THE WEEK’S HIGHLIGHTS:

- Most longer-term interest rates have fallen below their March levels, after rising in late April. Five-year Treasury securities rose from 8.57 percent in late March to 9.01 percent, before declining to 8.41 percent for the most recent week.

- The civilian unemployment rate fell slightly from 5.4 percent in April to 5.3 percent in May. The unemployment rate was 5.2 percent in May 1989.

- Nonfarm payroll employment rose at an annual rate of 1.8 percent in May, after falling 0.2 percent in April. Virtually all of the job growth in May was attributed to the hiring of 1990 census workers.

- Output per hour (productivity) in the business sector was down at an annual rate of 2.4 percent in the first quarter, 1.7 percentage points lower than the preliminary estimate. Productivity was up only 0.3 percent from the first quarter of 1989.
BILLIONS OF DOLLARS
ADJUSTED MONETARY BASE
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED BY THIS BANK

LATEST PLOTTED RESERVE MAINTENANCE PERIOD ENDING: MAY 30, 1990

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:
11/1/89 4.1
11/29/89 3.6 4.0
12/27/89 4.2 4.8 4.3
1/24/90 6.2 7.8 9.9 14.8
3/7/90 5.5 6.5 7.2 9.1 9.7
4/4/90 5.9 7.0 7.7 9.3 9.7 5.1
5/2/90 6.3 7.3 8.1 9.5 9.9 6.6 10.1
5/30/90 5.8 6.6 7.0 8.0 8.0 5.1 6.6 5.0

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

BILLIONS OF DOLLARS

1980
BILLIONS
APR. 23 805.8
30 805.7
MAY 7 805.7
14 803.1
21 804.9
28 805.7

AUG SEP NOV DEC FEB MAR MAY JUN
1989

LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1990
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:
10/30/89 3.8 4.8
11/27/89 3.5 4.7
12/25/89 3.9 5.0
1/29/90 3.6 4.4
2/26/90 4.3 5.3
3/26/90 4.5 5.4
4/30/90 4.4 5.1
5/28/90 3.7 4.2

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

Digitized for FRASER
http://fraser.stlouisfed.org
Federal Reserve Bank of St. Louis
MONEY MULTIPLIER / CURRENCY COMPONENT OF MONEY STOCK

AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

1990 RATIO
MAR. 19 2.639
APR. 16 2.651
MAY 14 2.634
28 2.641

M1 MULTIPLIER

COMPOUNDED ANNUAL RATES OF CHANGE, AVERAGE OF THE FOUR WEEKS ENDING MAY 29, 1990 FROM THE FOUR WEEKS ENDING:

MAR. 26, 1990 8.4
FEB. 26, 1990 8.9
JAN. 29, 1990 9.7
DEC. 27, 1989 10.9
NOV. 27, 1989 10.3
AUG. 28, 1989 7.9
MAY 29, 1989 6.8

LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1990

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

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

LATEST DATA PLOTTED WEEK ENDING: MAY 28, 1990

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

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<td>-0.7</td>
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PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
YIELDS ON SELECTED SECURITIES
AVERAGES OF DAILY RATES

CORPORATE AAA BONDS

90 DAY CD'S

COMMERCIAL PAPER

CORPORATE Aaa BONDS

MUNICIPAL BONDS


<table>
<thead>
<tr>
<th>1990</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 Baa BONDS</th>
<th>MUNICIPAL BONDS</th>
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NOTE: CURRENT DATA APPEAR IN THE BOARD OF GOVERNORS' H.15 RELEASE.
II AVERAGES OF RATES AVAILABLE
III 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

TREASURY SECURITIES

FEDERAL FUNDS RATE

5-YEAR TREASURY SECURITIES

3-MONTH TREASURY BILL

DISCOUNT RATE

LATEST DATA PLOTTED ARE AVERAGES OF RATES AVAILABLE FOR THE WEEK ENDING JUNE 8, 1990.

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<tr>
<th>1990</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>
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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.

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS
MONEY STOCK (M2)
AVERAGES OF DAILY FIGURES
SEASONALLY ADJUSTED

BILLIONS OF DOLLARS
3300

BILLIONS
1990

APR. 23 3274.1
30 3269.0
MAY 7 3271.4
14 3266.8
21 3266.4
28 3266.6

M2 IS THE SUM OF M1, OVERNIGHT RP'S 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:
10/30/89 7.6 6.9
11/27/89 7.5 7.3 7.6
12/25/89 7.7 6.3 6.0 5.5
1/29/90 7.0 6.8 6.8 6.7 5.9
2/26/90 7.2 6.8 6.7 6.5 6.0 7.7
3/26/90 7.1 6.7 5.8 5.5 4.9 5.5 3.9
4/30/90 6.6 6.0 5.8 5.5 4.9 5.5 3.9
5/28/90 5.9 5.1 4.8 4.2 3.5 3.5 1.8 0.0

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

COMPONRED ANNUAL RATES
OF CHANGE, AVERAGE OF
THE FOUR WEEKS ENDING
MAY 28, 1990 FROM
THE FOUR WEEKS ENDING:

MAY 28, 1989 -0.7
AUG. 26, 1989 -0.6
NOV. 27, 1989 -1.1
DEC. 25, 1989 -1.6
FEB. 26, 1990 -1.6
MAR. 26, 1990 -1.9
JAN. 29, 1990 -1.7

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

TOTAL BORROWINGS

LATEST DATA PLOTTED WEEK ENDING: JUNE 6, 1990

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

BILLIONS OF DOLLARS

LATEST DATA PLOTTED WEEK ENDING: JUNE 6, 1990
COMMERCIAL PAPER OF NONFINANCIAL COMPANIES

BILLIONS OF DOLLARS
NOT SEASONALLY ADJUSTED

BILLIONS OF DOLLARS

LATEST DATA PLOTTED WEEK ENDING: MAY 23, 1990

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

COMPOUNDED ANNUAL RATES
OF CHANGE, AVERAGE OF
THE FOUR WEEKS ENDING
MAY 23, 1990 FROM
THE FOUR WEEKS ENDING:

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<tr>
<th>Date</th>
<th>Rate</th>
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<tbody>
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<td>MAY 24, 1989</td>
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LATEST DATA PLOTTED WEEK ENDING: MAY 23, 1990

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
DOLLAR'S TRADE-WEIGHTED EXCHANGE INDEX
AVERAGES OF DAILY FIGURES

LATEST DATA PLOTTED WEEK ENDING: JUNE 6, 1990
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