

FEDERAL RESERVE statistical release



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For Immediate Release

October 16, 1981

WEEKLY SUMMARY OF BANKING AND CREDIT MEASURES

Averages of daily figures

	Levels				Percent change ⁸		
	Week ended		4 weeks ended		Average of 4 weeks ended October 14, 1981 from 4 weeks averages		
	Oct. 14p	Oct. 7p	Oct. 14p	Sept. 16p	13 weeks previous	26 weeks previous	52 weeks previous
	Millions of dollars, seasonally adjusted				Seasonally adjusted annual rates		
Reserve aggregates¹							
Total reserves ²	40,330	40,574	40,933	41,359			
Nonborrowed reserves	39,220	39,428	39,646	39,832			
Nonborrowed reserves plus extended credit ³	39,643	39,841	40,033	40,050			
Required reserves	40,228	40,357	40,677	41,077			
Monetary base ⁴	164,409	163,760	164,450	165,223			
Reserve aggregates (adjusted)⁵							
Total reserves	39,881	40,145	40,514	40,288	10.7	8.0	6.7 (5.2)
Nonborrowed reserves	38,771	38,999	39,226	38,761	16.7	7.3	7.5 (5.9)
Nonborrowed reserves plus extended credit	39,194	39,412	39,613	38,979	20.8	9.2	8.4 (6.8)
Required reserves	39,779	39,928	40,258	40,006	10.9	7.8	6.8 (5.2)
Monetary base	163,896	163,265	163,967	163,759	4.5	5.3	5.7 (5.4)
	Billions of dollars, seasonally adjusted				Average of 4 weeks ended October 7, 1981 from 4 weeks averages		
	Oct. 7p	Sept. 30p	Oct. 7p	Sept. 9p	13 weeks previous	26 weeks previous	52 weeks previous
Monetary aggregates					Seasonally adjusted annual rates		
M1-A (Currency plus demand deposits)	362.1	358.6	360.2	360.8	-2.3	-3.1	-7.1
M1-B (M1-A plus other checkable deposits)	435.1	429.5	432.5	432.1	2.3	2.2	4.6
	Not seasonally adjusted						
Other reserve measures and interest rates							
Discount Window Borrowing (\$ mil.)	1110	1146	1288	1527			
Includes: seasonal borrowings of extended credit of	158	156	194	229			
Federal funds rate	423	413	387	217			
3-month Treasury bill rate	14.93	15.46	15.18	16.72			
90 day dealer placed commercial paper ⁶	13.44	14.25	14.06	15.34			
3-month CD rate (secondary market)	14.67	15.44	15.25	16.86			
3-month Eurodollar rate	15.21	16.04	15.90	17.65			
U.S. Government bond rate ⁷	15.96	17.03	16.92	18.42			
	14.88	15.22	15.06	15.00			

1 Includes required reserves of member banks and Edge Act corporations and, beginning November 13, 1980, other depository institutions. Under the transitional phase-in program of the Monetary Control Act of 1980, the net changes in required reserves of depository institutions have been as follows: effective November 13, 1980, a reduction of \$2.8 billion; February 12, 1981, an increase of \$245 million; March 12, 1981, an increase of \$75 million; May 14, 1981, an increase of \$245 million; August 13, 1981, an increase of \$245 million; and September 3, 1981, a reduction of \$1.3 billion.

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 balances 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 vaults 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, the inclusion of Edge Act Corporation reserves, and other changes in Regulation D.

6 On October 7, 1981 bank-related commercial paper outstanding was \$31,322 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.