from March to the four weeks ending August 17.

The yield on three-month Treasury bills rose steadily from 5.70 percent in March to 7.31 percent for the week ending September 2.

The trade-weighted exchange rate (TWEX) rose 9.1 percent from March to the week ending August 31. Dollar gains were especially strong against the eight European currencies included in TWEX.

The composite index of leading indicators declined 0.8 percent in July after rising 1.4 percent in June. Movements in initial unemployment claims and stock prices contributed to the recent volatility in the index.
ADJUSTED MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

BILLIONS OF DOLLARS

| BILLIONS | JUN. 15 | 278.3 |
|          | JUL. 19 | 278.9 |
|          | JUL. 27 | 279.0 |
|          | AUG. 10 | 280.2 |
|          | JUL. 24 | 281.8 |

LATEST PLOTTED RESERVE MAINTENANCE PERIOD ENDING: AUGUST 24, 1988

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:
1/27/88 9.2
2/24/88 8.0 7.0
3/23/88 7.1 5.7 1.7
4/20/88 7.7 6.9 5.2 6.9
5/18/88 7.4 6.5 5.0 6.0 8.4
6/29/88 7.5 6.9 5.9 6.8 8.4 6.8
7/27/88 7.5 7.0 6.2 7.0 8.3 7.1 8.2
8/24/88 7.3 6.7 5.9 6.5 7.4 6.3 6.8 5.7

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
MONEY STOCK (M1)
AVGARAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS
BILLIONS OF DOLLARS

LATEST DATA PLOTTED WEEK ENDING: AUGUST 22, 1988
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:
1/25/88  3.7  4.3  3.1  4.6  4.5  4.6  5.2  4.9
2/22/88  4.3  4.1  2.1  4.7  4.5  4.6  5.4  5.1
3/21/88  3.1  2.1  1.6  6.2  5.6  5.5  6.5  5.8
4/25/88  4.6  4.1  2.1  6.2  4.9  5.0  6.4  5.8
5/23/88  4.5  4.5  5.6  4.9  9.2  6.2  7.4  5.6
6/20/88  4.6  4.6  5.5  5.0  8.0  4.5  6.8  6.2
7/25/88  5.2  5.4  6.5  6.2  8.7  6.8  8.2  6.2
8/22/88  4.9  5.1  5.8  5.5  7.4  5.6  6.2  6.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

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Federal Reserve Bank of St. Louis
MONEY MULTIPLIER / CURRENCY COMPONENT OF MONEY STOCK /
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

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<tr>
<th>Ratio</th>
<th>1988</th>
<th>1987</th>
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<tr>
<td>JUN. 13</td>
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<td>JUL. 26</td>
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LATEST DATA PLOTTED TWO WEEKS ENDING: AUGUST 22, 1988

BILLIONS OF DOLLARS

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING AUGUST 22, 1988 FROM THE FOUR WEEKS ENDING:

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<tr>
<th>Month</th>
<th>Rate</th>
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<tbody>
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<td>MAR.</td>
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<td>8.3</td>
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<tr>
<td>AUG.</td>
<td>8.8</td>
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LATEST DATA PLOTTED WEEK ENDING: AUGUST 22, 1988

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

AVGERS OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

1988 BILLIONS
JUL. 18 568.0
25 567.6
AUG. 1 570.1
8 568.5
15 568.2
22 568.9

LATEST DATA PLOTTED WEEK ENDING: AUGUST 22, 1988
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:
1/25/88 1.3
2/22/88 2.2
3/21/88 0.9
4/25/88 2.7
5/23/88 2.7
6/20/88 2.9
7/25/88 3.8
8/22/88 3.6

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
### Yields on Selected Securities

#### Averages of Daily Rates

<table>
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<tr>
<th>Week</th>
<th>90-Day CD's</th>
<th>30-Day Commercial Paper</th>
<th>90-Day Bankers' Acceptances</th>
<th>Corporate AAA Bonds</th>
<th>Corporate BBB Bonds</th>
<th>Municipal Bonds</th>
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<tr>
<td>JULY 1</td>
<td>7.62</td>
<td>7.56</td>
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</tbody>
</table>

*Latest data plotted are averages of rates available for the week ending September 2, 1988.

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

5-YEAR TREASURY SECURITIES

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<tr>
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<table>
<thead>
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<th>1987</th>
<th>1988</th>
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<tr>
<th>1988</th>
<th>FEDERAL FUNDS</th>
<th>3-MONTH TREASURY BILL</th>
<th>6-MONTH TREASURY BILL</th>
<th>1-YEAR TREASURY BILL</th>
<th>5-YEAR TREASURY SECURITIES</th>
<th>LONG-TERM TREASURY SECURITIES</th>
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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)

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

Digitized for FRASER
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Federal Reserve Bank of St. Louis
BILLIONS OF DOLLARS

MONEY STOCK (M2)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

LATEST DATA PLOTTED WEEK ENDING: AUGUST 22, 1988
CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.6 RELEASE

M2 IS THE SUM OF M1, OVERNIGHT RPS ISSUED BY ALL COMMERCIAL BANKS, OVERNIGHT EURODOLLARS ISSUED TO U.S. RESIDENTS BY FOREIGN BRANCHES OF U.S. BANKS, MONEY MARKET DEPOSIT ACCOUNTS, SAVINGS AND SMALL TIME DEPOSITS, AND GENERAL PURPOSE AND BROKER/DEALER MONEY MARKET MUTUAL FUNDS. FOR MORE DETAIL, SEE THE H.6 RELEASE.

MONEY STOCK (M2)
COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF FOUR WEEKS ENDING:

TO THE AVERAGE
OF FOUR WEEKS ENDING:

<table>
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<tr>
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</table>

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
ALL DEPOSITORY INSTITUTIONS
TOTAL TIME DEPOSITS
LARGE TIME DEPOSITS

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

COMPOUNDED ANNUAL RATES
OF CHANGE, AVERAGE OF
THE FOUR WEEKS ENDING
AUGUST 22, 1988 FROM
THE FOUR WEEKS ENDING:

JUN. 20, 1988 9.0
MAY 23, 1988 8.6
APR. 22, 1988 8.7
MAR. 21, 1988 9.0
FEB. 22, 1988 9.9
NOV. 23, 1987 10.3
AUG. 24, 1987 10.6

TOTAL TIME DEPOSITS

1988 BILLIONS

JUL. 18 1921.1
25 1922.6
AUG. 1 1925.1
8 1929.0
15 1932.7
22 1935.0

BILLIONS OF DOLLARS

LATEST DATA PLOTTED WEEK ENDING: AUGUST 22, 1988

1/ TOTAL TIME IS THE SUM OF SAVINGS DEPOSITS, SMALL TIME DEPOSITS AND LARGE TIME DEPOSITS.
2/ TIME DEPOSITS ISSUED IN DENOMINATIONS OF $100,000 OR MORE

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
BORROWINGS FROM FEDERAL RESERVE BANKS

AVERAGES OF DAILY FIGURES

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS

------------------- --------=1 *-5

BILLIONS OF DOLLARS

1988 MILLIONS

JUL. 27 3398
AUG. 3 3602
10 3178
17 3267
24 3222
31 3342

TOTAL BORROWINGS

1987 1988

LATEST DATA PLOTTED WEEK ENDING: AUGUST 31, 1988

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS

ADJUSTMENT + SEASONAL

BORROWINGS

LATEST DATA PLOTTED WEEK ENDING: AUGUST 31, 1988

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
COMMERCIAL PAPER OF NONFINANCIAL COMPANIES

BILLIONS OF DOLLARS

NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

1888 MILLIONS

JUL. 20 91,235
AUG. 10 91,712
27 90,520
17 90,225
24 91,925

LATEST DATA PLOTTED WEEK ENDING: AUGUST 24, 1988

DASHED LINE REPRESENTS DATA USING A NEW REPORTING PANEL AND IS NOT COMPARABLE TO PREVIOUS DATA.

BUSINESS LOANS

COMMERCIAL AND INDUSTRIAL

WEEKLY REPORTING LARGE COMMERCIAL BANKS

BILLIONS OF DOLLARS

SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

COMPOUNDED ANNUAL RATES

OF CHANGE, AVERAGE OF

THE FOUR WEEKS ENDING:

AUGUST 17, 1988 FROM

JUN. 15, 1988 8.0
MAY 15, 1988 6.6
APR. 20, 1988 6.8
MAR. 16, 1988 10.8
FEB. 17, 1988 8.6
NOV. 18, 1987 6.1
AUG. 19, 1987 8.4

LATEST DATA PLOTTED WEEK ENDING: AUGUST 17, 1988

BUSINESS LOANS INCLUDE BANKERS' ACCEPTANCES AND COMMERCIAL PAPER.

BANKS WITH DOMESTIC ASSETS GREATER THAN $1.4 BILLION

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
DOLLAR'S TRADE-WEIGHTED EXCHANGE INDEX
AVERAGES OF DAILY FIGURES

1973-100 1973-
JUL. 98.3 98.7
OCT 10 98.6
NOV 17 98.3
JAN 24 98.7
FEB 31 97.9

LATEST DATA PLOTTED WEEK ENDING: AUGUST 31, 1988
NOTE: CURRENT DATA APPEAR IN THE BOARD OF GOVERNOR'S H.10 RELEASE.
DATA ARE WEIGHTED AVERAGES OF THE FOREIGN-CURRENCY PRICE OF THE U.S. DOLLAR, COMPUTED USING 10 INDUSTRIAL COUNTRY CURRENCIES.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS