

**THE WEEK'S HIGHLIGHTS:**

- *Yields on three-month Treasury bills averaged 4.36 percent for the week ending Dec. 11, an increase of 52 basis points from eight weeks earlier. Over the same period, the yield on 30-year Treasury bonds fell 1 basis point to an average of 5.01 percent (See Page 7).*
- *Nonfarm payroll employment increased 267,000 in November, following gains of 145,000 in October and 172,000 in September. Year-to-date, monthly employment gains have averaged 226,000, compared with an average increase of about 277,000 over the first 11 months of 1997. The civilian unemployment rate fell 0.2 percentage points in November to 4.4 percent.*
- *The current dollar value of total factory orders fell 1.6 percent in October. Likewise, the value of factory shipments dropped 0.1 percent in October, while the value of unfilled orders fell 0.9 percent. The latter was the largest drop since September 1993.*

*Beginning with this issue, two new Federal Reserve measures of the U.S. dollar's foreign exchange value will be published: The major currency index (MCI) and the broad index (BI). Until Jan. 1, 1999, when stage III of EMU will begin, the MCI will be comprised of 16 currencies; the BI includes the MCI plus 19 additional currencies. After Jan. 1, the euro will replace the 10 euro-area currencies, so that the MCI will become a seven-currency index and the BI will have 26 currencies. For more information, see "New Summary Measures of the Foreign Exchange Value of the Dollar," Federal Reserve Bulletin (October 1998).*

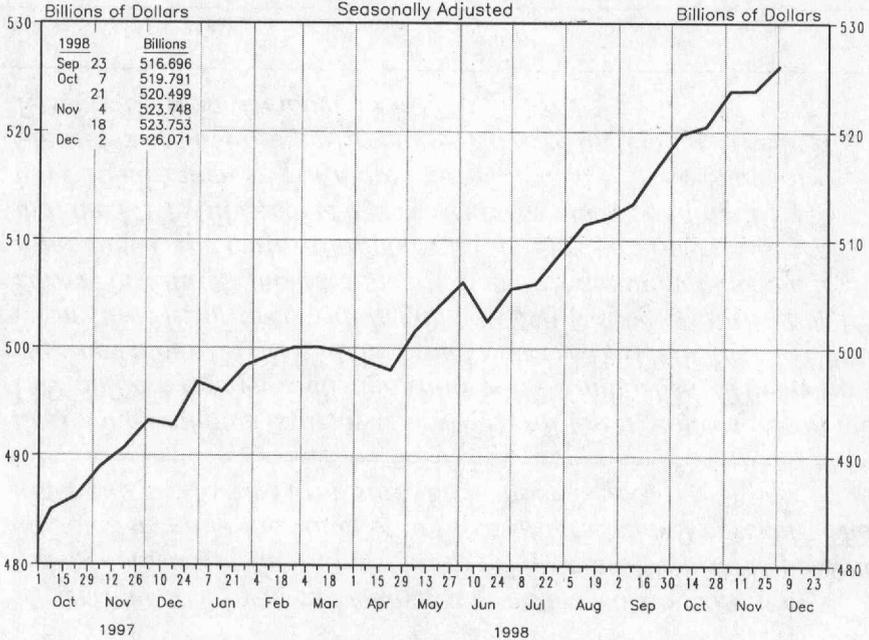
All data are seasonally adjusted unless otherwise indicated.

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

Averages of Daily Figures  
Seasonally Adjusted



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.

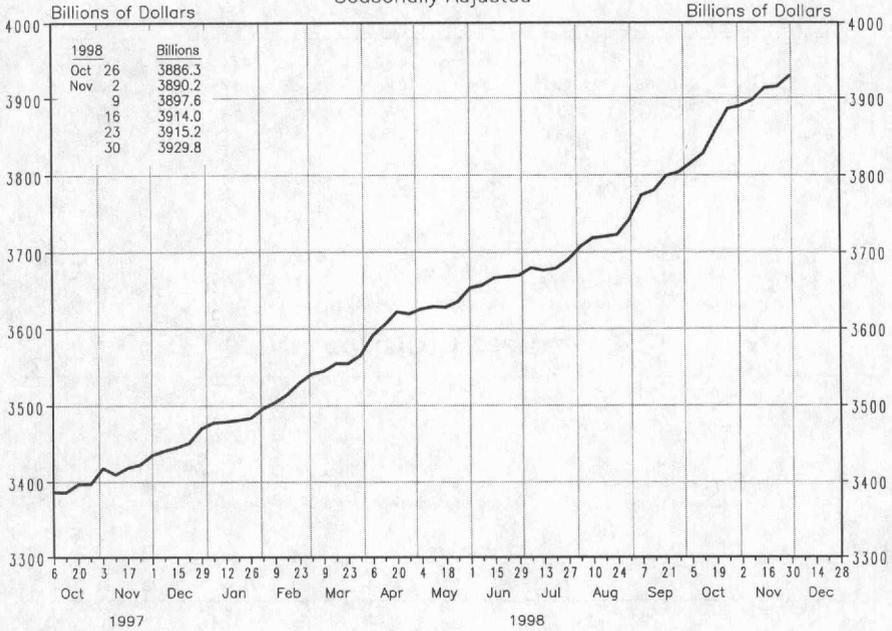
### Adjusted Monetary Base

To the average of two maintenance periods ending:	Compounded annual rates of change, average of two maintenance periods ending:								
	12/3/97	2/25/98	5/6/98	6/3/98	7/1/98	7/29/98	8/26/98	10/7/98	
5/6/98		3.8							
6/3/98		5.3	4.0						
7/1/98		4.3	2.5	5.6					
7/29/98		4.8	3.7	6.8	3.1				
8/26/98		5.5	4.9	8.0	6.0	10.5			
10/7/98		6.3	6.1	9.0	7.8	10.9	11.7		
11/4/98		6.7	6.6	9.2	8.2	10.8	11.3	11.0	
12/2/98		6.7	6.6	8.9	8.1	10.1	10.3	9.9	8.7

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# 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)

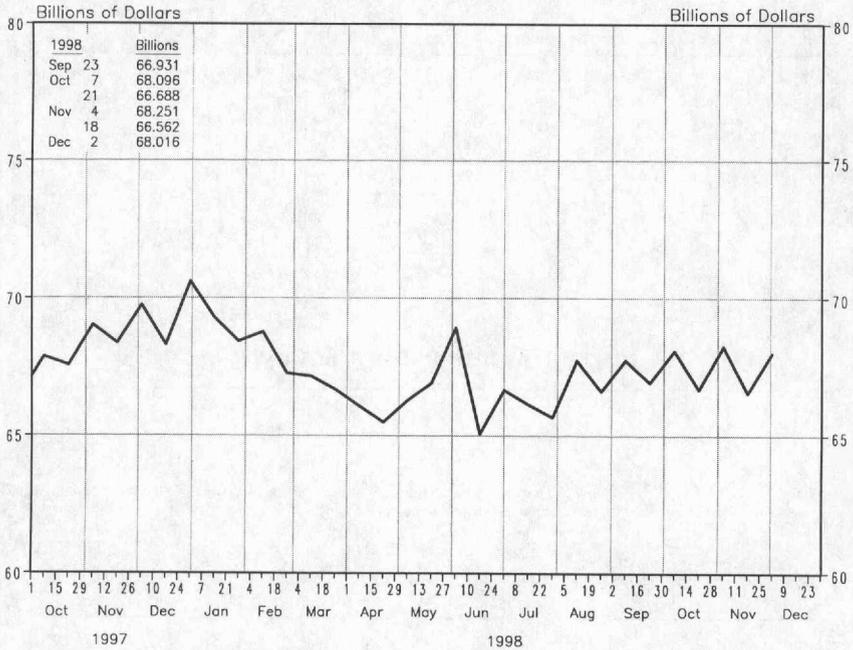
Compounded annual rates of change, average of four weeks ending:

To the average of four weeks ending:	12/1/97	3/2/98	4/27/98	6/1/98	6/29/98	7/27/98	8/31/98	9/28/98
4/27/98	14.2							
6/1/98	13.0	13.6						
6/29/98	12.6	12.9	9.1					
7/27/98	11.8	11.5	8.1	8.2				
8/31/98	12.0	11.9	9.5	10.2	10.0			
9/28/98	13.1	13.5	12.1	13.4	14.3	18.3		
11/2/98	14.1	14.8	14.1	15.5	16.7	20.0	23.8	
11/30/98	14.4	15.1	14.5	15.8	16.8	19.4	21.8	20.6

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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.

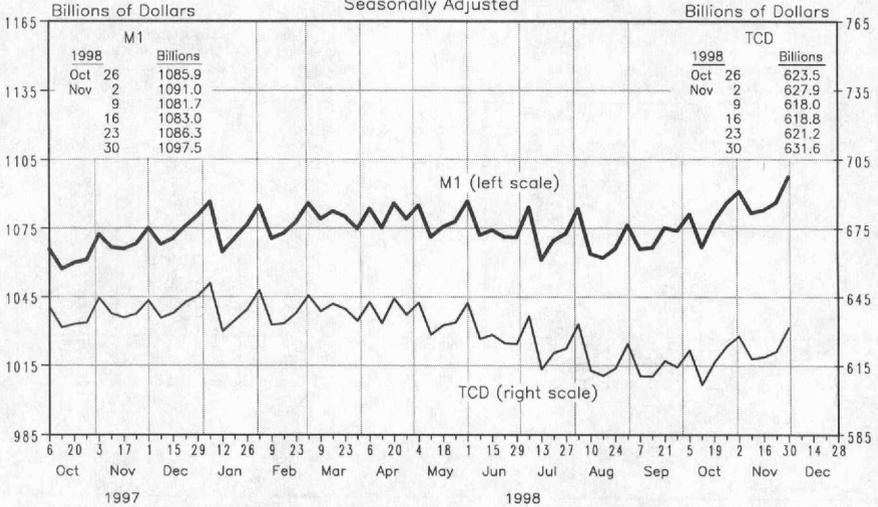
## Adjusted Reserves

To the average of two maintenance periods ending:	Compounded annual rates of change, average of two maintenance periods ending:							
	12/3/97	2/25/98	5/6/98	6/3/98	7/1/98	7/29/98	8/26/98	10/7/98
5/6/98	-10.5							
6/3/98	-3.3	-0.5						
7/1/98	-7.9	-8.9	-0.2					
7/29/98	-6.9	-7.2	0.1	-17.8				
8/26/98	-3.7	-2.4	6.5	-4.6	13.7			
10/7/98	-2.6	-1.2	5.9	-1.7	9.6	13.4		
11/4/98	-2.5	-1.2	4.9	-1.6	7.2	9.1	2.2	
12/2/98	-2.6	-1.4	3.7	-1.9	5.2	6.2	0.6	-2.1

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# Money Stock(M1) and Total Checkable Deposits

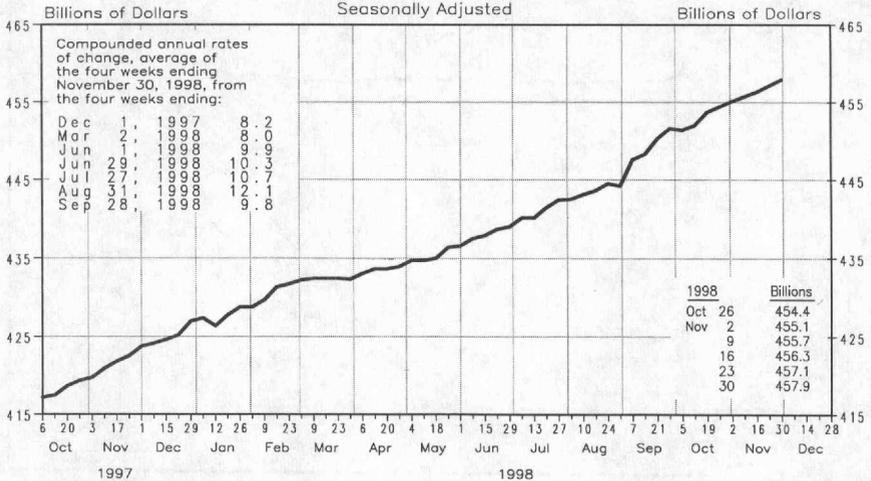
Averages of Daily Figures  
Seasonally Adjusted



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

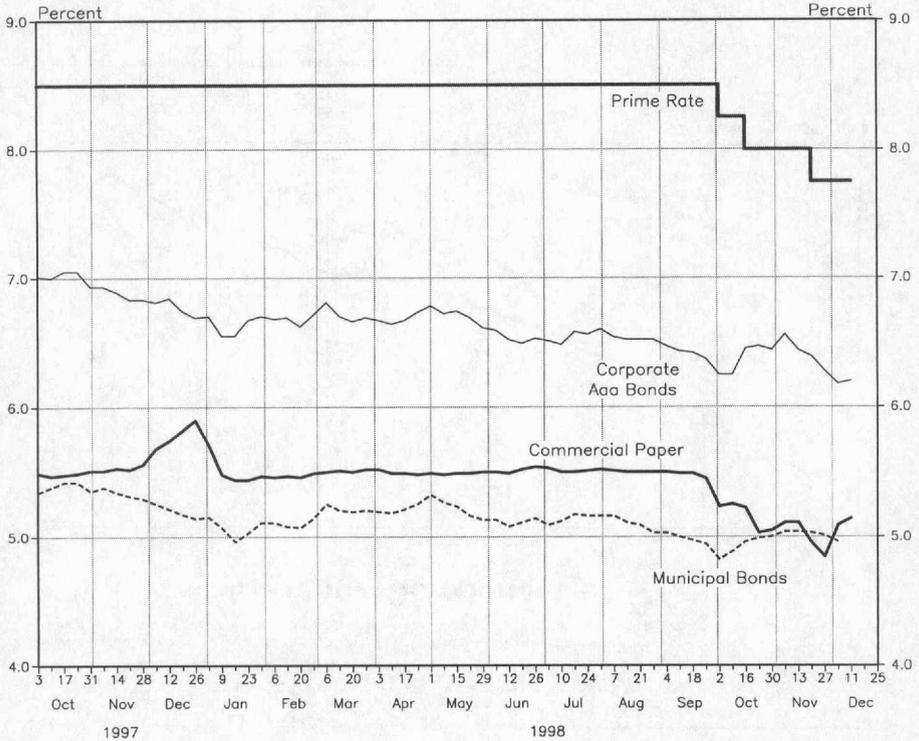


Current data appear in the Federal Reserve Board's H.6 release.

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## 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 **
Sep 18	5.49	5.42	5.38	6.42	7.10	4.97
25	5.45	5.37	5.34	6.37	7.07	4.94
Oct 2	5.23	5.22	5.19	6.25	7.01	4.82
9	5.25	5.29	5.20	6.25	7.05	4.88
16	5.22	5.26	5.17	6.45	7.25	4.96
23	5.03	5.14	5.03	6.47	7.28	4.99
30	5.05	5.16	5.07	6.44	7.26	5.00
Nov 6	5.11	5.27	5.13	6.56	7.42	5.04
13	5.11	5.31	5.20	6.44	7.34	5.04
20	4.95	5.21	5.18	6.39	7.33	5.03
27	4.84	5.18	5.10	6.28	7.28	5.01
Dec 4	5.09	5.20	5.13	6.18	7.19	4.96
11	5.14	5.13	5.08	6.20	7.21	N.A.

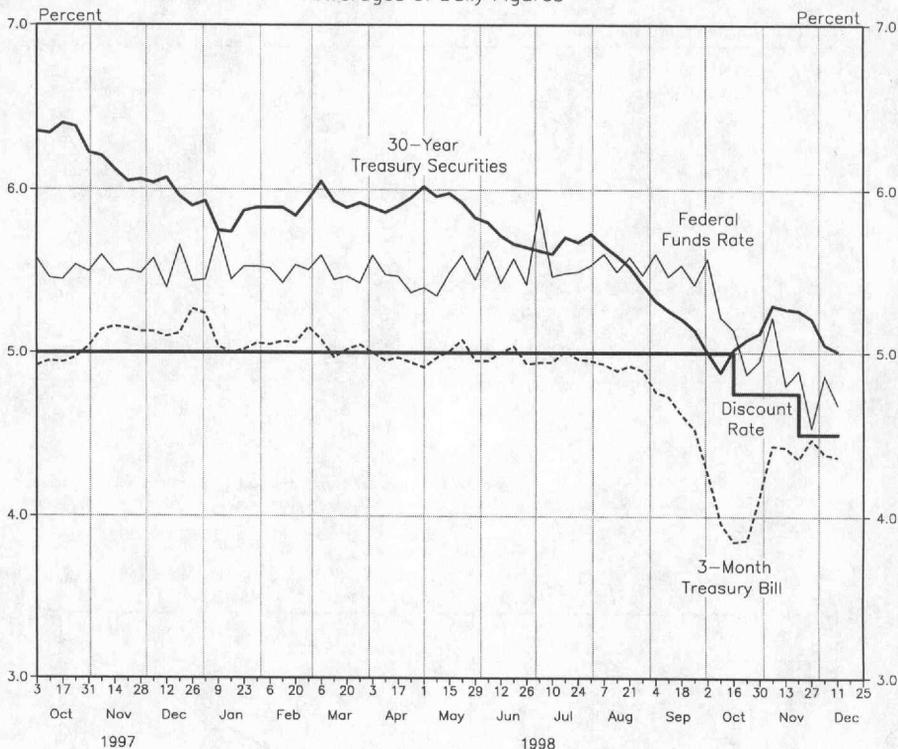
Current data are from the Federal Reserve Board's H.15 release, and are averages of rates available for the week ending on December 11, 1998. Beginning September 2, 1997, the commercial paper rate reflects new source data, which is currently available only back to the first of the year.

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

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# 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
Sep 18	5.54	4.62	4.54	4.62	4.83	5.21
25	5.42	4.53	4.40	4.48	4.67	5.14
Oct 2	5.58	4.26	4.22	4.24	4.46	5.00
9	5.22	3.96	4.01	4.18	4.41	4.88
16	5.14	3.84	3.96	4.22	4.58	5.02
23	4.87	3.85	3.84	4.17	4.59	5.08
30	4.95	4.12	3.93	4.22	4.63	5.12
Nov 6	5.22	4.43	4.27	4.45	4.83	5.29
13	4.80	4.42	4.34	4.51	4.82	5.27
20	4.89	4.35	4.33	4.59	4.85	5.26
27	4.54	4.47	4.38	4.62	4.83	5.21
Dec 4	4.86	4.38	4.26	4.39	4.64	5.05
11 *	4.68	4.36	4.33	4.41	4.62	5.01

Current data appear in the Federal Reserve Board's H.15 release.

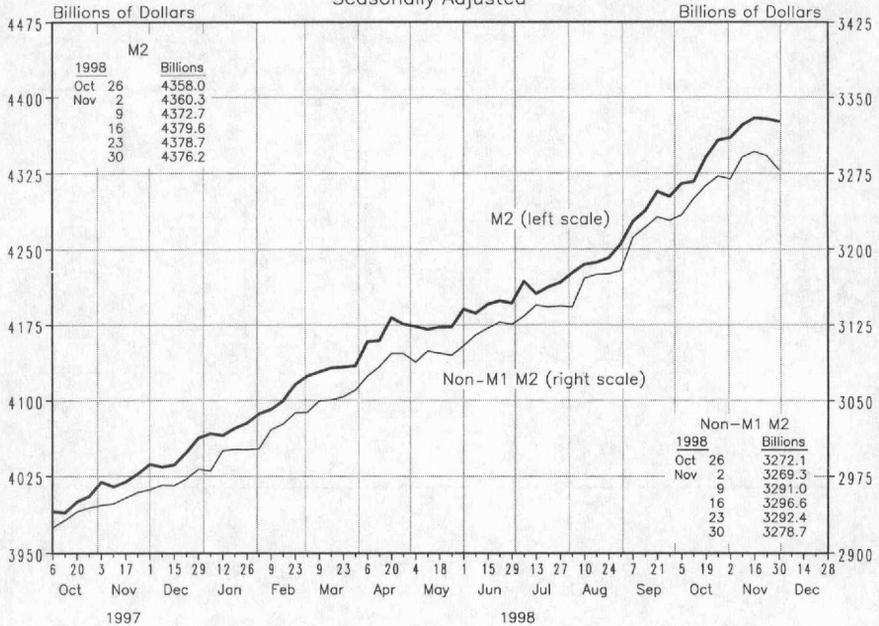
\* Averages of rates available

\*\* Seven-day averages for week ending two days earlier than date shown

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# 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)

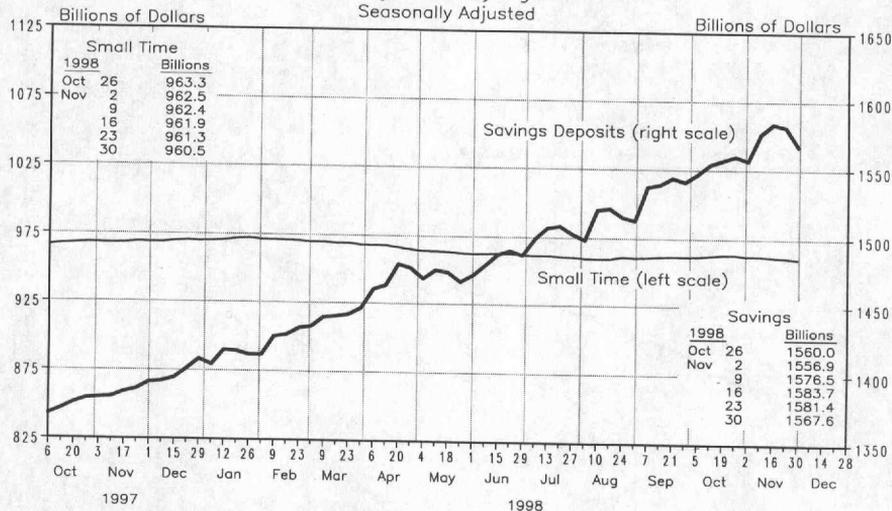
Compounded annual rates of change, average of four weeks ending:

To the average of four weeks ending:	12/1/97	3/2/98	4/27/98	6/1/98	6/29/98	7/27/98	8/31/98	9/28/98
4/27/98	9.1							
6/1/98	7.7	6.9						
6/29/98	7.4	6.6	3.6					
7/27/98	7.3	6.5	4.3	5.9				
8/31/98	7.3	6.7	5.2	6.4	6.7			
9/28/98	8.1	8.0	7.2	8.8	9.8	11.5		
11/2/98	8.6	8.7	8.3	9.7	10.6	12.0	14.7	
11/30/98	8.7	8.8	8.5	9.8	10.6	11.6	13.3	11.7

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# Savings and Small Time Deposits

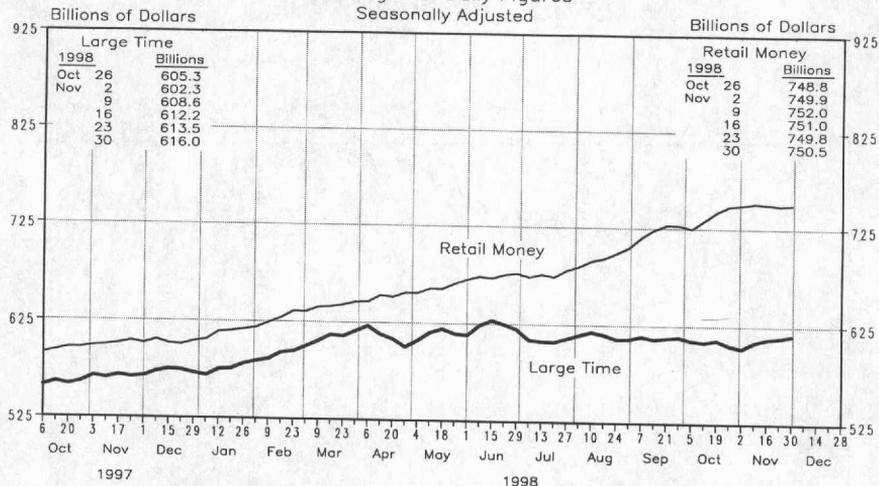
Averages of Daily Figures  
Seasonally Adjusted



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

# Large Time Deposits and Retail Money Funds

Averages of Daily Figures  
Seasonally Adjusted

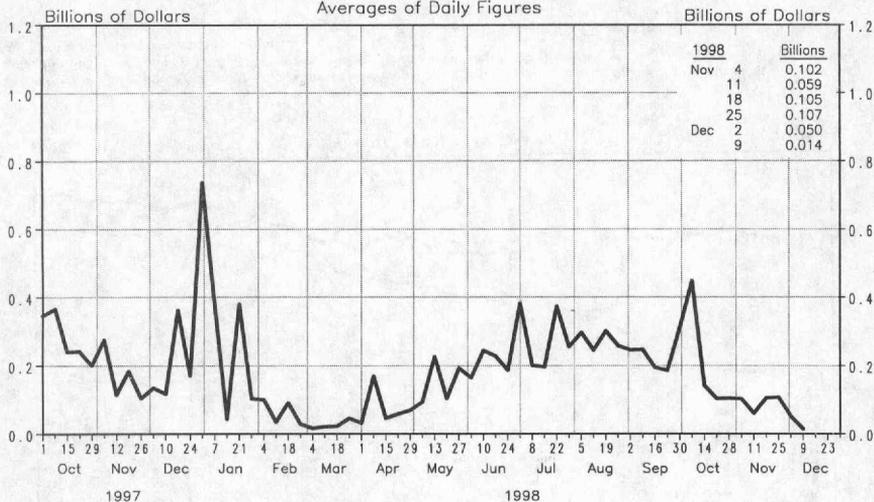


Large time deposits and retail money funds are at all depository institutions. Large time deposits are those issued in denominations of \$100,000 or more. Retail money funds were originally called general purpose and broker/dealer money market funds.

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## Total Borrowings

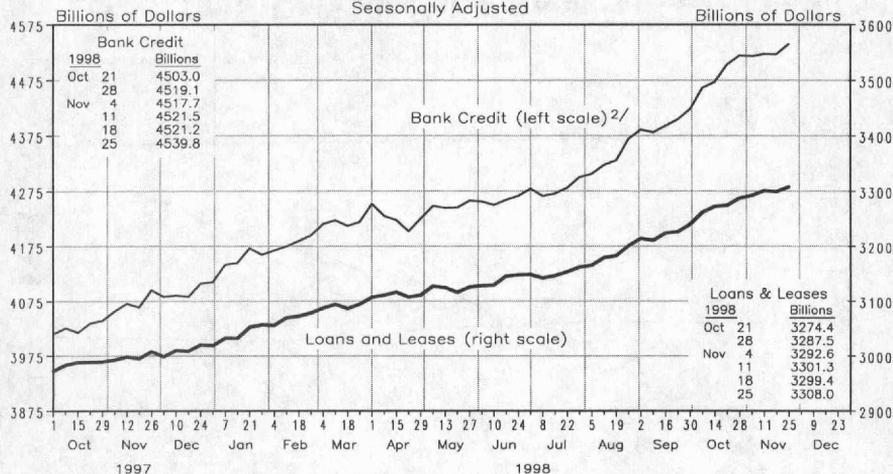
From Federal Reserve Banks  
Averages of Daily Figures



Borrowings include seasonal, adjustment and extended credit.

## Bank Loans and Credit

All Commercial Banks in the United States <sup>1/</sup>  
Seasonally Adjusted



Current data appear in the Federal Reserve Board's H.8 release.

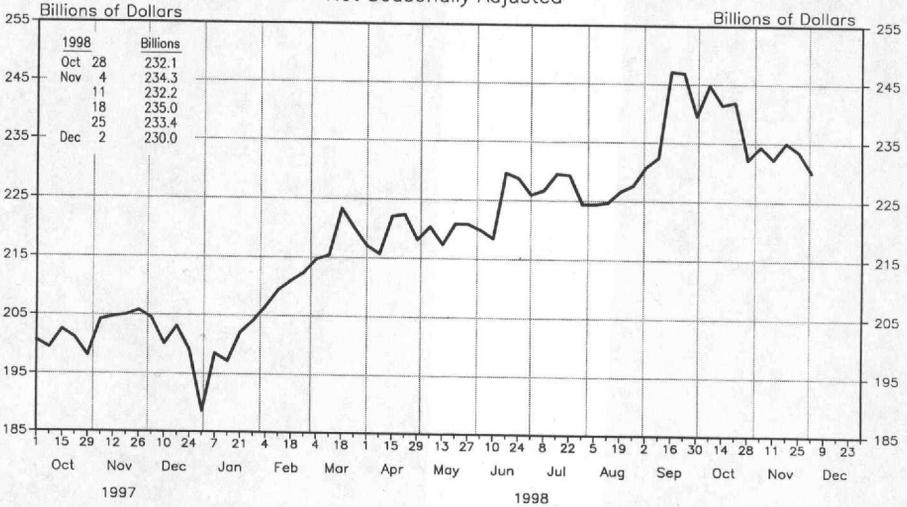
<sup>1/</sup> Includes foreign-related institutions

<sup>2/</sup> Includes loans and leases and securities

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# Commercial Paper of Nonfinancial Companies

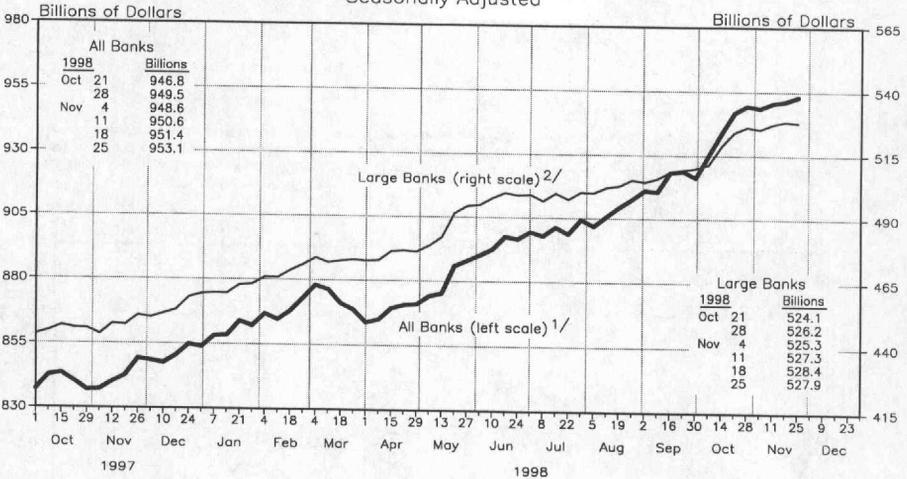
Not Seasonally Adjusted



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.

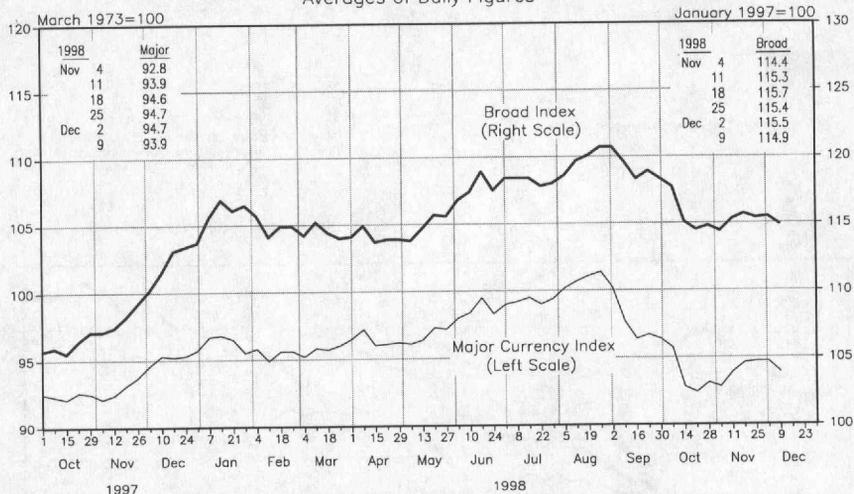
1/ Includes foreign-related institutions

2/ Weekly reporting, domestically chartered banks

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# Trade-Weighted Exchange Rate Indexes

Averages of Daily Figures



At present, the major currency index (MCI) is comprised of 16 currencies. The broad index is comprised of the major currency index plus 19 additional currencies. After Jan. 1, 1999, when Stage III of EMU begins, the euro will replace the 10 euro-area currencies in the MCI. See the October 1998 issue of the *Federal Reserve Bulletin* for further details.

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