

FEDERAL RESERVE statistical release



H.9 (511)

For Immediate Release

WEEKLY SUMMARY OF BANKING AND CREDIT MEASURES

September 4, 1981

Averages of daily figures

	Levels				Percent change ^a		
	Week ended		4 weeks ended		Average of 4 weeks ended September 2, 1981 from 4 weeks averages		
	Sept. 2	August 26	Sept. 2	August 5	13 weeks previous	26 weeks previous	52 weeks previous
	Millions of dollars, seasonally adjusted				Seasonally adjusted annual rates		
Reserve aggregates¹							
Total reserves ²	41,762	42,145	41,667	41,120			
Nonborrowed reserves	40,314	40,419	40,202	39,590			
Nonborrowed reserves plus extended credit ³	40,505	40,574	40,303	39,590			
Required reserves	41,497	41,983	41,425	40,798			
Monetary base ⁴	166,014	166,520	165,900	165,148			
Reserve aggregates (adjusted)⁵							
Total reserves	41,011	41,397	40,989	40,607	6.7	6.7	7.5 (6.0)
Nonborrowed reserves	39,563	39,671	39,513	39,077	14.1	6.1	5.5 (4.0)
Nonborrowed reserves plus extended credit	39,754	39,826	39,614	39,077	15.1	6.6	5.1 (3.6)
Required reserves	40,746	41,235	40,737	40,285	6.7	6.7	7.5 (6.0)
Monetary base	165,949	166,467	165,900	165,300	5.6	6.6	7.2 (6.8)
	Week ended		4 weeks ended		Average of 4 weeks ended August 26, 1981 from 4 weeks averages		
	August 26p	August 19p	August 26p	July 29p	13 weeks previous	26 weeks previous	52 weeks previous
	Billions of dollars, seasonally adjusted				Seasonally adjusted annual rates		
Monetary aggregates							
M1-A (Currency plus demand deposits)	361.3	360.3	362.3	361.3	-3.9	-2.7	-5.4
M1-B (M1-A plus other checkable deposits)	432.1	430.6	432.7	430.1	0.3	5.8	6.4
	Week ended		4 weeks ended				
	Sept. 2	August 26	Sept. 2	August 5			
	Not seasonally adjusted						
Other reserve measures and interest rates							
Discount Window borrowing (\$ mil.)	1448	1726	1476	1530			
Includes: seasonal borrowings of	246	246	237	243			
extended credit of	191	155	101	0			
Federal funds rate	16.89	17.41	17.70	18.65			
3-month Treasury bill rate	15.57	15.70	15.53	15.09			
90 day dealer placed commercial paper ⁶	16.97	17.22	17.20	17.12			
3-month CD rate (secondary market)	17.77	18.07	17.94	17.87			
3-month Eurodollar rate	18.55	18.84	18.73	18.68			
U.S. Government bond rate ⁷	15.05	14.78	14.58	14.08			

1 Includes required reserves against deposits at member banks and Edge Act corporations and beginning November 13, 1980, at other depository institutions. Effective November 13, 1980 required reserves of member banks and Edge Act corporations were reduced about \$4.3 billion and required reserves of other depository institutions were increased about \$1.4 billion due to the implementation of the Monetary Control Act of 1980. Also in conjunction with the Monetary Control Act, required reserves of certain nonmember banks and foreign related institutions increased pursuant to the transitional phase-in program by approximately \$245 million effective on each of the following dates: February 18, 1981, May 20, 1981, and August 19, 1981.

2 Reserve balances with Federal Reserve Banks (which exclude required clearing balances) plus vault cash at institutions with required reserve balances plus vault cash equal to required reserves at other institutions.

3 Extended credit consists of borrowing at the discount window under the terms and conditions established for the extended credit program to help depository institutions deal with sustained liquidity pressures. Because there is not the same need to repay such borrowing promptly as there is with traditional short-term adjustment credit, the money market impact of extended credit is similar to that of nonborrowed reserves.

4 Includes reserve and required clearing balances at Federal Reserve Banks in the current week plus vault cash held two weeks earlier used to satisfy reserve requirements at all depository institutions plus currency outside the U.S. Treasury, Federal Reserve Banks, the vault of depository institutions, and surplus vault cash at depository institutions.

5 Reserve aggregates series have been adjusted to remove discontinuities associated with the implementation of the Monetary Control Act, marginal reserve requirements, the inclusion of Edge Act Corporation reserves, and other changes in Regulations D and K. Prior to February 18, 1981, reserve aggregates series have been adjusted historically to conform to the structure of reserve requirements currently in effect. Beginning February 18, the series have been adjusted to remove the effects of scheduled transitional changes in reserve requirements under the MCA.

6 On August 26, 1981 bank-related commercial paper outstanding was \$31,190 million.

7 Yield at 20-year constant maturity. Source: U.S. Treasury.

8 Growth of reserve measures reflect increases in required reserves, mostly in November 1980, associated with the reduction of weekend avoidance activities of a few large banks. The reduction of these activities led to essentially a one-time increase--currently estimated at \$550 to \$600 million--in the average level of required reserves that need to be held for a given level of deposits entering the money supply. This increase in required reserves raised reserve aggregates for technical reasons unrelated to monetary policy. Growth rates shown in parentheses reflect adjustment for this technical factor. No significant influence on money supply data has been identified as a result of this technical change.

NOTE: All percentage changes are at seasonally adjusted annual rates, not compounded.

p--Indicates preliminary data. Special caution should be taken in interpreting week-to-week changes in money supply data, which are often highly volatile and subject to revision in subsequent weeks and months.