August 20, 1998

USFinancialData

THE FEDERAL RESERVE BANK of ST. LOUIS

THE WEEK'S HIGHLIGHTS:

- *Privately owned housing starts totaled 1.72 million units in July, up 5.7 percent from June's pace and the most since March 1987. Measured from a year earlier, housing starts are up 17.6 percent, significantly stronger than the 9.5 percent rise in building permits.*

- *The consumer price index (CPI) rose 0.2 percent in July, or 2.2 percent at an annual rate. After increasing at a 0.2 percent annual rate over the first three months of 1998, the CPI has since risen at a 2.4 percent pace over the subsequent four-month period. Since July 1997, the CPI is up 1.7 percent.*

- *The U.S. goods and services trade deficit totaled $14.2 billion in June, $1.4 billion less than the May trade deficit. Compared with its level in the first quarter, the trade deficit widened $9.1 billion in the second quarter to $44 billion. Trade figures are not adjusted for price changes.*

- *The nominal value of business (manufacturing and trade) inventories rose 0.1 percent in June, or $7.9 billion at an annual rate. Excluding automotive inventories at wholesalers and retailers, however, total business inventories rose at an annualized rate of $45.7 billion in June.*

- *The producer price index for finished goods (PPI) rose 0.2 percent in July, or 2.8 percent at an annual rate. Although this was the largest increase in 10 months, the PPI is still down 0.3 percent measured from a year earlier.*

All data are seasonally adjusted unless otherwise indicated.

U.S. Financial Data is published weekly by the Research Division of the Federal Reserve Bank of St. Louis. For more information on data, please call (314) 444-8590. To be added to the mailing list, please call (314) 444-8808 or (314) 444-8809.

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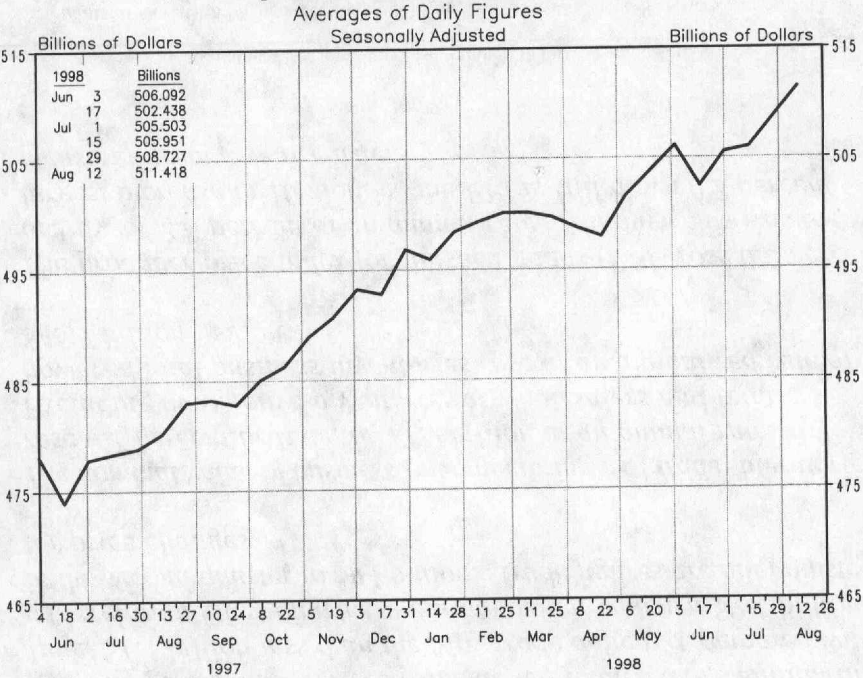
Adjusted Monetary Base



The adjusted monetary base is the sum of Federal Reserve deposits and vault cash held by domestic depository institutions, currency held by the public, and an adjustment for the effect of changes in reserve requirement ratios. The monetary base series was recently revised to include Federal Reserve deposits used to satisfy clearing balance contracts. 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

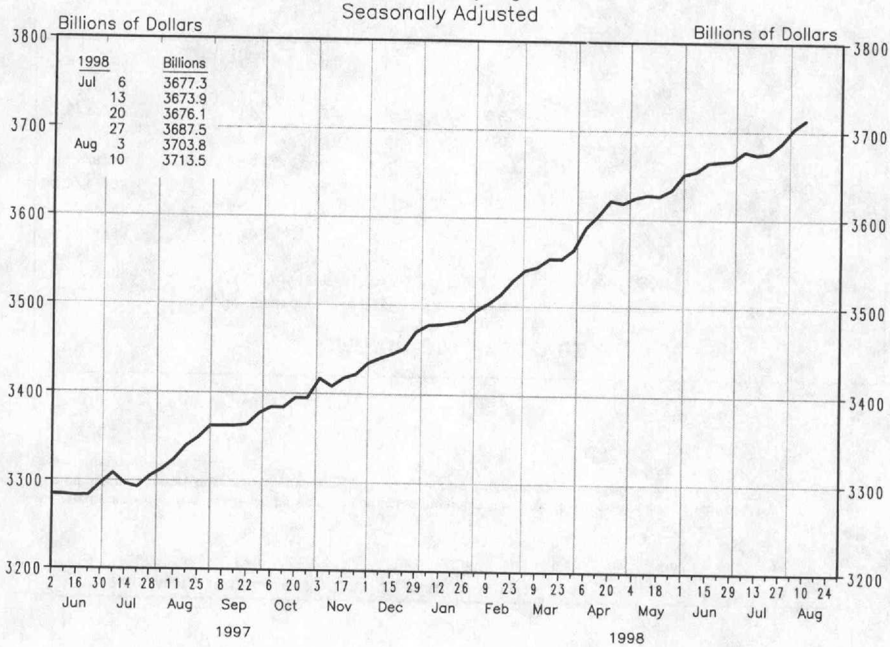
Compounded annual rates of change, average of two maintenance periods ending:

To the average of two maintenance periods ending:	8/13/97	11/5/97	1/14/98	2/11/98	3/11/98	4/8/98	5/6/98	6/17/98
1/14/98	8.5							
2/11/98	8.2	8.8						
3/11/98	7.6	7.6	4.9					
4/8/98	6.4	5.7	2.5	0.5				
5/6/98	5.8	5.0	2.2	0.8	−0.4			
6/17/98	6.1	5.6	3.8	3.2	3.2	5.4		
7/15/98	5.9	5.4	3.8	3.3	3.3	5.0	6.4	
8/12/98	6.4	6.0	4.8	4.6	4.8	6.4	7.9	7.7

Prepared by Federal Reserve Bank of St. Louis

Money Zero Maturity (MZM)

Averages of Daily Figures
Seasonally Adjusted



MZM is M2 (seasonally adjusted) minus total small denomination time deposits (seasonally adjusted), plus institutional money funds (seasonally adjusted), which are included in the non–M2 component of M3.

Money Zero Maturity (MZM)

To the average of four weeks ending:	Compounded annual rates of change, average of four weeks ending: 8/11/97	11/10/97	1/12/98	2/9/98	3/9/98	4/13/98	5/11/98	6/8/98
1/12/98	11.8							
2/9/98	11.3	10.6						
3/9/98	12.0	11.9	12.3					
4/13/98	12.3	12.5	13.1	15.3				
5/11/98	12.8	13.3	14.2	16.0	15.9			
6/8/98	12.3	12.4	12.8	13.8	13.1	12.2		
7/13/98	11.9	11.9	12.0	12.7	11.9	10.9	8.0	
8/10/98	11.7	11.6	11.6	12.1	11.3	10.4	8.3	8.8

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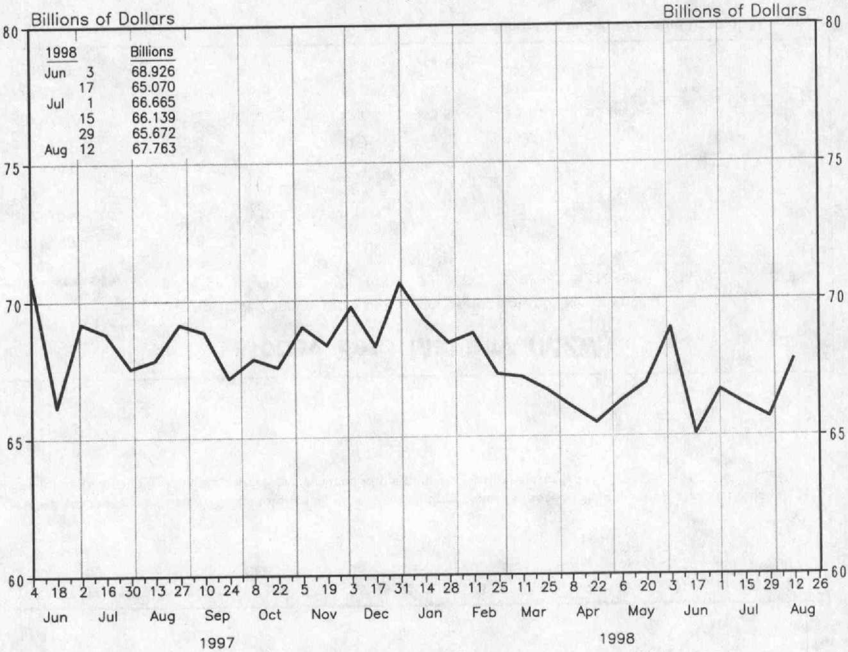
Adjusted Reserves

Seasonally Adjusted



Adjusted reserves is the difference between the adjusted monetary base and the currency component of M1. The adjusted monetary base series was recently revised: See the footnote to the monetary base chart for a description of the change.

Adjusted Reserves

Compounded annual rates of change, average of two maintenance periods ending:

To the average of two maintenance periods ending:	8/13/97	11/5/97	1/14/98	2/11/98	3/11/98	4/8/98	5/6/98	6/17/98
1/14/98	8.0							
2/11/98	2.7	1.7						
3/11/98	−1.2	−4.5	−22.8					
4/8/98	−3.0	−6.5	−20.3	−19.2				
5/6/98	−3.6	−6.9	−17.7	−16.0	−12.2			
6/17/98	−1.2	−3.1	−9.7	−6.6	−1.2	4.9		
7/15/98	−2.1	−4.0	−9.9	−7.4	−3.5	0.1	4.1	
8/12/98	−1.4	−3.0	−7.9	−5.4	−1.7	1.5	4.8	−2.7

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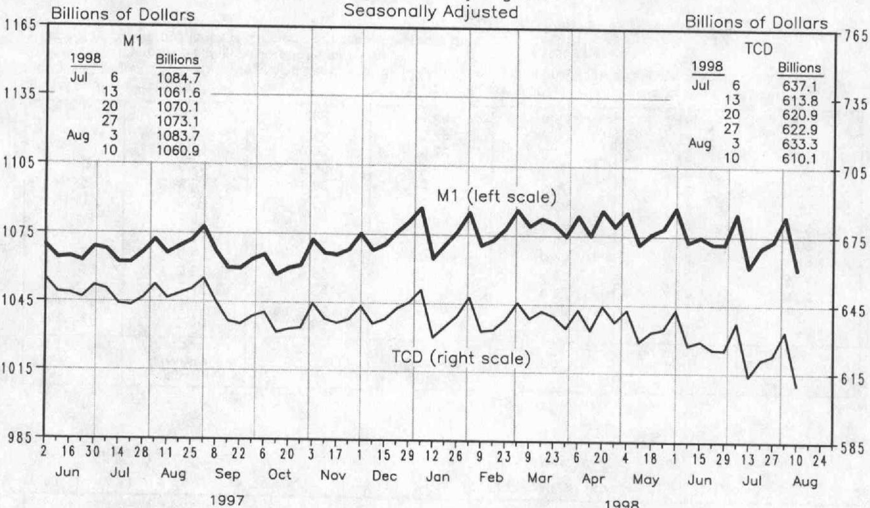
Money Stock(M1) and Total Checkable Deposits

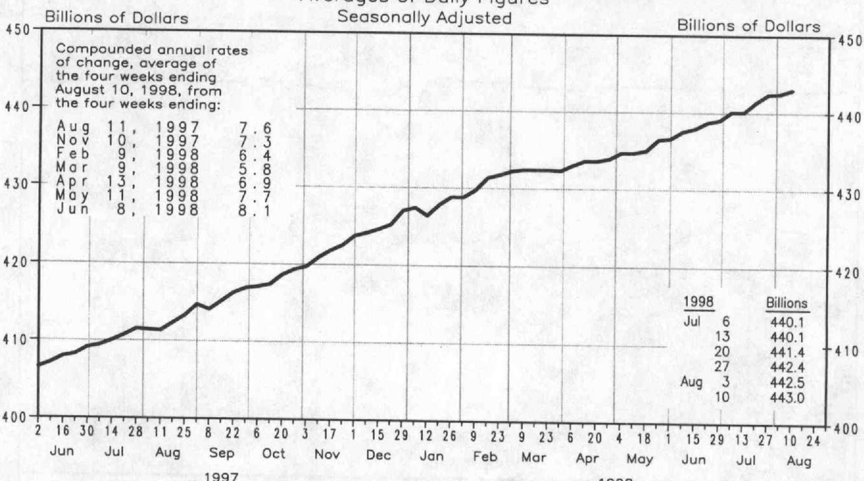
Averages of Daily Figures
Seasonally Adjusted



M1 is the sum of currency held by the nonbank public, total checkable deposits and travelers checks.
Total checkable deposits is the sum of demand deposits and other checkable deposits at depository institutions.

Currency Component of M1

Averages of Daily Figures
Seasonally Adjusted

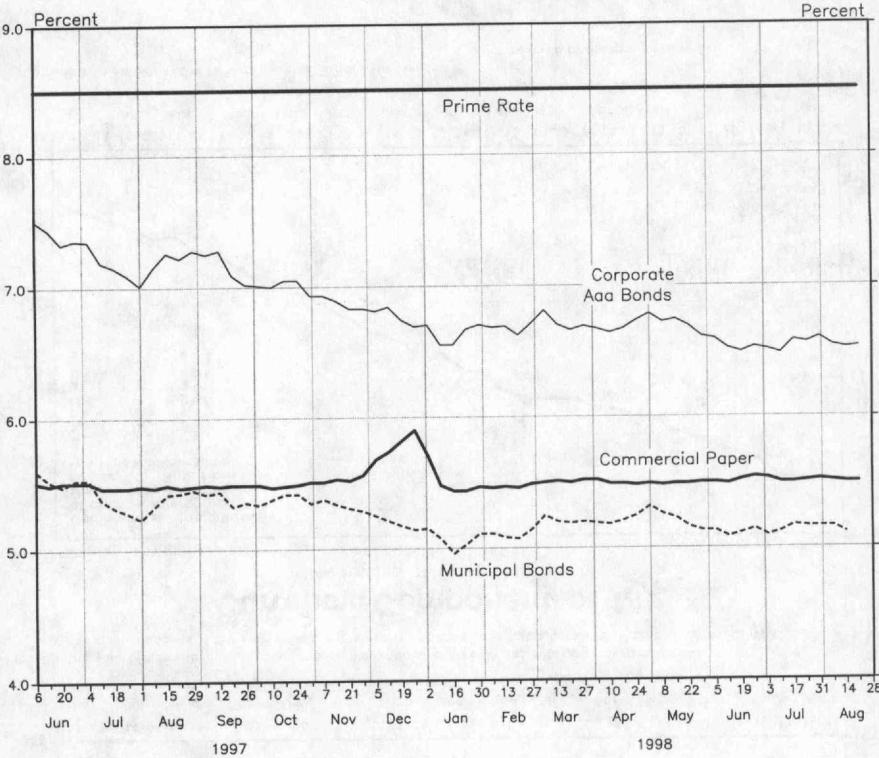


Current data appear in the Federal Reserve Board's H.6 release.

Prepared by Federal Reserve Bank of St. Louis

Yields on Selected Securities

Averages of Daily Figures



1998		30-Day Commercial Paper	90-Day CDs	90-Day Bankers' Acceptances	Corporate Aaa Bonds	Corporate Baa Bonds	Municipal Bonds **
May	29	5.50	5.59	5.48	6.61	7.21	5.13
Jun	5	5.50	5.59	5.50	6.59	7.19	5.13
	12	5.49	5.59	5.50	6.52	7.13	5.08
	19	5.52	5.59	5.48	6.49	7.10	5.11
	26	5.54	5.60	5.50	6.53	7.13	5.14
Jul	3	5.53	5.60	5.53	6.51	7.11	5.09
	10	5.50	5.59	5.50	6.48	7.09	5.12
	17	5.50	5.59	5.50	6.58	7.17	5.17
	24	5.51	5.59	5.49	6.56	7.15	5.16
	31	5.52	5.60	5.49	6.60	7.20	5.16
Aug	7	5.51	5.59	5.50	6.54	7.15	5.16
	14	5.50	5.58	5.49	6.52	7.14	5.11
	21	5.50	5.58	5.49	6.53	7.14	N.A.

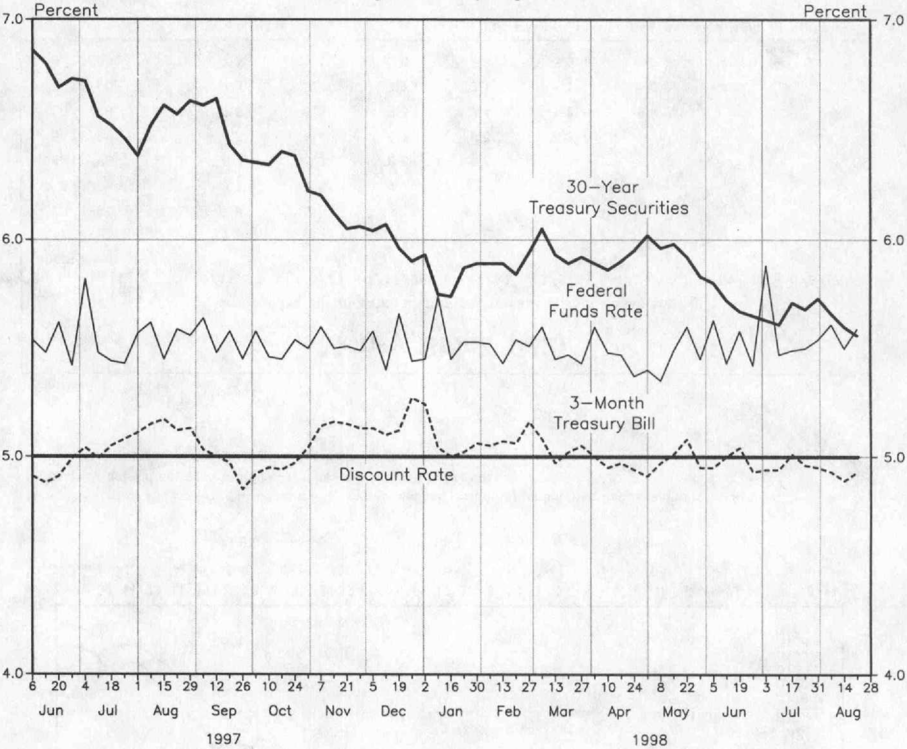
Current data are from the Federal Reserve Board's H.15 release, and are averages of rates available for the week ending on August 21, 1998. Beginning September 2, 1997, the commercial paper rate reflects new source data, which is currently available only back to the first of the year.

** Bond Buyer's Average Index of 20 municipal bonds, Thursday data

Prepared by Federal Reserve Bank of St. Louis

Selected Interest Rates

Averages of Daily Figures



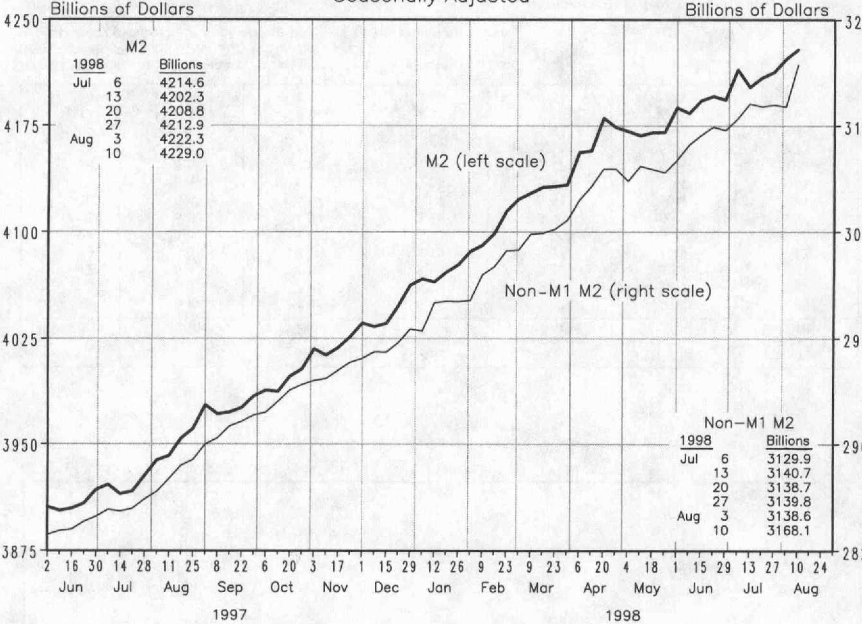
1998		Federal Funds **	3–Month Treasury Bill	1–Year Treasury Bill	5–Year Treasury Securities	10–Year Treasury Securities	30–Year Treasury Securities
May	29	5.45	4.95	5.15	5.57	5.57	5.83
Jun	5	5.63	4.95	5.14	5.57	5.57	5.80
	12	5.43	5.00	5.14	5.53	5.51	5.72
	19	5.58	5.04	5.12	5.51	5.47	5.67
	26	5.42	4.93	5.13	5.50	5.46	5.65
Jul	3	5.88	4.94	5.10	5.46	5.44	5.63
	10	5.47	4.94	5.07	5.41	5.41	5.61
	17	5.49	5.01	5.08	5.47	5.49	5.71
	24	5.50	4.96	5.08	5.47	5.46	5.68
	31	5.54	4.95	5.09	5.51	5.50	5.73
Aug	7	5.61	4.93	5.04	5.43	5.43	5.66
	14	5.50	4.89	4.97	5.36	5.40	5.60
	21 *	5.59	4.93	4.99	5.34	5.41	5.56

Current data appear in the Federal Reserve Board's H.15 release.
* 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) and Non – M1 Components of M2

Averages of Daily Figures
Seasonally Adjusted



M2 is the sum of M1, savings (including money market deposit accounts), small time deposits and retail money funds. Current data appear in the Federal Reserve Board's H.6 release.

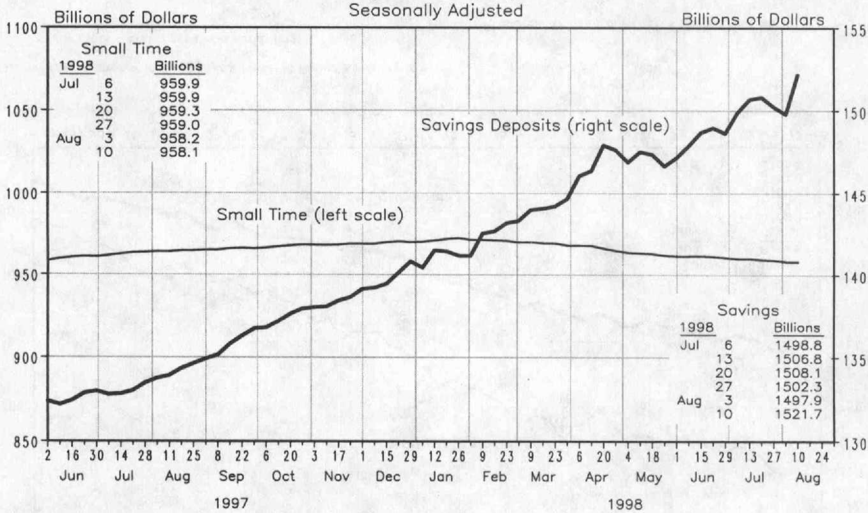
Money Stock (M2)

To the average of four weeks ending:	Compounded annual rates of change, average of four weeks ending: 8/11/97	11/10/97	1/12/98	2/9/98	3/9/98	4/13/98	5/11/98	6/8/98
1/12/98	7.9							
2/9/98	7.8	7.5						
3/9/98	8.3	8.5	9.2					
4/13/98	8.2	8.3	8.6	9.3				
5/11/98	8.3	8.4	8.7	9.3	8.3			
6/8/98	7.6	7.5	7.3	7.4	6.2	5.4		
7/13/98	7.5	7.3	7.1	7.1	6.1	5.6	4.0	
8/10/98	7.3	7.1	6.8	6.8	6.0	5.5	4.4	5.7

Prepared by Federal Reserve Bank of St. Louis

Savings and Small Time Deposits

Averages of Daily Figures
Seasonally Adjusted



Savings deposits and small time deposits are at all depository institutions.

Large Time Deposits and Retail Money Funds

Averages of Daily Figures
Seasonally Adjusted

Large time deposits and retail money funds are at all despository institutions. Large time deposits are those issued in denominations of $100,000 or more. Retail money funds were originally called general purpose and broker/dealer money market funds.

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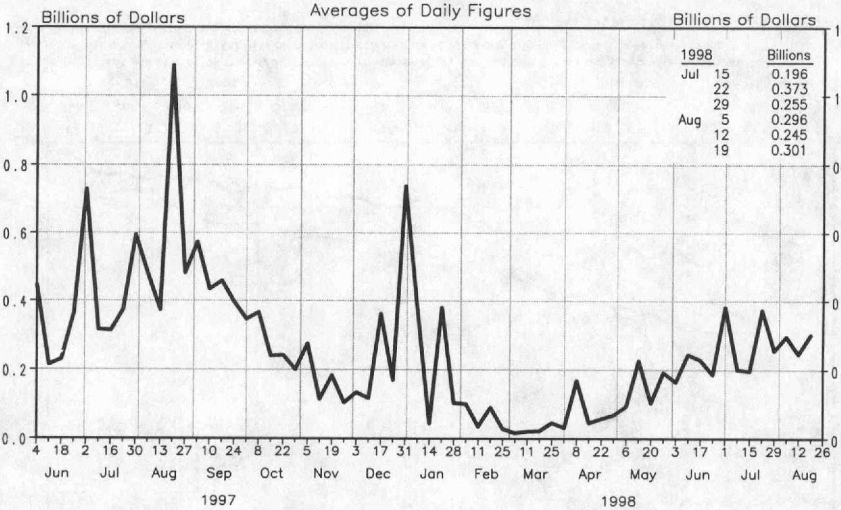
Total Borrowings

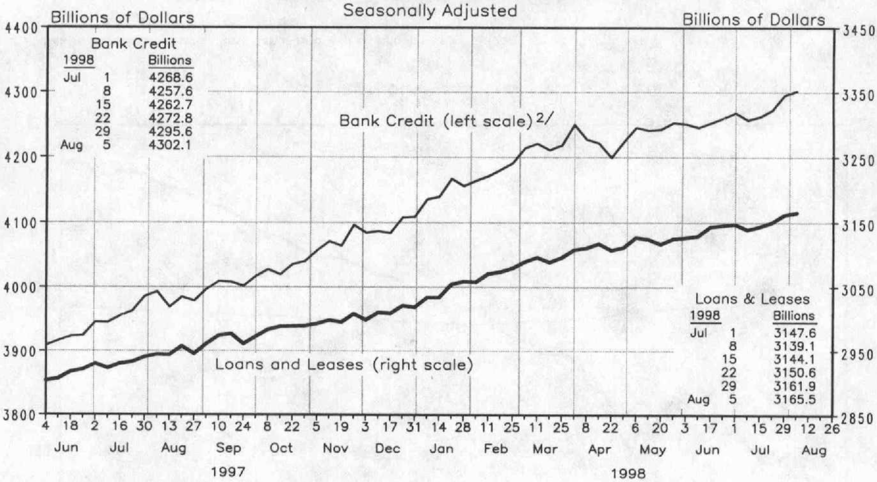
From Federal Reserve Banks
Averages of Daily Figures



Borrowings include seasonal, adjustment and extended credit.

Bank Loans and Credit

All Commercial Banks in the United States 1/
Seasonally Adjusted



Current data appear in the Federal Reserve Board's H.8 release.
1/ Includes foreign-related institutions
2/ Includes loans and leases and securities

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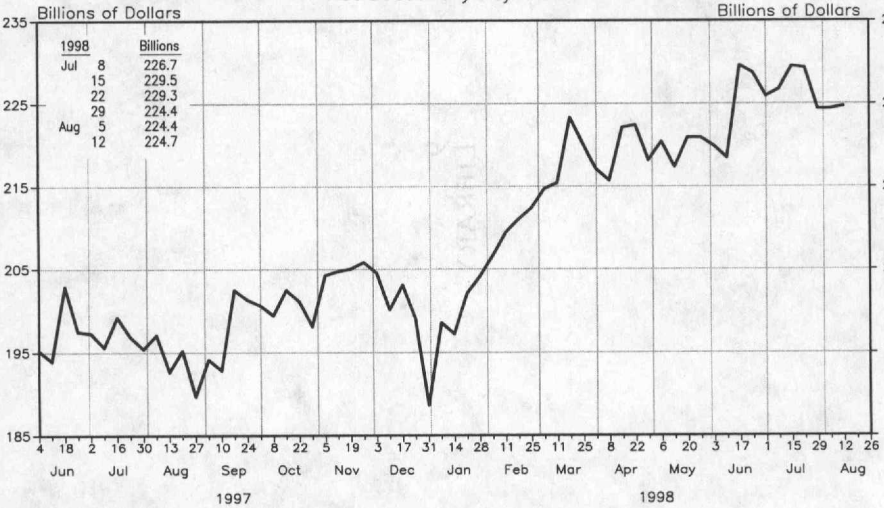
Commercial Paper of Nonfinancial Companies

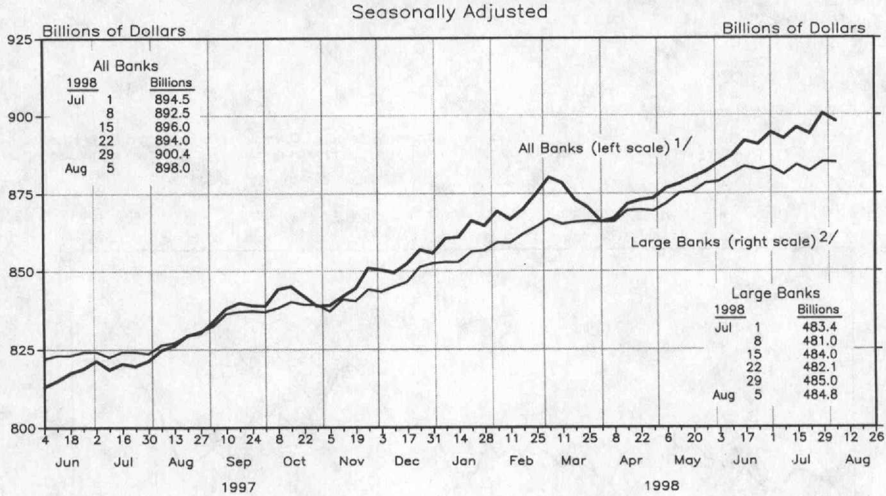
Not Seasonally Adjusted



Note: Beginning September 2, 1997, the value of commercial paper outstanding uses new source data. See the Federal Reserve Board's H.15 release for more information.

Commercial and Industrial Loans

Seasonally Adjusted



Current data appear in the Federal Reserve Board's H.8 release.
1/ Includes foreign-related institutions
2/ Weekly reporting, domestically chartered banks

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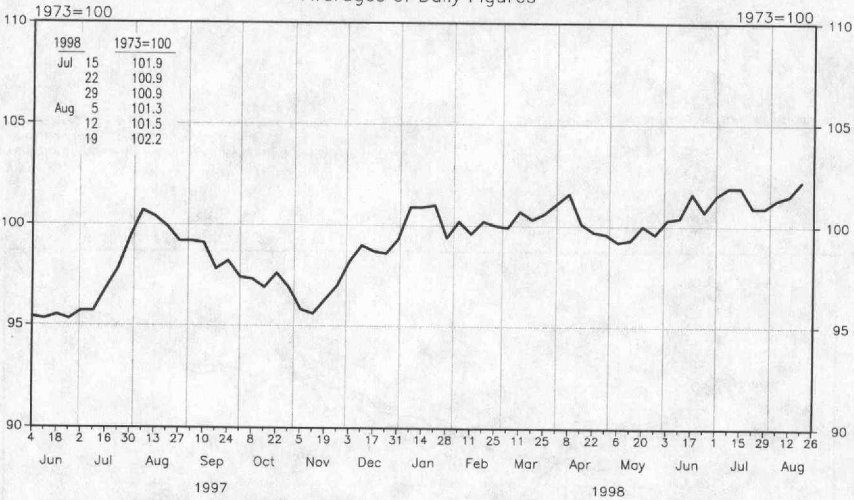
Dollar's Trade – Weighted Exchange Index

Averages of Daily Figures



Current data appear in the Federal Reserve Board's H.10 release. Data are weighted averages of the foreign–currency price of the U.S. dollar, computed using 10 industrial country currencies.

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