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May 3, 2002

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Supplemental Notes

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Supplemental Notes

The Domestic Nonfinancial Economy

Labor Market Developments

Although revised figures now indicate that employment was still contracting in March, rather than having turned up as indicated previously, the report for April shows some signs of improvement. Employment on private nonfarm payrolls posted a net gain of 41,000 in April; more industries added jobs last month than cut them, with the one-month diffusion index edging above 50 for the first time since March 2001. However, the average workweek declined a bit in April, leaving the index of aggregate hours of production or nonsupervisory workers just below the first-quarter average.

Employment in the help-supply industry rose 66,000 in April, the second month in a row in which this industry has posted such a large gain. The strength of the help-supply industry is closely linked to demand for workers in the manufacturing sector to which it provides many workers. The job loss in manufacturing slowed further in April; the decline of only 19,000 was the smallest since the fall of 2000. Within manufacturing, fabricated metals and industrial machinery—two of the industries hardest hit in this downturn—reported their first solid gains in more than a year; employment in the electrical equipment industry was unchanged, after having declined in each month since December 2000. Transportation equipment, however, lost another 10,000 jobs, in part because of continued cutbacks in the aircraft industry.

Elsewhere in the economy, services industries excluding help-supply added jobs for the second month in a row. The rise reflected a noticeable gain in engineering and management services and a further rise in employment in health services; these increases were offset in part by another drop in jobs in amusement and recreation services as firms appeared to cut back their usual spring hiring. Other industries increasing their payrolls included retail trade (23,000), led by increases in eating and drinking establishments, and finance, insurance, and real estate (18,000). On the downside, the construction industry posted its second large monthly decline (-79,000 on a seasonally adjusted basis) as hiring once again fell short of the seasonal norm. Losses were widespread, but were particularly large in special trade contractors, which shed 61,000 jobs.

The average workweek of production or nonsupervisory workers on nonfarm payrolls ticked down 0.1 hour in April to 34.1 hours. However, the manufacturing workweek held steady at 41.0 hours, and factory overtime edged up further. Aggregate hours of production or nonsupervisory workers fell 0.2 percent in April, leaving the level of aggregate hours a shade below percent below the average last quarter.

CHANGES IN EMPLOYMENT

(Thousands of employees; based on seasonally adjusted data)

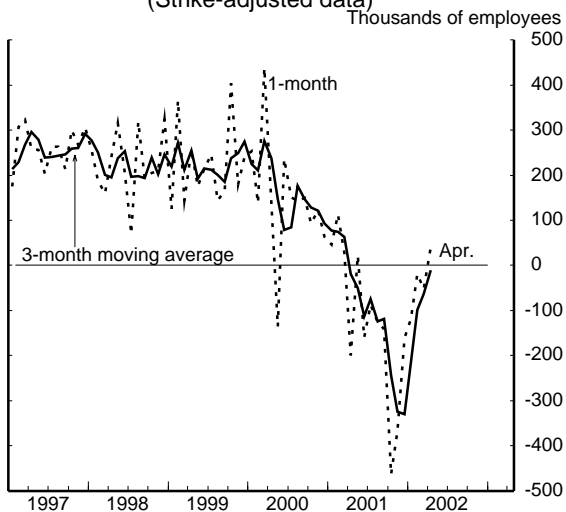
	2000	2001	2001 Q4	2002 Q1	Feb.	2002 Mar.	Apr.
--Average monthly change--							
Nonfarm payroll employment ¹	167	-87	-303	-45	-4	-21	43
<i>Previous</i>	167	-87	-303	-18	-2	58	
Private	149	-124	-330	-64	-19	-55	41
Mining	1	1	-2	-3	-5	-4	7
Manufacturing	-12	-109	-136	-69	-54	-38	-19
Construction	18	5	-7	-25	28	-41	-79
Transportation and utilities	14	-16	-52	-11	-3	-14	5
Retail trade	26	-3	-57	29	58	-14	23
Wholesale trade	8	-11	-17	-9	-16	-6	-1
Finance, insurance, real estate	0	4	-0	-5	-12	-10	18
Services	93	5	-59	31	-15	72	87
Help supply services	-2	-43	-71	19	10	60	66
Total government	18	37	27	19	15	34	2
Total employment (household survey)	115	-153	-316	-54	851	-425	82
Nonagricultural	119	-154	-338	-14	878	-305	55
Memo:							
Aggregate hours of private production workers (percent change) ^{1,2}	1.1	-1.8	-3.8	-0.5	0.1	0.1	-0.2
Average workweek (hours) ¹	34.4	34.2	34.1	34.1	34.1	34.2	34.1
Manufacturing (hours)	41.6	40.7	40.5	40.8	40.7	41.0	41.0

Note. Average change from final month of preceding period to final month of period indicated.

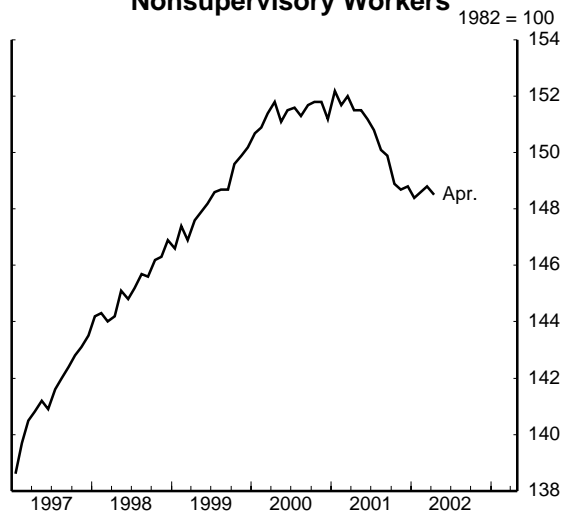
1. Survey of establishments.

2. Annual data are percent changes from Q4 to Q4. Quarterly data are percent changes from preceding quarter at an annual rate. Monthly data are percent changes from preceding month.

Private Payroll Employment Growth
(Strike-adjusted data)



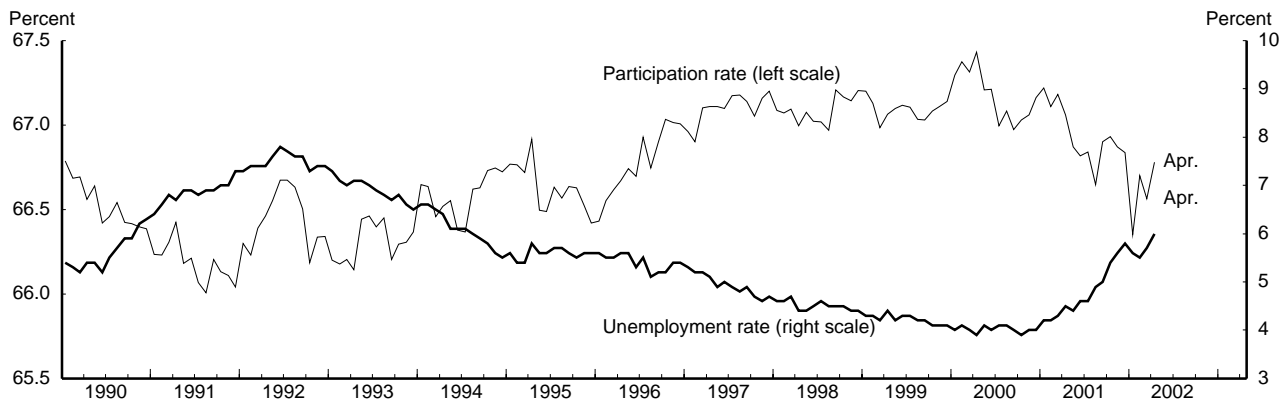
Aggregate Hours of Production or Nonsupervisory Workers



SELECTED UNEMPLOYMENT AND LABOR FORCE PARTICIPATION RATES
(Percent; based on seasonally adjusted data, as published)

	2000	2001	2001 Q4	2002 Q1	Feb.	2002 Mar.	Apr.
Civilian unemployment rate (16 years and older)	4.0	4.8	5.6	5.6	5.5	5.7	6.0
Teenagers	13.0	14.7	15.8	16.0	15.6	16.4	16.8
20-24 years old	7.1	8.3	9.5	9.8	9.5	10.3	10.0
Men, 25 years and older	2.8	3.6	4.4	4.5	4.4	4.5	4.8
Women, 25 years and older	3.2	3.7	4.4	4.4	4.6	4.4	5.0
Labor force participation rate	67.2	66.9	66.9	66.5	66.7	66.6	66.8
Teenagers	52.2	49.9	49.1	48.2	47.8	48.9	47.7
20-24 years old	77.9	77.2	76.9	76.3	76.6	76.4	76.2
Men, 25 years and older	76.0	75.9	75.9	75.6	75.7	75.6	75.9
Women, 25 years and older	59.7	59.7	59.6	59.6	59.8	59.5	59.9

Labor Force Participation Rate and Unemployment Rate



Job Losers Unemployed for Less Than 5 Weeks
(Percentage of household employment)



In the household survey, the unemployment rate rose 0.3 percentage point to 6.0 percent in April. The labor force participation rate moved up 0.2 percentage point to 66.8 percent in April. We believe that much of the increase in unemployment is the result of the federal Temporary Extended Unemployment Compensation program (TEUC). Our view is that the program likely spurred some workers to return to the labor force to renew their claims for benefits and reduced the incentives for others to leave the jobless rolls. Job losers unemployed less than five weeks as a percent of household employment—an indicator of the layoff rate—declined in again April.

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls edged up 0.1 percent in April. Over the twelve months ended in April, average hourly earnings increased 3.4 percent, nearly a percentage point less than the 4.3 percent rise in the previous twelve months.

Sales of Light Motor Vehicles

Sales of light motor vehicles rose in April to an annual rate of 17.1 million units—a stepup of almost 400,000 units from the March sales pace. Most of the over-the-month increase (300,000 units) was the result of higher fleet sales at General Motors; the company’s retail sales were flat last month.¹ Sales at Ford edged up while sales at DaimlerChrysler ticked down. Among the major Japanese firms, sales firmed a little at Toyota and Honda, but sales at Nissan fell back to about its recent average rate after having run up the month before.

Data from J.D. Power and confidential data from GM indicate that the overall level of incentives is currently at least as high as in October, and industry contacts report that there “has been no let up” in competitive pricing pressures. Despite the improvement in its sales last month, GM’s share of industry sales was still a bit below the company’s target of 30 percent, and Ford’s share was 2 percentage points below its average in the first half of 2001. Because these shares are probably below levels acceptable to company executives, incentives may remain high in the near term. Indeed, GM and Ford introduced new incentive packages to replace those that expired at the beginning of May.

Manufacturers’ Inventories

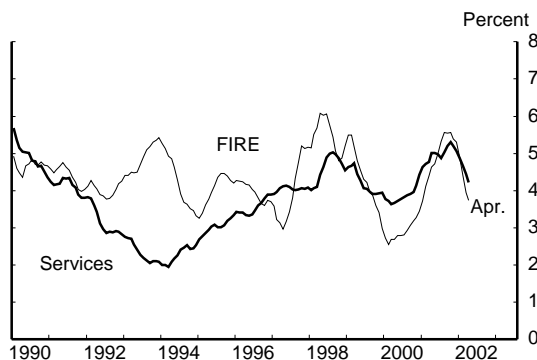
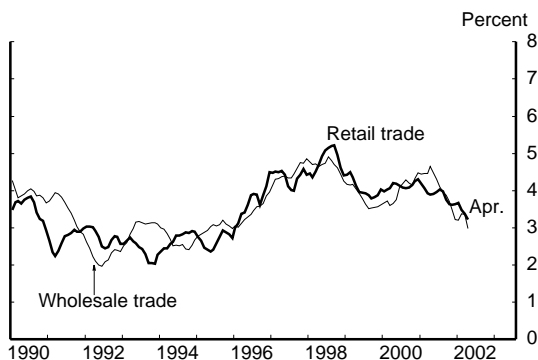
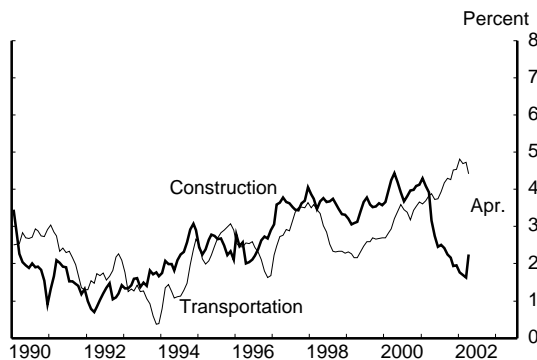
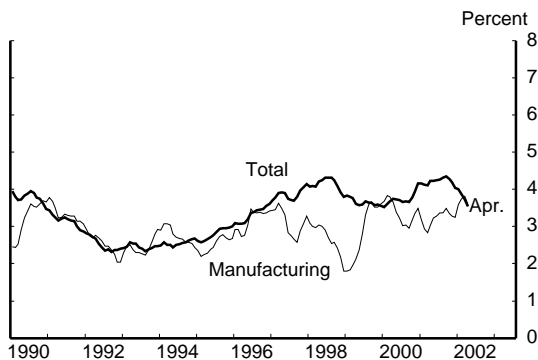
The book value of manufacturers’ inventories decreased at an annual rate of \$33 billion in March, following a \$27.6 billion liquidation in February. Shipments increased 0.7 percent in March, and the manufacturing inventory-shipments ratio declined to 1.36 months from 1.38 months. For the first

1. Information on the retail-fleet composition of sales is confidential.

AVERAGE HOURLY EARNINGS
(Percent change; based on seasonally adjusted data)

	12-month percent change			Percent change to Apr. 2002 from month indicated		Percent change	
	Apr. 2000	Apr. 2001	Apr. 2002	Oct. 2001	Jan. 2002	Mar. 2002	Apr. 2002
	- - - - - Annual rate - - - - -			- Monthly rate -			
Total private nonfarm	3.7	4.3	3.4	3.1	2.8	0.3	0.1
Manufacturing	3.4	3.2	3.3	3.2	2.4	0.1	0.1
ex overtime	3.1	4.1	3.0	2.1	1.1	-0.1	0.1
Construction	4.5	2.1	3.3	4.1	4.6	0.6	0.3
Transportation and public utilities	3.4	3.8	4.2	4.1	2.1	0.2	0.1
Finance, insurance, and real estate	2.7	4.6	3.7	2.1	2.8	0.4	0.1
Retail trade	4.2	3.7	3.2	2.8	2.4	0.2	0.2
Wholesale trade	3.9	4.5	2.2	2.5	1.0	0.1	-0.5
Services	3.7	5.2	4.0	3.4	3.8	0.3	0.3

Average Hourly Earnings
(3-month moving average of 12-month change)



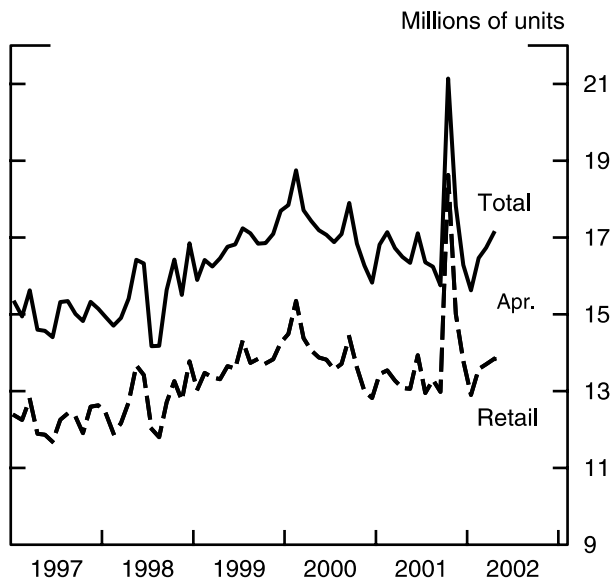
SALES OF AUTOMOBILES AND LIGHT TRUCKS
(Millions of units at an annual rate, FRB seasonals)

	2000	2001	2001	2002	2002		
			Q4	Q1	Feb.	Mar.	Apr.
Total	17.2	17.0	18.4	16.3	16.5	16.7	17.1
Autos	8.8	8.4	8.7	7.9	7.9	8.3	8.6
Light trucks	8.4	8.6	9.7	8.3	8.6	8.4	8.5
North American¹	14.4	13.9	15.0	12.9	13.2	13.4	13.7
Autos	6.8	6.3	6.4	5.7	5.6	6.0	6.3
Light trucks	7.5	7.6	8.6	7.3	7.6	7.3	7.4
Foreign-produced	2.9	3.1	3.4	3.3	3.3	3.4	3.4
Autos	2.0	2.1	2.3	2.3	2.3	2.3	2.3
Light trucks	.8	1.0	1.1	1.1	1.0	1.1	1.1

Note. Components may not sum to totals because of rounding. Data on sales of trucks and imported autos for the most recent month are preliminary and subject to revision.

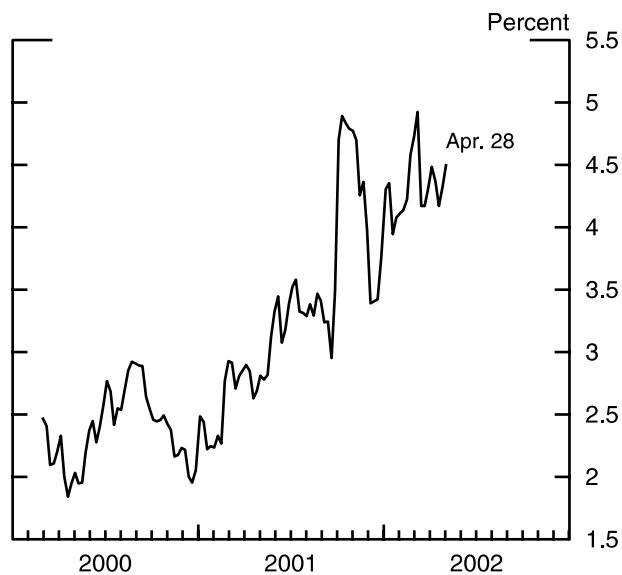
1. Excludes some vehicles produced in Canada that are classified as imports by the industry.

Sales of Light Vehicles
(Annual rate; FRB seasonals)



Note. Staff estimates based on confidential data.

Total Value of Incentives as a Share of Average Vehicle Price before Incentives



Source. J.D. Power and Associates.

quarter as a whole, manufacturers' inventories fell at a \$33.7 billion rate, after having declined at a \$51.8 billion rate in the fourth quarter.²

Stocks held by manufacturers of durable goods declined in most categories in March. Aircraft manufacturers recorded an extraordinary drawdown (\$22.5 billion), and sizable liquidations continued at manufacturers of computer and electronic products, primary metals, machinery, and electrical equipment. For the durable goods category as a whole, shipments were unchanged and the stock-to-shipments ratio declined to 1.56 months, toward the low end of readings in the last year. Nevertheless, the stock-to-shipments ratio remains above trend at manufacturers of electrical equipment.

At producers of nondurables, inventory declines were widespread and generally small. Shipments of nondurable goods increased 1.6 percent, and the stock-to-shipments ratio declined to 1.12 months. Nonetheless, inventory-shipments ratios remained somewhat elevated for manufacturers of chemicals, beverage and tobacco, and leather and allied products.

Revised data on orders and shipments of nondefense capital goods in March, which were released with report on manufacturers' inventories, are summarized in updated versions of the table and chart that appeared on pages II-24 and II-25 of *Greenbook, Part 2*.

House Prices

Attached is an updated version of the chart on real house prices, which appeared on page II-22 of *Greenbook, Part 2*. It includes new data for the year-over-year change in the index of repeat-sales prices of existing homes through 2001:Q1; these data are confidential until they are publicly released on June 3.

The Domestic Financial Economy

Attached is a corrected version of the table, which appeared on page III-9 of *Greenbook, Part 2*, summarizing data on net flows into long-term mutual funds.

2. The decline in manufacturers' inventories in March was about \$13 billion less than the liquidation that the BEA assumed for the advance GDP release. However, the downward revision to February inventories implies only a small upward revision for the first quarter as a whole.

Change in Manufacturing Inventories
(book value, billions of dollars at annual rate)

Sector	2001			2002	2001	2002		
	Q2	Q3	Q4	Q1	Dec.	Jan.	Feb.	Mar.
Total manufacturing	-34.3	-42.5	-51.8	-33.7	-48.2	-40.6	-27.6	-33.0
Excl. aircraft	-32.7	-44.1	-53.7	-25.0	-57.1	-38.5	-25.9	-10.5
Durable goods	-25.1	-32.7	-35.2	-27.5	-34.3	-29.6	-21.5	-31.6
Lumber and wood prod.	.3	-1.1	-2.5	1.6	-2.7	2.1	.6	2.1
Nonmetallic minerals	-.4	-1.0	-1.7	-1.1	-2.3	-2.0	-.9	-.3
Primary metals	-3.8	-2.9	-2.5	-3.8	-3.1	-5.0	-3.1	-3.4
Fabricated metals	-3.9	-2.1	-5.2	-1.9	-6.6	-2.6	-3.0	-.1
Machinery	-3.0	-3.8	-6.0	-3.2	-6.0	-5.8	-2.7	-1.1
Computer and electronic prod.	-8.7	-16.0	-12.5	-5.3	-18.8	-3.0	-8.5	-4.3
Electrical equip.	-2.4	-1.9	-1.4	-1.4	-2.1	-1.6	-1.2	-1.4
Transportation equip.	-1.8	-1.6	-.6	-11.5	9.5	-9.3	-2.0	-23.3
Motor vehicles	-.6	-2.5	-4.3	-1.5	-2.6	-3.7	-2.1	1.3
Aircraft	-1.6	1.6	1.9	-8.7	8.9	-2.0	-1.6	-22.5
Furniture	-1.1	-1.5	-2.2	-.6	-3.3	-1.0	-.8	.0
Other durables	-.3	-.9	-.4	-.4	1.0	-1.5	.2	.3
Nondurable goods	-9.2	-9.8	-16.6	-6.2	-13.9	-11.0	-6.1	-1.4
Food	2.1	-.9	.0	-.7	-.2	1.0	-1.2	-2.0
Beverage and tobacco	.4	.3	-.1	.5	1.5	.0	-.7	2.1
Textiles	-.7	-.8	-1.5	-1.3	-1.8	-2.6	-.6	-.8
Textile products	-.9	-.5	-.3	-.4	-.3	-.5	-.5	-.3
Apparel	-.8	-2.2	-2.9	-2.0	-3.6	-2.4	-2.1	-1.5
Leather and allied prod.	-.3	.0	-.4	-.3	-.6	-.3	-.4	-.3
Paper products	-1.1	-.5	.0	-.6	-1.2	-1.1	-.6	.0
Printing	-.9	-1.0	-1.0	-1.2	-.9	.3	-2.9	-1.0
Chemicals	-4.0	-1.5	-4.3	-1.2	-3.8	-.6	-.3	-2.7
Petroleum and coal	-.5	-1.5	-4.0	1.4	.0	-3.6	3.3	4.5
Rubber and plastics	-2.5	-1.3	-2.2	-.3	-3.1	-1.3	-.2	.7
<i>Stage of Processing</i>								
Materials and supplies	-18.5	-21.3	-19.0	-7.1	-30.6	-15.1	-5.0	-1.2
Work in process	-12.1	-3.9	-16.6	-16.0	-6.8	-2.7	-9.6	-35.8
Finished goods	-3.7	-17.3	-16.2	-10.6	-10.8	-22.7	-13.0	4.0

Manufacturers' Inventory-Shipments Ratios

Sector	2001			2002	2001	2002		
	Q2	Q3	Q4	Q1	Dec.	Jan.	Feb.	Mar.
Total manufacturing	1.39	1.39	1.37	1.35	1.37	1.35	1.38	1.36
Excl. aircraft	1.31	1.31	1.28	1.27	1.29	1.26	1.29	1.28
Durable goods	1.61	1.61	1.58	1.54	1.58	1.54	1.57	1.56
Lumber and wood prod.	1.41	1.36	1.30	1.35	1.31	1.31	1.34	1.36
Nonmetallic minerals	1.32	1.31	1.27	1.23	1.27	1.22	1.25	1.23
Primary metals	1.76	1.73	1.76	1.68	1.81	1.70	1.76	1.67
Fabricated metals	1.69	1.67	1.62	1.61	1.63	1.60	1.63	1.62
Machinery	2.06	2.09	2.12	2.05	2.18	2.05	2.04	2.07
Computer and electronic prod.	1.61	1.64	1.53	1.50	1.49	1.51	1.53	1.52
Electrical equip.	1.39	1.46	1.48	1.50	1.48	1.51	1.54	1.50
Transportation equip.	1.42	1.42	1.39	1.33	1.36	1.32	1.38	1.35
Motor vehicles	.59	.58	.55	.53	.54	.50	.53	.55
Aircraft	3.84	3.77	3.80	3.63	3.78	3.96	3.78	3.52
Furniture	1.42	1.39	1.33	1.31	1.34	1.29	1.33	1.33
Other durables	1.89	1.86	1.89	1.86	1.90	1.85	1.86	1.85
Nondurable goods	1.12	1.12	1.12	1.12	1.13	1.12	1.14	1.12
Food	.78	.77	.77	.77	.77	.76	.77	.77
Beverage and tobacco	1.42	1.41	1.41	1.48	1.40	1.43	1.52	1.48
Textiles	1.68	1.68	1.66	1.60	1.69	1.64	1.61	1.61
Textile products	1.68	1.60	1.56	1.52	1.57	1.58	1.50	1.50
Apparel	1.93	1.91	1.74	1.67	1.70	1.70	1.71	1.68
Leather and allied prod.	1.96	2.11	2.01	2.09	2.06	2.13	2.11	2.16
Paper products	1.18	1.20	1.23	1.26	1.26	1.23	1.29	1.26
Printing	.76	.75	.73	.71	.74	.74	.73	.70
Chemicals	1.43	1.46	1.45	1.48	1.47	1.46	1.51	1.50
Petroleum and coal	.68	.70	.72	.73	.72	.70	.74	.70
Rubber and plastics	1.22	1.18	1.16	1.15	1.16	1.13	1.16	1.16
Memo: Manufacturing shipments (billions of dollars)	333.9	326.3	320.9	319.2	320.9	324.5	315.2	317.5

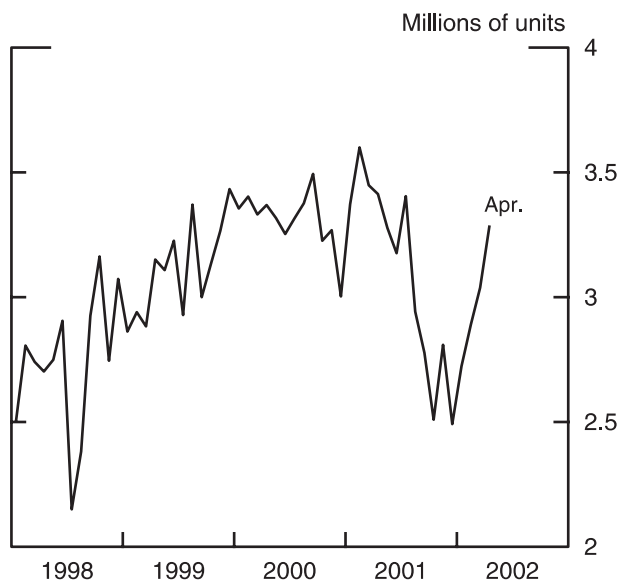
EQUIPMENT AND SOFTWARE SPENDING INDICATORS
 (Percent change from preceding comparable period;
 based on seasonally adjusted data, in current dollars)

	2001		2002	2002		
	Q3	Q4	Q1	Jan.	Feb.	Mar.
Shipments of nondefense capital goods	-6.7	-2.6	-.4	.3	-1.2	-.1
Excluding aircraft	-7.1	-3.4	.2	1.9	-1.6	-.8
Computers and peripherals	-15.4	1.6	-1.8	1.5	-4.7	-3.8
Communications equipment	-11.9	-8.9	-3.5	-3.0	-.4	-4.4
All other categories	-4.6	-3.5	1.1	2.6	-1.1	.3
Shipments of complete aircraft	8.8	-1.2	n.a.	-.6	6.9	n.a.
Medium & heavy truck sales (units)	-6.2	9.6	-1.9	-4.4	2.0	-1.4
Orders for nondefense capital goods	-10.6	-1.9	.8	-1.8	4.6	-3.0
Excluding aircraft	-8.6	-.7	-.3	.7	.9	-3.6
Computers and peripherals	-19.4	8.5	-.9	4.5	-3.6	-4.1
Communications equipment	-16.6	4.3	3.5	12.2	.9	-16.9
All other categories	-5.3	-2.9	-.7	-1.5	1.8	-1.6

n.a. Not available.

Fleet Sales of Light Vehicles

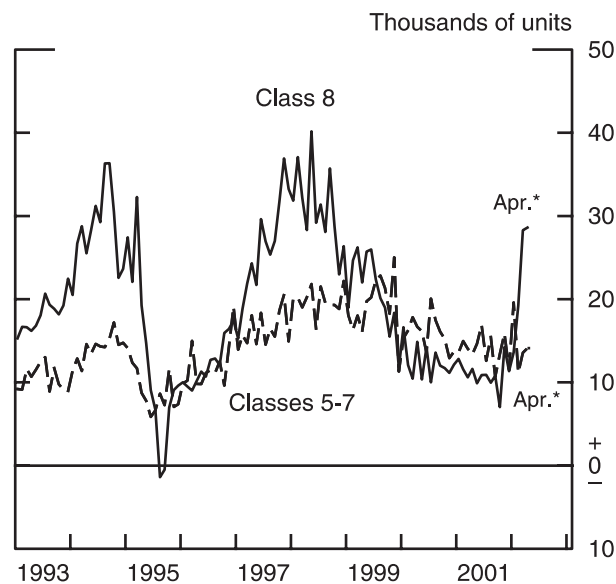
(Annual rate; FRB seasonals)



Note. Staff estimates based on confidential data.

Net New Orders of Trucks

(FRB seasonals)

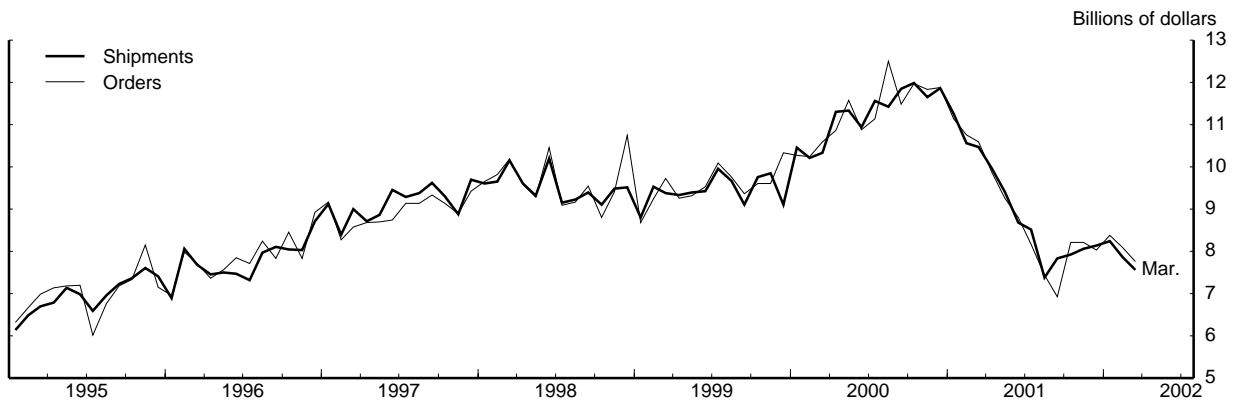


Note. Net orders are orders less cancellations.

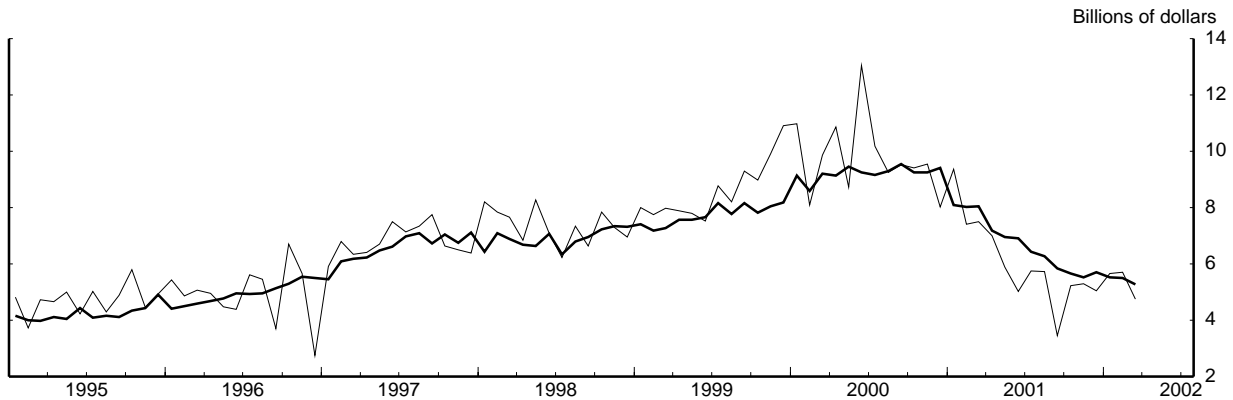
Note. Act Research. Staff estimates.

Recent Data on Orders and Shipments

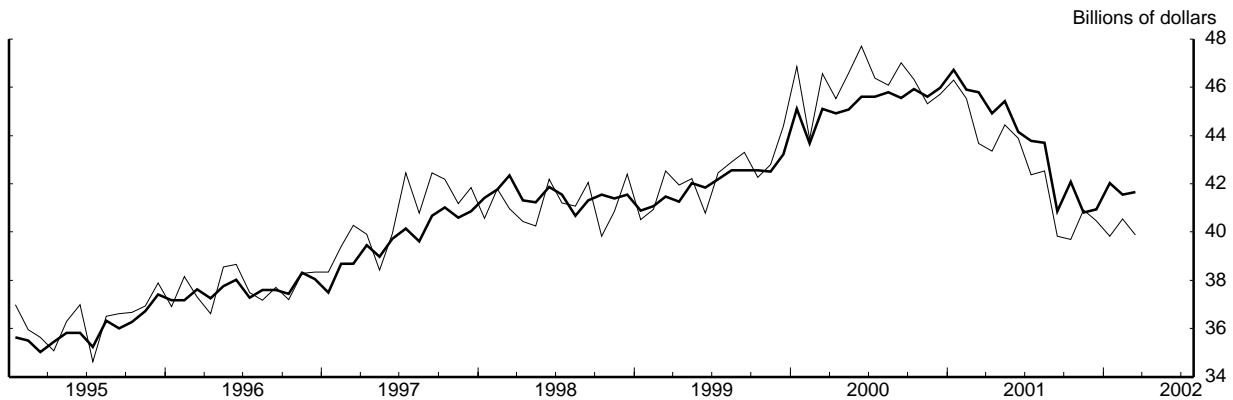
Computers and Peripherals



Communications Equipment

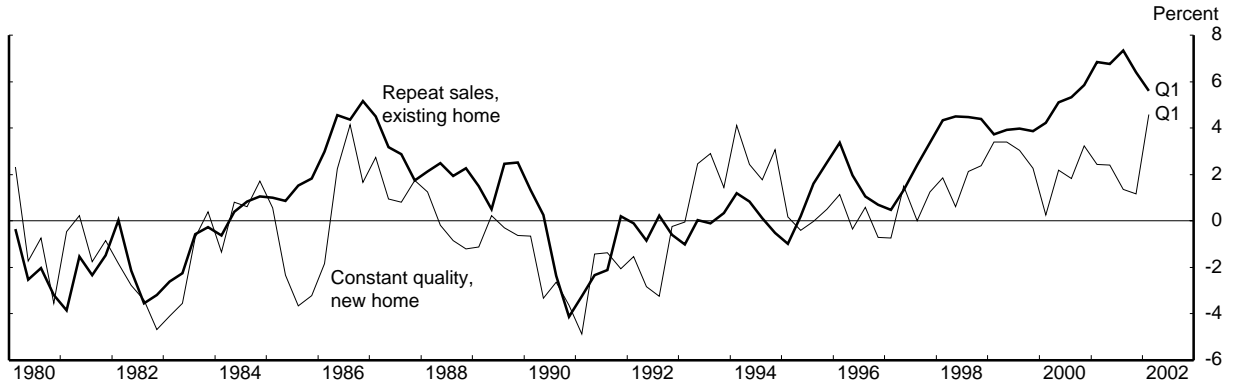


Other Equipment (Total Ex. Transportation, Computers, Communications)

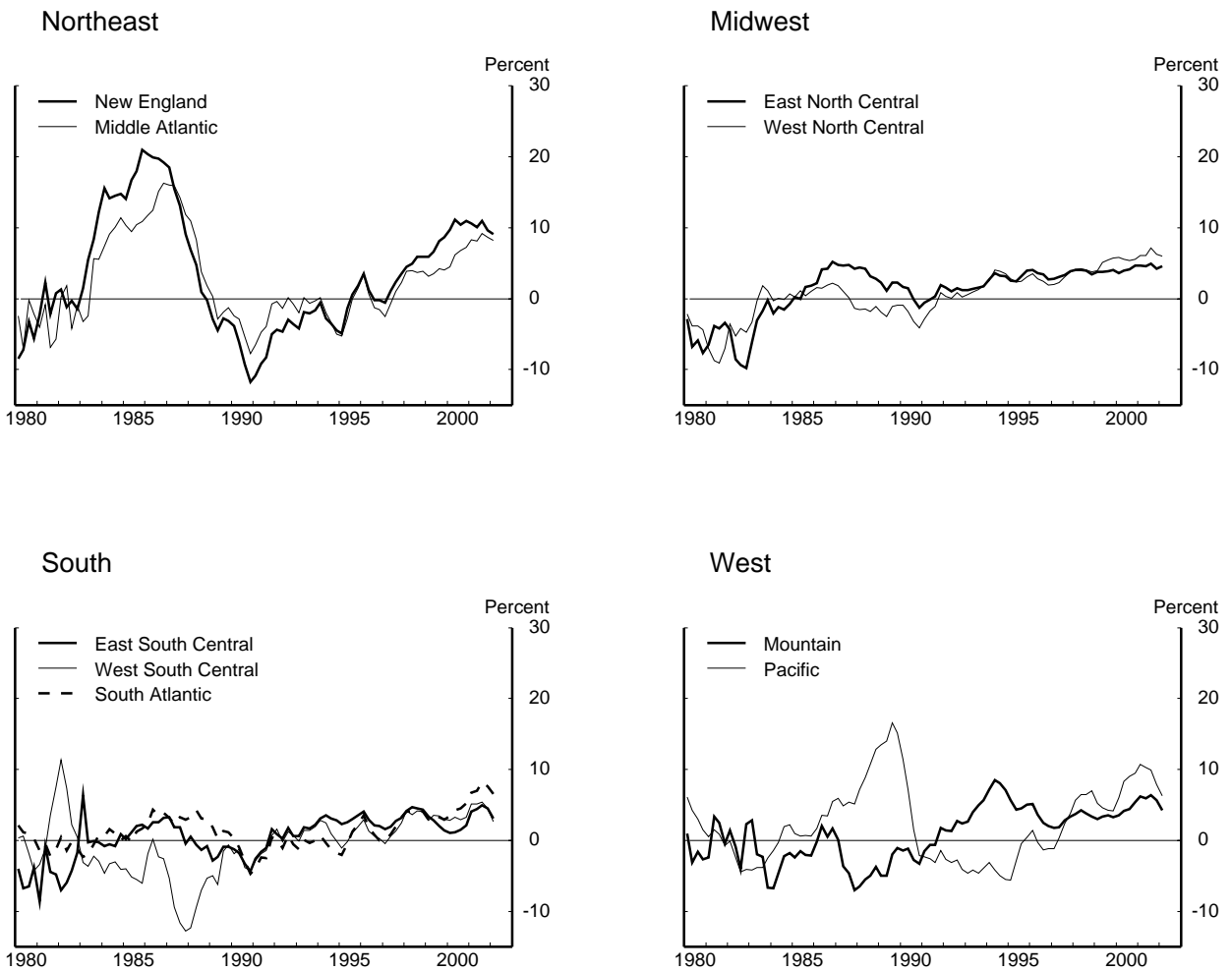


Real House Price Indexes*

(Percent change from year earlier; prices adjusted by PCE deflator)



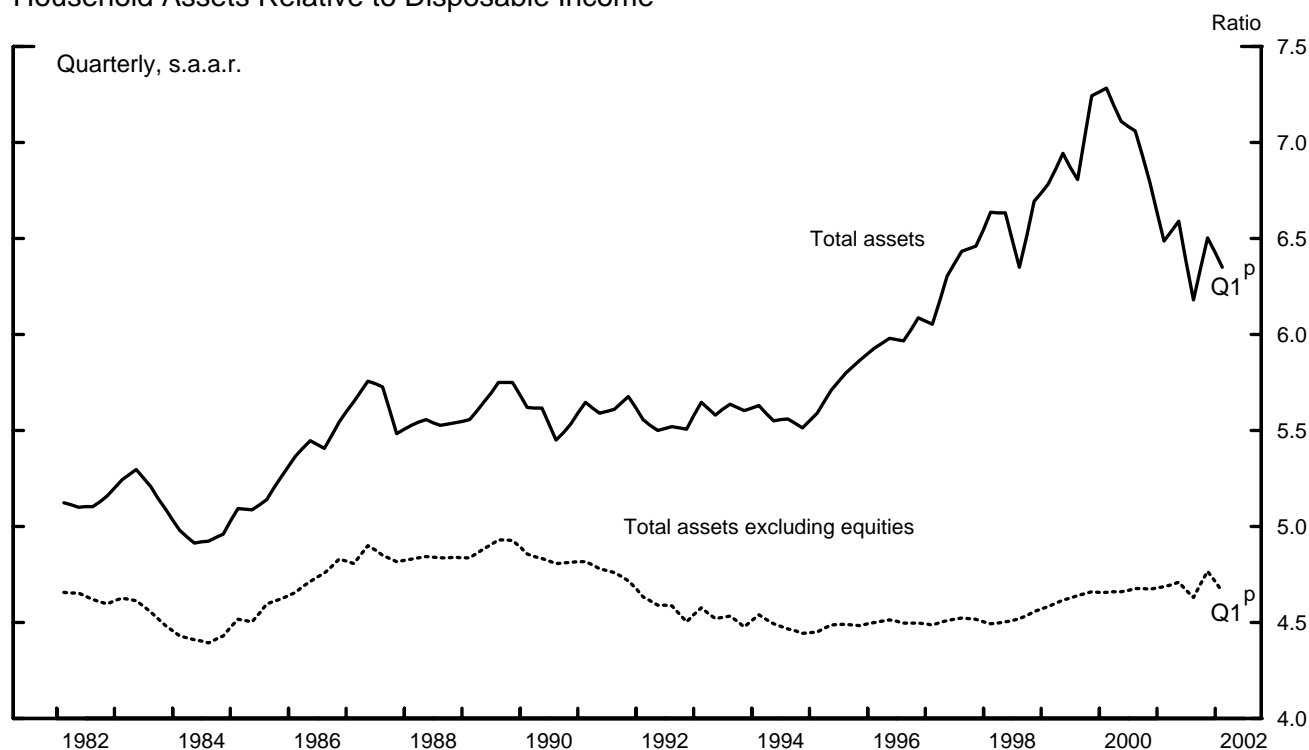
Repeat Sales, Real Prices by Region*



* The repeat sales price indexes are confidential until publicly released on June 3rd.

Household Assets

Household Assets Relative to Disposable Income



p. Staff projection.

Net Flows into Long-Term Mutual Funds (Excluding reinvested dividends; billions of dollars, monthly rates)

	2000		2001		2002			Assets Mar.
	H1	H2	H1	H2	Q1	Mar.	Apr. ^e	
Total long-term funds	23.8	13.1	15.2	6.5	30.6	39.5	22.4	4,817
Equity funds	34.4	15.9	8.3	-2.7	18.7	29.3	11.1	3,499
Domestic	26.7	15.7	9.2	0.1	17.3	26.4	11.8	3,056
Capital appreciation	34.4	16.7	5.3	-2.2	9.6	15.4	4.6	1,820
Total return	-7.6	-0.9	3.9	2.2	7.8	11.0	7.2	1,236
International	7.7	0.2	-0.8	-2.7	1.3	2.9	-0.7	443
Hybrid funds	-4.0	-1.3	1.0	0.5	2.7	3.4	2.7	359
Bond funds	-6.6	-1.5	5.9	8.7	9.3	6.8	8.5	959
International	-0.2	-0.2	0.0	-0.2	-0.0	-0.1	0.1	19
High-yield	-1.1	-0.9	0.9	0.3	1.8	3.7	1.8	100
Other taxable	-2.8	-0.3	4.2	7.4	6.3	3.4	5.9	540
Municipals	-2.5	-0.0	0.8	1.1	1.2	-0.1	0.7	299

e. Staff estimates based on confidential ICI weekly data. Source: Investment Company Institute (ICI).

Commercial Bank Credit

(Percent change, annual rate, except as noted; seasonally adjusted)

Type of credit	2001	Q4 2001	Q1 2002	Feb. 2002	Mar. 2002	Apr. ^p 2002	Level, Apr. 2002 ^p (\$ billions)
Total							
1. Adjusted ¹	4.3	4.4	.8	.6	.8	5.5	5,324
2. Reported	5.1	5.2	-1.0	.3	-2.4	4.1	5,445
<i>Securities</i>							
3. Adjusted ¹	9.9	15.3	7.9	-5.2	10.2	18.3	1,375
4. Reported	12.4	17.1	.4	-5.7	-2.4	12.3	1,497
5. Treasury & Agency	3.8	27.8	.8	-11.7	24.5	29.5	849
6. Other ²	25.1	4.6	-2	2.0	-35.2	-9.6	647
<i>Loans³</i>							
7. Total	2.6	.9	-1.5	2.6	-2.3	1.1	3,949
8. Business	-3.8	-8.6	-5.2	9.0	-2.3	-11.5	1,021
9. Real estate	7.1	11.7	3.3	3.8	-1.9	1.3	1,788
10. Home equity	18.4	31.1	26.7	25.2	39.6	31.1	170
11. Other	6.2	10.0	1.1	1.7	-6.0	-1.8	1,617
12. Consumer	4.2	3.1	4.0	5.6	-4.5	10.3	567
13. Adjusted ⁴	7.6	6.4	4.6	-1.1	-.9	2.9	912
14. Other ⁵	.1	-15.0	-14.7	-15.4	-1.5	14.4	574

Note. All data are adjusted for breaks caused by reclassifications. Monthly levels are pro rata averages of weekly (Wednesday) levels. Quarterly levels (not shown) are simple averages of monthly levels. Annual levels (not shown) are levels for the fourth quarter. Growth rates are percentage changes in consecutive levels, annualized but not compounded.

1. Adjusted to remove effects of mark-to-market accounting rules (FIN 39 and FIN 115).

2. Includes private mortgage-backed securities, securities of corporations, state and local governments, and foreign governments and any trading account assets that are not Treasury or Agency securities, including revaluation gains on derivative contracts.

3. Excludes interbank loans.

4. Includes an estimate of outstanding loans securitized by commercial banks.

5. Includes security loans and loans to farmers, state and local governments, and all others not elsewhere classified. Also includes lease financing receivables.

p Preliminary.

III-T-1
Selected Financial Market Quotations
(One-day quotes in percent except as noted)

Instrument	2000	2001	2002	2002	Change to May 2 from selected dates (percentage points)		
	June 26	Sept. 10	Mar. 18	May 2	2000 June 26	2001 Sept. 10	2002 Mar. 18
<i>Short-term</i>							
FOMC intended federal funds rate	6.50	3.50	1.75	1.75	-4.75	-1.75	.00
Treasury bills ¹							
3-month	5.66	3.19	1.85	1.74	-3.92	-1.45	-.11
6-month	5.94	3.13	2.09	1.87	-4.07	-1.26	-.22
Commercial paper (A1/P1 rates)							
1-month	6.56	3.42	1.78	1.74	-4.82	-1.68	-.04
3-month	6.56	3.24	1.91	1.78	-4.78	-1.46	-.13
Large negotiable CDs ¹							
1-month	6.64	3.46	1.85	1.80	-4.84	-1.66	-.05
3-month	6.73	3.26	1.94	1.80	-4.93	-1.46	-.14
6-month	6.89	3.24	2.23	1.81	-5.08	-1.43	-.42
Eurodollar deposits ²							
1-month	6.63	3.41	1.85	1.79	-4.84	-1.62	-.06
3-month	6.69	3.26	1.93	1.82	-4.87	-1.44	-.11
Bank prime rate	9.50	6.50	4.75	4.75	-4.75	-1.75	.00
<i>Intermediate- and long-term</i>							
U.S. Treasury ³							
2-year	6.54	3.59	3.60	3.24	-3.30	-.35	-.36
10-year	6.35	5.14	5.63	5.38	-.97	.24	-.25
30-year	6.22	5.55	5.95	5.76	-.46	.21	-.19
U.S. Treasury 10-year indexed note	4.09	3.26	3.38	3.09	-1.00	-.17	-.29
Municipal revenue (Bond Buyer) ⁴	5.99	5.25	5.63	5.52	-.47	.27	-.11
Private instruments							
10-year swap	7.38	5.62	5.99	5.66	-1.72	.04	-.33
10-year FNMA	7.15	5.64	6.00	5.70	-1.45	.06	-.30
10-year AA ⁵	7.64	6.30	6.49	6.43	-1.21	.13	-.06
10-year BBB ⁵	8.40	7.11	7.64	7.52	-.88	.41	-.12
High yield ⁶	12.30	12.72	12.06	11.48	-.82	-1.24	-.58
Home mortgages (FHLMC survey rate) ⁷							
30-year fixed	8.14	6.89	7.08	6.88	-1.26	-.01	-.20
1-year adjustable	7.22	5.64	5.08	4.91	-2.31	-.73	-.17

Stock exchange index	Record high		2001	2002		Change to May 2 from selected dates (percent)		
	Level	Date	Sept. 10	Mar. 18	May 2	Record high	2001 Sept. 10	2002 Mar. 18
Dow-Jones Industrial	11,723	1-14-00	9,606	10,578	10,092	-13.91	5.06	-4.59
S&P 500 Composite	1,527	3-24-00	1,093	1,166	1,085	-29.00	-.73	-6.95
Nasdaq (OTC)	5,049	3-10-00	1,695	1,877	1,645	-67.42	-2.98	-12.37
Russell 2000	606	3-9-00	441	503	513	-15.30	16.48	2.10
Wilshire 5000	14,752	3-24-00	10,104	10,916	10,298	-30.19	1.92	-5.66

1. Secondary market.
2. Bid rates for Eurodollar deposits collected around 9:30 a.m. Eastern time.
3. Derived from a smoothed Treasury yield curve estimated using off-the-run securities.
4. Most recent Thursday quote.
5. Derived from smoothed corporate yield curves estimated using Merrill Lynch bond data.
6. Merrill Lynch Master II high-yield bond.
7. For week ending Friday previous to date shown.

NOTES:

June 26, 2000 is the day before the FOMC meeting that ended the most recent period of policy tightening.
September 10, 2001 is the day before the terrorist attacks.
March 18, 2002 is the day before the most recent FOMC meeting.